

# Data Quality Review

Taunton Deane Borough Council

Audit 2007/08

Date: **12 November 2008**

DRAFT

---

# Contents

|                                 |           |
|---------------------------------|-----------|
| <b>Introduction</b>             | <b>3</b>  |
| <b>Detailed findings</b>        | <b>6</b>  |
| <b>Appendix 1 – Action Plan</b> | <b>12</b> |

DRAFT

---

## 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.
-

# Introduction

- 1 The purpose of this report is to summarise the findings from our work on data quality for 2007/08.
- 2 Auditors' work on data quality and performance information supports the Commission's reliance on performance indicators (PI) in its service assessments for comprehensive performance assessment (CPA).
- 3 Our work on data quality 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. The expected impact of the Audit Commission's 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.

## Scope of our work

- 4 We have followed the Audit Commission's three-stage approach to the review of data quality as set out in Table 1.

**Table 1 Data quality approach**

|                |   |
|----------------|---|
| <b>Stage 1</b> | <b>Management arrangements</b><br>A review using key lines of enquiry (KLOE) 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).   |
| <b>Stage 2</b> | <b>Analytical review</b><br>An analytical review of 2007/08 BVPI and non-BVPI data and selection of a sample for testing based on risk assessment.  |
| <b>Stage 3</b> | <b>Data quality spot checks</b><br>In-depth review of a sample of 2007/08 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. For 2007/08 PI spot checks, the Audit Commission specified that it is compulsory to review two housing benefits PIs at all single tier and district councils as a minimum. |

- 5 As this is the third year of applying this approach to data quality, we tailored our work to focus on the key changes and actions taken to address previously identified weaknesses and recommendations.

---

## Summary conclusions

### Stage 1 – Management arrangements

- 6 The Council's overall management arrangements for ensuring data quality are at minimum requirements. The Council improved its arrangements to secure data quality during 2007/08, but due to capacity constraints, was unable to achieve a number of objectives laid down within the 2006/07 action plan for data quality.
- 7 Responsibility for data quality is well defined and rests with the Corporate Director for Finance. The corporate commitment to data quality is communicated clearly and issues relating to data quality are well considered by senior managers and councillors. Data quality is therefore becoming integrated into the planning, monitoring and reporting processes in the organisation. However, the Council has not reviewed the level of staff awareness of data quality issues, neither was it able to produce the expected data quality strategy. Management capacity has been stretched with high levels of partnership commitments and as a result, the Council's strategy has not been taken forward.
- 8 The Council has effective arrangements for monitoring and reviewing data quality, in particular for monitoring the quality of performance and financial data. Relevant staff are aware of data quality policies, operational procedures and guidance. The Council has arrangements in place to ensure that staff with data quality responsibility have the necessary training and skills. A number of objectives for data quality management are in place, but have yet to be formalised into a Council wide data quality strategy.
- 9 Appropriate controls are in place for both manual and computerised systems. Good security arrangements are in place for the Council's critical performance information systems. These have been recently reviewed and improved. The Council has adequate standards in relation to the data it shares internally and externally. Some formal protocols are in place such as with key partners, but have yet to be standardised and developed for all relevant partnerships.
- 10 There are therefore a number of areas where improvements are required if the Council is to achieve the next level of compliance. Particular areas of improvement identified as part of the current review included:
- the need to establish effective business continuity plans;
  - the need for more effective general awareness training (a web based approach was considered the most appropriate);
  - more effective management overview of the control process. While checks are made this is not generally recorded or universal;
  - the need to agree and instil a data quality framework within partnerships.

**Stage 2 – Analytical review**

- 11 Our analytical review work at Stage 2 identified one BVPI where the Council had used the wrong definition when calculating the reported figure. The correct figure has now been reported.

**Stage 3 – Data quality spot checks**

- 12 From our sample testing of three BVPIs we found errors in the compilation of the two benefits PIs, 78a and 78b, and we have placed reservations on these two PIs on the Audit Commission's electronic data capture (EDC) system.

DRAFT

---

# Detailed findings

---

## Management arrangements (Stage 1)

- 13** Overall, the Council's corporate arrangements for data quality are at minimum requirements.

