AGENDA MANAGEMENT SHEET

Name of Committee	**Audit and Standards Committee**
Date of Committee	**20th February 2008**
Report Title	**Data Quality Audit Report**
Summary	This report provides the Committee with a Data Quality Audit Summary report and action plan, as resulting from an audit carried out by the Audit Commission in September - October 2007.

For further information please contact:	Tricia Morrison Corporate Planning and Performance Manager Tel: 01926 736319 triciamorrison@warwickshire.gov.uk	Mandeep Kalsi Performance Officer Tel: 01926 412341 mandeepkalsi@warwickshire.gov.uk
Would the recommended decision be contrary to the Budget and Policy Framework?	No.	
Background papers	None	

CONSULTATION ALREADY UNDERTAKEN:-   Details to be specified

Other Committees	☐	....
Local Member(s)	☒	N/A
Other Elected Members	☐	....
Cabinet Member	☐	....
Chief Executive	☐	....
Legal	☐	....
Finance	☐	....
Other Chief Officers	☒	David Carter Dave Clarke...
District Councils	☐	....
Health Authority	☐	....

Warwickshire
County Council

Police ☐ ....

Other Bodies/Individuals ☐ ....

FINAL DECISION   YES

SUGGESTED NEXT STEPS: Details to be specified

Further consideration by
this Committee ☐ ....

To Council ☐ ....

To Cabinet ☐ ....

To an O & S Committee ☐ ....

To an Area Committee ☐ ....

Further Consultation ☐ ....

Warwickshire
County Council

Audit and Standards Committee - 20th February 2008.

Data Quality Audit Report

Report of the Strategic Director of Performance and Development

---

Recommendation

The Audit and Standards Committee is recommended to:
- Note the findings in the Data Quality Report
- Approve our response to the recommendations made by the Audit Commission

---

1.0 Background

1.1 Published performance indicators are used as a means of reducing the burden of regulation and awarding freedoms and flexibilities. This has made reliable performance information, and the quality of the underlying data, significantly more important.

1.2 Regulators and government departments need to be assured that reported information reflects actual performance. This will provide confidence that they are focusing on the key areas for improvement.

1.3 Auditors' work on data quality and performance information supports the Audit Commission's reliance on performance indicators in its service assessments for Comprehensive Performance Assessment (CPA).

2.0 Approach

2.1 An audit of our Data Quality arrangements took place between September – October 2007, by the Audit Commission, to review the practices and procedures we have in place (Appendix A).

2.2 The review of data quality was undertaken as a three stage process, as follows:

- **Management arrangements** – to review what management arrangements for data quality are in place

- **Analytical review** – Sampling 2006/07 BVPI and non-BVPI data, based on risk assessment.

Warwickshire
County Council

- **Data quality spot checks** – In-depth review of a sample of 2006/07 PIs all of which come from a list of specified BVPIs and non-BVPIs used in CPA, to determine whether arrangements to secure data quality are delivering accurate, timely and accessible information in practice.

3.0 Key Findings

3.1 The Data Quality Audit found that overall:

- The council's management arrangements for ensuring good data quality are demonstrating adequate performance.
- The analytical review of sampling 2006/07 BVPI and non-BVPI data, based on risk assessment identified that the PI values tested fell within expected ranges.
- The data quality spot checks of PIs found that 2 of the 3 indicators (BV165 and PLSS7) were fairly stated. However, one indicator (IPF Cost per library visit) was understated by 21%.

3.2 The feedback on the management arrangements identified the following:

- **Governance and leadership** - Progress has been made in this area since last year with responsibility for data quality at corporate and directorate level becoming clearer over the last 12 months.

- **Policies** - The corporate policy on data quality is helping to drive the development of appropriate Directorate arrangements although it is not fully embedded yet.

- **Systems and processes** - Systems for collecting, recording, analysing and reporting data that is fit for purpose continue to vary although the development of the corporate data quality policy is helping to embed procedures within Directorates.

- **People and skills** - Some progress has been made in including data quality, as a responsibility in job descriptions but this remains inconsistent and Directorate rather than corporately led.

- **Data use and reporting** - The use of performance information to manage and improve services is becoming well embedded within directorates. Reporting on the performance of partnerships is not yet embedded but progress is being made through the further development of the performance management framework to incorporate reporting on the LAA.

4.0 Action Plan

4.1 As a result of the findings in the Data Quality Audit Report, the Auditor has produced an action plan outlining five recommendations for the Authority to address, as follows:

- **R1** Decide how best the Technical Officers group or similar replacement can enable officers from across directorates to feed directorates experience of implementing data quality arrangements into corporate policy and to cascade good practice and corporate guidance within directorates.

