

**Report to:** Audit, Governance and Improvement Review Committee

**Date:** 31st January 2008

**Subject:** Audit Commission Report - Data Quality

**Report of:** Director of Finance and Information Technology

**Contact officer:** Martyn Kenyon 01942 827550

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**Purpose / summary:** To advise Members of the Audit Commission's Findings in their review of the Council's data quality arrangements

**Alternative options considered and reason for selecting the one recommended:** No alternatives. High standards are essential to enable effective performance management

**Recommendation / decision:** Members note the report and the actions agreed to further improve our arrangements

**Key Decision:** This report does not involve a key decision. The decision made as a result of this report will be published within **48 hours** and cannot be actioned until **seven working days** have elapsed, i.e. before 12th February 2008

**Risks / Implications:**

Financial:	No direct cost but poor quality data will result in the qualification of BVPI's and have a major adverse impact on our CPA assessment
Staffing:	None
Policy:	Assists in achievement of "Excellent" status
Equal Opportunities - Has a Diversity Impact Assessment been conducted?	A diversity impact assessment is not necessary for the purposes of preparing this report.
Wards affected:	All wards are affected by service performance

**Property Implications– Does the proposal involve a reduction, addition or change to the Council’s asset base or its occupation?**

No

**If yes have the property implications been agreed with the Corporate Property officer?**

N/a

**Does this proposal have significant implications for the Council and the local population?**

Failure to meet the prescribed data quality standards will have a significant impact on the Council’s services and it’s overall CPA assessment

**Does this proposal involve a new policy or procedure or significant changes to an existing policy or procedure?**

No

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Has the Director of Legal and Property Services confirmed that the recommendations within this report are lawful and comply with the Council’s Constitution?

**N/a \***

Has the Director of Finance and IT confirmed that any expenditure referred to within this report is consistent with the Council’s budget?

**N/a \***

Are any of the recommendations within this report contrary to the Policy Framework of the Council?

**No \***

\* delete which applicable

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**For Cabinet reports only :**

Categorisation of the report:	<b>X</b>
Discussion leading to a decision	
Monitoring	
Sharing for corporate understanding	

	<b>X</b>
Discussion	
Decision	
Information	

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**Tracking/Process:**

	Consultation	Ward Members	Partners
Panel	Overview & Scrutiny	Cabinet	Council

There are no Background Papers to this Report within the meaning of Section 100D of the Local Government Act 1972.

Proper Officer

David Smith

Date

22<sup>nd</sup> January 2008

**Background:**

Data quality is a significant issue in effectively managing the range of services provided by local Councils.

It enables the authority to determine which services are performing strongly and where remedial action is needed, based upon the Council's overall priorities. It also enables performance-related grant monies to be claimed under the Local Area Agreement frameworks

It is therefore highly relevant to the public accountability of the Council as the results of key aspects of service delivery are published each year to assist the public to assess the effectiveness of the Council and its services.

**Risks.**

When considering the extent of data that is collected and stored by managers in all service areas, incomplete or inaccurate data is a high risk so particular attention is given to ensuring high standards of data quality.

The Council's **Performance Management framework** helps to establish a culture where performance data is collected and reported to managers and members on a regular basis. This framework is supported by the Policy and Performance Improvement (PPI) Team in the Chief Executive's Department who:

- Maintain the Council's data quality policy
- Manage the framework and ensure all managers understand what data is needed (the external framework is constantly moving) and relevant timescales for submission of results.
- assist in clarifying definitions for individual performance indicators, thus ensuring consistency and enabling comparisons between years and between related bodies (benchmarking)
- Monitor internal compliance with the framework and ensure data is submitted and recorded on a quarterly basis against all relevant Best Value Performance Indicators.

It is further supported by Internal Audit who perform annual pre-inspection checks on "high risk" indicators to ensure problems are resolved prior to formal review by the Audit Commission. The findings from Internal Audit work are reported through the Corporate Delivery Team and remedial action monitored at a high level across the organisation.

The attached report provides the results of the Audit Commission review, giving details of their approach and methodology, highlighting areas where weaknesses exist and providing suggestions of where improvements can be made.

To ensure this is reported as timely as possible, the action plan response to the report (issued on 14<sup>th</sup> January 2008) is still being finalised and will follow this report on the supplementary agenda.

**Recommendation** Members note the report and the actions agreed to further improve our arrangements

David Smith  
22<sup>nd</sup> January 2008.

