



Registration Service

Follow up review

**September
2019**



**Medium
Assurance**

Purpose & Background Information

Our original review of the Registration Service was completed in September 2018 giving a low assurance rating because of the weak income arrangements in place, and the need for the Service to modernise and work more corporately.

Internal Audit carry out a follow up review of all audits that receive a low or no assurance rating and as well as any high or major risk issues. This provides assurance to management and those charged with governance that the agreed actions identified at our initial audit visit have been implemented, or suitable progress is being made to address the areas of concern. This enables us to reconsider the overall assurance opinion and provide an updated opinion where appropriate.

It should be noted that the updated opinion is based on the assumption that systems and controls as previously identified during the original audit remain in operation and are being complied with in practice. The purpose of our follow up exercise is not to retest the operation of controls which have already been assessed, but to review how management has responded to the action plans following our initial work.

Since our last review, there have been some key staffing changes that have impeded the progress in implementing the actions, in particular, the Superintendent Registrar resigned in March 2019 and a replacement only took up post in July 2019.

Audit Opinion

As part of the amalgamation of the two registration districts, key documentation and processes were reviewed and standardised and are now stored on a shared network drive. While processes have been documented, further work is needed with developing the income procedures. Communication mechanisms are more robust amongst staff who meet regularly for team meetings, and the Superintendent Registrar plans to introduce 'stand up' meetings. There has been a delay with the carrying out of appraisals for registration staff due to recent staff changes, but it is hoped that these will be carried out in the autumn.

Income arrangements have been strengthened in terms of:


- redesigning the cashbook template, the effectiveness will be reviewed once implemented;
- the recording of financial checks has also been improved by registration staff, and there is now a clear audit trail for card payment transactions; and
- measures have been recently put in place to improve the reconciliation process for both tracing the card payments to the general ledger and for approved premises payments.

Another visit will be required to ascertain whether processes are effective and any suggested improvements have been implemented.

There have been several meetings with the Service's ICT Business Partner to ensure the Registration Service is aligned with the Council's Digital Futures programme in providing an online service. This has highlighted several issues in relation to the existing ICT infrastructure, which needs to be resolved before this can be pursued further. The website has been reviewed to ensure it is up-to-date, but further work is needed to ensure it meets accessibility requirements. A process has been developed with ICT to improve the way customers contact the service by telephone, which is due for implementation shortly.

While initial discussions have been held with Legal to review the service's compliance with the General Data Protection Regulations (GDPR), progress has been affected by the recent change of Superintendent Registrar. The review is due to be resumed in September 2019.

The implementation of actions has clearly been impacted by recent staff changes; however, progress is being made with a number of actions being addressed with several nearing completion (see the action plan below for further details). A further follow up review will be carried out to establish the progress made with the outstanding actions. Based on the progress made to date, we are providing 'Medium Assurance'.

Audit Opinion as at December 2018	Audit Opinion as at August 2019	Direction of Travel
Low Assurance	Medium Assurance	

Action Plan

Audit Follow-up Review of: **Registration Service**
Date: **September 2019**
Action Plan Contacts: **Business Support Manager**

Progress with Implementing Agreed Actions		
Previous	Current	Risk Rating
0	0	Critical
12	5	Major
4	3	Moderate

Risk Issue 1	The Registration Service does not have documented procedures for key processes carried out. This could mean that staff are not clear of their duties and carry out processes inconsistently, which could lead to non-compliance with legislation and statutory guidance.		
Underlying Weakness	<p>While the General Register Office does provide some documented guidance, the Council has not documented its own procedures for administering the service. This would assist the amalgamation of the registration districts in ensuring that staff are clear of their duties when the processes between the two districts have been streamlined, and support them in their continued training as multi-skilled officers. Having documented guidance also assists with ensuring that there are effective business continuity arrangements in place when key staff are absent.</p> <p>The Service recognises this as a weakness and has already met with registration staff to discuss processes and documented procedures in August 2018. Having robust accounting procedures is also documented as an objective in their Service Delivery Plan (May 2018) to prevent the risk of fraud.</p>		
Action (Ref)	Agreed Management Action	Responsibility & Deadline	Status
1.1	We are in the process of developing documented procedures that will also incorporate some of the key areas highlighted in the audit, e.g. income recording and reconciliation, banking, VAT, overtime, etc. These will be saved on a shared network drive so will be easily accessible to staff. We are also reviewing letters, booking forms, and other key documentation to ensure that it is standardised across the	Business Support Manager/Superintendent Registrar – 01/06/2019	In progress Revised date – 01/12/2019

