

PE5. Internal Audit Plan 2018/19

The Committee and Board considered a report by the Audit Manager which sought approval of a Falkirk Council Pension Fund Internal Audit Plan for 2018/19.

Annual Internal Audit coverage was based on discussion with the Pensions Manager, review of relevant documentation (eg the Pension Fund Risk Register, Governance Policy), and Internal Audit's own assessment of risk also taking account of the work planned by the external auditors. Additionally Internal Audit reviewed, on an ongoing basis, emerging and developing risks, and these were built into the Audit Needs Assessment for consideration in current and future years' Internal Audit Plans.

Internal Audit's work during 2018/19 would include Pension Fund Transactional Testing. The purpose would be to ensure that:-

- new member contributions to the Pension Fund were properly calculated;
- the correct values of pension rights either transferred into, or out of, the Pension Fund have been received or paid;
- the correct pension payments were paid to retiring Fund members;
- the correct lump sum payments were made in respect of deceased Fund members; and
- the controls around i-Connect (electronic transfer of data from employers creating starters and leavers) are operating effectively.

On an annual basis, an Internal Audit Annual Assurance Report would be presented to the Pensions Committee and Pension Board. This would give an overall opinion on the Falkirk Council Pension Fund's risk management, governance, and control arrangements.

Decision

The Committee and Board:-

- (1) agreed the proposed Falkirk Council Pension Fund Internal Audit Plan 2018/19, and**
- (2) noted that an Annual Assurance Report will be provided.**