

# Scottish Public Pensions Agency NHS Pension Scheme (Scotland) Scottish Teachers' Pension Scheme 2021/22 Annual Audit Report



 AUDIT SCOTLAND

Prepared for Scottish Public Pensions Agency and the Auditor General for Scotland

March 2023

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# Key messages

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## 2021/22 annual report and accounts

- 1 Our audit opinions on the annual report and accounts of Scottish Public Pensions Agency (SPPA), NHS Pension Scheme (Scotland) (NHSPSS) and Scottish Teachers' Pension Scheme (STPS) are unmodified.
- 2 SPPA's finance team is under resourced, which resulted in the annual accounts and working papers being provided late and with a significant number of errors.

## Financial management

- 3 SPPA operated within its budget in 2021/22. NHSPSS and STPS did not exceed their 2021/22 combined budget limit.
- 4 SPPA, NHSPSS and STPS have appropriate in-year financial management arrangements including regular budget monitoring and reporting.
- 5 SPPA needs to improve the controls within the main financial system to ensure all areas are fully reconciled and payments are correct.

## Financial sustainability

- 6 SPPA faces an increasingly challenging financial environment but needs to further progress its financial strategy to demonstrate how it will address funding gaps.
- 7 SPPA is developing workforce planning but further work is required to ensure it is adequately resourced to fully deliver on its customer and business objectives.

## Governance, transparency and value for money

- 8 Governance arrangements are appropriate. SPPA are further strengthening arrangements following an internal audit review.
- 9 SPPA has still to fully establish its executive team. It will be a significant challenge to deliver the full range of transformation and change planned in current projects.
- 10 The performance report presented to audit required additional work to meet FReM requirements and further improvements are recommended.

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# Introduction

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1. The Scottish Public Pensions Agency (SPPA) is an executive agency of the Scottish Government and is responsible for administering the NHS Pension Scheme (Scotland) (NHSPSS) and Scottish Teachers' Pension Scheme (STPS). This report summarises the findings from our 2021/22 audit of SPPA, NHSPSS and STPS.
2. The scope of our audit was set out in our Annual Audit Plan presented to the March 2022 meeting of the Audit and Risk Committee (ARC). This report comprises the findings from:
  - an audit of the annual report and accounts of SPPA, NHSPSS and STPS
  - consideration of the four audit dimensions that frame the wider scope of public audit set out in the [Code of Audit Practice 2016](#).
3. The main elements of our audit work in 2021/22 have been:
  - an audit of the 2021/22 annual report and accounts including the issue of an independent auditor's report setting out our opinions
  - a review of key financial systems
  - consideration of the four audit dimensions.

## Adding value through the audit

4. We add value to SPPA, NHSPSS and STPS through the audit by:
  - identifying and providing insight on significant risks, and making clear and relevant recommendations
  - sharing intelligence and good practice through our national reports ([Appendix 3](#)) and good practice guides
  - providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.

## Responsibilities and reporting

5. SPPA has primary responsibility for ensuring the proper financial stewardship of public funds. This includes preparing annual report and accounts that are in accordance with the accounts direction from the Scottish Ministers.
6. SPPA is also responsible for establishing appropriate and effective arrangements for governance, propriety, and regularity.

- 7.** Our responsibilities as independent auditor are established by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice 2016, and supplementary guidance and International Standards on Auditing in the UK. As public sector auditors we give independent opinions on the annual report and accounts.
- 8.** Additionally, we conclude on the appropriateness and effectiveness of the performance management arrangements, the suitability and effectiveness of corporate governance arrangements, the financial position, and arrangements for securing financial sustainability.
- 9.** Further details of the respective responsibilities of management and the auditor can be found in the Code of Audit Practice 2016 and supplementary guidance.
- 10.** This report raises matters from our audit. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.
- 11.** Our annual audit report contains an agreed action plan at Appendix 1. It sets out specific recommendations, the responsible officers, and dates for implementation. It also includes any outstanding actions from last year and progress against these.

## Auditor Independence

- 12.** Auditors appointed by the Accounts Commission or Auditor General must comply with the Code of Audit Practice and relevant supporting guidance. When auditing the financial statements auditors must comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies.
- 13.** We can confirm that we comply with the Financial Reporting Council's Ethical Standard. We can also confirm that we have not undertaken any non-audit related services and the 2021/22 combined audit fee of £163,600 set out in our 2021/22 Annual Audit Plan remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.
- 14.** This report is addressed to both SPPA and the Auditor General for Scotland and will be published on Audit Scotland's website [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) in due course.
- 15.** We would like to thank the management and staff who have been involved in our work for their cooperation and assistance during the audit.

## Audit appointment from 2022/23

- 16.** The Auditor General for Scotland is responsible for the appointment of external auditors to central government bodies. External auditors are usually appointed for a five-year term either from Audit Scotland's Audit Services Group or a private firm of accountants.

**17.** The current appointment round was due to end in 2020/21 but was extended for a year so 2021/22 is the last year of the current round. The procurement process for the new round of audit appointments was completed in May 2022. From financial year 2022/23 Audit Scotland will continue to be the auditor for SPPA, NHSPSS and STPS. Although Audit Scotland will continue to be SPPA's auditor, the role of the appointed auditor will change.

**18.** A new [Code of Audit Practice](#) applies to public sector audits for financial years starting on or after 1 April 2022. It replaces the Code issued in May 2016.

**19.** We would like to thank Audit and Risk Committee members, Executive Directors, and other staff, particularly those in finance, for their co-operation and assistance over the last six years.

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# 1. Audit of 2021/22 annual report and accounts

The principal means of accounting for the stewardship of resources and performance

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## Main judgements

Our audit opinions on the annual report and accounts of Scottish Public Pensions Agency (SPPA), NHS Pension Scheme (Scotland) (NHSPSS) and Scottish Teachers' Pension Scheme (STPS) are unmodified.

SPPA's finance team is under resourced, which resulted in the annual accounts and working papers being provided late and with a significant number of errors.