	District. Once implemented, we will carry out regular monitoring of the above processes to ensure they are effective and amend the procedures as required.		
Follow Up Results	There has been a lot of progress in developing procedures and standardisation of documents since our last review. However, some key processes yet to be documented include some elements of the income process (for example banking), VAT, financial checks carried out by registrars, etc. and the completion of performance returns for the General Register Office. The Superintendent Registrar and Business Support Manager will ensure that documents are regularly reviewed and discussed at team meetings.		
Risk Issue 2	While the Registration Service has taken some action in relation to the General Data Protection Regulation (GDPR), there has been no full review to ensure it is fulfilling its responsibilities.		
Underlying Weakness	<p>The General Data Protection Regulation (GDPR) was implemented in May 2018 to replace the Data Protection Act, and the Registration Service is registered with the Information Commissioner's Office as a data controller separate to the Council. While the Service has taken action since GDPR's implementation, e.g. displaying privacy notices, there has been no full review to ensure the Service is fulfilling its responsibilities in line with the Act. During our review, we identified:</p> <ul style="list-style-type: none"> • The Registration Service's Annual Performance Report 2017/18 (an annual self-assessment completed in April 2018) details that there has been no data deletion from the Stopford system (a system used for booking registration appointments, recording payments, and reporting performance). Our review identified that this was still outstanding; • While privacy notices are now displayed in both the Rhyl Register Office and the Ruthin Registration Office, the size of some of the notices is too small and some are not displayed prominently enough; • When registration certificates are spoilt, they are kept securely but have never been destroyed; and • GRO's Stock and Security Assurance report (June 2018) refers to the provision of online training for Managing Data and Fraud Awareness and advises that this training is undertaken prior to the amalgamation. Discussions with registration staff during our review established that this training had yet to be undertaken. 		
Action (Ref)	Agreed Management Action	Responsibility & Deadline	Status

2.1	A full GDPR review of the Registration Service/procedures has been arranged and will begin in January 2019. This will also include the display of privacy notices and the retention of spoilt certificates.	Business Support Manager/ Superintendent Registrar/ Legal Services Manager – 31/05/2019	In progress Revised date – 01/12/2019
Follow Up Results	An initial meeting was held with the Legal Services Manager, and an information asset register was developed. Further progress has been affected by the resignation of the previous Superintendent Registrar. The new Superintendent Registrar explained that privacy notices are now more prominently displayed although no changes have been made to the size of the notices. Spoilt certificates continue to be retained but none have been disposed of. A further meeting is planned in September 2019 to ensure all key responsibilities in relation to GDPR are covered.		
2.2	Records deletion programme to commence and be maintained by the Superintendent Registrar on a monthly basis.	Superintendent Registrar – 01/04/2019	In progress Revised date – 01/12/2019
Follow Up Results	There had been a debate as to whether it was Stopford's or the council's responsibility to delete the data. It has since been confirmed that it is the council's responsibility. Once the ICT equipment used by the registration service has been updated, the data deletion will be implemented afterwards.		
2.3	Managing Data and Fraud Awareness online training, together with the Council's Data Protection e-learning module to be completed by all registration staff. Counter Fraud training to be attended by staff 13th November 2018.	Business Support Manager/Superintendent Registrar – 31/01/2019	Complete
Follow Up Results	A certificate was provided that confirms that all staff have completed the Managing Data and Fraud Awareness online training. We also confirmed that the Data Protection e-learning module had been completed by all staff.		

