

Appendix 1

Findings & Action Plan

Finding 1	Action												
<p><u>Town Hall Building Security / Access Issues:</u> There are significant failings in the control of keys for access to the Town Hall itself, and for the office, strong rooms and safes. It was confirmed by a senior officer during the audit that Registration Service staff have been having their own keys cut. Evidence indicates that this has been occurring over a number of years, and records of keyholders which should be maintained by Facilities Management have been proven to be inaccurate and unreliable. A SWAP Internal Audit request for a list of keyholders to the Town Hall took a week to be provided, and during that time, a follow up request was met with the response that they were working on it.</p> <p>During a site visit, a plastic container with a variety of keys was shown to the Auditor. While this container had been placed in the strong room until the keys could be sorted out and identified, it was not known at the time what the keys were for. This was promptly brought to the attention of the Head of Practice Management (Governance and Law) who removed the keys from the premises; subsequent checks carried out by the Head of Practice Management (Governance and Law) on the keys confirmed that 18 of the keys were current, and gave access to the Town Hall side door, as well as safes, albeit safes that are currently not in use.</p> <p>The Head of Practice Management (Governance and Law) has instructed all Registration Service staff to return all building keys as a matter of urgency. However, despite this request on 18th October 2022 which was endorsed by the Director: Governance and Law, there are still keys that are known to be outstanding. However, owing to the historical issues with regard to staff having had their own keys cut, it would be advisable to change the lock to the side door of the building at the earliest opportunity. Access via ID badges as an additional control, as per other buildings, should also be considered. The possibility that keys to other outer doors may also be held by unauthorised members of staff should also be considered, with a view taken on whether locks to those doors should be changed as well.</p> <p>It is appreciated that this will need to be co-ordinated through Facilities Management, with careful consideration given to who should be entitled to keys and for what purpose. Appropriate controls should be applied to ensure that staff understand their responsibilities as key holders.</p>	<p>I have forwarded a document to the auditor outlining the main area of concern raised by the audit, current practice and areas of proposed review and / or improvement.</p> <p>To note, procedures exist and are signed off by Information Governance around keys and ID badges and services have previously been briefed where keys are issued. Where relevant, services will be reminded annually of the process and importance of an up to date key register and control. The Registration Service appear to have copied keys contrary to the agreed, signed procedure without FM knowledge nor consent. ID access cards are updated by FM upon receipt via the Business World system of a leaver/ starter/ change of appointment or role.</p> <p>FM did seek to verify that the SWAP audit was legitimate with Information Governance and that key register details could be shared as they had not originally been part of the audit. On 25th October, the FM Custodians were asked to verify with each service in the building and cross reference the key lists they held with the service.</p> <p>The Town Hall building requires a Paxton ID card as well as a key to gain access out of hours and the Registrars rooms are all controlled by Paxton access locks, not keys. Where weddings or other events are booked out of normal office hours, an FM Custodian is the one who opens/ closes and is based there to monitor access to the rest of the building.</p> <p>As a result of this incident, it is proposed to change the barrels of the side and back door at the Town Hall and conduct a review of who needs access so that a secure system can be implemented that does not impede service delivery nor tenant access.</p> <table border="1" data-bbox="1131 1257 2128 1481"> <tr> <td data-bbox="1131 1257 1384 1305">Priority</td> <td data-bbox="1384 1257 1626 1305" style="background-color: red; color: white; text-align: center;">1</td> <td data-bbox="1626 1257 1861 1305">SWAP Reference</td> <td data-bbox="1861 1257 2128 1305"></td> </tr> <tr> <td data-bbox="1131 1305 1626 1410">Responsible Officer</td> <td colspan="3" data-bbox="1626 1305 2128 1410">Strategic Assets Delivery Director</td> </tr> <tr> <td data-bbox="1131 1410 1626 1481">Timescale</td> <td colspan="3" data-bbox="1626 1410 2128 1481">February 2023</td> </tr> </table>	Priority	1	SWAP Reference		Responsible Officer	Strategic Assets Delivery Director			Timescale	February 2023		
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Finding 2	Action		
<p><u>Security: Storage Unit Key Control:</u> Although the Service now has two key safes on the wall of the main Registrars’ office, we observed that they were not being used as had been intended by the Head of Practice Management (Governance and Law). On visiting the office on 11th October, 2022, I found that the new key safe was open and empty on the wall, even though this had been installed by Facilities Management as an urgent job eight days before. Staff were also unaware of how often the combination should be changed on the larger key safe, and were of the view that there were no written procedures around key safe usage and controls.</p> <p>Although the Head of Practice Management (Governance and Law) has ensured that the new key safe is now in use, it is advisable for a process document to be drawn up, setting out the details of keys that should be held in each, e.g., keys to the strong rooms, safes, Registration Service offices, desks and cupboards, who should have access to each, and the requirements for changing the access codes.</p> <p>Owing to the current and historical issues around staff having keys cut, rules around key cutting (types of keys that can be replicated and those that must not be) should also be included, with staff required to sign this document to state that they understand and agree with this policy.</p>	<p>The main registration office, where the key safes are stored, has now been closed to the public. This provides further security for staff, confidential information and documents, and the keys.</p> <p>The restructure includes a proposal for three Registration Support Assistants who will undertake an administrative role which will include responsibility for changing key codes. A procedure note for this will also be provided for clarity.</p>		