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**20.** Our audit opinions on the annual report and accounts of Scottish Public Pensions Agency (SPPA), NHS Pension Scheme (Scotland) (NHSPSS) and Scottish Teachers' Pension Scheme (STPS) are unmodified. The SPPA annual report and accounts for the year ended 31 March 2022 were approved by SPPA's accountable officer on 19 December 2022. The annual report and accounts for NHSPSS and STPS were not signed until 21 March 2023 which was after the statutory deadline. As reported in the independent auditor's reports:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework
- expenditure and income were regular and in accordance with applicable enactments and guidance
- the audited part of the SPPA remuneration and staff report, performance report and governance statement were all consistent with the financial statements and properly prepared in accordance with the relevant legislation and directions made by Scottish Ministers
- the audited part of the NHSPSS and STPS report of the scheme manager and governance statement were all consistent with the financial statements and properly prepared in accordance with the relevant legislation and directions made by Scottish Ministers.

## SPPA's finance team is under resourced, which led to delays in preparing the annual report and accounts and supplying working papers

**21.** Several key members of the finance team left during 2020/21 and 2021/22 and it is taking time for SPPA to appoint replacements. The finance team is

under resourced and faced competing pressures to prepare the annual report and accounts and support the audit alongside other work.

**22.** SPPA could not provide unaudited annual report and accounts in line with the audit timetable due to finance team capacity and an NHSSPS valuation issue (see [Exhibit 2](#)).

**23.** We received the unaudited annual report and accounts for:

- SPPA on 12 July 2022
- NHSPSS on 7 October 2022
- STPS on 11 October 2022.

**24.** For NHSPSS and STPS, this was significantly later than the submission date of 8 August 2022 agreed in the annual audit plan. As a result of this, and delays in receiving working papers for all three annual report and accounts, we agreed a revised timetable for the audit with officers.

**25.** The NHSPSS and STPS annual report and accounts were generally of an acceptable standard. We found significant issues with the completeness and accuracy of several disclosures in the SPPA annual report and accounts. This included the primary financial statements and notes to the accounts.

**26.** The SPPA annual report and accounts would have benefitted from further review by officers. Doing so could have ensured that the performance report met the minimum requirements of the Government Financial Reporting Manual (FRoM). There were a number of inconsistencies between the accounts presented to audit and subsequent working papers which required additional audit work to clarify the correct financial position.

**27.** Officers supported us during the audit but we experienced delays in receiving information and responses to queries due to the increased workload of the finance team.

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## Recommendation 1

Whilst acknowledging that SPPA is trying to secure additional capacity in the finance team, this should be progressed urgently. This should ensure that the team has the resources needed to prepare annual reports and accounts in a timely manner and to support the audit.

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## Whole of Government Accounts

**28.** We will work with management to complete the 2020/21 assurance statement for Whole of Government Accounts (WGA) and submit this to the National Audit Office. The submission deadline for the 2021/22 WGA is still to be confirmed.

## Materiality

**29.** Our initial assessment of materiality was carried out during the planning phase of the audit. We revised our materiality levels after receiving the unaudited annual report and accounts and these are summarised in [Exhibit 1](#). The revised materiality had no impact on our audit approach.

### Exhibit 1 Materiality values

SPPA materiality level	Amount
Overall materiality	£220,000
Performance materiality	£165,000
Reporting threshold	£11,000
Source: Audit Scotland	

NHSPSS materiality level	Amount
Overall materiality	£15.9 million
Performance materiality	£11.9 million
Reporting threshold	£250,000
Source: Audit Scotland	

STPS materiality level	Amount
Overall materiality	£11.8 million
Performance materiality	£8.8 million
Reporting threshold	£250,000
Source: Audit Scotland	

**30.** We considered the following factors in determining performance materiality:

- our understanding of SPPA, NHSPSS and STPS
- the nature and extent of misstatements identified in previous years
- issues identified from our risk assessment procedures.

## We have significant findings to report on the annual report and accounts of SPPA, NHSPSS and STPS

**31.** International Standard on Auditing (UK) 260 requires us to communicate significant findings from the audit to those charged with governance, including our view about the qualitative aspects of SPPA, NHSSPS and STPS' accounting practices. The significant findings are summarised in [Exhibit 2](#).

### Exhibit 2

#### Significant findings from the audit of financial statements

Issue	Resolution
<p><b>1. Errors in SPPA non-current asset revaluations</b></p> <p>During our audit of SPPA we found that revaluations to the non-current assets (land and buildings) had been incorrectly posted into the financial ledger. This resulted in an error in the draft accounts of £0.66M and is therefore material.</p>	<p>SPPA posted a correctional journal which we checked and confirmed as correct. We were also able to confirm the changes had been made to the revised version of the accounts.</p>
<p><b>2. Errors within SPPA prepayments balances</b></p> <p>During our audit of SPPA we found errors in the value of prepayments posted in the draft accounts. These errors totalled £0.14M.</p>	<p>SPPA posted a correctional journal which we checked and confirmed as correct. We were also able to confirm the changes had been made to the revised version of the accounts.</p>
<p><b>3. Mis-posted SPPA current liabilities balances</b></p> <p>Our audit testing of SPPA found that a number of accruals balances had been mis-posted. These totalled £0.26 million which is material to the accounts.</p>	<p>SPPA posted a correctional journal which we checked and confirmed as correct. We were also able to confirm the changes had been made to the revised version of the accounts.</p>
<p><b>4. Demographic assumptions for NHSPSS</b></p> <p>GAD has found inconsistencies in the mortality assumptions used for the 2016 NHSPSS valuation compared to analysis of mortality in previous years' and in other public service pension schemes. These inaccuracies mean that the assumptions no longer represent a current, unbiased best estimate of future mortality for the scheme.</p> <p>GAD has recommended that the baseline mortality assumptions and adjustments are updated to remove the impact of the data inaccuracies identified.</p>	<p>GAD prepared 2021/22 resource accounts for NHSPSS based on the updated baseline mortality assumptions. This has resulted in the pension liability at 31 March 2022 decreasing by £3.4 billion to £95.1 billion.</p> <p>Officers updated the NHSPSS annual report and accounts presented to audit to reflect the changes recommended by GAD. Therefore this was not a mis-statement.</p>

Issue	Resolution
<p><b>5. Cash in transit balance in STPS</b></p> <p>Our audit testing found that the accounts receivable reconciliation included the cash in transit balance for the NHSPSS rather than STPS (overstated by £18.6 million). This was off-set by other inconsistencies totalling £8.4 million between the reconciliation and the ledger. Consequently the receivables balance in the ledger (and accounts) was overstated by £10.2 million.</p>	<p>Through further review SPPA found that the £10.2 million difference had been caused by a failure to reverse a brought forward balance from 2020/21. The 2020/21 balance for cash in transit of £10.2 million was subsequently reversed as an audit adjustment.</p> <p>As this was a reversal of a prior year balance it did not impact on the Statement of Comprehensive Net Expenditure. We confirmed the accounts were correctly adjusted in light of this issue.</p>

Source: Audit Scotland

**32. Exhibit 3** sets out the significant risks of material misstatement to the financial statements we identified in our 2021/22 Annual Audit Plan. It summarises the further audit procedures we performed during the year to obtain assurances over these risks and the conclusions from the work completed.

