



Havering
LONDON BOROUGH

Local Pensions Board

Subject Heading:

Local Pensions Partnership Annual
Internal Control Assurance Report
2022/23

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SUMMARY

This report provides a summary of the Local Pensions Partnership's Annual Internal Control Report for 2022/23.

RECOMMENDATION

That Board members note the report.

REPORT DETAIL

From 1 November 2017, the London Borough of Havering delegated the pension administration service to Lancashire County Council who have engaged the Local Pensions Partnership Administration (LPPA) to undertake their pension portfolio. The Local Pensions Partnership was formed in 2016 through a collaboration between Lancashire County Council and the London Pensions Fund Authority and provides pension services to the Local Government Pension Scheme, Police and Firefighter Schemes.

The LPPA Annual Internal Control Assurance Report outlines the control objectives in place during the reporting year 2022/23.

LPPA have a risk management framework in place, responsible for ensuring business level risks are effectively managed and mandated policies and controls are in place and operating effectively.

The Quality Assurance and Compliance Monitoring team has implemented a programme of regular reviews to ensure policies, processes and procedures are effective and results are reported to the Executive Leadership Team and the Audit, Risk and Compliance Committee.

The LPPA Internal Audit sets out to provide assurance that the pension administration services being provided to their clients is compliant with robust systems and controls in place.

LPPA have established a number of control objectives within the key areas of pensions administration and information technology. The report details the controls tested during 2022/23 and provides an overview of the internal audit activity.

During 2022/23, 4 internal audits were carried out with a remit to ensure controls are in place to mitigate risks to LPPA and the client and drive a good customer experience.

These audits identified a number of areas for change including the introduction of a new management structure, an enhanced staff training programme and a requirement for

Local Pensions Board DATE

improved management information reporting. Some immediate action has been taken and a strategic business plan for 2023-2026 has been implemented to address the findings.

The quality assurance and compliance monitoring team undertook a review of 3 administration processes to compare the processes in place between the previous administration system (Altair) and the new system (UPM) and ensure those in UPM are at least as robust as seen in Altair.

The team looked at processes across retirements, bereavements and transfers and identified process improvements in each area.

The full report is available as Appendix 1 to this report