	Priority	2	SWAP Reference
	Responsible Officer		Head of Practice Management
	Timescale		February 2023

Finding 3	Action		
<p><u>Internal Review Report:</u> Although the recommendations from the Internal Review Report have been included in the Service Action Plan (July’22), some of the proposed actions have yet to be addressed in any form, although the Head of Practice Management (Governance and Law) all have target dates set against the actions, but as only actions to date are recorded, there is nothing set out to state how the recommendation will be addressed.</p> <p>It would be beneficial to expand on the current format within the plan, and include details of progress made; the building in of regular review dates for the plan would also enhance the process.</p>	<p>Progress made is already included in the plan. As the Superintendent Registrar has now left the Authority, the plan will need to be revisited and updated accordingly. Shropshire Council will be providing three months of intensive support starting January 2023, which will also address some of the issues raise in the audit and the service action plan. The plan will be updated and reviewed quarterly.</p>		
	Priority	2	SWAP Reference
	Responsible Officer		Head of Practice Management
	Timescale		January 2023

<p>Finding 4</p> <p><u>Herefordshire Council Internal and External Reviews:</u> An internal review of the Registration Service was commissioned in 2021, with the final report having been issued in October 2021. However, no action was taken on this. The process was not helped by staff/management changes, however, the recommendations should have been addressed through an action plan.</p> <p>The Council does not have a corporate process for commissioning, monitoring, reviewing and reporting on internal review reports, as is required for internal audit reports. Had this been in place, the issues identified in the Registration Service internal review report would have been tracked and addressed, which should have triggered some service improvements prior to the G.R.O. reviews.</p> <p>Without an effective and transparent process in place for internal reviews, there is a high risk of these being ignored or lost, which can occur in particular where there is a turnover of staff. This is an area that needs to be addressed urgently, to ensure that where there has been a need for a review, but this has been commissioned outside of the internal audit planning process, the findings and recommendations from these reviews are not lost, but are monitored and reported on in the same way as for internal audit reports.</p>	<p>Action</p> <p>Reviews of services should be carried out by suitably qualified providers / individuals, who are subject matter experts and are independent from the Council.</p> <p>The scope of any reviews should be agreed by the relevant director in conjunction with the Head of Internal Audit to ensure that it is appropriate for the review to be carried out by third party rather than being included in the pipeline of internal audit work.</p> <p>The recommendations of reviews should be included in the tracking processes that exist within the Council for tracking internal audit recommendations.</p> <p>The Council’s finance procedure rules will be updated to include confirm the Council’s position on reviews of services.</p>												
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<p>Finding 5</p> <p><u>Stock Control:</u> The current method of holding stock is unsatisfactory. Although unopened / not in use packs are held in the strong room (lockable fireproof room), they are stored on shelves which allows for certificate pads to be taken from the wrong pile, i.e., from stocks held by other Registrars or the Superintendent Registrar. A review of stock records confirms that this has happened, along with packs being used in the wrong order.</p> <p>More secure methods of holding stock need to be considered, in order to restrict Registrars access to their own stocks of certificates, while still retaining the stock in the strong room. Options could be lockable storage boxes to be held on the shelves, which would only be accessible by the relevant Registrar, or by installing lockable cabinets in the strong room. This would make Registrars accountable for their own stock, while safeguarding that stock against being accidentally or otherwise moved by another member of the team.</p>	<p>Action</p> <p>Metal lockable cabinets have been ordered which will be placed in each of the registration officers’ rooms to secure their certificate stock. This means they will be separated and avoid any potential mix-up. The advice from Shropshire is that only the registers need to be held in the fireproof strong rooms.</p> <p>With the implementation of the restructure and support of Shropshire Council, the current 1A, 1B and 1C registers will be replaced with just one register. which will be the responsibility of the Senior Registration Officer (as the Registrar for Herefordshire).</p> <p>Shropshire Council staff will be advising and training staff to implement robust recording, usage, monitoring and checks of all stock.</p>												
