

## **WILTSHIRE COUNCIL**

WILTSHIRE PENSION FUND COMMITTEE  
28 June 2017

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### **INTERNAL AUDIT UPDATE**

#### **Purpose of the Report**

1. This report updates the Committee on the 2016-17 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 2016-17*

3. The internal audit of the key controls for 2016-17 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 for this audit which outlines the scope and coverage is also attached at the end of this report for the Committee's information.
4. SWAP has given the Fund a "Reasonable Assurance" opinion. There were no significant findings in the report, with two priority 3 risks identified.
5. Of the two medium risks, the reconciliations of New Pensioners and New Dependents between the Altair Pension system and SAP Pension Payroll will commence once resources are in place. The reconciliation between Altair and Pension Payroll records are on-going.
6. The management responses to these areas are outlined in the report and officers will work to ensure these are implemented.

#### **Risks Assessment**

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

#### **Financial Implications**

8. The internal audits fees are based on an annual recharge from Wiltshire Council. The fee for the 2016-17 external audits by KPMG is £24,604 and a direct charge to the Fund.

#### **Legal Implications**

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

**Safeguarding Considerations/Public Health Implications/Equalities Impact**

10. There are no known implications at this time.

**Proposals**

11. The Committee is asked to note this update and the attached SWAP Internal Audit Report and recommendations.

MICHAEL HUDSON  
Treasurer to the Pension Fund

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Unpublished documents relied upon in the production of this report: NONE