### Governance and leadership

- 14** The Council has effective arrangements for monitoring and reviewing most aspects of data quality. There is a framework for monitoring data quality, with regular formal reporting on key aspects of data quality to senior managers and councillors, enabling them to challenge the integrity of data. There is a programme of data quality review which is proportionate to risk. This includes reporting on the accuracy of data supporting key performance indicators. Data quality is embedded in corporate risk management arrangements, with regular assessments of key risks. Councillors are well engaged in this process and data is subject to approval prior to external reporting
- 15** The Council established arrangements to take forward the action plan agreed after the last data quality audit. Improvements have been made to the effectiveness of information governance since the last review. The Strategy and Performance Panel is now receiving quarterly reports which include an update on data quality and each department is asked to report on its performance indicators with particular reference to those areas which were causing concern in 2006/07. These include Planning, Personnel and Housing (Decent Homes). Separate reports are produced and presented by the Corporate Performance Section (CPS) to the Strategy and Performance Panel on a monthly basis. The dashboard reports are subject to Member challenge especially in relation to problem areas. The CPS was discussing with Members the form and content of the reports to improve their effectiveness. The section lost key staff in early 2008/09, but the CPS is now back to full strength.
- 16** Data quality is becoming integrated into the planning, monitoring and reporting processes in the organisation and will be further strengthened during 2008/09. The corporate commitment to data quality is communicated clearly and has been reinforced by further training and issues relating to data quality are considered by senior managers and councillors. However, although the production of a specific data quality strategy was included within the Council's action plan for 2007/8 the Council has lacked the capacity to do so. Management capacity has been stretched with high levels of partnership commitments and as a result, the Council's strategy has not been taken forward.

### Recommendation

- R1** A formal strategy for data quality should be produced. There are a number of model strategies that could form the basis of the Council's strategy. These could be easily modified for the Council and would provide clear direction for the Council and its staff.

### Policies

- 17** Staff responsible for data quality policy are provided with the necessary procedures and guidance to undertake their responsibilities. The Corporate Performance Team are responsible for checking that procedures are followed and that the data produced is accurate, timely and complete. A set of supporting documents for data quality and management is in place. These include the staff handbook, freedom of information, intranet guidance, manager's guidance for collecting and handling local PI and BVPI data, and data protection. Staff are able to access the policies, procedures and guidance. The Council is proactive in informing staff of any policy or procedure updates on a timely basis. Information and data management are also included in staff induction training.
- 18** There has been an increased emphasis on data quality issues within the Council. The Corporate Performance Team has been visiting departments to ensure that staff are aware of the importance of accurate data and that the correct definitions are used for the Council's performance indicators. As such there has been an overall improvement in data quality. The Corporate Director of Finance remains in overall charge of data quality issues and has actively encouraged improvements. These include the incorporation of the new National Indicator Set into the Corporate Plan and decisions over which former BVPIs should continue to be used as local performance indicators.

### Systems and processes

- 19** The Council has effective arrangements for the collection, recording, analysis and reporting of performance information. The use of the Performance Management System is well embedded and is working effectively. Improvements have been made to systems to ensure that staff are aware of their responsibilities and that senior officers oversee and sign off performance information. The Corporate Performance Officers are reviewing the information on a monthly basis and reporting the situation to the Strategy and performance Panel. Senior officers are being held to account both within the quarterly reporting to the Panel and by the need to authorise the final figures that are submitted to EDC.
- 20** The Council's performance information systems contain adequate controls to ensure data integrity however, the Council does not regularly consult with staff when developing or implementing its systems. All responsible officers are known to the Corporate Performance Team and have been set up to enter and authorise individual departmental information. Data is checked by departments and re-checked for variances and transposition etc by the CPT. The system is monitored regularly. Monthly reports to the Senior management Team and members are checked for accuracy by the CPT before they are produced. The Council has appropriate

environmental and security systems in place for protection of the data. Any problems would be reported to the Corporate Director of Finance and Corporate Management Team.

- 21** Standards are not specified for the majority of shared data or data supplied by third parties. There are some data sharing protocols in place for some services, for example the CDRP and Housing agreements with Shelter, and for the Southwest One partnership. The Council acknowledges that it should put in place data sharing protocols for all its key partnerships.

#### Recommendation

**R2** Ensure that staff are consulted when systems are due for replacement or revision.

**R3** Data quality and data sharing protocols are required for all data that is shared with third parties / partnerships.

