

APPENDIX 1 - Internal Audit Reviews – 12/13 – 16/17

Internal Audit Work 2012/13 to 2016/17

Year	Heading (Date of Final Report)	Scope	Assurance Level	No of Recommendations	
				Reported	Implemented at Follow-Up
2012/13	Pensions Administration	Review of the framework of internal controls in relation to the Administration processes, including ensuring that: <ul style="list-style-type: none"> • Control arrangements are in place to certify that all benefits calculations are carried out timely and accurately. • Employer contributions are received in full, recorded timely and accurately. • Member information held within Altair is accurate and maintained in a timely manner. 	'4' Good	7	6 (*1)
2013/14	Pensions Investments	Limited review concentrated on supporting the Investment Manager in reviewing the adherence of the fund to the Myners Principles, reviewing the structure of independent advice and providing guidance on the use of electronic transaction processes with the Global Custodian Bank.	'5' Excellent	3	1 (*2) (*3)
	Pensions Payroll	This audit review took place to give assurance that: <ol style="list-style-type: none"> 1) Pension Payments are only made to eligible recipients. 2) Monthly and lump sum pension payments are made accurately and promptly. 3) Pension payments are accurately recorded on the pension system and reconciled monthly with the Financial Management System. 	'4' Good	3	3

		<p>4) Information and payments sent to external organisations, including government departments and agencies in an accurate and timely manner.</p> <p>5) Management reporting (which is relevant, sufficient, accurate and timely) is produced and issued to the appropriate level (includes exception/error reporting).</p>			
2014/15	Pensions Administration (i-Connect)	<p>This audit review took place to give assurance that:</p> <p>1) the files received from employers are managed and uploaded in a controlled way;</p> <p>2) corrections are tracked through a proper decision process and audit trail;</p> <p>3) error log management is properly controlled.</p>	'4' Good	1	1
2015/16	Pensions Administration (Contributions & Member Records)	<p>This audit review took place to give assurance that:</p> <p>1) Members information is held in compliance with Data Protection and is provided to relevant parties to fulfil member and regulation requirements.</p> <p>2) Employer (employer and employee) contributions are accurate and received in full by specified timescales.</p> <p>3) The Pension Fund provides accurate and timely information to assist employers in fulfilling their Pension Fund obligations.</p> <p>4) A governance framework and processes are in place to manage/scrutinise Pension Fund administration.</p> <p>5) Employers provide accurate member and contribution information by specified timescales.</p>	'4' Good	5	Being Followed-up Q4 16/17
2015/16	Pensions IT Controls - IT Systems (Altair & I-Connect)	<p>This audit review to give assurance that:</p> <p>1) Access to the system is restricted.</p> <p>2) The integrity of the data within the system is safeguarded.</p> <p>3) System availability is maintained by robust Business Continuity and IT Disaster Recover arrangements.</p>	'4' Good	4	Being Followed-Up Q4 16/17

2016/17	Pensions Administration (Benefits & Lump Sum Payments)	<p>This audit review took place to give assurance that:</p> <ol style="list-style-type: none"> 1) Member and beneficiary benefit and lump sum entitlements are accurately calculated. 2) All transactions are recorded in accordance with The Public Service Pensions (Record Keeping & Miscellaneous Amendments) Regulations 2014. 3) Benefits and lump sums are processed and paid in accordance with the schemes timescales. 	'5' Excellent	1	To be followed up in 17/18
2016/17	Pensions Governance	<p>This audit review took place to give assurance that:</p> <ol style="list-style-type: none"> 1) The Pension Board has the right balance of skills, experience and representation. 2) Information about the Pension Board is accessible and up-to-date. 3) The risks and control framework are assessed, recorded and regularly revised. 4) Internal dispute resolution procedures and processes operate effectively and timely. 5) Whistleblowing (report of breach of law) procedures and processes operate effectively and timely. 6) Pension Board Members are conversant with Pension Scheme legislation and standards. 7) Pension Board Members do not have a conflict of interest, or are aware of the need to declare a potential conflict of interest. 	'4' Good	2	To be followed up in 17/18