## Exhibit 3

### Significant risks of material misstatement in the financial statements

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
<p><b>1. Risk of material misstatement due to fraud caused by the management override of controls</b></p> <p>As stated in International Standard on Auditing (UK) 240, management is in a unique position to perpetrate fraud because of its ability to override controls that otherwise appear to be operating effectively.</p> <p>(SPPA, NHSPSS and STPS)</p>	<p>Assess the design and implementation of controls over journal entry processing.</p> <p>Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.</p> <p>Test journals at the year-end and post-closing entries and focus on significant risk areas.</p> <p>Consider the need to test journal entries and other</p>	<p><b>Conclusion:</b> We concluded that we could place reliance on the key controls in place.</p> <p>We reviewed the year-end journal and found that it was correctly authorised and consistent with our testing elsewhere.</p>

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
	<p>adjustments during the period.</p> <p>Evaluate significant transactions outside the normal course of business.</p> <p>Assess the adequacy of the controls in place for identifying and disclosing related party relationships and transactions in the financial statements.</p> <p>We will assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year.</p> <p>Substantive testing of income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year.</p> <p>Focused testing of accounting accruals and prepayments.</p>	<p>We found no significant transactions outside the normal course of business.</p> <p>We found that SPPA, NHSPSS and STPS have adequate arrangements for identifying and disclosing related party relationships and transactions.</p> <p>We assessed SPPA, NHSPSS and STPS's methodology for accounting estimates and concluded that its approach is reasonable. This was subject to the issue raised at <a href="#">Exhibit 2</a>, item 4 regarding GAD assumptions which was subsequently corrected.</p> <p>We tested a sample of income and expenditure and found no errors.</p> <p>We tested a sample of accruals and prepayments and found several errors which were subsequently corrected (see <a href="#">Exhibit 2</a>, items 1 to 3 and 5).</p> <p><b>Conclusion:</b> Satisfactory</p>
<p><b>2. Information supporting scheme valuations</b></p> <p>Decisions taken by SPPA for the schemes are reliant on the work of the Government Actuary Department (GAD). The actuarial valuation methodology relies on significant judgements and assumptions in relation to financial, mortality and demographic factors. There is a risk that the actuarial information for valuing the scheme is affected by</p>	<p>Review of the work of GAD focusing on reliability, professional competence, and capability.</p> <p>Meet with GAD to discuss work practices, validation processes and quality review arrangements to determine whether reliance can be taken in relation to GAD's internal processes.</p> <p>Review reports to GAD supporting valuation data.</p>	<p>We found no issues with the reliability, professional competence or capability of GAD.</p> <p>We met with GAD and confirmed that it has suitable arrangements in place.</p> <p>We confirmed that the information in the annual report and accounts is consistent with the resource accounts prepared by GAD.</p> <p>We commissioned an external firm of experts to</p>

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
<p>incomplete or inaccurate information from SPPA, or the use of unreasonable judgements and assumptions.</p> <p>(NHSPSS and STPS)</p>	<p>Commission review of GAD by an independent expert.</p>	<p>review GAD. It concluded that nothing had come to its attention that causes it to believe that the work of GAD is not effective.</p> <p><b>Conclusion:</b> Satisfactory</p>

## Other areas of audit focus

**33.** We identified in our 2021/22 Annual Audit Plan areas where we consider there are other risks of material misstatement to the financial statements. Based on our assessment of the likelihood and magnitude of the risk, we did not consider these to represent significant risks.

**34.** The areas of specific audit focus were:

- Fraud over recognition of revenue (NHSPSS and STPS)

As set out in International Standard on Auditing (UK) 240: *The auditor's responsibilities relating to fraud in an audit of the financial statements*, there is a presumed risk of fraud over the recognition of revenue. There is a risk that revenue may be misstated resulting in a material misstatement in the financial statements.

- Fraud over expenditure recognition (NHSPSS and STPS)

In line with Practice Note 10: *Audit of financial statements and regularity of public sector bodies in the United Kingdom*, as most public-sector bodies are net spending bodies, the risk of fraud is more likely to occur in expenditure. There is a risk that expenditure may be misstated resulting in a material misstatement in the financial statements.

- Police and fire pensions receivables and payables (SPPA)

SPPA has material year-end receivables and payables relating to the payment of pensions on behalf of Police Service of Scotland and Scottish Fire and Rescue Service. The accuracy of these balances depends on information held outside SPPA's main financial systems which increases the risk that these balances could be misstated.

**35.** We kept these areas under review throughout our audit. We identified one error relating to police pensions payables which is above our reporting threshold but below performance materiality.

## **Identified misstatements of £1.3 million were adjusted in the SPPA accounts, with a mis-statement of £10.2 million in the STPS accounts.**

**36.** We identified misstatements in the SPPA accounts totalling £1.3 million. The most significant of these is covered in items 1 to 3 in [Exhibit 2](#). While there were no mis-statements in the NHSPSS accounts, there was one in the STPS of £10.2 million. Details regarding this are provided in [Exhibit 2](#), item 5.

**37.** We have reviewed the nature and causes of these misstatements and have concluded that they arose from issues that have been isolated and identified in their entirety and do not indicate further systemic error.

**38.** Adjustments made in the SPPA audited accounts decreased net expenditure in the Statement of Comprehensive Net Expenditure by £0.4 million and increased net assets in the Statement of Financial Position by £1.0 million. Adjustments in the STPS accounts increased net liabilities in the Statement of Financial Position by £10.2 million with no impact on the Statement of Comprehensive Net Expenditure.

