

Internal Audit Report 2017/18 - Pensions Fund Administration Action Plan

Finding	Action	Target Date	Owner	Status
Retiree payments	We will request Capita investigate the exceptions to understand whether incorrect final salary information is being used by Capita	31-Oct-17	Senior Pension Officer	Capita given an update on the 8 cases and 6 have confirmed as correct; 1 with a variation of £18; 1 they have contacted the employer to verify salary rates over 2 different periods and will update as soon as possible.
	Subsequent action should be determined by management based on the level of inaccuracies identified in the calculations investigated.	30-Nov-17	Senior Pension Officer	We feel the current controls are adequate with the resources available.
Pension changing to standing data	Changes to bank account details will need to be processed by one staff member and reviewed by another to ensure segregation of duties.	01-Nov-17	Principal Payroll Officer	This has been discussed in the team and scheduled to start from January 2018, it is suggested to do this on a sample basis of 20% due to the resources that would be required to do 100%.
Data submissions	We will ask Capita to investigate the exceptions noted in this report and going forward will ensure an audit trail of each of the third parties submissions is retained.	31-Oct-17	Senior Pensions Officer	Awaiting Capita response
	We will ask Capita to use a more detailed monitoring tracker that not only shows the status of each submission but also the status of the request with each employer and key dates to enable timeliness of data checks to be monitored.	31-Oct-17	Senior Pensions Officer	Awaiting Capita response
Contract Management	We will escalate to Capita the indicator omitted from the performance report (Monthly Performance Report to be completed by Capita within 5 working days of the end of the contract month') and emphasise the importance of meeting this KPI to ensure the Council has time to review the report before the contract meeting.	30-Nov-17	Senior Pensions Officer	Completed - requested from Capita and raised in Monthly performance meeting in Dec, Capita will supply within 10 working days of end of month which will give enough time to review before the regular monthly meetings
	We will check the completeness of the performance reports monthly to ensure indicators are not omitted from reporting.	30-Nov-17	Senior Pensions Officer	Completed
	We will implement a spot checking procedure to check the result reported agrees to the underlying performance data for a defined sample of indicators each month.	30-Nov-17	Senior Pensions Officer	Completed
	We will record specific key points and actions concerning under performance discussed in the contract monitoring meetings, so it is clear where Capita are under performin and what actions they are taking to address this. Progress against these actions can then be followed up at the subsequent meetings.	30-Nov-17	Senior Pensions Officer	Completed
	We will define a validation activity plan to ensure that assurance i obtained across all performance areas over time. We will perform a risk mapping exercise to ensure that validation plans are focussed on key risks and all sources/methods of assurance are identified and utilised. This will ensure that independent assurance is targeted at key risk areas.	30-Nov-17	Senior Pensions Officer	Completed - checking KPIs against the data provided, this will be considered to be expanded only if any inaccuracies are detected
	On hold third party payments - Management will request that data relating to the level of on hold cases is provided by Capita for discussion at the monthly contract management meetings.	30-Nov-17	Senior Pensions Officer	Asked Capita to review and they have suggested they may be able to close some of these cases – this will be an on-going item for review at the meetings.
	Reconciliations	Management will request that Capita undertake more frequent reconciliations, however the completion of any such reconciliations will be reliant on Capita.	31-Oct-17	Senior Pensions Officer

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	Management have already requested all other payroll providers/employers to provide a correct Pensions Contribution List.		Senior Pensions - Officer	Completed
	Note that the outstanding reconciling items are made up of previous period amounts (pre-April 2017), for which the transactions will be cleared, and current year amounts, for which the Head of Finance for Children and Young People will email the schools to seek the correct information.	30-Nov-17	Head of Finance	Completed
	Finance will review and update the bank reconciliation policies and procedures annually to ensure they are updated to reflect any changes to the process.	30-Nov-17	Team Leader - Account to Reporting Team	Completed