

Internal Audit Results / Planned Activity

Key Area	Update
National Fraud Initiative: Full exercise undertaken October 2020 and completed within 6 months and to be undertaken again in October 2022.	The data for the 2022/23 NFI was uploaded to the Cabinet Office. The matches are expected to be provided in late January and a final report is due by 31 March 2023.
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.	Testing complete – close of audit meeting scheduled. Scoping in progress on further testing covering the processes and controls where HPS interact with the WSCC pensions team further testing.
Pension Transfers: To provide assurance over the processes and controls where HPS interact with the WSCC pensions team.	A substantial assurance opinion was given within the initial audit work. Scoping in progress on further testing.
UPM - Cyber Security: To provide assurance over the Cyber Security arrangements for the Pension Administration (UPM) application.	Due by 31 March 2023.
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.	Scoping session complete and testing in progress.
<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 has been previously reported to Pensions Committee.</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.

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	<ul style="list-style-type: none"> • 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>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; 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>This has been previously reported to Pensions Committee.</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"> • Only valid pensioners and pensions are paid. • Pension benefit calculations are correctly calculated and set up on UPM. • Changes to payroll, including bulk data uploads are valid, authorised, timely and accurate. • Payrolls are run accurately, completely and at the correct time. • Payments are recorded promptly and accurately in the main accounting system. • Payroll deductions are paid over to relevant bodies accurately and promptly and are accounted for correctly. <p>A substantial assurance opinion was given.</p>
<p>Treasury Management: Cash flow is adequately planned, with surplus monies invested in line with the Council's Treasury Management Strategy.</p> <p>This has been previously reported to Pensions Committee.</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"> • Treasury management arrangements are formalised through effective strategies, policies, and procedures.

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	<ul style="list-style-type: none"> • Investment and borrowing decisions are documented and approved, and related transactions are recorded, monitored, and accounted for correctly. • Management information enables effective monitoring and reporting of treasury management performance against the treasury management strategy objectives. <p>A substantial assurance opinion was given.</p>