**39.** It is our responsibility to request that all misstatements, other than those below the reporting threshold, are corrected. The final decision on making the correction lies with those charged with governance considering advice from senior officers and materiality.

**40.** We identified two misstatements totalling £30,000 that have not been adjusted by management in the SPPA accounts. This would have decreased net expenditure by £19,000 ([Appendix 2](#)). There were no unadjusted misstatements in either the NHSPSS or STPS accounts.

## **SPPA has made some progress on prior year recommendations**

**41.** SPPA has made some progress in implementing our prior year audit recommendations. For actions not yet implemented, revised responses and timescales have been agreed with management, and are set out in [Appendix 1](#).

## 2. Financial management

Financial management is about financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.

### Main judgements

SPPA operated within its budget in 2021/22. NHSPSS and STPS did not exceed their 2021/22 combined budget limit.

SPPA, NHSPSS and STPS have appropriate in-year financial management arrangements including regular budget monitoring and reporting.

SPPA need to improve the controls within the main financial system to ensure all areas are fully reconciled and payments are correct.

### SPPA operated within its budget in 2021/22

**42.** SPPA's main financial objective is to ensure its financial outturn for the year is within the budget allocated by Scottish Ministers.

**43.** SPPA reported an outturn of £21.7 million against its overall budget for 2021/22 with an underspend of £4.4 million. Its financial performance against budget is shown in [Exhibit 4](#).

### Exhibit 4

#### Performance against budget in 2021/22

Performance	Initial budget £m	Final budget £m	Outturn £m	Over/(under) spend £m
Resource	23.5	23.9	21.2	(2.7)
Capital	2.2	2.2	0.5	(1.7)
Total	25.7	26.1	21.7	(4.4)

Source: Scottish Budget 2021-22, SPPA Annual Report and Accounts 2021-22

## NHSPSS and STPS did not exceed their 2021/22 combined budget limit

**44.** NHSPSS and STPS are funded by Scottish Government annual managed expenditure (AME). Funding covers the cost of pension payments to retired members. The main financial objective of NHSPSS and STPS is to ensure that financial outturn for the year is within the budget allocated by Scottish Ministers.

**45.** NHSPSS and STPS' accrued resources are covered by one limit of £6,026.8 million. Total accrued resources were £5,966.3 million, which is within the overall budget limit. NHSPSS and STPS' financial performance against AME is shown in [Exhibit 5](#).

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### Exhibit 5 Performance against AME in 2021/22

Performance	Initial budget £m	Final budget £m	Outturn £m	Over/(under) spend £m
NHSPSS	3,931.0	4,114.4	4,109.6	(4.8)
STPS	1,922.8	1,912.4	1,856.7	(55.7)
Total	5,853.8	6,026.8	5,966.3	(60.5)

Source: Scottish Budget: 2021-22, The 2021-22 Spring Budget Revision, NHSPSS and STPS Annual Report and Accounts 2021-22

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## Budget processes were appropriate

**46.** We reviewed SPPA's budget setting and monitoring arrangements. We confirmed that senior management and non-executive members receive regular and accurate information on SPPA, NHSPSS and STPS' financial position.

**47.** SPPA prepares regular finance reports for its Management Advisory Board (MAB). These reports provide details of performance against budget for the current financial year and forecast the year-end financial position. The reports also highlight new and ongoing developments affecting SPPA and the pension schemes' finances.

## SPPA need to improve the controls within the main financial system to ensure all areas are fully reconciled and payments are correct.

**48.** We identify and assess the key internal controls in those accounting systems we regard as significant to produce the financial statements. Our objective is to gain assurance that SPPA, NHSPSS and STPS have systems of recording and processing transactions which provide a sound basis for the preparation of the financial statements.

**49.** We reviewed controls within SPPA, NHSPSS and STPS' main financial systems. We found that although most controls are operating as expected, there are some areas which should be strengthened. Our testing found no evidence of management checks regarding reconciliations involving the payables and pensions administration systems and the ledger. We also found a lack of evidence of control in the process to change a supplier's details.

**50.** Through our audit testing we also found further issues which indicated weakness in financial controls. The first of these concerned an overpayment of £8 million to HMRC. This had been caused by a breakdown in the controls over sanction payments. SPPA had identified the issue prior to our review.

**51.** Our testing of staff costs identified one individual who left SPPA and was not removed from its payroll in a timely manner. The individual left SPPA in June 2021 but was paid a full monthly salary in June and July 2021. In this case, the individual had left to work for another part of the Scottish Government. We carried out additional sample testing of leavers and did not identify any further errors, however this issue indicates a weakness in controls.

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## Recommendation 2

SPPA should ensure that it retains evidence of appropriate management checks regarding reconciliations, changing suppliers' details, significant payments and for people leaving the organisation.

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### Internal audit

**52.** SPPA's internal audit function is provided by the Scottish Government's Directorate for Internal Audit and Assurance. Audit Scotland carries out an annual review of internal audit. The 2021/22 review covered planning, governance, reporting, staffing and resources and did not find any areas of non-compliance with Public Sector Internal Audit Standards.

**53.** Internal audit's annual report for 2021/22 concluded an overall limited level of assurance. This is based on the results of work undertaken during the year in areas such as corporate governance as well as capability and capacity.

### SPPA is taking action to improve arrangements for prevention and detection of fraud and error

**54.** SPPA is responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery, and corruption. It is also responsible for ensuring that its affairs are managed in accordance with proper standards of conduct by putting effective arrangements in place.

**55.** We reviewed SPPA's arrangements to maintain standards of conduct including the Framework Document and Civil Service and Members' Codes of Conduct. There are established procedures for preventing and detecting any breaches of these standards, including any instances of corruption.

**56.** We found areas where SPPA could strengthen its fraud arrangements. This includes updating its fraud policy and improving fraud reporting. The counter-

fraud policy and fraud response plan dates from 2014 and the ARC is not currently provided with a dedicated report on fraud. The ARC did though hold a risk deep dive on counter fraud in June 2022. Committee members noted that management is taking action to address gaps in fraud policy and control measures.

**57.** The National Fraud Initiative (NFI) is a counter-fraud exercise across the UK public sector which aims to prevent and detect fraud. We reviewed SPPA's NFI arrangements and found that it is committed to the exercise. However, it needs to improve reporting of NFI outcomes to the ARC and executive team.