- **R2** Ensure that all directorates have clear and well understood procedures for ensuring data quality that support the delivery of the corporate policy

- **R3** Review the adequacy of arrangements for securing data quality from partners following analysis of the early operation of the performance management framework for the LAA.

- **R4** Consider whether the Technical Officers Group (or successor body) could assume responsibility for:
  - spreading good practice on the incorporation of DQ responsibilities into job descriptions
  - identifying opportunities to maximise use of resources by organising corporate data quality training where appropriate.

- **R5** Ensure that the Library visit denominator count is accurate and excludes known non-library visits for dual purpose sites.

5.0 Recommendations

The Audit and Standards Committee is recommended to:
- Note the findings in the Data Quality Report
- Approve our response to the recommendations made by the Audit Commission

DAVID CARTER
Strategic Director of
Performance and
Development

Shire Hall
Warwick

6th February 2008

Warwickshire
County Council

audit
commission

Data Quality

Warwickshire County Council

Audit 2007/08

External audit is an essential element in the process of accountability for public money and makes an important contribution to the stewardship of public resources and the corporate governance of public services.

Audit in the public sector is underpinned by three fundamental principles:

- auditors are appointed independently from the bodies being audited;

- the scope of auditors' work is extended to cover not only the audit of financial statements but also value for money and the conduct of public business; and

- auditors may report aspects of their work widely to the public and other key stakeholders.

The duties and powers of auditors appointed by the Audit Commission are set out in the Audit Commission Act 1998 and the Local Government Act 1999 and the Commission's statutory Code of Audit Practice. Under the Code of Audit Practice, appointed auditors are also required to comply with the current professional standards issued by the independent Auditing Practices Board.

Appointed auditors act quite separately from the Commission and in meeting their statutory responsibilities are required to exercise their professional judgement independently of both the Commission and the audited body.

Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or

- any third party.

Copies of this report

If you require further copies of this report, or a copy in large print, in Braille, on tape, or in a language other than English, please call 0844 798 7070.

Contents

Warwickshire County Council

Background

1 Public bodies are accountable for the public money they spend: they must manage competing claims on resources to meet the needs of the communities they serve, and plan for the future. The financial and performance information they use to account for their activities, both internally and externally, to their users, partners, commissioners, government departments and regulators, must be appropriate for these purposes, providing the level of accuracy, reliability and consistency required.

2 Considerable weight is attached to published performance indicators as the basis for reducing the burden of regulation and awarding freedoms and flexibilities. This has made reliable performance information, and the quality of the underlying data, significantly more important. Regulators and government departments need to be assured that reported information reflects actual performance. This will provide confidence that they are focusing on the key areas for improvement.

3 Auditors' work on data quality and performance information supports the Commission's reliance on performance indicators in its service assessments for comprehensive performance assessment (CPA). This delivers the commitment to reduce significantly the level of service inspection required.

4 Introducing the comprehensive area assessment (CAA) framework from 2009 will make reliable performance information more important. The CAA will place greater emphasis on assessments that are proportional to risk. Councils will also be required to use information to reshape services, and to account to the public for performance.

5 The responsibility for securing the quality of the data underpinning performance information can only rest with the bodies that collect and use the data. Producing data which is fit for purpose should not be an end in itself, but an integral part of a body's operational, performance management, and governance arrangements. Organisations that put data quality at the heart of their performance management systems are most likely to be actively managing data in their day-to-day business, and turning that data into reliable information.

6 This is the second year in which we have undertaken work on data quality in local government. Our work is complemented by the Audit Commission's paper, '*Improving information to support decision making: standards for better quality data.'* This paper sets out standards, for adoption on a voluntary basis, to support improvement in data quality.

7 The expected impact of our work on data quality is that it will drive improvement in the quality of local government performance information, leading to greater confidence in the supporting data on which performance assessments are based.

Warwickshire County Council

Scope and objectives

8 The Audit Commission has developed a three-stage approach to the review of data quality.

Table 1

Stage 1	**Management arrangements**
	A review to determine whether proper corporate management arrangements for data quality are in place, and whether these are being applied in practice. The findings contribute to the auditor's conclusion under the Code of Audit Practice on the council's arrangements to secure value for money (the VFM conclusion).
Stage 2	**Analytical review**
	An analytical review of 2006/07 BVPI and non-BVPI data, and selection of a sample for testing based on risk assessment.
Stage 3	**Data quality spot checks**
	In-depth review of a sample of 2006/07 PIs all of which come from a list of specified BVPIs and non-BVPIs used in CPA, to determine whether arrangements to secure data quality are delivering accurate, timely and accessible information in practice.

