

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
12 July 2018

INTERNAL AUDIT UPDATE

Purpose of the Report

1. This report updates the Board on the 2017-18 key controls final report by the SWAP internal audit team.

Background

2. The internal audit of Pensions has been completed by SWAP in accordance with an agreed Internal Audit plan. This supports the annual audit undertaken by KPMG (the external auditors).

Key Considerations for the Board

Internal Audit of Key Controls 2017-18

3. The internal audit of the key controls for 2017-18 is now finalised. This takes a risk-based approach to ensure the key financial system controls are operating effectively for the Wiltshire Pension Fund and that fraud, error or corruption is minimised. The Terms of Reference, which outlines the scope and coverage for this Audit, and the Final Report is attached at the end of this report for the Board's information.
4. SWAP has given the Fund a "Reasonable Assurance" opinion. There were no significant findings in the report, with one new priority 3 risk identified and two more priority 3 risks remaining from the 2016-2017 year (one of which was not due until December 2019). In addition, there was one advisory recommendation.
5. The new priority 3 risk related to the Fund Investment & Accounting Manager ensuring that she can demonstrate she has verified reconciliations prepared by the Accounting Technician; this check is now in place and occurring monthly.
6. For the two other risks, the monthly reconciliations of New Pensioners and New Dependents between the Altair Pension system and SAP Pension Payroll is currently being put in place while the full reconciliation between all Altair and Pension Payroll records is planned to start towards the end of 2018, once the first stage of the GMP Reconciliation project is complete.
7. The management responses to these areas are outlined in the report and officers will work to ensure these are implemented.

Risks Assessment

8. The risks reflected in this Internal Audit report are included in the Risk Register which is updated quarterly and presented to this Board.

Financial Implications

9. The internal audits fees are based on an annual recharge from Wiltshire Council.

Legal Implications

10. None have been identified as arising directly from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

11. There are no known implications at this time.

Proposals

12. The Board is asked to note this update, the attached SWAP Internal Audit Report and recommendations and management's response to these recommendations.

IAN DUNCAN
Treasurer to the Pension Fund

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Unpublished documents relied upon in the production of this report: NONE