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### **Recommendation 3**

SPPA should finalise its review of the counter fraud policy and regular fraud reports should be submitted to the ARC, which should also incorporate results from NFI exercises.

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## 3. Financial sustainability

Financial sustainability looks forward to the medium and long term to consider whether a body is planning effectively to continue to deliver its services

### Main judgements

SPPA faces an increasingly challenging financial environment but needs to further progress its financial strategy to demonstrate how it will address funding gaps.

SPPA is developing workforce planning but further work is required to ensure it is adequately resourced.

### We have obtained audit assurances over the wider audit dimension risks relating to financial sustainability identified in our 2021/22 Annual Audit Plan

58. [Exhibit 6](#) sets out the financial sustainability risk we identified in our 2021/22 audit, our assurance procedures and the results and conclusions from our work.

### Exhibit 6

#### Risks identified from the auditor's wider responsibility under the Code of Audit Practice

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
<p><b>Financial sustainability</b></p> <p>SPPA has forecast significant annual revenue budget deficits from 2022/23 and unfunded project costs. This highlights the increasingly challenging financial climate it is operating in.</p> <p>We have reported in previous years that SPPA's strategic plans and five-year budgets do not set out the actions SPPA is taking to ensure its finances are sustainable.</p> <p>There is a risk that SPPA cannot demonstrate how it</p>	<p>Review SPPA's longer term financial plans and forecasts.</p> <p>Review efficiency savings reported by SPPA.</p>	<p>SPPA prepares five-year revenue and capital budgets on a rolling basis. It has a clear picture of its future funding challenges but needs to develop a financial strategy demonstrating how it will manage its finances.</p> <p>SPPA reported an outturn of £21.7 million against its overall budget of £26.1 million for 2021/22. An underspend of £4.4 million.</p> <p><b>Conclusion:</b> See recommendation 4</p>

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
will manage its finances in the longer term.		

## SPPA needs to further progress its financial strategy to demonstrate how it will address funding gaps

**59.** The Scottish Government's resource spending review was published in May 2022. The resource review gives SPPA an indication of the resources available to it in the period to 2026/27.

**60.** SPPA prepares five-year revenue and capital budgets on a rolling basis. Its most recent forecast takes account of the resource spending review which fixed SPPA's revenue budget at £19.3 million a year from 2022/23 to 2026/27.

**61.** SPPA is operating in an increasingly challenging financial environment. This is reflected in its budget forecasts. It has identified annual revenue budget gaps of:

- £0.8 million in 2022/23
- £2.2 million in 2023/24
- £2.5 million in 2024/25
- £2.8 million in 2025/26
- £3.2 million in 2026/27.

**62.** SPPA has a clear picture of its future funding challenges. The next step is to develop a financial strategy demonstrating how it will manage its finances alongside achieving its strategic aims and business priorities. Last year we recommended that SPPA should develop a longer-term financial strategy, however this has not yet been fully implemented.

## Recommendation 4

SPPA should continue to develop a financial strategy demonstrating how it will manage its finances and meet future funding challenges.

## We are satisfied that NHSPSS and STPS continue to be a going concern

**63.** The 2021/22 annual report and accounts show that:

- NHSPSS has net liabilities of £95.1 billion, an increase of £8.2 billion
- STPS has net liabilities of £53.5 billion, an increase of £5.3 billion.

**64.** NHSPSS and STPS are unfunded pension schemes, with funding for pension payments provided by the Scottish Government as they fall due. Pension liabilities can change significantly, year to year, due to changes in actuarial assumptions. This means SPPA is not able to plan the scheme finances beyond one year.

**65.** SPPA, as the scheme manager of NHSPSS and STPS, has concluded in the annual report and accounts that it is appropriate that the accounts of both schemes are prepared on a going concern basis. We are satisfied with the scheme manager's view on the basis that funding to meet pension payments is made available from the Scottish Government's annual managed expenditure budget.

### **SPPA is developing workforce planning but further work is required to ensure it is adequately resourced**

**66.** We have previously reported that SPPA should develop a workforce plan to ensure it is adequately organised and resourced to deliver core services and achieve planned efficiencies. SPPA has continued to experience significant staff turnover and found it difficult to fill vacant roles. Turnover rates increased from 7.3 per cent in 2020/21 to 18.8 per cent in 2021/22.

**67.** In part one of this report we noted the impact vacancies in the finance team had on the preparation and audit of the annual report and accounts. We have also previously reported the risk that SPPA does not have the resilient workforce needed to ensure it meets customer and business needs.

**68.** SPPA has established a workforce planning team that meets fortnightly to discuss current staffing levels, identify vacancies and consider planned recruitment. The team provides monthly reports to the executive team showing the position in each business group.

**69.** The workforce planning team has quarterly meetings with the executive team to discuss succession planning, learning and development and the impact of ongoing projects on the business.

**70.** SPPA's workforce planning focuses on identifying business critical vacancies and forecasting the financial impact of required staffing levels on its five-year budgets. Developing more strategic workforce planning is a longer-term action.

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## **Recommendation 5**

**SPPA should continue developing its workforce planning to ensure it addresses longer-term strategic aims as well as meeting more immediate customer and business needs.**

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# 4. Governance and transparency

The effectiveness of scrutiny and oversight, and transparent reporting of information

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## Main judgements

Governance arrangements are appropriate. SPPA is further strengthening arrangements following an internal audit review.

The performance report presented to audit required additional work to meet FReM requirements and further improvements are recommended.

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## SPPA, NHSPSS and STPS have appropriate governance arrangements in place

**71.** The corporate governance framework within SPPA is centred around the MAB. The main role of the MAB is to assist SPPA in strategic planning and delivery of its functions and offer advice, scrutiny and challenge to the Chief Executive and executive team.

**72.** SPPA also has an ARC. The ARC is a sub-committee of the MAB and provides assurance to the Chief Executive on areas including corporate governance, risk management and audit. The MAB and ARC carry out annual self-assessments to help identify areas for improvement.

**73.** NHSPSS and STPS are supported by pension boards and scheme advisory boards. The pension boards are responsible for assisting SPPA, as scheme manager, with operational management of the schemes. The scheme advisory boards provide advice on the desirability of changes to scheme design and the implication of other policy issues.

