

Report of: the Corporate Director of Finance and Resources

Audit Committee	Date: 17 March 2016	Ward(s): All
------------------------	----------------------------	---------------------

Delete as appropriate	Exempt	Non-exempt
------------------------------	---------------	-------------------

SUBJECT: Teachers' Pensions Grant Claim – Process Improvements**1. Synopsis**

- 1.1 In response to the Audit Committee's request this report provides an update on the Teachers' Pensions claim process improvements as a result of issues identified during the external audit of the 2014/15 Teachers' Pensions claim.

2. Recommendations

- 2.1 To note the agreed Teachers' Pensions claim process improvements which have been implemented for 2015/16.

3. Background

- 3.1 The external audit of the Teachers' Pension claim for 2014/15 identified a number of issues to be addressed including the clear identification of refunds and adjustments made during the financial year and need to issue letters to staff for all pensions refunds and adjustments.
- 3.2 The table below sets out the agreed process improvements which have all been implemented for 2015/16 except for the systems changes which will be implemented from 1 April 2016.

Issue Identified	Action Taken	Implementation Date
Letters had not been issued to inform teachers' of pension changes	The payroll team now issues letters to staff for all pension deduction changes.	Immediate
Pension deductions changes were not shown separately on the payroll system which created issues when identifying reasons for the changes in deductions	<p>For pension deduction changes during 2015/16 the payroll system will include a manual calculation for each change along with supporting notes.</p> <p>From 1 April 2016 all changes to the teachers' pensions deductions will be automatically calculated by the payroll system and include relevant notes.</p>	<p>Immediate</p> <p>1 April 2016</p>
Financial Reconciliations and Dealing with queries. Financial reconciliations were completed during 2014/15 but due to the volume of queries some of the issues had not been resolved in time for the financial year end.	<p>Financial reconciliations have been completed monthly for 2015/16 and all deduction changes are being checked to establish the reason for the change and is included on the payroll system.</p> <p>A monthly timetable has been agreed for the completion of the teachers' pensions reconciliations.</p> <p>Specific staff responsibilities for completion of the reconciliations and dealing with the queries both in finance and payroll have been clearly set out and will be monitored by senior staff as part of quarterly review meetings.</p>	Immediate

4. Implications

Financial implications:

4.1 There are no direct financial implications as a result of this report.

Legal Implications:

4.2 There are no specific legal implications on this report.

Environmental Implications

4.3 None.

Resident Impact Assessment:

4.4 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

5. Reasons for the recommendations:

5.1 To note the improvements

Signed by:



**Audit Committee: Corporate Director of
Finance and Resources**

Date

Background papers:

None

Report Author: Annette Trigg
Tel: 020 7527 2365
Email: Annette.trigg@islington.gov.uk