#### People and skills

- 22** The Council has communicated clearly the responsibilities of staff, in particular heads of service and those responsible for the correct collection, analysis and recording of performance information. Additional guidance has been provided by the Corporate Performance Team and added to the Intranet, this includes clear guidelines to the use of and reporting from the Performance Management System. The roles and responsibilities for data quality are applied throughout the organisation. The Council has provided clear guidance as to the level of quality it requires and had increased its staff capacity to improve its arrangements to deal with information management and data quality. However, in 2008/09 this capacity declined with both the Head of Performance and his deputy leaving or moving to other areas of the Council.
- 23** There is no formal programme of data quality training, although development opportunities are identified as part of the Council's personal development programme. Staff with specific responsibilities for data input and /or data quality have received data quality training. There is update training for staff to ensure the latest changes in data quality procedures and such legislation as the freedom of information and data protection act are well understood. All training is evaluated and linked to staff assessments. Performance and key staff involved in information and performance management are well qualified and trained. They well regarded and trusted by partners and councillors.

#### Recommendation

**R4** Ensure that adequate resources are available to support the Council in the provision and delivery of performance and data quality issues.

**R5** Implement a formal programme of data quality and data awareness training.

#### Data use and reporting

- 24** The Council has put in place effective arrangements for the monitoring and scrutiny of performance. For example the Strategy and Performance committee considered the



## Detailed findings

analysis of the statutory performance indicators at its meeting of the 18th December and 4th March 2008. Comparisons were made with other councils across the 83 performance indicators and 22 user satisfaction indicators. The analysis revealed that the Council's relative performance had deteriorated from the previous year with fewer "top quartile" indicators and more "bottom quartile" indicators. In order to retain the CPA's top rating of an "Excellent Council", the analysis focussed on identifying underperformance and taking action to achieve improvement.

- 25** Performance reports relate performance information to specific targets in the corporate strategy. Reports are used to monitor service delivery, forecast year-end achievement, and identify areas where action is needed. The Corporate Strategy is established through the annual priorities consultation, consideration of government and local priorities and the community strategy. The Corporate Strategy then informs service planning, the Medium Term Financial Plan, budget setting and service delivery.
- 26** The Council maintains an audit trail for its performance indicators both within the performance management system and through manual folders. These show how the indicator was calculated, who was responsible for the calculation and who signed it off. The Corporate Performance Team routinely check the system and have followed up last year's problems with HR, Housing and Planning indicators. These were checked as part of DQ3. Data returns to government departments are also subject to the same framework and sign off by senior officers.
- 27** Improvements have been made to the effectiveness of information governance since the last review. The Strategy and Performance Panel is now receiving quarterly reports which include an update on data quality. Each department is asked to report on its performance indicators with particular reference to those areas causing concern during 2007. These include Planning, Personnel and Housing (Decent Homes). Separate reports are produced and presented by the Corporate Performance Team and to the Strategy and Performance Panel on a monthly basis. The dashboard reports are subject to Member challenge especially in relation to problem areas. The CPS is discussing with Members the form and content of the reports to improve their effectiveness. Internal audit are also carrying out further reviews of financial and management data.

---

### Analytical review (Stage 2)

- 28** The Audit Commission identified seven BVPIs where the Council's published performance was either outside the normal range or where the variance from the previous year's figure was larger than would be expected. From our further enquiries in relation to these PIs, we were satisfied that there were reasonable explanations for the Council being an outlier or for the variation from the previous year for six of the seven PIs.
- 29** In the case of BVPI 204 - % appeals against a decision to refuse a planning application - we found that for 2007-8, and indeed for previous years, the Council had used the wrong definition when calculating the reported PI. The correct figure has now been reported to DCLG and on the Council's website.

**Recommendation**

**R6** Ensure that the correct definition is used when calculating BVPI 204.

**Data quality spot checks (Stage 3)**

**30** Three PIs were reviewed - the two mandatory housing benefit PIs, 78a and 78b, and BVPI 184a - % council dwellings which were non decent at the start of the year. We used a series of detailed spot checks and audit tests for these PIs. Our findings are shown below.

**Table 2 Spot check findings**

| Performance indicator  | Assessment      | Comment  |
|--|-----------------|--|
| Housing Benefits<br>BVPI 78a -<br>Speed of processing new claims               | Unfairly stated | The following errors were identified from our sample testing: <ul style="list-style-type: none"> <li>• incorrect start date used;</li> <li>• no start date included in the Section 124 stats.</li> </ul>   |
| Housing Benefits<br>BVPI 78b -<br>Speed of processing changes of circumstances | Unfairly stated | The following errors were identified from our sample testing: <ul style="list-style-type: none"> <li>• use of incorrect decision date,</li> <li>• no start date included in Section 124 stats,</li> <li>• no notification date on Section 124 stats.</li> <li>• claim being recorded as a change of circumstances when it was a new claim</li> </ul> |
| Housing<br>BVPI 184a -<br>% non-decent homes at start of year.                 | Fairly stated   | -  |