**74.** These arrangements provide an appropriate framework for scrutiny and oversight of SPPA, NHSPSS and STPS.

**75.** Internal audit completed a review of SPPA governance in September 2021. It considered the robustness and effectiveness of key governance arrangements, processes and procedures at SPPA. This included reviewing the operation of the pension boards.

**76.** Internal audit found areas where SPPA's governance structure could be strengthened. It reviewed progress against the review's recommendations and presented a follow-up report to the June 2022 ARC meeting. Internal audit found that SPPA has made good progress against the recommendations with six fully implemented and the remaining two partially implemented.

## The performance report presented to audit required additional work to meet FReM requirements and further improvements are recommended

**77.** In addition to the opinion on SPPA's performance report covered in Part 1 of our Annual Audit Report, we also consider the qualitative aspects of SPPA's performance reporting.

**78.** The performance report should provide information on SPPA's main objectives and the principal risks faced. It should provide a fair, balanced and understandable analysis of SPPA's performance as well as helping stakeholders understand the financial statements.

**79.** Last year SPPA used the dispensation in the Financial Reporting Manual (FReM) to omit a performance analysis from the performance report. This dispensation was not available in 2021/22 and SPPA included a performance analysis within the annual report and accounts.

**80.** The performance report in the unaudited annual report and accounts did not meet many of the FReM requirements:

- It did not include a summary of the principal risks SPPA faced and how these affected delivery of its objectives.
- The financial review within the performance analysis did not have any clear financial indicators or measures.
- The performance analysis did not include a clear assessment of SPPA's performance against its objectives.

**81.** SPPA updated its performance report and it now complies with the FReM, but reporting on performance could be clearer. The performance analysis section could be improved by:

- making it more concise and accessible
- including more clearly defined performance measures and targets linked to strategic objectives
- telling a clearer story about how SPPA managed its budget.

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## Recommendation 6

SPPA should fully embed and enhance improvements made to the 2021/22 performance report to ensure that it meets with FReM requirements and best practice.

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# 5. Value for money

Using resources effectively and continually improving services

## Main judgements

SPPA has still to fully establish its executive team. It will be a significant challenge to deliver the full range of transformation and change planned in current projects.

## We have obtained audit assurances over the wider audit dimension risks relating to value for money identified in our 2021/22 Annual Audit Plan

82. [Exhibit 7](#) sets out the value for money risk we identified in our 2021/22 audit, our assurance procedures and the results and conclusions from our work.

### Exhibit 7

#### Risks identified from the auditor's wider responsibility under the Code of Audit Practice

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
<p><b>Leadership and management capacity</b></p> <p>SPPA has implemented a new executive team structure consisting of four senior officers and the chief executive. Three of the senior officer posts have been filled on an interim basis with permanent recruitment planned. This is happening during a period of change and challenge for SPPA. We also note that several other key posts are vacant, including in the finance team. SPPA has agreed a key business priority to develop a comprehensive workforce plan.</p> <p>There is a risk that SPPA is not adequately organised and</p>	<p>Review SPPA's progress in developing a workforce plan.</p> <p>Review SPPA's progress with the pension platform programme.</p> <p>Review the Accountable Officer's arrangements for securing Best Value.</p>	<p>SPPA has established a workforce planning team. SPPA's workforce planning focuses on identifying business critical vacancies and forecasting the financial impact of required staffing levels on five-year budgets.</p> <p>SPPA agreed a preferred supplier for the pension platform programme in October 2022. It has a revised timeline for implementation with all pension schemes, members and employers to be using the service in 2025.</p> <p>The Chief Executive, as accountable officer, is working to ensure Best Value principles are embedded in SPPA's planning, governance</p>

Audit risk (as per 2021/22 annual audit plan)	Assurance procedure	Results and conclusions
resourced and does not have the leadership capacity needed to ensure it achieves its strategic objectives.		and decision-making arrangements. <b>Conclusion:</b> See recommendations 5 and 7.

## SPPA needs to deliver several major projects, including its pension platform programme

**83.** SPPA started its pension platform programme in June 2020. The project aims to deliver a comprehensive digital solution for pensions and payroll administration. SPPA's aim is to improve business efficiency and service quality and make longer-term financial savings.

**84.** SPPA identified a preferred supplier for the programme in October 2022. It has a revised timeline for implementation with all pension schemes, members and employers to be using the service in 2025.

**85.** The separate transformation strand of the programme is less developed. A Scottish Government gateway health check review was carried out in August 2022. This resulted in an amber grading reflecting that successful delivery of transformational change activity appears feasible but significant issues require management attention. SPPA accepted the report's recommendations.

**86.** SPPA is also progressing two other major projects. The 2015 remedy programme aims to deliver the regulatory changes to pension schemes required by an age discrimination legal judgement. The NHS practitioners' project seeks to identify and rectify pension over and under member contributions by NHSPSS Practitioner members.

## SPPA has still to fully establish its executive team. It will be a significant challenge to deliver the full range of transformation and change planned in current projects

**87.** SPPA appointed a substantive Chief Executive in December 2021 and put in place a new executive team structure in January 2022. This consists of four senior officers and the Chief Executive. Three of the senior officer posts have been filled on a permanent basis.

**88.** The remaining post of Chief Operating Officer (COO) was filled on an interim basis from December 2021 but has been vacant since October 2022. The responsibilities of the COO have been assigned to other senior officers on an interim basis. The COO was senior responsible officer for the transformation change programme.

**89.** SPPA launched *Our Corporate Plan 2022-27* in March 2022. This sets out SPPA's strategic aims and roadmap towards its vision of building a better SPPA. The corporate plan is supported by an annual business plan which sets out SPPA's ten business priorities, how it will achieve these, and how it will measure progress.

**90.** It will be a significant challenge for SPPA to successfully deliver the planned transformation and changes required by the major projects that are underway. There remains a risk that SPPA still does not have the strategic capacity across the business to achieve the objectives of these projects.

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## Recommendation 7

SPPA should prioritise filling the post of Chief Operating Officer and continuously review strategic capacity for major change programmes.

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### SPPA is developing a framework for Best Value

**91.** [Ministerial guidance to Accountable Officers](#) for public bodies and the [Scottish Public Finance Manual](#) (SPFM) sets out the accountable officer's duty to ensure that arrangements are in place to secure Best Value.

