



THE POLICE, FIRE AND CRIME COMMISSIONER OF STAFFORDSHIRE AND CHIEF CONSTABLE OF STAFFORDSHIRE

Pensions – Injury Awards

Internal audit report 12.21/22

Final

30 March 2022

This report is solely for the use of the persons to whom it is addressed.

To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

1. EXECUTIVE SUMMARY

Background

A review of Pensions – Injury Awards was undertaken at the Force as part of the approved internal audit periodic plan for 2021/22.

Where an officer ceases to be a member of a police force, and is permanently disabled/medically unfit because of an injury received, that is not the officer's own fault, and the injury was sustained in the execution of duty, the officer is entitled to apply for an injury pension. The administration of injury award pensions is governed by the Police (Injury Benefit) Regulations 2006 legislation (the Regulations). An array of accompanying case law is in place which provides further guidance regarding nuanced circumstances which may arise during the consideration, awarding and appealing of injury pensions.

The Force has a dedicated department in place for managing injury pension applications which includes a Pension Policy & Compliance Assistant, who is overseen by the Pensions Policy and Compliance Officer. Each claimant must undergo an independent assessment by a Selected Medical Practitioner (SMP) prior to receiving an award or refusal. If awarded, the pension payment is backdated to the date the claimant officially became ill-health retired.

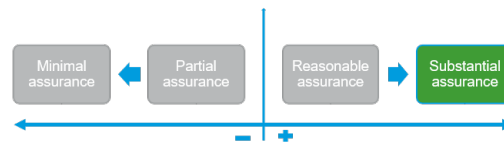
The Force currently has 356 injury pensioners, which is a steadily declining number. There has only been one new injury pensioner during the current financial year.

Conclusion

Overall, we identified a well designed control framework in place. A sample of 10 injury award pension requests were selected and tested from the last three years as part of this audit. No exceptions were noted in the management and administration of the cases reviewed. We have therefore concluded with a substantial assurance opinion and have not agreed any management actions.

Internal audit opinion:

Taking account of the issues identified, the Commissioner and the Force can take substantial assurance that the controls upon which the organisation relies to manage the identified area are suitably designed, consistently applied and operating effectively.



Key findings

We confirmed the following controls are adequately designed, consistently applied and operating effectively:



As per the regulations, the application process for injury award pensions must be initiated by the claimant. Upon receipt of a request, the Pension Policy and Compliance Team will conduct a check to ensure the claimant is ill-health retired. An acknowledgment letter is sent to the claimant to confirm receipt of the application. Our sample testing noted no exceptions in this area.



A GP Medical Record Consent Form, Occupational Health Record Consent Form and a questionnaire regarding the injury and the pensioner's current medical conditions and impacts that those conditions have on day to day living) is sent to the applicant for completion and return. Following return, a new file is created for the claimant in the central repository by the Team and their details are added to the Injury Pensions Log. Our sample testing noted no exceptions in this area.



Once all the initial consent paperwork has been completed and received back, the Occupational Health Team will request GP medical records. Additionally, the Insurance Unit will be contacted to check whether a civil claim is in place. An acknowledgement letter is sent to the claimant to confirm receipt. Our sample testing noted no exceptions in this area.



Upon Occupational Health receiving the claimant's medical records, an appointment will be booked with a selected medical practitioner (SMP). The Team will send over the application document with all the supporting documentation received to date to the Occupational health team. The Occupational Health Team will communicate the appointment information to the claimant. Our sample testing noted no exceptions in this area.



The appointed SMP will conduct a medical examination on behalf of the Chief Constable. Following the examination, a report and certificate will be produced. The main objective of the SMP examination is for the Practitioner to decide whether the disablement is the result of an injury received in the execution of duty, and the degree of the disablement. A copy of the report and certificate will be sent to the Occupational Health Team. A copy of the certification only is sent to the Pension Policy and Compliance Team also. Our sample testing noted no exceptions in this area.



Following receipt of the SMP examination documentation, the Team will communicate to the claimant whether the SMP has decided to award an injury pension, and if so, at what level. If an injury award has been made by the SMP, the Payroll Team will be notified of the details of the award for actioning. Our sample testing noted no exceptions in this area.



If the SMP has made the decision that the claimant is not entitled to an injury award, details of the individual's rights to appeal and applicable time frames etc will be detailed in the outcome letter. Under Regulation 31 of the Regulations, an appeal can be made to a board of medical referees (by giving notice of such intent) within 28 days of receipt of the SMP report. Additionally, a medical reconsideration can be requested (and if agreed to by the PPA) from the same SMP, and any additional evidence which would materially affect the original outcome can also be submitted for consideration. Following an appeal, formal acknowledgement is sent to the claimant setting out the outcome of the review (and if applicable any further rights to appeal following a reconsideration). Our sample testing noted no exceptions in this area.



Section 37 of the Regulations allow for re-assessment of injury awards at appropriate intervals based on the injury incurred. The SMP will usually suggest a review time frame, during which the current award may be increased, reduced or (in very rare circumstances) stopped based on the current circumstances. Our sample testing noted no exceptions in this area.

APPENDIX A: CATEGORISATION OF FINDINGS

Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

The following table highlights the number and categories of management actions made as a result of this audit.

Area	Control design not effective*		Non Compliance with controls*		Agreed management actions		
					Low	Medium	High
Pensions – Injury Awards	0	(8)	0	(8)	0	0	0
Total					0	0	0

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

APPENDIX B: SCOPE

The scope below is a copy of the original document issued.

Scope of the review

The scope was planned to provide assurance on the controls and mitigations in place relating to the following area:

Objective of the area under review

This review will focus on the administration and management of injury pensions by the Force and whether appropriate guidance has been followed for a sample of injury pensioners.

When planning the audit, the following areas for consideration and limitations were agreed:

For a sample of injury pension applications from the population, we will assess the following for each application:

- Guidelines as per the Police (Injury Benefit) Regulations 2006 and accompanying case law have been adopted and followed;
- Whether there was an independent medical examination prior to sign-off;
- Where applicable, a clear and transparent appeal process is in place for independent review of decisions made;
- Whether there is a process in place for re-assessment of the level of disablement/award and if the procedures have been adhered to; and
- Whether the pensions payroll was updated accordingly following final decision.

Limitations to the scope of the audit assignment:

- This review will not provide assurance that injury pensions have been processed in compliance with The Police (Injury Benefit) Regulations 2006;
- We will not provide assurance that all applicable legislation and guidance has been complied with;
- We will not comment on whether appropriate decisions have been made, only whether they were made in line with policy;
- We will not provide an opinion on the adequacy of the medical / injury assessment made by medical professionals;
- Testing will be completed on a sample basis from the population;
- The results of our work are reliant on the quality and completeness of the information provided to us; and
- Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Debrief held	15 March 2022
Draft report issued	30 March 2022
Responses received	30 March 2022
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Internal audit Contacts	Daniel Harris, Head of Internal Audit Angela Ward, Senior Manager Kishan Patel, Assistant Manager
Client sponsor	David Greensmith, Director of Finance John Bloomer, Chief Finance Officer
Distribution	David Greensmith, Director of Finance John Bloomer, Chief Finance Officer

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of The Police, Fire and Crime Commissioner of Staffordshire and Chief Constable of Staffordshire, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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