

ACTIONS AND RECOMMENDATIONS TRACKERS

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Pension Board before taking effect.

The Board is asked to note the progress made on completing actions arising from internal audits and Pension Board recommendations and requests.

1. Summary

- 1.1. As part of an agreed actions from previous board meetings an Audit action log has been created to track progress and completion of audit actions and recommendations. In addition, officers have also produced a log of actions and requests raised by the Pension Board.

2. Trackers

- 2.1. The Audit Actions tracker allows Board Members to monitor responses, actions and progress against audit findings from internal audit reports. The programme of internal audits is agreed with fund officers on an annual basis and undertaken throughout the year. Trackers relating to previous years are attached where actions remain outstanding.
 - [Appendix 2 – Pension Fund audits](#)
 - [Appendix 3 – Peninsula Pensions audits](#)
- 2.2. The Actions and Recommendations tracker (Appendix 1) compiles a list of actions, recommendations and requests raised by the Devon Pension Board. Previously completed actions have been removed.

3. Internal Audit Programme

- 3.1. Progress against this year's audit plan is at the early stages and a member of the audit team will attend the next board meeting in October to update the board. Final audit reports will be shared with the board as they are completed during the course of the year.

4. Conclusion

6.1 The board is asked to note the attached action trackers.

Angie Sinclair
Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972:

List of Background Papers - Nil

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Appendix 1

DEVON PENSION BOARD ACTIONS AND RECOMMENATIONS TRACKER

The actions tracker allows Board members to monitor responses, actions and outcomes against their recommendations or requests. The tracker will be updated following each board. Once an action has been completed, it will be shaded out to indicate that it will be removed from the tracker at the next meeting.

Date	Recommendations / Actions	Response	Progress
04/05/2022	45 - member survey to include a 'don't know' option. Officer to consider wider access than MSS which only covers approx 40% of the members		Survey updated and issued. Survey on Fund website and links to the survey emailed to all members we hold an email address for (90% of members).
04/05/2022	46 - Re numbering of risk register following consolidation exercise. Need to review risk scoring		Complete
04/05/2022	46 - further info/signposting to climate change policy in risk register		
04/05/2022	53 - Board requested Intrim Fund Valuation report.		Will be a session from the fund actuary at the November training day.

PENSION FUND AUDIT ACTIONS				APPENDIX 2
	Priority	Management response and action plan including responsible officer	Follow up response	ACTIONED?
Recommendations 2021/22				
Pension Fund 40 days				
Audit	Days	Proposed Quarter		
Investment Team Change of working practices due to Covid		Q1		
Communications Policy Review		Q4		
Funding Strategy Statement		Q3		
Member Training		Q4		
Review of Mitigations		Q4		
Investment Team Change of working practices due to Covid				
Each member of the Investments Team is advised to compile and / or update process notes for the areas of business operation they undertake, including any change in practice as a result of the pandemic.	Medium	Agreed, target date for completion 31.12.2022		
Member Training				
Incorporate the use of self-assessment forms for new members to allow the training plan, of fundamental knowledge, to also focus on areas where the members need it.	Low	Agreed, target date for completion 30.09.2022.		
There is scope to link the current year's training plan on the DPF training SharePoint site to make the plan as accessible as possible.	Low	Agreed, target date for completion 31.07.2022.		