Risk/Issue 3 – Root Cause 1	There are weak income arrangements, which could result in errors or fraud being undetected (although no fraud activity was identified during our review).		
Underlying Weakness	<p>There are weaknesses within the:</p> <ul style="list-style-type: none"> • Recording of income; • Income reconciliation process; and • VAT is not being accounted for correctly when taking payment for discretionary fees (i.e. renewal of vows, naming and commitment ceremonies) 		
Action (Ref)	Agreed Management Action	Responsibility & Deadline	Status
3.1	Review the record of issue list and the cashbook register and implement an improved income record document, e.g. to include payment method, amount paid, VAT, etc. The record of issue list template will need to be agreed with the GRO. We will monitor the effectiveness of this improved document.	Business Support Manager/ Superintendent Registrar – 31/03/2019	In progress Revised date – 01/01/2020
Follow Up Results	<p>The record of issue list has been updated to include the key information required, e.g. payment method, fee amount and receipt number. The General Register Office has approved the new template.</p> <p>During September 2019, there will be a scheme change to the Denbighshire registration district reducing the stock held by the registration staff. Originally, there were four principal staff and two deputies who were each responsible for a cash book recording the income for births, marriages and deaths separately. Under the new scheme, there will be two cashbooks in operation, one in Rhyl and the other in Ruthin. A new cashbook template has been prepared in advance of this change, which records income from births, deaths and marriages. When implemented, we will revisit to assess the effectiveness of the new process.</p>		
3.2	Together with Finance colleagues, establish a robust system of reconciliation for card and cash payments, including payments for Approval of Premises.	Business Support Manager/ Superintendent	In progress Revised date – 01/01/2020

		Registrar – 31/03/2019	
Follow Up Results	<p>As suggested, staff now initial each other's record of issue list as evidence of their check of the cash held (rather than recording their initials on the electronic cashbook). There is also now an adequate audit trail to trace card payments to the transaction it related to rather than the cardholder.</p> <p>A new reconciliation process has been implemented by Finance to enable them to check the card payments to the ledger. Currently, this means that registration staff have to send over copies of card payments receipts to Finance for checking as there are a number of queries as a result of carrying out the reconciliation. Once the reconciliation process is further embedded, we will revisit to confirm that the number of variances have reduced.</p> <p>Documentation recording the Approval of Premises payments is now electronic and there is more involvement from Finance in the process. However, the reconciliation is still not carried out to source documentation, e.g. notice of approval. Now the new Superintendent Registrar has been appointed, we have suggested that she is involved in the process to ensure that there is a sufficient separation of duties.</p>		
3.3	We will follow the advice received in terms of accounting for VAT on Discretionary Services and ensure VAT is not charged for any non-vatable services.	Business Support Manager/ Superintendent Registrar – 31/03/2019	In progress Revised date – 01/12/2019
Follow Up Results	Staff were advised of the correct process after our review. As there is no documented guidance detailing this and the cashbook template does not currently require this to be recorded, we are unable to confirm that VAT is accounted for correctly.		
3.4	We will remove the cash float from Ruthin as it is not used.	Business Support Manager – 23/11/2018	Complete
Follow Up Results	The cash float has been removed from Ruthin.		

Risk Issue 4 – Root Cause 2	The Registration Service needs to adhere to corporate policies and requirements and be modernised to ensure that the service is delivered efficiently and effectively.		
Underlying Weakness	<p>There are weaknesses with the following:</p> <ul style="list-style-type: none"> Existing communication mechanisms are not robust, e.g. a network drive is not always being utilised when sharing key GRO documents with staff; staff are not having annual appraisals or regular meetings; The Service is very paper driven and could work more efficiently if records were electronic. It would also provide a better oversight to enable robust quality assurance checks to be carried out; and Registration staff do not always seek prior authorisation from management where it is required, e.g. overtime and purchasing, and have not complied with Financial Regulations when some good and services have been procured. 		
Action (Ref)	Agreed Management Action	Responsibility & Deadline	Status
4.1	Diarise regular team meetings, appraisals and one-to-one meetings to resume to ensure streamlined processes are working.	Business Support Manager/ Superintendent Registrar – 01/04/19	Complete
Follow Up Results	<p>Appraisals were arranged by the previous Superintendent Registrar, but due to her resignation, these did not go ahead. There are regular one-to-one meetings with the new Superintendent Registrar and her appraisal is scheduled for September 2019. She has recently attended training so that she can carry out appraisals for other registration staff. She also plans to introduce technical assessments where she will sit in registration appointments to ensure the correct process is followed. Regular team meetings are now held.</p>		
4.2	To work with the ICT Business Partner and Stopford team to explore greater online access to services. We are working with the Web team in order to maintain up to date information on the website and to ensure conformity with DCC accessibility requirements.	Business Support Manager/ Superintendent	In progress Revised date – 01/04/2020