9 All three stages of the review have been carried out at this Council.

Warwickshire County Council

Conclusions

Stage 1 – Management arrangements

10 The council's overall management arrangements for ensuring good data quality are demonstrating adequate performance.

Stage 2 – Analytical review

11 Our analytical review work at stage 2 identified that the PI values reviewed fell within expected ranges.

Stage 3 – Data quality spot checks

12 Our review and spot checks of PIs found that BV165 and PLSS7 were fairly stated. However, the IPF Cost Per Library Visit indicator was not fairly stated. We found that it was understated by 21 per cent.

13 An action plan has been agreed with the council (see Appendix 1) to address the issues arising from this review.

Management arrangements (Stage 1)

14 Overall, the council's corporate arrangements for data quality are demonstrating adequate performance.

Governance and leadership

15 Progress has been made in this area since last year with responsibility for data quality at corporate and directorate level becoming clearer over the last 12 months. The corporate data quality policy was approved in April 2007 and as such its full impact has not been felt yet but its development has begun to result in an increased profile for data quality across the council. The previous lack of clarity about where Councillor responsibility for the work lay has been addressed with the portfolio holder for Performance and Development identified as responsible for championing the importance of DQ as part of the council's performance management framework.

16 The Technical Officer Group's role has not developed as anticipated although the Group has played a useful role. The plan was for TOG to drive the corporate DQ policy and practice forward but this has not happened in practice. The focus has been on getting Performance Plus software embedded across directorates. The council has recently put in place a framework for corporate monitoring and review of data quality although it is not yet fully operational. The council will need to decide whether the Group's original remit is still relevant.

Recommendation
R1 *Decide how best the Technical Officers Group or similar replacement can enable officers from across directorates to feed directorates experience of implementing data quality arrangements into corporate policy and to cascade good practice and corporate guidance within directorates.*

Policies

17 The corporate policy on data quality is helping to drive the development of appropriate directorate arrangements although it is not fully embedded yet. The policy is supported by procedures to enable directorates to produce data that is fit for purpose. At directorate level there are some procedures and guidance notes in place but directorates are still at different stages of implementing and embedding these. The data quality policy recognises this, commenting that 'the formality of arrangements for ensuring data quality varies across the 6 WCC directorates.'

18   Directorates are developing methods to ensure that staff are aware of and follow procedures for ensuring data quality but some are not clearly set out yet. For example although there are polices and procedures that staff adhere to in Libraries, Museums & Adult Community Learning, these are not yet contained in written documents. As a result there is a risk that new or inexperienced staff may inadvertently fail to comply with appropriate processes.

Recommendation
R2   *Ensure that all directorates have clear and well understood procedures for ensuring data quality that support the delivery of the corporate policy*

Systems and processes

19   Systems for collecting, recording, analysing and reporting data that is fit for purpose continue to vary although the development of the corporate data quality policy is helping to embed procedures within directorates. The majority of directorates provide data for PIs direct from a spreadsheet to the corporate system. Improvements have been made in some key areas of weakness within directorates but there remains scope for improvement (for example in Adult Care) in arrangements to ensure that data is correct at the point of entry on to systems.

20   The council has some systems in place to review the effectiveness of controls although these are not in yet place across all directorates. Some directorates are making progress in embedding systems to ensure that the right first time principle is applied in practice. For example in Adult Health and Community Services a central team has been providing on site support and advice to practitioners to ensure that data is correct and complete at the initial point of entry. This helps to minimise problems with inaccurate and missing data at the collation and reporting stages.

21   The council is putting in place systems to ensure that information systems produce accurate information. The framework information security policy sets out operational procedures and responsibilities and arrangements for data validation but as the framework is in its first year of operation it is not yet fully embedded across the council.

22   The business continuity plan has been reviewed and this has helped to ensure that the corporate message is reinforced but as the council's self assessment notes, there remain a number of areas where improvements can be made.

23   Arrangements for specifying standards for sharing data with partners are still developing. The council is working with LAA partners to ensure that the data supplied to feed the performance management framework for the LAA is robust but the arrangements for specifying standards for sharing data with partners were still being refined at the time of reporting.

Recommendation
R3 Review the adequacy of arrangements for securing data quality from partners following analysis of the early operation of the performance management framework for the LAA.

People and skills

24 Some progress has been made in including data quality as a responsibility in job descriptions but this remains inconsistent and directorate rather than corporately led.

25 Training for staff with data quality responsibilities is being delivered on an ad hoc basis within directorates. This means that training is locally appropriate and responsive to need but there is a risk that corporate messages may be lost and opportunities to share and spread good practice and make the best use of training resources may be missed.

