

Progress Update on Audit Recommendations

Appendix A

Table 1: Actions Arising from Internal Audit Reviews

Audit Review Title	Report Issued Date	Finding / Implication	Progress Update	Officer Responsible and Timescale
Additional Voluntary Contributions (AVC) Review	13/09/2019	<p>The Authority should undertake a review to determine the adequacy of the current contract management arrangements with the AVC providers.</p> <p>A process should be established to monitor progress against Key Performance Indicators (KPIs) between the AVC provider and the Authority.</p> <p>Where KPI targets are not met, the Authority should ensure these are followed up within a timely manner.</p>	<p>Performance issues with Prudential continue to be addressed locally and nationally and this will feed into the AVC review. A new national LGPS Framework for Benefits Consultancy is due to go live on 1 July 2021 which will allow SYPA to select an appropriate partner to assist with the wide scale AVC review so this has been rescheduled to Quarter 2.</p>	<p>Head of Pensions Administration</p> <p>Revised: 30 September 2021</p>
HR Governance	22/01/2020	<p>Ensure the 3-year policy review programme is completed.</p>	<p>The 3-year review programme remains on target for completion by October 2021. Progress is reviewed by the Senior Management Team on a quarterly basis allowing work to be prioritised between this activity and other equally important HR related work that needs to be undertaken.</p>	<p>HR Business Partner &amp; SMT</p> <p>October 2021</p>
HR Governance	22/01/2020	<p>Implement a corporate approach to the management of training and development.</p>	<p>Progress is being made in terms of specific training for staff, a skills development programme for managers, and in redeveloping the career grade scheme for Pensions Administration.</p> <p>The discovery phase of the project to procure and implement an integrate HR and payroll system is also under way.</p> <p>As previously reported, it was not possible to make further headway during 2020/21 as initially envisaged but the HR undergraduate, who will support the key elements of this work, has now been recruited and is due to start their placement on 09/08/2021. Therefore this target remains on track to be implemented by the revised date of 31/12/2021.</p>	<p>Director</p> <p>31 December 2021</p>

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Staff Payroll	20/02/2020	A review of the Staff Payroll procedures identified that they needed to be reviewed and enhanced to include the roles and responsibilities of all payroll staff, the receipt and types of source documentation to be provided to payroll, the controls in place for all payroll data to be approved by an authorised signatory and reference to the Authority's Financial Regulations.	This action is partially complete; the staff payroll procedures document has been updated. This has been done by the acting senior payroll officer who has been the only officer involved in processing staff payroll until the last couple of months; she is now training up the other officers in the team and they will be asked to sign and confirm on completion of that training. However, due to further staff turnover within the team and the fact that the staff payroll closedown procedures are only undertaken once a month, the training process is taking a little longer than anticipated and the implementation date has now been revised to 31 August 2021.	Head of Finance & Corporate Services  31 August 2021
Information Governance	18/08/2020	Ensure a framework is in place upon which the Authority can monitor and evidence its progress in addressing the areas of non-compliance with GDPR requirements and to ensure compliance with legislative requirements relating to document retention.	This work will be undertaken by the Governance & Risk Officer who commenced in post at the end of May 2021. This will involve the introduction of monitoring of individual service area process maps for information governance and creation of a records management policy. This is on the work schedule but is likely to be completed later in the year and a revised implementation timescale has been agreed for completion by 31/12/2021.	Head of Pensions Administration  Revised to 31 December 2021
Purchase to Pay	27/08/2020	Ensure the contract register published is fully comprehensive and kept up to date.	The Governance & Risk Officer will be tasked with review of the register and ensuring all relevant contracts are included in the published information as required. It will then be their responsibility to monitor this on an on-going basis.	Head of Finance & Corporate Services  30 September 2021

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Procurement - Insurance	29/10/2020	<p>Legislative / regulatory compliance; absence of effective and robust management trail increases risk of potential supplier challenge.</p> <p>Contract formalities – ensuring that contracts are signed / sealed in accordance with Contract Standing Orders (CSOs)</p>	<p>Agreed actions are to develop procurement process guidance notes to supplement the contract standing orders; arrange for training to be delivered to key officers and consider introduction of a gateway document to review &amp; obtain documented approvals at key stages of the procurement process. This will also extend to review and update contract execution requirements in terms of signing / sealing and the CSOs will be updated to reflect any revisions to this process.</p> <p>This work will be undertaken by the Governance &amp; Risk Officer who commenced in post at the end of May 2021.</p>	<p>Head of Finance &amp; Corporate Services</p> <p>30 September 2021</p>
Online Retirement Tool	22/01/2021	<p>Ensure that previously identified AVC concerns are resolved to prevent any issues having an impact on the successful delivery of the Online Retirement Tool.</p>	<p>Although performance of AVC providers was previously assessed as satisfactory, recent concerns have been identified with the performance of the largest AVC provider as a result of Covid-related issues. This recent drop is a national issue applying across different sectors and has been reported to the Pensions Regulator by a number of funds and by Prudential themselves, as well as being followed up by the LGA.</p> <p>We continue to monitor performance locally and to apply pressure nationally to resolve the issue and this will form part of our wider review of AVC providers scheduled for Quarter 2. In the interim, members are being offered the opportunity to receive payment of 'interim' benefits to minimise the personal impact.</p>	<p>Head of Pensions Administration</p> <p>Revised to 30 September 2021</p>

