Appendix 1:

Table 1 – Key Controls Report March 2022 - Progress against outstanding internal audit recommendations:

No	Priority score	Issue	Recommendation	Agreed management action	Agreed management timescale	Progress at 05 May 2022
1	2	New Enrolments	1 new joiner spreadsheet received from an employer outside of i-Connect had not been saved in the SharePoint repository. Another 2 were entered into the Altair system after the expected SLA deadline. 12 new joiner enrolments were sent activation keys and new joiner letters after the expected SLA deadline Reconciliations should be signed off by the Employer Services and Systems Manager Reconciliations could be time-consuming, taking up to 2 weeks to complete	We will remind staff to ensure new joiner spreadsheets are saved in the SharePoint repository. We will monitor the timeliness of the distribution of new joiner letters and activation keys and take further action if this is not improved. We will ensure reconciliations are appropriately signed off. We will also review the reconciliation process itself to see if efficiency improvements can be made.	31 May 2022	We have reminded all staff to ensure they consistently save spreadsheets in the appropriate place. The starter process has now been updated. Managers and the Board/Committee can monitor whether this has had the desired impact from the regular KPI report (disclosure table). The new pensioner reconciliation process is now being signed off, as recommended, by the Employer Services and Systems Manager. The new pensioner reconciliation process had already been altered before the date of the audit to speed it up considerably and it now takes 1-2 days. This reconciliation process would not be necessary once an integrated payroll system is in place and therefore, no further action is planned, as the time taken to do this is unlikely to be proportionate to the benefits.
2	2	Contributions	Finalise the process which states the contribution rates each employer should pay and develop a mechanism to ensure the correct rates are recorded and controlled going forward No clear ownership within the Fund for resolving contributions issues	We will ensure the employer contribution rates schedule is finalised and procedures are put in place to make sure it is well controlled going forward. We will discuss roles and responsibilities with the team to ensure there is clear ownership with raising and resolving issues.	31 May 2022	A mechanism is in place to ensure the correct contribution rates are shared amongst all relevant team members but further work is required to ensure the current information held is accurate in all cases through internal discussion and research and liaison with the actuary. The process for resolving issues has been discussed and agreed upon internally as part of the review of the Administration Strategy, in particular the appendix covering the escalation policy, and therefore roles and responsibilities should now be clear.

| 3 | 2 | Lumpsum Payments | **Death Payments:** Supporting information letters & final payment authorisations issued after the SLA deadline A death grant decision form not on file & 1 payment sign off processed by the same person involved in the calculation **Transfers Out:** Letters of calculation were generated after the SLA deadline & letters of calculation were not peer reviewed **Retirements:** Members were contacted after the SLA deadline & payments were not followed up in a timely manner when documents had not been received from the member. In addition, payments were authorised by the same person involved in producing the actual calculation or peer reviewing it. My Wiltshire Portal - Form filled out and returned to the Fund via email, unsigned, however the payment was still processed. Plus, bank details will soon be auto populated to the Altair database, but this is not yet in place. It isn't clear what date should be used for retirement calculations, the retirement date, or the date payable. | We will monitor the timeliness of processing lumpsum payments and take further action if this is not improved. We will remind staff of the importance of saving necessary documentation to support transactions on members files. We will review the payments approval process and structure to ensure payments are always approved independently by someone who has not been involved in calculating the payment. We will investigate the bug in the My Wilshire Portal which is preventing members from submitting documents and ensure any forms received from members via email are signed. We will advise staff which date should be used when processing retirement payments and update process notes accordingly | 31 October 2022 | We have reminded staff to ensure they save all required supporting documentation. The issues related to the SLA/KPI deadlines has been identified in the Business Plan and various actions are underway to make improvements (such as weekly KPI reporting). We have reviewed the approval process and advised staff to not peer review and authorise the same case (note: cases were never completed processed by the same member of staff in any cases, but we accept the need for this minor alteration). The issue with the My Wiltshire Pension portal has been resolved and further changes are planned over the next few months. |
| 4 | 2 | Transfers into the Fund | Money received from members previous funds is recorded in the SAP system on the general ledger as an asset, but the corresponding liability is not | We will carry out a reconciliation to identify transfers in that have been processed in the SAP system but not in Altair. We will | 31 May 2022 | The reconciliation is being carried out quarterly and is reported to the Local Pension Board and Committee as part of the Key Financial Controls report. A new process |