Recommendations 2021/22	Priority	Management response and action plan including responsible officer	Follow up response	ACTIONED?																								
<p>Peninsula Pensions (total days 45)</p> <p>Audit</p> <table border="1"> <thead> <tr> <th>Audit risk areas</th> <th>Days</th> <th>Proposed Quarter</th> </tr> </thead> <tbody> <tr> <td>1. Investment team changed working practices resulting from Covid-19</td> <td>6</td> <td>Q1</td> </tr> <tr> <td>2. Communications Policy review</td> <td>7</td> <td>Q2</td> </tr> <tr> <td>3. Funding Strategy Statement review</td> <td>7</td> <td>Q3</td> </tr> <tr> <td>4. Member benefits and pensions (including review of digital products)</td> <td>10</td> <td>Q3</td> </tr> <tr> <td>5. The Pensions Regulator Code of Practice 14 (contaminated) Codes of Practice (contaminator) (not made, also referred to below)</td> <td>5</td> <td>Q4</td> </tr> <tr> <td>6. Cyber Security, Finance and Reporting</td> <td>5</td> <td>Q1/2</td> </tr> <tr> <td>Total</td> <td>46</td> <td></td> </tr> </tbody> </table>	Audit risk areas	Days	Proposed Quarter	1. Investment team changed working practices resulting from Covid-19	6	Q1	2. Communications Policy review	7	Q2	3. Funding Strategy Statement review	7	Q3	4. Member benefits and pensions (including review of digital products)	10	Q3	5. The Pensions Regulator Code of Practice 14 (contaminated) Codes of Practice (contaminator) (not made, also referred to below)	5	Q4	6. Cyber Security, Finance and Reporting	5	Q1/2	Total	46					
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<p>July 2021 - Member Self Service</p> <p>Peninsula Pensions has accepted electronic signatures and scanned and photographed documents, submitted via Member Self Service, in line with national guidance, since the start of the pandemic. A decision has not been formally taken and recorded by management in relation to the on-going acceptance of scanned and photographed documents post Covid-19 restrictions. We originally recommended that this review should take place by 31 March 2021, including if Covid-19 restrictions are on-going at that point with the management response being that this likely to be once lockdown restrictions have been lifted. In particular, review should include consideration of whether the current practice should continue for members providing documents via MSS and for members providing documents outside of MSS, or whether the practice should continue only for documents uploaded via MSS given the additional security MSS provides e.g. individual log-on and password protected. If the practice is to continue for MSS and possibly outside of MSS, management should consider whether any additional checks should be introduced to the process, or additional guidance issued to colleagues, and considering best practice in this area as available from Pension Administration Services peers.</p>	High	<p>It is recommended that the Service review all temporary changes of practice for longer term continuation. At the time of audit, the planned review of changed practices relating to acceptance of scanned or photographed documents has not taken place. Covid-19 restrictions are expected to ease in June 2021. It is recommended that this changed practice is reviewed and management's decision in regards long term continuation, or otherwise, is recorded.</p>	<p>Agreed, Management have been regularly reviewing processes whilst home working on at least a quarterly basis. When return to office working takes place, they will be fully reviewed again.</p> <p>Ongoing</p>																									
<p>We refer to the Pensions Administration Standards Association guidance 'Covid-19 guidance: The Road Ahead' (August 2020). August 2020 Covid-19 Guidance – The Road Ahead – The Pensions Administration Standards Association (pasa-uk.com), and the sections relating to Visibility & Accessibility / Digital Workflow / Identity Verification (IDV). Peninsula Pensions will also want to give consideration to The Pensions Regulator Guidance 'Cyber Security Principles for Pension Schemes', as applicable to Member Self Service and more widely. Cyber security principles The Pensions Regulator The Pensions Regulator. We note the interest (including in the commercial environment) to providing a seamless customer end-to-end experience and where this is provided in the digital format, for appropriate security controls to be in place to protect individuals and personal data. We understand that Peninsula Pensions would also like Heywood to investigate verification and identification technology, for example the use of facial recognition as seen in other government approved applications.</p>	High	<p>Management should work with the software provider to investigate the possibility of verification and identification technology, in relation to strengthening user verification controls and compliance with Cyber security principles. This should include consideration, and regular review and testing, of Cyber Security controls, processes and response plans. Management should work with the software provider to investigate the possibility of verification and identification technology, in relation to strengthening user verification controls and compliance with Cyber security principles. This should include consideration, and regular review and testing, of Cyber Security controls, processes and response plans.</p>	<p>As highlighted by Management as part of Audit, discussions with Heywood and Management have already taken place around the verification/identification process and a facial recognition element of future Member Self Service app suggested. Cyber security audits on both Altair and MSS take place annually with controls already in place and dealt with by Heywood (software suppliers).</p> <p>Completed - with Heywood for future development with app</p>																									
<p>It is noted that Member Self Service is the preferred method for communicating with Members. Member Self Service is a secure portal, linked to a Member's Altair record. We understand that Member Self Service is considered to be a more efficient means of communication than post or email, for example Member Self Service raises autogenerated task flow reducing the need for manual intervention/risk of delay in assigning tasks/error in assigning tasks. We also understand that Peninsula Pensions would like to reduce email /postal correspondence outside of Member Self Service and is looking for Member Self Service to be the primary means of communication with Members.</p>	Opportunity	<p>If Peninsula Pensions continues to accept scanned or photographed documents outside of Member Self Service, for example by direct email, we suggest the Service may wish to consider requiring the use of Member Self Service for members with a valid email address.</p>	<p>As highlighted by Management as part of Audit, processes have already been reviewed and amendments made to encourage members to use MSS as first point of contact for uploading / seeking further information.</p> <p>Completed</p>																									
<p>We understand that the Service is looking to purchase the Altair Intelligence/Reporting (Insight) tool from Heywood. This will provide live data analytics and dashboard reporting for the Peninsula Pensions Senior Management Team, across the Peninsula Pensions business areas including in relation to Member Self Service. Member workflow is a function currently available within Member Self Service that should provide a reduction in errors and delays, but it is not yet used</p>	Medium	<p>The use of live data analytics should be pursued. Member workflow utilisation should be taken forward.</p>	<p>As highlighted by Management as part of Audit, this was already planned, and has since been purchased and available to use from w/c 21st June 2021. It is intended that Member workflow is introduced alongside the introduction / use of on-line forms. This requires development by the software provider. Management continue to request this from the software provider</p> <p>Part completed - insight tool in place and reports being used / on-line forms future development to be progressed</p>																									

