

Hinckley and Bosworth Borough Council

Electoral Register Internal Audit report

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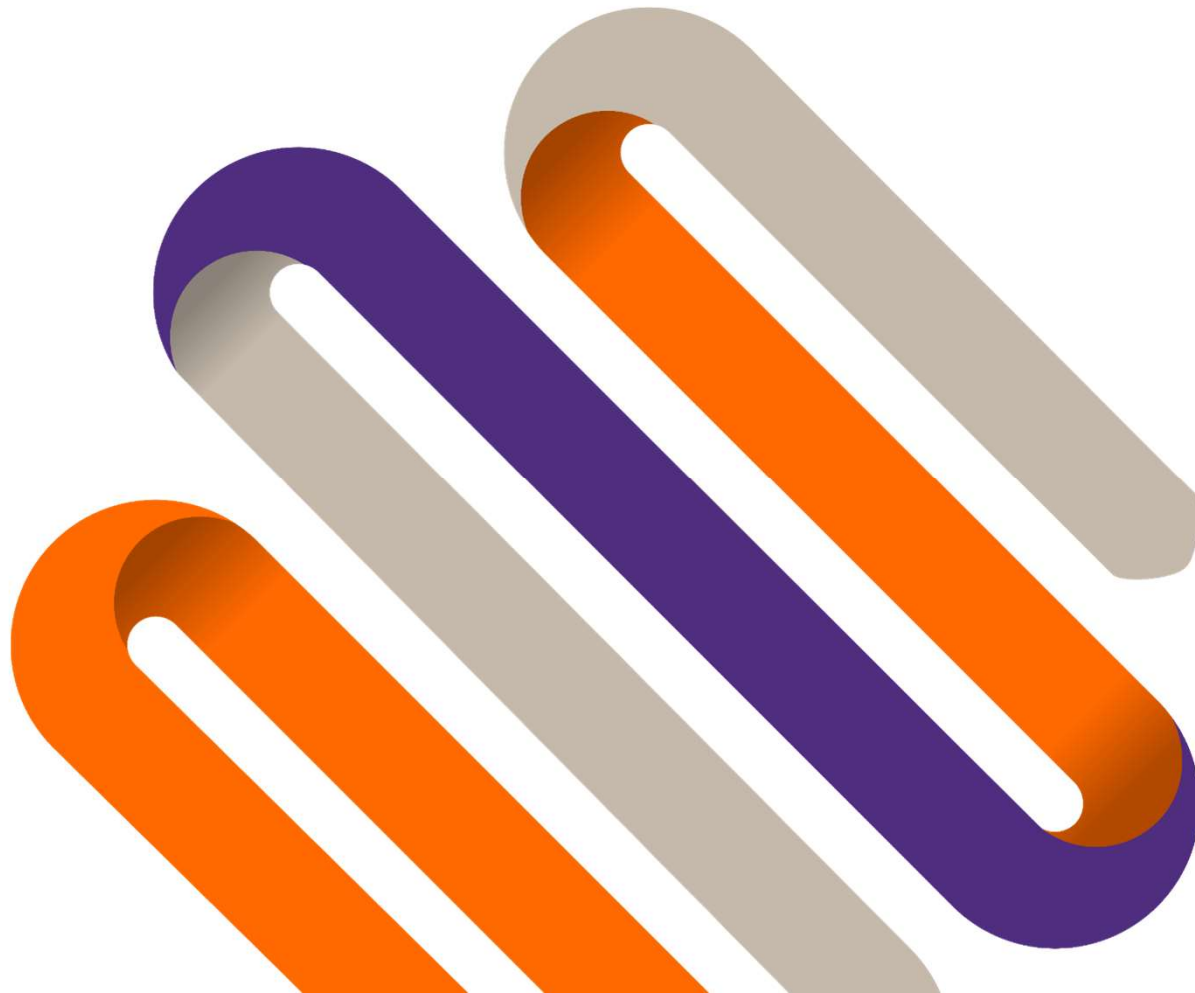
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Report distribution:

For action:

- Director (Corporate Services)
- Electoral services staff

Responsible Executives:

- Director (Corporate Services)

This report is confidential and is intended for use by the management and directors of Hinckley & Bosworth Borough Council. It forms part of our continuing dialogue with you. It should not be made available, in whole or in part, to any third party without our prior written consent. We do not accept responsibility for any reliance that third parties may place upon this report. Any third party relying on this report does so entirely at its own risk. We accept no liability to any third party for any loss or damage suffered or costs incurred, arising out of or in connection with the use of this report, however such loss or damage is caused.