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Finding 6	Action												
<p><u>Stock Control Records:</u> There are inconsistencies in the way that stocks of certificates are being recorded by the Registrars. SWAP Audit Service carried out a stock take of certificates held in the Strong Room on 1st November 2022, but the records that we were directed to by staff did not contain details of that stock. Subsequently, further stock records for three Registrars were forwarded to us, but these did not reconcile to our stock take records. There was also a lack of information contained within the records, along with a lack of consistency as to how the stock usage was recorded. We did not receive a record of the Superintendent Registrar's stock, at the same time that we received the additional Registrars' stock records, but received a copy of this at a later date.</p> <p>Advice should be taken from the Shropshire County Council trainer so that the team can implement a stock control record that is compliant with the requirements of the G.R.O. The team would benefit from drawing up a written procedure document to ensure a consistent approach is taken and also to provide guidance for any new staff in the future. This should run alongside the G.R.O. handbook, but should set out in further detail the processes that staff need to follow to ensure that all new stock is correctly and promptly received, checked and recorded, all stock removed from the main strong room stock is accounted for at all times, and that both used and spoiled stock are clearly and promptly recorded.</p>	<p>Shropshire Council staff have supported Herefordshire Council Registration Service staff to be able to audit their stock and submit their annual orders correctly. These have all been received and acknowledged correctly to G.R.O.</p> <p>Shropshire Council staff will be working intensively with Herefordshire Council Registration Service staff from January 2023 to ensure stock control and cash book records are put in place, and that these are properly used as required by G.R.O. and Council assurance requirements. Process notes will be developed as part of this support package.</p>												
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<p><u>Spoiled Certificates:</u> There is a lack of consistency in the way that the staff are both retaining and recording their spoiled certificates. There is no written process for recording and retaining spoils. Staff are referred to the G.R.O. processes for general office practices, however, those are not prescriptive enough, and a separate document should be drawn up and retained, so as to promote a consistent approach. The Superintendent Registrar's current practice of filing spoils in order of batch use, along with a log of used/spoiled certificates is the method that SWAP Audit would recommend. This would also aid the reconciliation process.</p> <p>Staff are also unclear as to how long they need to retain copies of their spoiled certificates, as they are not financial records. There is no guidance within the G.R.O.'s procedures, therefore, it would be advisable to retain two years plus current year, until this can be clarified with a G.R.O. representative.</p>	<p>Shropshire Council staff will be working intensively with Herefordshire Council Registration Service staff from January 2023 to ensure stock control processes and records are put in place, including spoilt certificates, and that these meet Council assurance requirements.</p> <p>Process notes will be developed as part of this support package.</p>												
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<p><u>Income Records / Reconciliation:</u> Income reconciliations had not been carried out prior to Head of Legal Practice (Governance and Law) being assigned the task of overseeing service improvements in July 2022. Owing to this, she appointed a member of her own team to attempt a reconciliation of income received since April 2021. However, the income records have been found to be of such poor quality that it has not been possible for this to be done. Issues that have contributed to this have included:</p> <ul style="list-style-type: none"> • income types not being consistently split between separate account codes for births, deaths and marriages when paid in; • income not being paid in promptly, and sometimes left for multiple weeks before being banked; • insufficient details having been recorded on the composite paying in slips meaning that there is no breakdown of cash and cheques paid in, or what certificate purchases the income relates to. <p>As a consequence of this, it has not been possible to ascertain whether all income has been paid in during this period of time, or indeed whether there has been any fraudulent activity, i.e., theft of Council income.</p> <p>In addition, to there having been no reconciliations, there has been no segregation of duties over receipt and banking of income, with each Registrar having been responsible for their own takings.</p> <p>On commencing the task of addressing the shortfalls in income controls, the Practice Management Officer identified that large sums of income, running into hundreds of pounds, had been left in cash tins in the strong room. Although she addressed this and paid it in, it highlighted an issue of large sums of cash being taken to the bank by staff, which in itself put them at risk. The Head of Legal Practice (Governance & Law) has therefore taken the decision that the Service would only accept card/online payments from 1st November 2022.</p> <p>This has eliminated the risk of cash/cheques been misappropriated, however, there is still a requirement for card income to be reconciled, to ensure that all certificates recorded as issued have been paid for. This process must include a review of the spoils records, to ensure that all of these have been correctly accounted for.