<p>Customer feedback functions are available via the Peninsula Pensions website 'Contact Us' and through Member Self Service 'Contact Us'. There is no evidence, however, of customer specific feedback having been sought recently. This is something the Service could consider.</p>	<p>Management could seek the view of members on the use of Member Self-Service, for example via a short web-based survey, to capture views of members who currently use or are signed-up to use Member Self-Service (what could be improved for the customer) and members who do not currently use or are not signed-up to use Member Self-Service (what could increase likelihood of use by the customer).</p>	<p>Management will look to discuss with Heywood to consider central survey for Funds to cascade to members Heywoods</p>
<p>Our desktop review of other LGPS Funds' Member Self Service functionality, as promoted on their websites, noted provision of on-line forms 'access to all relevant forms as may be required for active and deferred members', provision of Member Self Service as an 'App' and reference to using Member Self Service to publish wider documents including Pension Fund Annual Reports. We understand that Peninsula Pensions management are looking to progress the use of on-line forms (subject to the software provider facilitating this), electronic signature facility (e.g. DocuSign) and the development of an 'App'.</p>	<p>Management should work with the software provider to progress availability of on-line forms via Member Self Service and to progress the availability of Member Self Service as an 'app' for mobile devices.</p>	<p>As highlighted by Management as part of Audit, meetings have already been held with Heywood around development of on-line forms and samples been provided for comment. This requires development by the software provider (as applicable to other LGPS pension administration service Altair users also). Management continue to request this from the software provider and are part of the Altair Essential User development group</p>
<p>Member Self Service is used to communicate generic publications e.g. newsletters, and individual communications linked to Altair Member Accounts where a member utilises self-service. Member Self Service is not currently used to publish the Devon Pension Fund Annual Report.</p>	<p>Consider utilising Member Self Service to publish or publicise the publication of the Fund Annual Report (e.g. the Devon Pension Fund Annual Report for Devon LGPS members)</p>	<p>Member Self Service is an administration tool. A link with access to the report on the Devon Fund website will be added to MSS to avoid confusion with contact from members.</p>
<p>We note the interest (including in the commercial environment) to providing a seamless customer end-to-end experience and where this is provided in the digital format, for appropriate security controls to be in place to protect individuals and personal data. Automated processes, for example relating to allocation of tasks and workflow, reduce the requirement for manual intervention, and can bring efficiencies whilst reducing the risk of 'human error' or delay in allocation.</p>	<p>Management should consider whether Member Self Service could be further utilised to provide for a customer-centric digital approach to Member services throughout the life cycle of the Members' contact with Peninsula Pensions i.e. how can the customer experience be improved making use of Member self-service as the primary communication tool?</p>	<p>Member Self Service is constantly evolving and subject to regular improvements. Future developments are planned in order of priority/popularity across all Funds. This requires development by the software provider (as applicable to other LGPS pension administration service Altair users also).</p>
<p>November 2021 - First Response Team</p>		
<p>As reported in the 'Member Self Service' final audit report 2021-22, we understand that Member Self Service (MSS) is the preferred method for communicating with members, and that less communication is received via post. Consideration should be given to creating a central log of all incoming communication which will help management monitor and understand the reasons for and volumes of communication by post (or direct mail), as opposed via MSS</p>	<p>Central log not possible – at this stage priority is to focus on getting work done. Would not consider manual recording so would need to see if an automated solution could be found. This is something to consider in the future.</p>	
<p>In the "incoming Post" procedural notes, it tells the member of staff to place batches into blue trays in the First Response Team room. To add an extra layer of physical security to members information, these trays could be kept in a locked cabinet ensuring that a clear desk policy is implemented. This includes documents waiting to be shredded being stored away in a locked cabinet.</p>	<p>We believe the locked office is sufficient at this stage but will review this when wider corporate space has been reviewed following return to office following lockdown.</p>	
<p>Continuous professional development (CPD) to the First Response Team members in the form of annual in-house GDPR / Data Protection refresher training could be implemented to ensure continued awareness. The slide deck provided that was delivered to the First Response Team in November 2018, could be adapted and turned into an annual piece of CPD.</p>	<p>There is already an annual GDPR compulsory course from DCC / meta-compliance. The technical and training team will review the PP internal slide deck.</p>	
<p>Compliance with GDPR is included in Peninsula Pensions Corporate Risk Register, specifically PP10, 11 and 19. Two controls in PP10, however, are still as "To Be Confirmed" on the risk register. We recommend revisiting this register and update it to show how the control will be measured.</p>	<p>Agreed</p>	