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Table 2: Recommendations Fully Completed Since Last Report

Audit Review Title	Report Issued Date	Finding / Implication	Progress Update	Officer Responsible and Timescale
Monthly Data Collection	20/12/2018	An internal post-implementation review of the monthly data collection process should be completed. This may help to inform future developments such as direct debit collection.	The cross-service project group has identified a number of process improvements (including software developments) which have now been implemented and the end result is that 98% of employers have now had their monthly files processed for 2020/21. This is significantly ahead of 2019-20 and will ensure that the 2021 Annual Benefit Statement exercise can be completed on time. A number of further developments have been identified through this group so the intention is to continue in operation until late summer as a process improvement group to build on the enhancements already made. A final summary can be produced in late summer by which time it is expected the MDC process will be operating without any backlogs.	Head of Pensions Administration  30 April 2021  IMPLEMENTED
HR Governance	22/01/2020	Ensure an appropriately structured Performance Appraisal & Development programme, including corporate timescales, workflows and review forms.	<p>Actions agreed here now completed. The new appraisal form and new 1-1 forms are in place on SharePoint. The process is for annual appraisal and a 6 month review supplemented by monthly 1-1 meetings.</p> <p>Training for line managers is being provided via a structured management development programme which will include managing performance as well as various other management skills and will be run over a period of 10 months from June 2021 to April 2022.</p>	HR Business Partner & SMT  30 April 2021  IMPLEMENTED
HR Governance	22/01/2020	Ensure there is a formalised change management process for requesting changes to the existing establishment structure.	A detailed scheme of delegation for HR related matters was issued to all staff responsible for people management on 17 May 2021 (with a requirement to acknowledge receipt and understanding). This includes details around the ability to make changes to the establishment within the cash limited budget. The authorised establishment is now jointly maintained by Finance and HR and, as evidenced in the budget report, is providing a clear baseline against which changes can be measured. Further automation of processes will be limited until the new HR system is implemented to avoid unnecessarily wasting resources.	Director  31 May 2021  IMPLEMENTED

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Customer Services	29/09/2020	Ensure updated and approved procedure notes published and provide 'prompts' built into the pension administration system to guide customer centre staff.	The original intention in relation to the use of 'prompts' and standardised response texts was to apply these directly in UPM. However, this proved impractical and these have therefore been developed within SharePoint. This action is therefore considered completed. For reference, we are scheduled to migrate to a specific Contact Centre telephony platform in August/September 2021 so the relevant texts will be transferred to the new platform for ease of use once available.	Head of Pensions Administration  31 May 2021
Online Retirement Tool	22/01/2021	The absence of a formalised and embedded Project Management Framework will result in a lack of clarity with regards to roles and responsibilities, inconsistencies in processes and failure to meet project development objectives.	A Project and Improvement Lead was recruited in September 2020 to help fill this gap. All Team Managers have now received initial overview training on Lean Six Sigma principles and a select group of staff involved in projects have received Prince2 Foundation Training covering all the principles and the tools needed to ensure these are built into future projects. Specifically for this project, minutes and Action Logs are now in place as well as identification of Stakeholder engagement and a "lessons learned" review will be conducted once the Retire Online system is live.	Head of Pensions Administration  31 March 2021  IMPLEMENTED
Pensions Review Process – Child Pensions	2020/21	Revised process maps to ensure consistent working practices, clarity of processes, roles and responsibilities.	The revised process map is designed to obtain a revised Letter of Authority each year from the child beneficiary, together with a declaration of their educational/vocational status prior to corresponding with the educational/vocational institution. Non receipt of the Review Form in a timely manner will result in a temporary suspension on the Child Beneficiary's benefits until this has been received, thus minimising the risk of overpayments occurring. The revised process has appropriate prompting built into the automated letters and improved guidance notes at the age 18 review stage. Training on the new process was delivered in week commencing 28 June to enable the new map to go live immediately.	Benefits Team Leader  30 June 2021  IMPLEMENTED
Pensions Review Process – Existence Checks	2020/21	The reporting on the Annual Life Certificate Exercise for overseas pensioners to SMT will be enhanced. As the annual exercise involves ongoing dialogue with members, a report will be produced for SMT twice yearly to provide a current status report on ongoing and unresolved cases.	The new reporting is now in place and the 2021 Annual Life Certificate exercise is scheduled for August 2021. This action should therefore be subject to a final review in October 2021.	Head of Pensions Administration  IMPLEMENTED