</p> <p>In order to enhance the controls around income reconciliation, it is advisable to ensure that the Superintendent Registrar and the Registrars do not reconcile their own income. This could be achieved either by arranging for them to reconcile a colleague's income, or preferably for an independent member of staff to carry out all reconciliations, with any discrepancies being reported to the Head of Legal Practice (Governance and Law) for review.</p>	<p>Shropshire Council staff will be working intensively with Herefordshire Council Registration Service staff from January 2023 to ensure stock control and cash book records are put in place, and that these are properly used as required by GRO and Council assurance requirements. They will also look at all income reports to ensure these correctly provide all necessary information to support reconciliation purposes. Process notes will be developed as part of this support package.</p> <p>With the implementation of the restructure and support of Shropshire Council, the current 1A, 1B and 1C registers will be replaced with just one register which will be the responsibility of the Senior Registration Officer (as the Registrar for Herefordshire). It is a legal requirement of a Registrar to ensure that their stock and income are reconciled and accounted for correctly.</p> <p>The new Registration Support Assistants roles will have a responsibility for reconciling card and online payments allowing for separation of duties.</p>												
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<p>Finding 9</p> <p><u>Information Technology / Digital Services:</u> The service is hindered by poor technology, notably in terms of the website, online forms, and income reconciliation processes. The Service does not have online booking system, and therefore has to take bookings through emails and by phone. The current forms do not allow for customers to specify all required levels of service provision on one request form, along with the split of income types.</p> <p>The Service would benefit from investment in its website, new online forms for requests, and an online booking system, which would significantly streamline processes, reduce staff time on tasks that could be digitalised and aid the reconciliation processes for the team.</p>	<p>Action</p> <p>Proposals for website improvement and online forms have already been designed. ICT and finance colleagues have been engaged with these improvements for some time but progress has been slow due to implementation of a new CRM. A project manager has now been allocated to Registration Services improvement project and therefore progress should be made much more quickly.</p> <p>It is expected that the service will need to procure a specific registration booking system to meet service requirements and a procurement exercise will need to be undertaken followed by implementation and training in a new system. It is expected this will take up to 6 months.</p> <table border="1"> <tr> <td>Priority</td> <td style="background-color: #FFD700;">2</td> <td>SWAP Reference</td> <td></td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Director: Governance & Law</td> </tr> <tr> <td>Timescale</td> <td colspan="3">March 2023</td> </tr> </table>	Priority	2	SWAP Reference		Responsible Officer	Director: Governance & Law			Timescale	March 2023		
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<p>Finding 10</p> <p><u>Petty Cash / Procurement Card:</u> The petty cash tin has been stored in one of the strong rooms alongside the Registrars' individual cash tins, however, the Practice Management Officer found that this had been used as a float for change, and the wrong amounts of money had been returned to the petty cash tin, thus leaving a much higher balance than the issued amount for the Service.</p> <p>The Head of Practice Management (Governance and Law) took the decision to dispense with the petty cash account and switch to a procurement card; this has now been done. It is important though that this is well controlled by the Service, so as to ensure that use is monitored and that there is adequate segregation of duties in place between usage and reconciliations. It would also be advisable for the Head of Practice Management (Governance and Law) to review Business World transaction reports for this over the coming months to ensure that the full details of all purchases are being recorded, and that the card is only being used for legitimate items of expenditure.</p>	<p>Action</p> <p>Budget reports will be checked monthly with particular attention to be paid to those transactions.</p> <table border="1"> <tr> <td>Priority</td> <td style="background-color: #FFD700;">2</td> <td>SWAP Reference</td> <td></td> </tr> <tr> <td>Responsible Officer</td> <td colspan="3">Head of Practice Management (Governance and Law)</td> </tr> <tr> <td>Timescale</td> <td colspan="3">January 2023</td> </tr> </table>	Priority	2	SWAP Reference		Responsible Officer	Head of Practice Management (Governance and Law)			Timescale	January 2023		
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<p>Finding 11</p>	<p>Action</p>		
<p><u>Document Retention:</u> The Registration Service’s Document Retention Schedule is out of date. The version provided by the Superintendent Registrar is dated September 2019 and contains insufficient information to guide staff.</p>	<p>With the support of Shropshire staff, the retention schedule will be updated, stored on the team shared drive and shared with suggested parties.</p>		
<p>The document should be updated to include all types of documentation that the Service needs to retain, i.e., certificate copies and spoils, records of used certificates and income records. The updated version should be made available to all staff and should be easily accessible. A copy should also be forwarded to the Modern Records Unit so that it can be formally recorded on the Council’s intranet.</p>	<p>Priority</p>	<p>3</p>	<p>SWAP Reference</p>
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<p>Timescale</p>		<p>March 2023</p>	