<p>There is an opportunity to review current process notes / procedures for the tasks and make them clearer, structuring them as follows</p> <ul style="list-style-type: none"> • Contents pages which outlines the specific indexing which will be needed within the batch. • Clear separation from headings and the information. • Title of the indexing procedure and relating tasks. • The groups that can be allocated for the task(s). • Clear instruction to update the comments section. • Clear outline of the DOCID for the paperwork associated with this task. 	<p>Opportunity</p>	<p>This is controlled centrally by technical and training team. Will ask them to consider reviewing all procedures in this format in the future.</p>	
<p>There is an opportunity to create a report to show the percentage volume of correspondence received, in terms of post vs MSS vs email.</p>	<p>Opportunity</p>	<p>There is no automated way of doing this currently but will keep this under review.</p>	
<p>The procedural notes should be updated to include the timescales / deadlines to make is clear to staff of the expectations for each of the tasks.</p>	<p>Low</p>	<p>This is covered separately in 1-1's and objectives with the team however we will consider adding this to the procedure notes.</p>	
<p>Consider establishing a central log of post to track and monitor the incoming post. There is also the opportunity to date stamp individual pieces of post to ensure that post is being dealt with within the timescales set by the First Response Team. Another option to implement this tracking could be achieved by creating a log which outlines the post received for each batch per day. Similar to how the Recorded Delivery code is stored within the receipt book.</p>	<p>Low</p>	<p>Refer to previous responses.</p>	