

Data Quality Report

February 2008



Data Quality

Epping Forest District Council

Audit 2007/08

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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.

Scope and objectives

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

Table 1

Stage 1	<p>Management arrangements</p> <p>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).</p>
Stage 2	<p>Analytical review</p> <p>An analytical review of 2006/07 BVPI and non-BVPI data and selection of a sample for testing based on risk assessment.</p>
Stage 3	<p>Data quality spot checks</p> <p>In-depth review of two 2006/07 PIs one of which comes 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.</p>

- 9 All three stages of the review have been carried out at this Council.
- 10 For stage 3, we have selected a performance indicator (BVPI 216(a)) to review that is not on the list of specified indicators. This is because we identified a potential risk to the quality of the underlying data from stage 2.

Conclusions

Stage 1 – Management arrangements

- 11 The Council's overall management arrangements for ensuring data quality are adequate. Senior management have clearly started to focus on data quality with the introduction of a data quality strategy, action plan and quality standards. Regular checks are carried out on outturn PIs but both internal and external audits have found weaknesses in systems for data collection, recording, and analysis. PIs are used by Members and senior management in planning. In order to improve arrangements so that the Council can demonstrate best practice in data quality arrangements, staff should be provided with training and data quality responsibilities should be clearly defined. In addition staff should be given detailed procedure notes for the PIs they produce. Data quality controls should be clearly documented and tested.

Stage 2 – Analytical review

- 12 Our analytical review work at stage 2 identified that five PI values fell outside expected ranges. An adequate explanation was provided for four of these but no explanation or evidence could be provided for BVPI 216(a): Number of sites of potentially contaminated land. This PI was therefore selected for review in detail at stage 3.

Stage 3 – Data quality spot checks

- 13 Our review and spot check tested HIP HSSA (percentage of private sector homes vacant for more than six months) and BVPI 216(a). We concluded that neither could be certified as fairly stated.
- 14 An action plan has been agreed with the Council (see Appendix 1) to address the issues arising from this review. It is important to see the recommendations in the context of the Council's arrangements already being assessed as adequate and that the Council may decide some of the suggested improvements are not a priority at present. However it is also important for the Council to realise that the expected standard for data quality arrangements is likely to gradually increase so that a constant drive for improvement will be required to maintain the current assessment.

Management arrangements (Stage 1)

Overall, the Council's corporate arrangements for data quality are adequate.

Governance and leadership

- 15 A data quality strategy has been put in place and communicated to all staff, demonstrating a high level commitment to data quality. The strategy sets out roles and responsibilities and includes a council wide action plan but does not include objectives for individual departments. The Council need to ensure that the strategy and action plan are regularly reviewed and monitored and that the corporate commitment to data quality is regularly reinforced. A sample of PIs is reviewed annually by Internal Audit. The Performance Management Unit carried out a check on quarter three outturn PIs and it is intended that this will become a regular review.

Recommendations

R1 The Council should ensure that the data quality strategy and action plan are regularly reviewed and monitored and that the corporate commitment to data quality is regularly reinforced.

R2 For management arrangements consistent with best practice, the Council should consider setting data quality targets for individual departments to ensure continuous improvement throughout the Council which takes into account circumstances of each area.

Policies

- 16 QA standards are in place which provide operational guidance on the production of PIs and staff are aware of these standards. However, operational staff do not routinely have access to guidance relating to the PIs for which they are responsible other than the high level BVPI definitions published by Communities and Local Government (CLG). The data quality strategy includes requirements relating to the sharing of data in partnerships but formal protocols for data sharing are not in place for all partners. There are currently no arrangements in place for sharing good practice throughout the council. Although the data quality strategy includes the requirement for a data quality lead for each information system, this has not yet been put in place.

Recommendation

R3 In order to improve arrangements further, data quality good practice should be shared throughout the Council, which could be achieved by creating a network of data quality 'champions'.

Recommendation

R4 Detailed guidance on the production of PIs, tailored to the Council's own information systems, should be provided to operational staff.

Systems and processes

- 17 There are weaknesses in systems for data collection, recording, analysis and reporting but action is being taken to address these. There has been no formal mapping or testing of controls relating to data quality in information systems. However testing of outturn PIs has been carried out by Internal Audit and the Performance Management Unit. Security arrangements are in place for key information systems but there is no regular testing of these. The business continuity plan does not consider data quality issues and no consideration has been given to risks relating to data quality in the business continuity process. There are no procedures in place for the verification of data provided by external bodies.

Recommendations

R5 The Council should map and test controls relating to data quality in all key information systems.

