

2024/25 Budget

March 2024

Executive summary

**Operational cost
planned at £7.5m**

The budget before external investment items is anticipated to be £7.5m. This includes staff costs, overheads and advisory costs.

**Overall budget is
for inflow of £28m**

The budget for the fund as a whole sets out a surplus for 2024/25 – but this is highly dependent on the net level of transfers in vs transfers out and the investment returns received directly.

**Only direct
payments in
scope**

Budgetted items include direct investment returns and fees – not included are management fees paid out of investment holdings (captured as part of change in market value).

Operational budget



	Budget 2024/25
	£000
Admin staffing	2,800
Oversight/governance/change/investments	1,300
Total staff costs	4,100
Premises	230
IT	250
Legal, Procurement, Insurance	90
HR	80
Democratic Services, Internal Audit	20
BusOps, Treasury	20
Total recharged overheads	690
Computer Services	790
Other bank staff	110
S151 allocation	20
Travel	10
Training	100
Other	240
Non staff costs	1,270
Total SCC recharge	6,060
Advisors	590
Audit	90
Memberships and Benchmarking	240
Projects	500
Total direct other costs	1,420
Total	7,480

Staff costs include CRT

Staff costs comprise all Surrey Pension Team staff (including the Customer Relationship Team).

SCC recharge overheads

Overhead recharges for 2024/25 are headcount based and assumed to be in line with historical experience.

Non staff costs include Heywoods

Allocation made for computer services costs in relation to Altair system based on historic expenditure.

Training allowance made

Material allowance made for training due to renewed focus for Board and Committee.

Direct overheads include project costs

Additional allowance made for projects (including backlog remediation).

Staffing

Grade	Number					Total
	Admin	A&G	Investment	Change	SLT	
PS16	-	-	-	-	1	1
PS13	1	1	1	1	-	4
PS12	2	-	-	-	-	2
PS11	-	1	1	2	-	4
PS10	6	4	-	1	-	11
PS09	-	-	-	1	1	2
PS08	8	3	-	1	-	12
PS07	11	-	-	-	-	11
PS06	25	1	-	1	-	27
PS05	14	-	-	-	-	14
	67	10	2	7	2	88

**Staffing
scheduled by
grade**

The grid shows FTEs by service area. Heads of Service have been allocated to the relevant service.

**Budget assumes
2024/25 pay rates**

Staff costs derived from this grid use proposed 2024/25 pay scales.

Fund overview

£m	Actual 2022/23	Budget 2024/25
Employer contributions	159	159
Member contributions	49	49
Total contributions	208	208
Transfers in	36	37
Total income for pensions	244	245
Pensions	(151)	(177)
Commutation/lump sum retirement	(21)	(21)
Other	(5)	(10)
Total benefits	(177)	(208)
Transfers out	(26)	(37)
Total expenditure for pensions	(203)	(245)
Investment income	42	45
Taxes on income	(1)	(1)
Investment expenses	(8)	(9)
Net direct investment income	33	35
Administrative expenses	(4)	(5)
Oversight/governance costs	(2)	(2)
Non-recurring items/PYA	(6)	-
Total operational cost	(12)	(7)
Net income	62	28
Reconciliation of fund value		
Net income	62	
Change in Market Value	(128)	
Net decrease in fund value	(66)	
Opening fund value	5,357	
Closing fund value	5,291	

Actuarial projections used

Total contributions and total benefits agree to the Hymans cashflow analysis presented to the Pension Fund Committee in December 2023.

Transfers contra

The budget assumes net nil transfers in/out rather than projecting a net income.

Investment income is 'direct' only

Investment income is only that accounted for directly – other movements are captured in the 'change in market value' net figure.

Operational cost c.£7.5m

The total costs of the service are included in the Administrative expenses and Oversight/governance costs lines.

This page is intentionally left blank