

Internal Audit Results / Planned Activity

Those previously reported to the Pensions Committee are *shown in italics*.

Key Area	Update
<p>National Fraud Initiative: Full exercise undertaken October 2020 and completed within 6 months and to be undertaken again in October 2022.</p>	<p>The data for the 2022/23 NFI is currently being uploaded to the Cabinet Office with matches expected early in 2023. Due by 31 March 2023.</p>
<p>Pension Transfers: To provide assurance over the processes and controls to support the accuracy and timeliness of transfers in and out of the schemes managed by HPS.</p>	<p>This review has sought to assess the effectiveness of controls in place focusing on those designed to mitigate risk in achieving the following:</p> <ul style="list-style-type: none"> • Roles and responsibilities are clearly defined and supported by policies and procedures. • All transfers are supported by appropriate documentation, processed promptly and accurately once all necessary checks have been completed in line with legislative requirements. • All transfers are to legitimate schemes and have been appropriately authorised. • Pension contributor's record is appropriately updated to reflect transfer action and ensure the correct future benefits are received. • There is evidence that the member has understood the risks of transferring out of the scheme. <p>A substantial assurance opinion was given.</p>
<p>Member Deaths: To provide assurance that systems and processes ensure that any payments related to deceased members are calculated correctly and paid promptly to the correct recipient, with the risk of overpayments minimised.</p>	<p>Scoping completed and testing in progress.</p>
<p>UPM - Cyber Security: To provide assurance over the Cyber Security arrangements for the Pension Administration (UPM) application</p>	<p>Due by 31 March 2023</p>

Key Area	Update
<p>Pensions Payroll and Benefit Calculations: Annual review to provide assurance that systems and controls ensure that lump sum and on-going pension payments are calculated correctly, are valid and paid to the correct recipients with all changes to on-going pensions being accurate and timely.</p>	<p>Due by 31 March 2023</p>
<p><i>Pensions, payroll and benefit calculations:</i> Annual review to provide assurance that systems and controls ensure that lump sum and on-going pension payments are calculated correctly, are valid and paid to the correct recipients; all changes to on-going pensions are accurate and timely; and pension payroll runs are accurate, complete, timely and secure with all appropriate deductions made and paid over to the relevant bodies.</p>	<p><i>This review has sought to assess the effectiveness of controls in place focusing on those designed to mitigate risk in achieving the following:</i></p> <ul style="list-style-type: none"> • <i>Only valid pensioners and pensions are paid.</i> • <i>Pension benefit calculations are correctly calculated and set up on UPM.</i> • <i>Changes to payroll, including bulk data uploads are valid, authorised, timely and accurate.</i> • <i>Payrolls are run accurately, completely and at the correct time.</i> • <i>Payments are recorded promptly and accurately in the main accounting system.</i> • <i>Payroll deductions are paid over to relevant bodies accurately and promptly and are accounted for correctly.</i> <p><i>A substantial assurance opinion was given.</i></p>
<p>Treasury Management: Cash flow is adequately planned, with surplus monies invested in line with the Council's Treasury Management Strategy.</p>	<p><i>This review has sought to assess the effectiveness of controls in place focusing on those designed to mitigate risk in achieving the following:</i></p> <ul style="list-style-type: none"> • <i>Treasury management arrangements are formalised through effective strategies, policies, and procedures.</i> • <i>Investment and borrowing decisions are documented and approved, and related transactions are recorded, monitored, and accounted for correctly.</i> • <i>Management information enables effective monitoring and reporting of treasury</i>

Key Area	Update
	<p><i>management performance against the treasury management strategy objectives.</i></p> <p><i>A substantial assurance opinion was given.</i></p>