			always recorded on the members file in the Fund's Altair system. This can result in a false representation of assets and liabilities in the Fund's accounts.	ensure Altair is updated with any missing liabilities and embed the new process to monitor transfers in are accurately processed going forward.		has been developed, and has been communicated to the relevant team members. We will monitor progress.
5	2	Amendments	**Name change** Name changes did not have a marriage certificate saved on the file to evidence the name change. **Nomination change** Nomination changes were processed after the expected SLA deadline. **Address change** Address changes were processed after the expected SLA deadline. Target notifications occasionally not saved on the members file as evidence.	We will remind staff of the importance of saving evidence to support any changes made in Altair. We will monitor the timeliness of processing amendments and take further action if this is not improved.	31 October 2022	We have reminded staff to ensure that all required documentation is saved. Members are able to 'self-serve' when making nomination and address changes and hence the SLA timeframes have been reviewed as part of a review of the Administration Strategy.
6	1	Monitoring	Workflow backlog tasks go back to 2013, see further details under finding H below. The Fund was unable to quantify how much work was in the backlog or clarify if the status of tasks was correct. This makes managing deadlines difficult and prevents the Fund from producing forward looking KPIs. A monthly performance dashboard needs to be finalised and updates should be reported to the Pensions Committee. A one-off payments module should be purchased so BACs payment runs can be directly produced out of the Altair system. In our previous reports we have raised	We will review the process of distributing tasks to team members and ensure there is a robust process to monitor SLAs and team capacity / backlog. KPIs will be reported to the Pensions Committee regularly. We will finalise the monthly performance dashboard and report updates to the Pensions Committee regularly. We will carry out a full reconciliation between Altair and SAP and ensure this is done on a regular basis.	31 July 2022	Officers bought a reporting tool in late 2021 (Insights) which will be used to build a better process for monitoring and allocating work. This process will progress over the next few months, after necessary "house-keeping" work has first taken place Work is also under way to purchase the one-off payments module described. Spot-checking of work by managers will be re-prioritised. The Fund is still waiting for the Council to provide a proposal to determine the level of the recharge in a more robust way. Progress on this piece of work is being reported to the Local Pension Board and Committee on a quarterly basis, as part of the Key Financial Controls report.

			actions to carry out a full reconciliation between Altair and SAP, this has not been done. No quality assurance over the Fund's processing is conducted by management to ensure work is carried out correctly. The Fund maintains its own operating budget. Some services are provided by the Council and then recharged to the fund. However, the Fund does not receive underlying data from the Council to substantiate the amounts recharged.	We will consider if the one-off payments module in Altair should be purchased. We will review and embed the formal quality assurance process to help ensure work is carried out by the team correctly. We will liaise with the Council to obtain underlying data to support the amounts recharged to the Fund by the Council yearly.		
7	2	Projects	There is not a formal project plan, issues or risk log for the i-Connect Enrolments project and further work could be done to proactively bring the project to a close The Pensions Payroll Reconciliation project Gantt chart does not include task statuses, so project slippages are unclear. Meeting actions are not formally captured, and progress reports not produced or communicated to the Pensions Committee	We will review the project methodology used to manage the Funds projects and implement changes to help improve oversight and efficiency. We will consider ways to proactively progress the i-Connect project, for example employer site visits.	31 July 2022	Officers have reviewed the way these projects are managed and made several minor alterations. i-Connect continues to be proactively managed to maximise onboarding, including escalating matters with employers. This goal also forms part of the Business Plan. Officers will be reviewing the remaining employers who did not onboard for year end (Mar-22) and will determine a tailored approach for each employer. This is also being dealt with through the revised Administration Strategy. A new project will be set up to complete i-Connect onboarding.
8	1	Operational Backlog	**Aggregations** The Fund has accumulated processing backlogs for aggregations, clearing it remains an ongoing issue. Updates are reported to the Committee but an improvement plan to help clear the back log has not been drafted **Frozen refunds** If a member leaves the scheme in the vesting period they can be	We will review the backlog of aggregations, frozen refunds and retired members and take necessary steps to ensure this is progressed where possible. We will develop controls to monitor backlog in these areas going forward and report updates to the Pensions Committee regularly.	31 May 2022	**Aggregations –** It was agreed to outsource this work as part of the Business Plan, and work is currently underway to go out to tender during May/June. **Frozen Refunds –** A working group is currently reviewing this area. Where members have reached or are about to reach 5 years (the timeframe by which they have to take the refund and can no longer transfer out), officers will ensure they send out a reminder message to members which also makes them aware they no longer have the original options stated.

			entitled to a refund of their contributions. Where a member doesn't opt to be refunded their fund remains as a frozen refund The backlog of frozen refunds now amounting to circa 2 million pounds and dating back to 1974. **Retired members** There are 107 members on the Altair system who are over 75 years old and therefore have reached an age that their pension must be paid. The Fund are currently looking at the ones overdue and determining the next steps required. **Status 3 members** Exit-No liability members still have personal member data recorded in the Altair system. This can be a breach of data protection regulations. In the Funds Data Retention Policy, it is stipulated that members' personal data should be minimised after 7 years of leaving the Fund and deleted after 15 years. There are 4652 member files where the information should be minimised and 14809 member files which should be deleted.	We will review the data stored for status 3 members and determine a way to remove any personal data which is no longer necessary.		Officers will send out a reminder communication for less than 5 year cases. However, during this timeframe he member is entitled to seek to transfer out in this timeframe (and it is often financially beneficial for them to do so), and therefore no further action is possible Some of the oldest cases are unlikely to reach a resolution due to difficulties in tracing the member (or because they may have died in the meantime) in which case the refund will be unable to be paid. **Retired members –** Officers are currently working through these cases are contacting all members concerned. **Status 3 cases –** Officers have reviewed its Data Retention Policy and now propose that a revised policy is implemented which would result in fewer minimisations and deletions. In the meantime, whilst the revised policy goes through the approval process, officers are in the process of minimising and deleting records in line with the proposed policy (which results in fewer minimisations and deletions in all cases)
9	2	System Access Review Follow Up	The Fund carried out a systems access review and several actions were raised. Progress against the actions raised had occurred apart from one. Issue 1.6 of the report remains outstanding, this states that the Fund should create a schedule of software licenses used by the Fund.	We will create a schedule of software licenses for systems used within the Fund. Going forward the results of the annual access review will be reported to the Head of Service	31 May 2022	Officers have contacted the auditor concerning this query to seek additional clarity and following this discussion, we believe the required schedule already exists and no further work is required.