## Detailed findings

| Performance indicator | Assessment | Comment |
|-----------------------|------------|---------|
|                       |            |         |

- 31** For the HB PIs, we found that the receipt date of claims was inconsistently recorded. Claims should be date stamped when received in the department, but we found that this was not always the case. A spreadsheet is kept by the Revenues Team to record dates received but we noted that for one case the date on the spreadsheet was not the same as that stamped on the form when it was received.
- 32** We are informed that the IBS system is not going to be used to record the Section 124 stats in future and that an alternative system is in place to monitor the speed at which claims are processed. The dates of receipt or notification were not always included in the IBS system. If one date only was given, the statistics automatically recorded a processing time of one day, therefore incorrectly recording the processing time.
- 33** The department aims to check 4% of all claims to ensure they are being accurately processed. This test could be extended further to include testing of receipt and notification dates to the statistics.

### Recommendation

- R7** Date stamp all documents when received and check that the date on the control spreadsheet agrees to the date stamp if this is to be used for monitoring purposes.
- R8** Extend the system in place to monitor speed of processing claims to include a check that accurate start and end processing dates are recorded.
- R9** Ensure that at least 4% of claims are checked each month and that the dates are agreed for these checks to the monitoring statistics.

# Appendix 1 – Action Plan

| Page no.                      | Recommendation  | Priority<br>1 = Low<br>2 = Med<br>3 = High | Responsibility         | Agreed | Comments   | Date     |
|-------------------------------|---|--|------------------------|--------|--|----------|
| DQ1 - Management Arrangements |   |  |                        |        |  |          |
| 7                             | R1 A formal strategy for data quality should be produced. There are a number of model strategies that could form the basis of the Council's strategy. These could be easily modified for the Council and would provide clear direction for the Council and its staff. | 3  | Adrian Gladstone-Smith | Y      | -  | Feb 09   |
| 8                             | R2 Ensure that staff are consulted when systems are due for replacement or revision.  | 3  | Adrian Gladstone-Smith | N      | Without the specific examples forthcoming it was not possible to provide evidence to the contrary. The Council widely consults on new systems. A good example of this is the current transformation work where the Council have committed a large resource to consultation with staff. | In Place |
| 8                             | R3 Data quality and data sharing protocols are required for all data that is shared with third parties / partnerships.  | 2  | Adrian Gladstone-Smith | Y      | Our major partnership, Southwest One, has contractual protocols.   | Mar 09   |
| 8                             | R4 Ensure that adequate resources are available to support the Council in the provision and delivery of performance and data quality issues.  | 3  | Shirlene Adam          | Y      | Of a team of four officers, three vacancies have recently been filled and we are now at full complement. Any additional resourcing will be considered as part of the Core Council review.  | Feb 09   |
| 9                             | R5 Implement a formal programme of data quality and data awareness training.  | 2  | Adrian Gladstone-Smith | Partly | Key officers are trained. Information and awareness training will be provided to all staff   | Feb 09   |

## Detailed findings

| Page no. | Recommendation   | Priority<br>1 = Low<br>2 = Med<br>3 = High | Responsibility         | Agreed | Comments  | Date      |
|----------|--|--|------------------------|--------|---|-----------|
|          |  |  |                        |        | on issuing the Data Quality Strategy.   |           |
|          | DQ2 - Analytical Review  |  |                        |        |   |           |
| 10       | R6 Ensure that the correct definition is used when calculating BVPI 204.   | 3  | Adrian Gladstone-Smith | Y      | BVPIs have now been abolished although this is being retained as a local indicator. | In Place  |
|          | DQ3 - Spot checks  |  |                        |        |   |           |
| 11       | R7 Date stamp all documents when received and check that the date on the control spreadsheet agrees to the date stamp if this is to be used for monitoring purposes. | 3  | Heather Tiso           | Y      | -   | Immediate |
| 11       | R8 Extend the system in place to monitor speed of processing claims to include a check that accurate start and end processing dates are recorded.                    | 3  | Heather Tiso           | Y      | System already in place   | In Place  |
| 11       | R9 Ensure that at least 4% of claims are checked each month and that the dates are agreed for these checks to the monitoring statistics.                             | 3  | Heather Tiso           | Y      | Current practices being amended   | Jan 09    |