R6 The Council should carry out regular testing of security arrangements for key information systems.

R7 For management arrangements consistent with best practice, the Council should consider risks relating to data quality in their business continuity planning process.

R8 Procedures should be put in place for the verification of data provided by external parties. This could include reasonableness checks or formal data sharing protocols.

People and skills

- 18 Relevant staff are aware of their responsibilities for data quality, but these are not necessarily formally defined and allocated. No feedback is provided to staff on the results of their efforts to improve data quality. The Performance Management Unit acts as a central source of support for services, but does not work closely with service staff. Ad-hoc training on data quality is provided at the service level but there is no formal corporate data quality training programme.

Recommendation

R9 Data quality responsibilities should be clearly defined. This could be achieved by including data quality in the job descriptions and personal targets of relevant staff.

Recommendation

R10 A corporate data quality training programme for staff should be introduced to emphasise the Council's commitment to data quality, share good practice and review where problems have been experienced and the lessons that can be learned.

Data use and reporting

- 19 Performance information is regularly reviewed by members and management. This focuses on the 50 Key Performance Indicators (KPIs) chosen as key to delivering the Council's priorities. There is evidence that action is being taken to redress weak performance in certain PIs such as sickness absence and planning services. Most performance indicators are supported by an audit trail but both External and Internal Audit testing has found some weaknesses. A quality assurance procedure is in place and all PIs must be signed off by a Head of Service. However, Internal Audit found that this was not always complied with. There are no formal procedures in place for verifying other externally reported data although in most cases some form of verification is carried out.

Recommendations

R11 The Council should ensure that the quality assurance procedure is fully complied with.

R12 For management arrangements consistent with best practice, the Council should put in place a formal procedure for the verification of all externally reported data. This could include reasonableness checks or formal data sharing protocols.

Analytical review (Stage 2)

- 20 An analytical review of the following BVPIs was carried out. The findings, subject to the validation of a sample of PIs in stage3 spot checks, are shown below.

Table 2

2006/07 Performance indicator	Assessment	Comment
BVPI 66(d): Percentage of tenants evicted as a result of rent arrears.	Value outside expected range.	The wrong figure had been entered into the EDC system and has since been amended.
BVPI 11(c): Percentage of top 5 per cent earners who have a disability.	Variance from 2005/06 outturn.	Employees had been provided with detailed guidance encouraging them to identify themselves as having a disability.
BVPI 16(a): Percentage of employees who have a disability.	As BVPI 11(c) above.	As BVPI 11(c) above.
BVPI 199(a): Proportion of land and highways assessed as having unacceptable levels of litter and detritus.	Variance from 2005/06 outturn.	Surveyors had attended training on the measurement of this PI.
BVPI 216(a): Number of sites of potentially contaminated land within the local authority area.	Value outside expected range.	No explanation could be provided therefore PI selected for testing at stage 3.

- 21 All other PIs reviewed were found to be complete and within plausible and permissible values.

Data quality spot checks (Stage 3)

- 22 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		
Percentage of private sector homes vacant for more than six months (HIP HSSA)	This PI has not been fairly stated.	No voids report was available to support the figure as this was not produced at year end and Orbis is unable to create these reports retrospectively. No audit testing could therefore be carried out. In addition, registered social landlord (RSL) properties and other public sector properties were not deducted from the voids figures. An attempt was made to obtain the figure for the number of RSL voids via a survey but response levels were poor.
Housing		
The number of 'sites of potential concern' within the local authority area with respect to land contamination (BVPI 216(a)).	This PI has not been fairly stated.	This PI has not been fairly stated. The reported figure relates to 2005 and has not been updated each year because the number of sites is very fluid and it was thought unnecessary to do so. Since it is not possible to obtain a report from the system retrospectively, it was not possible to produce a corrected figure.

Recommendation

R13 The Council should address the issues identified with BVPI 216(a) and HIP HSSA, in particular by ensuring that an audit trail is produced from the system at 31 March each year to enable audit testing to be carried out.

Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
8	R1 The Council should ensure that the data quality strategy and action plan are regularly reviewed and monitored and that the corporate commitment to data quality is regularly reinforced.	2	Performance Improvement Manager	Yes	Arrangements will be made to ensure that the Council’s Data Quality Strategy and action plan are reviewed and monitored on an annual basis, and that the corporate commitment to data quality is regularly reinforced. The annual review of the Data Quality Strategy and action plan will be reported to the Corporate Executive Forum or Management Board as appropriate.	31 March 2008
8	R2 For management arrangements consistent with best practice, the Council should consider setting data quality targets for individual departments to ensure continuous improvement throughout the Council which takes into account circumstances of each area.	1		No	The Council considers that any data quality targets should be consistent across the authority’s service directorates.	
8	R3 In order to improve arrangements further, data quality good practice should be shared throughout the Council, which could be achieved by creating a network of data quality 'champions'	1	Performance Improvement Manager/Service Directors	In part	The sharing of data quality good practice across the Council will be undertaken as appropriate and encouraged amongst Service Directors. The Council does not consider that it is necessary to create a network of data quality 'champions', and that this role is implicit in the responsibility of Service Directors to ensure compliance with internal quality assurance procedures in relation to the calculation and reporting of performance information.	31 March 2008

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
8	R4 Detailed guidance on the production of PIs, tailored to the Council's own information systems, should be provided to operational staff.	3	Performance Improvement Manager/Service Directors	Yes	Service Directors will be requested to ensure that appropriate guidance on the calculation and reporting of performance information, tailored to directorate specific information systems, is produced and provided to relevant operational staff within each directorate.	31 March 2008
9	R5 The Council should map and test controls relating to data quality in all key information systems.	2	Director of Finance and ICT/Chief Internal Auditor	Agreed	Some mapping of key information systems has been undertaken by the Performance Management Unit in relation to Best Value Performance Indicator (BVPI) data, and BVPI data quality testing is undertaken by Internal Audit on an annual basis. Further mapping and testing of systems will be included within the annual audit plan and undertaken over the next year.	31 March 2009
9	R6 The Council should carry out regular testing of security arrangements for key information systems.	2	Director of Finance and ICT/Chief Internal Auditor	Agreed	The testing of security arrangements for key information systems is already undertaken on an on-going basis.	31 March 2009
9	R7 For management arrangements consistent with best practice, the Council should consider risks relating to data quality in their business continuity planning process.	1	Service Directors	Yes	Service Directors will be requested to ensure that risks relating to data quality are addressed in relevant directorate specific business continuity plans.	30 June 2008
9	R8 Procedures should be put in place for the verification of data provided by external parties. This could include reasonableness checks or formal data sharing protocols.	2	Performance Improvement Manager/Service Directors	In part	Reasonableness checks will be undertaken where appropriate in relation to data provided by external parties for the purpose of reporting the Council's performance information. Service Directors will be requested to ensure that arrangements for similar checks are in place in relation to external data utilised for other purposes.	30 June 2008

14 Data Quality | Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
9	R9 Data quality responsibilities should be clearly defined. This could be achieved by including data quality in the job descriptions and personal targets of relevant staff.	2	Chief Executive/Service Directors	In part	Data quality responsibilities are included in the job descriptions of certain relevant staff. The allocation of specific data quality responsibilities will be addressed through appointments to Assistant Director level posts as part of the ongoing review of the Council's management structure.	30 June 2008
10	R10A corporate data quality training programme for staff should be introduced to emphasise the Council's commitment to data quality, share good practice and review where problems have been experienced and the lessons that can be learned.	2	Director of Corporate Support Services/ Performance Improvement Manager	In part	Data quality issues will be introduced as an element of the Council's staff induction programme. The possible establishment of an appropriate 'user group' will be investigated in relation to those officers with performance indicator calculation and reporting responsibilities.	30 June 2008
10	R11 The Council should ensure that the quality assurance procedure is fully complied with.	2	Performance Improvement Manager/Deputy Chief Executive	Yes	Quality assurance procedures in relation to the calculation and reporting of performance indicator information are issued to Directors and relevant staff on an annual basis. The alignment of the Performance Management Unit with the responsibilities of the Deputy Chief Executive as part of the recent senior management restructure, will improve the importance afforded to compliance with the quality assurance procedure.	31 March 2008

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
10	R12 For management arrangements consistent with best practice, the Council should put in place a formal procedure for the verification of all externally reported data. This could include reasonableness checks or formal data sharing protocols.	1	Performance Improvement Manager/Service Directors	In part	Reasonableness checks will be undertaken where appropriate in relation to externally reported data in connection with the Council's performance indicators. Service Directors will be requested to ensure that arrangements for similar checks are in place in relation to other externally reported data.	30 June 2008
13	R13 The Council should address the issues identified with BVPI 216(a) and HIP HSSA, in particular by ensuring that an audit trail is produced from the system at 31st March each year to enable audit testing to be carried out.	3	Director of Environment and Street Scene/Director of Housing	Agreed	BVPI 216(a) will be deleted as a performance indicator from 2007/08 onwards.	31 March 2008