It is the responsibility solely of the Council's management and directors to ensure there are adequate arrangements in place in relation to risk management, governance, control and value for money.

Executive Summary

Background

The electoral registration system in Great Britain changed in 2014, to a system called the Individual Electoral Registration (IER). Previously, the head of household was responsible for registering everyone who lived at the address, but now every individual is responsible for their own voter registration.

The change in approach allowed more convenient registration for example, by internet, telephone or by post. As the change to the new system required more details before individuals could be added to the register (NI number and date of birth) it was felt that the electoral register would be more secure and more resistant to threats of electoral fraud. However, this brings with it the heightened need to ensure the data is correctly protected.

Electoral Services are responsible for the preparation and annual publication of the electoral register each year and also maintaining the register during the year, ensuring the data is up to date and correct.

Objectives

The objective of the review is to provide an independent assessment of the key risks, the design and operational effectiveness of the Council's management of the electoral register.

Our review focused on the potential risks:

- Canvassing is not carried out in a manner compliant with relevant legislation and does not ensure highest possible completeness of data set;
- Project management arrangements are not sufficient to ensure timely and accurate registration of electors;
- Information is not sufficiently secure and held in accordance with relevant data protection legislation;

Further details on responsibilities, approach and scope are included the Audit Planning Brief issued in August 2018.

Limitations in scope

Please note that our conclusion is limited by scope. Our findings and conclusions will be limited to the risks outlined above. The scope of this audit does not allow us to provide an independent assessment of all risks and controls across the entire management of the electoral register process.

Where sample testing has been undertaken, our findings and conclusions are limited to the items selected for testing. Please note that there is a risk that our findings and conclusions based on the sample may differ from the findings and conclusions we would reach if we tested the entire population from which the sample is taken.

This report does not constitute an assurance engagement as set out under ISAE 3000.

Executive Summary

Conclusion

Significant assurance

We have reviewed the Council's policies and procedures for data gathering and maintenance of the electoral register and performed sample testing on data entry and processing carried out in this area. The controls tested are set out in our Audit Planning Brief.

We have concluded that the processes provide **SIGNIFICANT ASSURANCE** to the Committee.

Good practice

1. The Council has extensive policies, procedure notes, planning and risk assessment documentation in place. In the majority of cases the Council's procedures complied with best practice guidelines set out by the Electoral Commission.
2. Data entry and processing are timely and accurate; we found no errors during sample testing.
3. The Council's Public Engagement Strategy showed good evidence of working with partner organisations, responding to geographical analysis of prior year performance and adjustments to covering documentation to maximise public response rates. Our testing suggested that this resulted in an increase in response rates at the initial HEF (Household Enquiry Form) and first reminder stages.

Areas for development

1. The Council should update policies and procedures to document procedures around exception reporting and data cleansing.
2. The Council should update canvasser guidance to include mandatory requirements on updating to a unique user specific password.

Recommendations

We have raised two low risk recommendation to address the minor weaknesses identified as well as two improvement points.

	High	Med	Low	Imp
Detailed findings	-	-	2	2

Acknowledgement

We would like to take this opportunity to thank your staff for their co-operation during this internal audit.

Key Findings & Recommendations

In this section we set out the detailed findings arising from our work. Details of what each of the ratings represents can be found in Appendix 2.