		Registrar – 01/06/19	
Follow Up Results	<p>The website has been updated to ensure that the information is up-to-date. Further meetings are planned with the Web team to ensure that it conforms to DCC accessibility standards.</p> <p>There have been several meetings with the ICT Business Partner and Stopford to explore the feasibility of online ordering of certificates and booking appointments. However, the review has identified that registration staff have not had recent upgrades to the system. A business case is currently being prepared detailing options for future service provision.</p>		
4.3	Set up a shared drive and create various folders in order that documented DCC processes and procedures, and key GRO information can be easily accessed for all, to include standardised documentation across the District regularly updated and staff informed of changes.	Business Support Manager/ Superintendent Registrar – Complete	Complete
Follow Up Results	A shared network drive has been set up where key documentation is kept including GRO information. It would benefit from some housekeeping to ensure that key documentation and procedures are easily accessible to staff (we will monitor progress with this as part of action 1.1).		
4.4	Staff Training Log to be set up and maintained by the Superintendent Registrar (agreed at North Wales Proper Officers Representative Group on 06/11/18 that all superintendent registrars are tasked with completing a training log that will feed into a North Wales Training Group Plan).	Superintendent Registrar – 31/03/19	Complete
Follow Up Results	Training logs have been set up for each registration staff and evidence provided that these are being updated as required.		
4.5	Process introduced for all emails sent to shared mailbox – staff member dealing with query to inform all that the matter is being dealt with (prior to contacting the customer, to avoid duplication).	Business Support Manager – Complete	Complete

Follow Up Results	A new process has been implemented, e.g. the receptionist is responsible for allocating e-mails for the Rhyl Register Office, and the two members of Ruthin registration office allocate emails between themselves. There is a designated member of staff each day that deals with marriages and civil ceremonies queries.		
4.6	Discuss with ICT Business Partner the options with regards to the telephone answer message in order to improve the customer experience and to consider GDPR implications.	Business Support Manager – 31/12/18	In progress Revised date – 01/11/2019
Follow Up Results	There have been several options discussed with ICT on improving the way telephone calls are dealt with. Ruthin registration staff put their calls through to Rhyl Register Office when they have appointments, and a new process is due for implementation where calls will be directed depending on the nature of the call, e.g. certificate requests, booking appointments, etc. Call back can be requested if required.		
4.7	Staff have been informed that they cannot work overtime without prior authorisation. Similarly, they have been advised that all purchases for goods/services must comply with Financial Regulations and Contract Procedure Rules and should not be procured without prior authorisation.	Business Support Manager	Complete
Follow Up Results	An email was issued to staff confirming that they cannot work overtime or procure goods/services without prior authorisation, and the Business Support Manager confirmed that there had been no incidents of this happening. New contracts have been issued to staff in April 2019 in an attempt to reduce the amount of overtime paid. However, because of the staffing issues, overtime costs are still high: £37,645 was paid in overtime during the financial year 2017/18 (paid at the standard rate); £61,801 for 2018/19; and £20,535 to date for 2019/20. We will monitor progress with reducing overtime costs during our Financial Systems review.		
4.8	We have explored the use of Visiontime with HR but found that it would not be efficient when carrying out our checks of hours claimed/worked each month, due to the variations in staff working patterns. This would result in a more time consuming process and therefore is not an effective option.	Business Support Manager	Complete

**Follow Up
Results**

The Business Support Manager confirmed that this had been explored with HR, but was not feasible as this would have resulting in a significant number of corrections to be approved. The new Superintendent Registrar is planning to introduce a fortnightly rota so staff will have designated days of working, and the use of Visiontime could be revisited then.

Report Recipients

- Business Support Manager
- Head of Legal, HR & Democratic Services
- ICT Business Partner
- Chief Executive
- Section 151 Officer
- Scrutiny Co-ordinator
- Chair – Performance Scrutiny Committee
- Lead Member for Finance, Performance & Strategic Assets
- Lead Member for Corporate Services & Strategic Direction
- Corporate Governance Committee
- Strategic Planning & Performance Officer

Internal Audit Team

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Key Dates

Follow up review commenced	July 2019
Follow up review completed	August 2019
Reported to Corporate Governance Committee	11 September 2019
Date of next follow up	January 2020