**92.** The guidance sets out the key characteristics of Best Value. Compliance with the duty of Best Value requires public bodies to take a systematic approach to self-evaluation and continuous improvement.

**93.** The Chief Executive, as accountable officer, is working to ensure Best Value principles are embedded in SPPA's planning, governance and decision-making arrangements. The 2022/23 business plan sets key performance indicators for each of SPPA's new business priorities. These measures will help SPPA to demonstrate how it is securing Best Value.

### NHSPSS and STPS failed to meet the Pensions Regulator's requirement for annual benefits statements

**94.** SPPA has responsibility for issuing annual benefits statements to members by 31 August each year. SPPA did not meet the end of August deadline for issuing all 2022 annual benefits statements, with 99% issued for NHSPSS and 97% issued for STPS.

**95.** SPPA has self-reported itself to the Pensions Regulator. It is working with the pension boards to agree measures to improve performance.

### National performance audit reports

**96.** Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. In 2021/22 several reports were published which may be of direct interest to SPPA, NHSPSS and STPS. These are outlined in [Appendix 3](#).

# Appendix 1. Action plan 2021/22

## 2021/22 recommendations

Issue/risk	Recommendation	Agreed management action/timing
<p><b>1. Submission of annual report and accounts</b></p> <p>SPPA could not provide unaudited annual reports and accounts in line with the audit timetable due to finance team capacity and an NHSPSS valuation issue.</p> <p>We found significant issues with the completeness and accuracy of several disclosures in the SPPA annual report and accounts. We also experienced delays in receiving information and responses to queries.</p> <p>Risk – The finance team does not have sufficient resources to prepare the annual reports and accounts and working papers.</p>	<p>Whilst acknowledging that SPPA is trying to secure additional capacity in the finance team, this should be progressed urgently. This should ensure that the team has the resources needed to prepare annual reports and accounts in a timely manner and to support the audit.</p> <p><a href="#">Paragraphs 21 to 27</a></p>	<p>There is a scarcity of suitably skilled and experienced finance professionals in Scotland with the Scottish Government (SG) and private sector competing to fill vacancies.</p> <p>March 2023: SPPA has made appointments on a permanent basis to all but one of the posts in the finance team.</p> <p>Two interim financial accountants brought in to support preparation of 2022-23 annual accounts.</p> <p>A programme of training and skills transfer in place to address identified gaps across the team, building on process improvements made during the business year.</p> <p>Responsibility for preparing the 2022-23 Agency annual report passes to the Planning and Performance Manager in November 2022, further reducing pressure on the finance team.</p> <p>Planning for 2022-23 annual report and accounts (ARAs); timetable agreed with GAD and confirmation that the issues faced in preparing</p>

Issue/risk	Recommendation	Agreed management action/timing
		<p>2021-22 Scheme Accounts have been overcome.</p> <p>Head of Finance, Procurement and Risk</p> <p>All ARA to Audit team by early July 2023.</p>
<p><b>2. Financial controls</b></p> <p>We identified several control weaknesses during our audit. This included:</p> <ul style="list-style-type: none"> <li>• a lack of management checks on reconciliations</li> <li>• lack of a check on a change of supplier details</li> <li>• an erroneous payment to HMRC</li> <li>• an individual who left SPPA and was not removed from its payroll in a timely manner.</li> </ul> <p>These indicate weaknesses in financial controls.</p> <p>Risk – There is an increased risk of financial loss or fraud for SPPA.</p>	<p>SPPA should ensure that it retains evidence of appropriate management checks regarding reconciliations, changing suppliers' details, significant payments and for people leaving the organisation.</p> <p><a href="#">Paragraphs 49 to 51</a></p>	<p>SPPA has undertaken a review of roles and responsibilities across the finance team, addressing skills shortages and incorporating improved evidencing of management checks.</p> <p>Commissioned an internal audit of financial controls to evidence effectiveness of controls and aid identification of control weaknesses. The audit is scheduled for the first half of 2023-24 business year.</p> <p>Head of Finance, Procurement and Risk</p> <p>Evidence of management checks for responsibilities undertaken by the Finance team to be in place by 31 March 2023.</p> <p>Internal Audit of Financial controls phase 1 to be completed by October 2023.</p>
<p><b>3. Fraud arrangements</b></p> <p>The SPPA counter fraud policy and fraud response plan dates from 2014 and the ARC is not currently provided with a dedicated report on fraud.</p> <p>In addition SPPA needs to improve reporting of National Fraud Initiative outcomes to the ARC and executive team.</p>	<p>SPPA should finalise its review of the counter fraud policy and regular fraud reports should be submitted to the ARC, which should also incorporate results from NFI exercises.</p> <p><a href="#">Paragraphs 54 to 57</a></p>	<p>SPPA engaged with Scottish Government(SG) Counter Fraud team during 2022-23 to review Counter Fraud policy. It has been accepted as effective subject to updating in 2023-24.</p> <p>Fraud Deep Dive undertaken with ARC in June 2022.</p> <p>ARC to receive annual report of fraud and whistleblowing, unless issues arise requiring immediate update.</p>

Issue/risk	Recommendation	Agreed management action/timing
<p>Risk – fraud is not properly reported and investigated.</p>		<p>Review of SPPA’s use of National Fraud Initiative scheduled for Q1 2023-24</p> <p>Risk and Assurance Manager</p> <p>Full Counter Fraud Policy review and NFI use scheduled for Q1 2023</p>
<p><b>4. Financial sustainability</b></p> <p>SPPA has identified significant revenue budget gaps in each of the next five years. It has a clear picture of its future funding challenges.</p> <p>The next step is to develop a financial strategy demonstrating how it will manage its finances alongside achieving its strategic aims and business priorities.</p> <p>Risk – SPPA cannot demonstrate how it will manage its finances in the longer term.</p>	<p>SPPA should continue to develop a financial strategy demonstrating how it will manage its finances and meet future funding challenges.</p> <p><a href="#">Paragraphs 59 to 62</a></p>	<p>SPPA has developed financial models for 2022-23 to 2026-7, the spending review period, incorporating business as usual and discretionary project funding. This has formed the basis of more detailed financial modelling to support decision making over the longer term, incorporating improved business intelligence of demand forecasting and will continue to be developed to identify and monitor benefits realisation.</p> <p>Head of Finance, Procurement and Risk</p> <p>5-year plan in support of spending review delivered in October 2022. Revised in March 2023 and to be continuously developed as improved management information is available.</p>
<p><b>5. Workforce planning</b></p> <p>SPPA’s workforce planning focusses on identifying business critical vacancies and forecasting the financial impact of required staffing levels on its five-year budgets. Developing more strategic workforce planning is a longer-term action.</p> <p>Risk – SPPA is not adequately resourced to carry out its core functions and achieve its strategic aims.</p>	<p>SPPA should continue developing workforce planning to ensure it addresses longer-term strategic aims as well as meeting more immediate customer and business needs.</p> <p><a href="#">Paragraphs 66 to 70</a></p>	<p>SPPA HR is progressing a strategic workforce planning framework, building on the work undertaken to date and incorporating requirements of the SG Shared Service programme HR platform upgrade.</p> <p>Detailed actions to be taken form the basis of a plan to be completed within 3 months, 6 -18 months and 18 months plus.</p> <p>HR Manager</p>