Risk Area	Findings and Recommendation	Action Plan
<p>Canvassing is not carried out in a manner compliant with relevant legislation and does not ensure highest possible completeness of data set.</p>	<p>Key findings</p> <p>As part of our review we assessed the Council's canvassing strategy and procedure notes against Electoral Commission guidance. We found that the Council's procedures were compliant in a majority of areas, with no omissions noted that would present significant risk to the overall delivery of the project.</p> <p>Recommendations</p>	<p>Actions:</p> <p>The team have introduced additional checks since the auditors raised this as an issue, all forms are now checked by a different team member. The team will look into adding additional checking mechanisms to adding signatures/ other evidence of processing for HEF batches.</p> <p>Responsible Officer: Mark West</p> <p>Executive Lead: Julie Kenny</p> <p>Due date: 1/6/2019 (in time for the next canvass)</p>
	<p>Issue identified: As part of its data entry processes, the Council does not include a segregation of duties control when inputting data from HEFs.</p> <p>Root cause: Control not included in Council procedures.</p> <p>Risk: Possibility of incorrect data recorded against elector records.</p> <p>Recommendations: The Council should consider implementing a segregation of duties control in Express whereby data entry work is checked by another team member.</p> <p>Consideration should also be given to adding a stamp, signature or other evidence of processing to batches of hard copy HEFs which have been input to prevent possibility of responses being missed.</p> <p>Overall conclusion;</p> <p>Although we have identified a risk, testing did not note any errors in data entry. Therefore, we consider this to be an improvement suggestion.</p>	
	<p>Issue identified: Although discussions with the team confirmed that exception reporting did take place, a lack of detailed procedure notes on this process was noted.</p> <p>Root cause: Documentation of existing controls overlooked.</p> <p>Risk: Failure to document procedures or factor results in to planning may lead to potential failure to identify risk areas or, in the event of staff absence, a lack of ability to perform required procedures.</p> <p>Recommendations: The Council should update its policies and procedure notes to include more detailed information on processes performed to ensure that all respondents are entitled to register to vote.</p> <p>Overall conclusion:</p> <p>Inclusion of such procedures in planning and risk assessment documents is an element of compliance with Electoral Commission guidance, therefore we consider this to be a low risk recommendation.</p>	

Key Findings & Recommendations

Risk Area	Findings and Recommendation	Action Plan
<p>Canvassing is not carried out in a manner compliant with relevant legislation and does not ensure highest possible completeness of data set.</p>	<p>Recommendations (continued);</p> <p>Issue identified: The Council does not include detailed information on elector feedback and related actions in its planning notes and does not include a link or email address to provide feedback in its HEF covering letter. Review and collation of elector feedback is suggested as good practice by the Electoral Commission.</p> <p>Root cause: The team's view is that this is covered by the overall corporate complaints procedure; overall level of elector feedback in relation to the canvass and general electoral register process is low.</p> <p>Risk: Possibility that elector feedback is overlooked during the planning process.</p> <p>Recommendations: In order to better demonstrate compliance with Electoral Commission guidance and create a wider forum for feedback beyond complaints, the Council should consider including a section on elector feedback and planned responses in its annual planning process and include a link or email address for electors to provide feedback in its annual HEF covering letter.</p> <p>Overall conclusion;</p> <p>From discussions with staff, overall level of elector feedback is low and the existing corporate complaints procedure ensures feedback around the canvass process is passed on to staff. Therefore, we consider this to be an improvement suggestion.</p>	<p>Actions:</p> <p>Talk to our web team to set up a feedback page on the website regarding the canvass and put a link on the forms for next years canvass.</p> <p>Responsible Officer: Mark West</p> <p>Executive Lead: Julie Kenny</p> <p>Due date: 1/6/2019</p>

Key Findings & Recommendations

Risk Area	Findings and Recommendation	Action Plan
<p>Project management arrangements are not sufficient to ensure timely and accurate registration of electors.</p>	<p>Key findings</p> <p>We obtained the Council's full list of internal policies and procedure notes, held discussions with team members and reviewed processes and performed sample testing on 25 individual HEFs and 10 batches of forms.</p> <p>Our findings were that the Council's team has in place an extensive project plan, including detailed procedure notes, risk register and planning documentation including geographical analysis by ward area which is more than adequate to ensure that required deadlines are met. The team also produces a project timetable and regularly reports against project milestones as well as overall response rates to monitor progress.</p> <p>Per the previous slides, a small number of recommendations were noted as a result of our review of the Council's procedures against regulatory guidance. Outside of these existing recommendations and from the perspective of the Council's internal project management arrangements we have no further recommendations to make in this area.</p> <p>Recommendations: N/A - We have noted no issues with the entity's overall project management plan</p>	<p>N/A</p>

