

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE

17 December 2020

Fund Audit Plan – 2021/22

Purpose of the Report

1. To enable members of the Committee to consider commissioning a range of Pension Fund audits which can be included within the Fund's audit plan for 2021/22.

Background

2. The following range of audits have been recommended by the Board at their meeting on 15 October for consideration by the Pension Fund Committee. The scope of these audits covers three external audits with Deloitte auditing the Annual Report & Account's (AR&A), possibly Shaw Trust auditing the Fund's Accessibility Regulations compliance & the South West Audit Partnership (SWAP) auditing Brunel's Cost Savings. In addition, internal audits will also be conducted by SWAP the covering the Fund's compliance with various regulations such as the LGPS regulations, its internal financial controls & its compliance with the Data Protection Act 2018/GDPR requirements.
3. **Deloitte Audit** – The Wiltshire Pension Fund (WPF) will employ the services of Wiltshire Council's external auditor in conjunction with the requirements of the Council's Audit Committee. It is anticipated that officers will prepare an audit timetable including an interim (virtual) site visit by Deloitte in December 2020 or January 2021, prior to the preparation of the draft accounts in May. Deloitte's will then undertake a further site visit in May/June after which officers will submit the draft report & accounts for 2020/21 to both the Board & Committee in July. It is intended that the AR&A's for 2020/21 will be completed and by 31st July.
4. **Accessibility Audit** – Officers propose to employ the services of an external auditor, possibly Shaw Trust, on behalf of the Fund in order to audit the Fund's compliance with with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018, the Equality Act 2010 & adhere to the Web Content Accessibility WCAG 2.1 guidelines which came into full force from September 2020. Officers have developed a project plan to implement the Fund's compliance requirements.
5. **SWAP Audits** – Each year a risk identification approach is employed by Wiltshire Council to determine the terms of reference of its internal auditors. As part of this determination the Pension Fund Committee should make recommendations to the Audit Committee on areas of compliance which it considers to be relevant. In 2021/22 it is recommended that SWAP complete a site visit undertaking a review of the Fund's Pension Transfer arrangements to BPP, its internal financial controls & the Data Protection Act 2018/GDPR. It is also recommended that SWAP be appointed to conduct an audit of Brunel's Cost Savings. In addition, as part of the Fund's internal audit strategy it is recommended that requests should be made for copies of key SWAP audits conducted on other Wiltshire Council service areas which provide significant services to the Fund.
6. After discussion by the Board it was agreed that recommendations to the Committee should not be made for the Scheme Year 2021/22 in respect of internal audits covering

the Pension Regulator's Code of Practice 14 & MiFID II. It was noted that an internal audit in connection with Pension Regulator's Code of Practice should be delayed until the Regulator's new Single Code of Practice has been introduced. In light of the good governance arrangements observed by SWAP in relation to the Fund's implementation of its MiFID II compliance in 2020/21, no requirement for an audit was felt necessary in 2021/22.

7. The Board noted that officers intend to set out the Fund's self-assessment arrangements against the requirements of the Taskforce Climate-related Financial Disclosures (TCFD) currently due to be implemented from 2023, to ensure its compliance.

Considerations for the Committee

Deloitte Audits

8. The Board recommended that in the event that the Audit Committee had not approved the signing off of the qualified 2018-19 Annual Report & Account the Pension's Committee should request a written report outlining a resolution from the Audit Committee. This would also include the 2019-20 accounts. On review of the Audit Committee's meeting minutes dated 18 November the Audit Committee had signed off the qualified 2018-19 accounts, however signing off of the 2019-20 accounts had been deferred until the Audit Committee's expected February 2021 meeting. For the purpose of pension assurance though it was noted by the Audit Committee that they should approve the Pension Fund accounts for 2019/20.

SWAP Audits

9. Annual audits are essential to cover the Fund's key financial controls & Pension Transfer arrangements with BPP. With regard to the Fund's key financial controls audit the Board recommended that additional focus on the Fund's newer significant processes in connection with its i-Connect, MSS & treasury management arrangements should take place. It also recommended that a limited audit takes place concerning the Fund's Data Protection Act 2018/GDPR compliance revolving around its newly implemented System & Security Access control arrangements.

Environmental Impact of the Proposal

10. Not applicable.

Financial Considerations & Risk Assessment

11. There are no known implications at this time.

Legal Implications

12. There are no material legal implications from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

13. There are no known implications at this time.

Proposals

14. For the Pension Fund Committee to approve the commissioning of the external & internal audits outlined within this report & for officers to notify to the Audit Committee & CLT, as required, in respect of the recommendations agreed.

Andy Cunningham
Head of Pensions, Administration & Relations

Report Author: Richard Bullen, Fund Governance & Performance Manager

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