

London Pension Fund Authority (“LPFA”)

Internal Audit Plan

January 2019

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Year 2 Plan

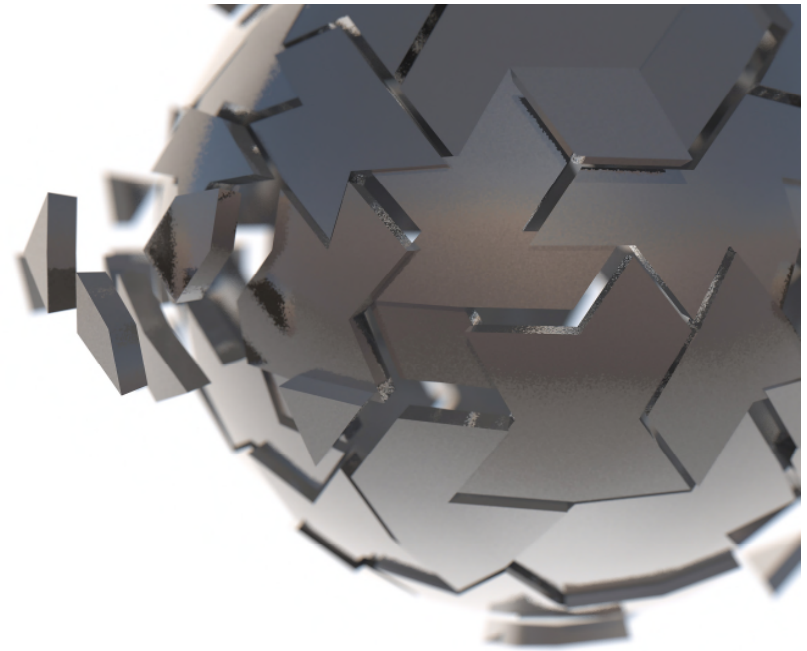
No	Coverage	Key risk areas	Audit response/Potential Areas of Coverage	Timing	Reference to Risk in Strategic Audit Plan	Indicative Days	Report to Audit and Risk Committee
2.1	Data protection	The EU General Data Protection (GDPR) comes into force on 25 May 2018. The new law will introduce a range of requirements that will have significant impacts on LPFA.	<ul style="list-style-type: none"> We will review the design and implementation of controls to ensure that they are sufficiently robust to protect personal data in line with the new GDPR requirements. 	April 2018	12		June 2018
2.2	Receipt of contributions	An important part of managing the administration is ensuring that LPFA monitors the receipt of all the contributions owed per the Schedule of Rates and reporting breaches to the Regulator on a timely basis.	<ul style="list-style-type: none"> Review of the design and implementation of controls in place to monitor LPP's compliance with the SLA in place and performance against Key Performance Indicators. For a sample of late receipt of contributions notified to LPFA by LPP we will review LPFA's decision making process as to whether the matter is reportable to the Pensions regulator. 	February 2019	2		February 2019
2.3	Member complaints	LPFA have outsourced pensions administration to LPP. LPFA receive KPI reporting under SLA on the service provided to LPFA's members.	<ul style="list-style-type: none"> Assess the framework applied by LPP with respect to complaint handing, including where complaints are received, how they are collated, assessed and reported to the Audit and Risk Committee. Assess the processes in place to monitor complaint trends and to report these to the LPFA Board. Select a sample of complaints received, assessing root cause, remediation, impact on SLA reporting and whether complaint reporting and escalation was in line with the SLA . Assess adequacy of SLA. 	February 2019	3		June 2019

Year 2 Plan

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2.4	Investment governance	An important part of the governance structure for LPFA is ensuring that investments are made by and managed by LPP Investments Ltd in accordance with LPFA's Investment Strategy Statement.	<ul style="list-style-type: none"> Understand the processes and controls in place to reconcile the LPFA custodian report and report investment performance to LPFA Board Understand the processes and control in place to record the custodian reported performance in to the books and records of LPFA and once recorded confirm that position and performance reconcile to the custodian report Understand the processes and controls for resolving difference and what tolerance are applied if any. 	March 2019	10		June 2019

Year 3 Plan

No	Coverage	Key risk areas	Timing	Reference to risk in Strategic Audit Plan	Indicative days
3.1	Data and information security (including cyber)	We will consider the types of information, data flows and parties involved with member data and assessment of whether transmissions of this data between parties is secure. We will also consider LPFA's controls over managing its cyber security risk.	April 2019	11	
3.2	Member communications	Impact, clarity and accuracy are key to providing good member communications.	August 2019	4	
3.3	Core financial controls	In year three of the plan we would focus on Treasury Management related processes.	October 2019	7	
3.4	Monitoring of compliance with shareholder agreement	Are matters reserved for shareholder approval being sought by LPP.	January 2020	8	



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