Recommendations
R4 Consider whether the Technical Officers Group (or successor body) could assume responsibility for: • *spreading good practice on the incorporation of DQ responsibilities into job descriptions; and* • *identifying opportunities to maximise use of resources by organising corporate data quality training where appropriate.*

Data use and reporting

26 The council is improving the use of data for corporate and service management. Officers have noted that the balanced scorecard provides a useful focus for the consideration of a range of performance information and that the use of the scorecard for 1-1 sessions between directors and Heads of Service ensures it has prominence.

27 The use of performance information to manage and improve services is becoming well embedded within directorates. Monthly Departmental Management Teams now have a quarterly report on progress towards their business plan - eg PIs and progress on them towards year end, summary of remedial action being taken. Reporting on the performance of partnerships is not yet embedded but progress is being made through the further development of the performance management framework to incorporate reporting on the LAA.

Warwickshire County Council

28   The Council is beginning to put procedures into place to ensure that data used for external reporting is subject to verification checks. The council's corporate policy on data quality specifies that directorates should carry out audits to evaluate the extent to which sound data is being supplied and that this verification should extend to data supplied by external sources. Directorates validate data used for reporting corporate PIs and there is strong support from the corporate centre to help ensure that this is a sound process.

Analytical review (Stage 2)

29   An analytical review of the following BVPIs and non-BVPIs was carried out. The findings, subject to the validation of a sample of PIs in stage 3 spot checks, are shown below.

Table 2

2006/07 Performance indicator	Assessment	Comment
BVPI 82a	Variance from 2005/06 was within an acceptable tolerance.	N/A
BVPI 82b	Variance from 2005/06 was within an acceptable tolerance.	N/A
BVPI 165	Variance from 2005/06 was within an acceptable tolerance.	N/A
Non-BVPI: Library - Assessment of users 16 and over	Variance from 2005/06 was within an acceptable tolerance.	N/A
Non-BVPI: Cost Per Library Visit	Variance from 2005/06 was within an acceptable tolerance.	N/A

Warwickshire County Council

Data quality spot checks (Stage 3)

30   A number of PIs were reviewed using a series of detailed spot checks and audit tests. Our findings are shown below.

Table 3

Performance indicator	Assessment	Comment
Environment BV 165 per cent of Pedestrian Crossings with facilities for disabled people	The PI @ 98 per cent is considered to be fairly stated.	Physical testing confirmed the suitability of crossings for disabled people.
Culture PLSS 7 Assessment of users 16 and over of their library service	The PI @ 93.3 per cent is considered to be fairly stated.	The survey conducted in September 2006, fulfilled the methodology criteria.
Culture Cost Per Library Visit (IPF)	The draft PI £3.09, understated the cost per library visit by 21 per cent. The audited PI was £3.73.	The electronic count for the library visits was supported by a parallel manual count. The manual count was considered more reliable. The audit guidance for denominator methodology should be strictly followed.

31   CIPFA were informed of the revised Cost Per Library visit PI £3.73.

Recommendation
R5   *Ensure that the Library visit denominator count is accurate and excludes known non-library visits for dual purpose sites.*

Warwickshire County Council

Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
7	R1 Decide how best the Technical Officers group or similar replacement can enable officers from across directorates to feed directorates experience of implementing data quality arrangements into corporate policy and to cascade good practice and corporate guidance within directorates.	2	Monica Fogarty	Agree	The Performance Forum to lead and ensure cascade and responses in Directorates.	March 2008
8	R2 Ensure that all directorates have clear and well understood procedures for ensuring data quality that support the delivery of the corporate policy.	3	Monica Fogarty	Agree	Directorate Performance Leads to audit progress on Data Quality. Position statements to be produced in terms of preparedness for implementation of Corporate Policy on data quality.	March 2008
9	R3 Review the adequacy of arrangements for securing data quality from partners following analysis of the early operation of the performance management framework for the LAA.	3	Monica Fogarty	Agree	A data quality proforma has been produced and implemented to ensure indicators comply with data quality protocol.	March 2008

Warwickshire County Council

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
9	R4 Consider whether the Technical Officers Group (or successor body) could assume responsibility for: • spreading good practice on the incorporation of DQ responsibilities into job descriptions; and • identifying opportunities to maximise use of resources by organising corporate data quality training where appropriate.	2	Monica Fogarty	Agree	The Performance Forum will take this forward. A Corporate training event to be developed and rolled out across the Performance Community.	March 2008
12	R5 Ensure that the Library visit denominator count is accurate and excludes known non-library visits for dual purpose sites.	3	Edwina Cordwell	Agree	The robustness of the Library visit denominator count to be guaranteed.	March 2008

Warwickshire County Council