

ABERDEEN CITY COUNCIL

COMMITTEE	Pensions Committee
DATE	25 June 2021
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Internal Audit Plan 2021/22
REPORT NUMBER	IA/21/006
DIRECTOR	N/A
CHIEF OFFICER	Colin Harvey Chief Internal Auditor (Interim)
REPORT AUTHOR	Colin Harvey
TERMS OF REFERENCE	2.2

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval of the attached Internal Audit plan for 2021/22.

2. RECOMMENDATION

- 2.1 It is recommended that the Committee approve the attached Internal Audit Plan for 2021/22.

3. BACKGROUND/MAIN ISSUES

- 3.1 It is one of the functions of the Pensions Committee to approve the Internal Audit plan relating to the North East of Scotland Pension Fund.
- 3.2 The Internal Audit plan for Aberdeen City Council for 2021/22, along with the methodology for determining the areas to be reviewed, was approved by the Audit, Risk and Scrutiny Committee on 24 February 2021. This followed consultation with management through the Risk Board.
- 3.3 The audit included in the attached plan, as well as those in previous and future plans, will help familiarise Internal Audit with the Pension Fund's control environment and governance arrangements, allowing assurance to be provided regarding those arrangements. Where opportunities for improvement in controls and their application, or improvements in value for money, are identified these will be reported along with recommendations for management to consider. Where appropriate, Internal Audit will obtain assurance from other sources, for example external audit, based on their work and reported outcomes.
- 3.4 Internal Audit's work will be undertaken in compliance with Public Sector Internal Audit Standards and Aberdeen City Council's Internal Audit Charter as approved by the Audit, Risk and Scrutiny Committee on 24 February 2021.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications arising from the recommendations of this report.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from the recommendations of this report.

6. MANAGEMENT OF RISK

- 6.1 The Internal Audit process considers risks involved in the areas subject to review. Any risk implications identified through the Internal Audit process are detailed in the resultant Internal Audit reports. The purpose of this report is to seek approval for the Internal Audit plan.

7. OUTCOMES

- 7.1 There are no direct impacts, as a result of this report, in relation to the Local Outcome Improvement Plan Themes of Prosperous Economy, People or Place.

- 7.2 However, Internal Audit plays a key role in providing assurance over, and helping to improve, the Council's framework of governance, risk management and control. These arrangements, put in place by the Council, help ensure that the Council achieves its strategic objectives in a well-managed and controlled environment.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	An assessment is not required because the reason for this report is for Committee to consider Internal Audit's annual report. As a result, there will be no differential impact, as a result of the proposals in this report, on people with protected characteristics.
Data Protection Impact Assessment	Not required

9. APPENDICES

- 9.1 Appendix A – Internal Audit Plan 2021/22

10. REPORT AUTHOR DETAILS

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Appendix A

INTERNAL AUDIT PLAN 2021/22 NORTH EAST OF SCOTLAND PENSION FUND

Subject	Scope	Objective	Discussion	Target Committee
Pensions System	Pensions System	To consider whether appropriate control is being exercised over the system used to administer the Fund, including access, contingency planning and disaster recovery, data input, and that interfaces to and from other systems are accurate and properly controlled.	<p>Key controls over IT systems are reviewed on a cyclical basis to provide assurance over their application.</p> <p>Source: IA assessment of risk and periodic review of controls in respect of business systems.</p> <p>Pensions risk register:</p> <p>NESPF021 Risk: Failure to secure and manage personal data in line with data protection requirements; and</p> <p>NESPF022 Risk: Failure of the Fund's administration system</p>	Mar-22
Reporting Internal Audit outputs to Pensions Committee.	Reporting Internal Audit outputs to Pensions Committee.	To provide Pensions Committee with assurance regarding the areas examined by Internal Audit.	Internal Audit is required to report the outcomes of its work to the Committee, in compliance with Public Sector Internal Audit Standards.	As required