Issue/risk	Recommendation	Agreed management action/timing
<p><b>6. Performance report</b></p> <p>The performance report in the 2021/22 SPPA unaudited annual report and accounts did not meet many of the FReM requirements. SPPA updated its performance report to ensure it complied with the FReM, but reporting on performance could be clearer.</p> <p>Risk – There is a risk that SPPA fails to communicate effectively to stakeholders.</p>	<p>SPPA should fully embed and enhance improvements made to the 2021/22 performance report to ensure that it meets with FReM requirements and best practice.</p> <p><a href="#">Paragraphs 77 to 81</a></p>	<p>Phase one complete by 30 June 2023.</p> <p>Initial planning for 2022-23 Performance report commenced in December 2022 with roles and responsibilities confirmed.</p> <p>Timetable for near final draft of performance report agreed on confirmation of proposed Audit plan;</p> <p>FReM requirements shared with responsible officers in January 2023</p> <p>Planning and Performance Manager</p> <p>by 31 May 2023.</p>
<p><b>7. Leadership</b></p> <p>SPPA has set itself ambitious strategic aims and business priorities which will be challenging to achieve alongside three major projects.</p> <p>Risk – SPPA does not have the effective leadership it needs to achieve its strategic aims and deliver major projects.</p>	<p>SPPA should prioritise filling the post of Chief Operating Officer and continuously review strategic capacity for major change programmes.</p> <p><a href="#">Paragraphs 83 to 90</a></p>	<p>Chief Operating Officer (COO) in post.</p> <p>Executive team meet weekly to review performance, resourcing and programme updates, allowing informed and timely decision making.</p> <p>CEO</p> <p>COO joined 6 March 2023.</p>

## Follow-up of prior year recommendations

Issue/risk	Recommendation	Progress
<p><b>PY 1. Finance team capacity</b></p>	<p>SPPA should ensure its finance team has the resources needed to prepare its annual accounts in a timely manner and support the audit.</p>	<p>Outstanding</p> <p>See recommendation 1.</p>
<p><b>PY 2. Review of reconciliations</b></p>	<p>SPPA should ensure checks on reconciliations are formally evidenced.</p>	<p>Outstanding</p> <p>See recommendation 2.</p>

Issue/risk	Recommendation	Progress
<b>PY 3. Financial sustainability</b>	SPPA should work to develop a longer-term financial strategy to demonstrate how it will manage its finances.	Outstanding See recommendation 4.
<b>PY 4. Workforce planning</b>	SPPA should develop a workforce plan focused on ensuring that it is adequately resourced and organised to carry out its core functions and achieve planned efficiencies.	In progress SPPA now has a workforce plan but developing more strategic workforce planning is a longer-term action. See recommendation 5.
<b>PY 5. Leadership</b>	SPPA should ensure it has the stability of leadership required to implement strategic projects, respond to change and challenge and demonstrate Best Value.	In progress See recommendation 7.
<b>PY 6. Pension platform programme</b>	SPPA should build on work underway to ensure it successfully completes all aspects of its pension platform programme.	In progress SPPA identified a preferred supplier for the pension platform programme in October 2022. It has a revised timeline for implementation with all pension schemes, members and employers to be using the service in 2025.

# Appendix 2. Summary of uncorrected misstatements

We report all uncorrected misstatements in the annual report and accounts that are individually greater than our reporting threshold. For SPPA this is £11,000.

The table below summarises adjustments that would be required to correct misstatements that were noted during our audit testing, but were not corrected in the SPPA financial statements. Cumulatively these errors are below our performance materiality level of £165,000. We are satisfied that these errors do not have a material impact on the financial statements.

Account areas	Statement of Comprehensive Net Expenditure		Statement of Financial Position	
	Dr £000	Cr £000	Dr £000	Cr £000
1) Property, plant and equipment				(11)
1) Revaluation reserve			11	
2) Trade and other payables			19	
2) Other operating costs		(19)		
<b>Net Impact</b>		<b>(19)</b>	<b>30</b>	<b>(11)</b>

#### Notes:

1) SPPA was unable to provide evidence of £11k worth of Indexation and how this was applied to underlying assets.

2) SPPA confirmed that a £19k sanction charge was recorded incorrectly and therefore would not be a payable at the year end. The figure related to pension commutation rather than a sanction charge.

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# Appendix 3. Summary of 2021/22 national reports

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## May

[Local government in Scotland Overview 2021](#)

## June

[Covid 19: Personal protective equipment](#)

## July

[Community justice: Sustainable alternatives to custody](#)

## September

[Covid 19: Vaccination programme](#)

## January

[Planning for skills](#)

[Social care briefing](#)

## February

[NHS in Scotland 2021](#)

## March

[Local government in Scotland: Financial Overview 20/21](#)

[Drug and alcohol services: An update](#)

[Scotland's economy: Supporting businesses through the Covid 19 pandemic](#)

# Scottish Public Pensions Agency

## NHS Pension Scheme (Scotland)

### Scottish Teachers' Pension Scheme

#### 2021/22 Annual Audit Report

Audit Scotland's published material is available for download on the website in a number of formats. For information on our accessibility principles, please visit:

[www.audit-scotland.gov.uk/accessibility](http://www.audit-scotland.gov.uk/accessibility)



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