Key Findings & Recommendations

Risk Area	Findings and Recommendation	Action Plan
<p>Information is not sufficiently secure and held in accordance with relevant data protection legislation;</p>	<p>Key Findings:</p> <p>We carried out a review of the Council's procedures to ensure security of data held for the purposes of production and maintenance of the Electoral Register against Electoral Commission guidance in this area, with a particular focus on changes in this area in response to the introduction of GDPR.</p> <p>Our review found that the Council's procedures were in line with Electoral Commission guidance. Our own review suggests that policies on retention of data for Electoral Register purposes and data security are sufficiently robust and in line with reasonable expectations.</p> <p>We noted one improvement level recommendation based on our review of the Council's policy on provision of tablet devices to canvassers.</p> <p>Recommendations:</p>	<p>Management Response:</p> <p>Following this issue being highlighted, we have added into the training a section on changing passwords, so that canvassers have their own password rather than a standard one set for all users.</p> <p>Responsible Officer: Mark West</p>
	<p>Issue identified: Procedure notes provided to canvassers contain a standard password for access to tablets and the Express App which is common to all units.</p> <p>Root cause risk: Functionality to allow users to set unique passwords for tablet and App access has not been enabled.</p> <p>Recommendations: The Council should consider updating guidance to canvassers to include information on how to set up individualised accounts and passwords for tablets and the Express App.</p> <p>Overall conclusion: The overall level of risk attached to this information is low given that information provided is part of the public register and users would require knowledge of the Express App in order to make unauthorised changes, although there is still a risk of that occurring. Therefore, we deem this to be an improvement recommendation.</p>	

Appendices

Appendix 1 – Staff involved and documents reviewed

Staff involved

- Julie Kenny – Director (Corporate Services)
- Mark West – Electoral Services Officer

Documents reviewed

- Annual Canvass Handbook
- Annual Canvass Procedure Notes
- Annual Canvass Timetable
- Canvasser Training; Tablet procedure notes
- Daily Processing Procedures
- General Overview of Maintaining the Electoral Register
- Public Engagement Mailing List
- Risk Register
- Electoral Commission; Performance Standards for Electoral Registration Officers
- Electoral Commission; Guidance for Electoral Registration Officers; Part 3 – Annual Canvass;

Appendix 2 - Our assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.

Rating	Description
Significant assurance	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are suitably designed to achieve the risk management objectives required by management.</p> <p>These activities and controls were operating with sufficient effectiveness to provide significant assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by no weaknesses in design or operation of controls and only IMPROVEMENT recommendations.</p>
Significant assurance with some improvement required	<p>Overall, we have concluded that in the areas examined, there are only minor weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by minor weaknesses in design or operation of controls and only LOW rated recommendations.</p>
Partial assurance with improvement required	<p>Overall, we have concluded that, in the areas examined, there are some moderate weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide partial assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by moderate weaknesses in design or operation of controls and one or more MEDIUM or HIGH rated recommendations.</p>
No assurance	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are not suitably designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were not operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by significant weaknesses in design or operation of controls and several HIGH rated recommendations.</p>

Appendix 2 - Our assurance levels (cont'd)

The table below describes how we grade our audit recommendations.

Rating	Description	Possible features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none">▪ Key activity or control not designed or operating effectively▪ Potential for fraud identified▪ Non-compliance with key procedures / standards▪ Non-compliance with regulation
Medium	Findings that are important to the management of risk in the business area, representing a moderate weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none">▪ Important activity or control not designed or operating effectively▪ Impact is contained within the department and compensating controls would detect errors▪ Possibility for fraud exists▪ Control failures identified but not in key controls▪ Non-compliance with procedures / standards (but not resulting in key control failure)
Low	Findings that identify non-compliance with established procedures, or which identify changes that could improve the efficiency and/or effectiveness of the activity or control but which are not vital to the management of risk in the business area.	<ul style="list-style-type: none">▪ Minor control design or operational weakness▪ Minor non-compliance with procedures / standards
Improvement	Items requiring no action but which may be of interest to management or which represent best practice advice	<ul style="list-style-type: none">▪ Information for management▪ Control operating but not necessarily in accordance with best practice