Audit Summary Report

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Date

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Last saved: 14/01/2008 12:58:00

# Data Quality Audit

**Wigan MBC**

**Audit 2007/2008**

- Audit Commission descriptor to be inserted by Publishing-

Document Control

Author A Wells and H Stevenson

Filename Wigan DQ report hs comments- 2007-aw201107

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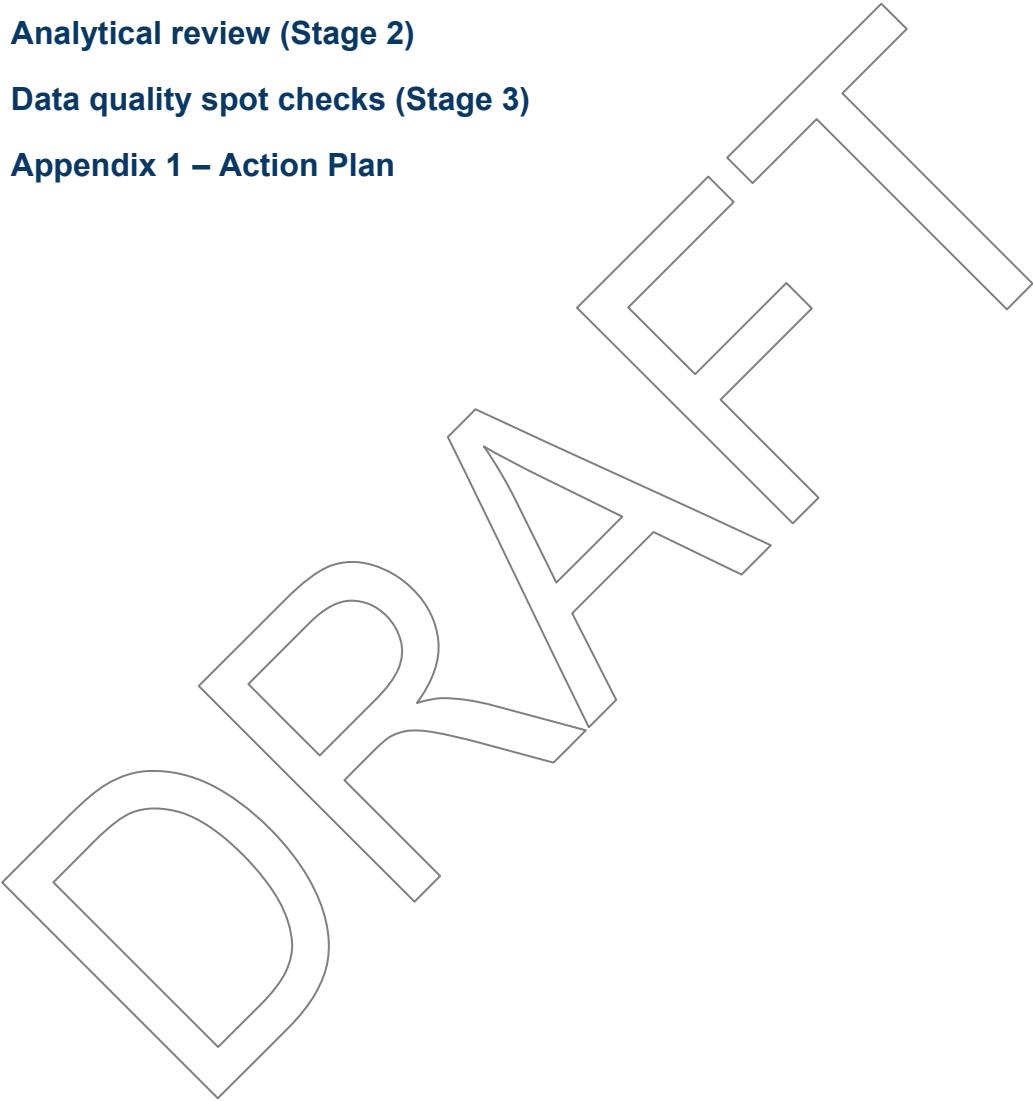
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## Background

- 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 comprising:

**Table 1**

Stage 1	<p><b>Management arrangements</b></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><b>Analytical review</b></p> <p>An analytical review of 2006/07 best value performance indicator (BVPI) and non-BVPI data, and selection of a sample for testing based on risk assessment.</p>
Stage 3	<p><b>Data quality spot checks</b></p> <p>In-depth review of a sample of 2006/07 performance indicators (PIs), most 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.</p>

- 9 All three stages of the review have been carried out at Wigan Council.
- 10 For stage 3, in addition to the specified indicators, we selected a performance indicator (BV54 – older people helped to live at home) to review that is not on the list of specified indicators, in order to examine the effectiveness of the arrangements within a key area for the Council.
- 11 We have also followed up our work last year on the Library stock-turn (IPF) PI where we reported some weaknesses in the system data supporting the PI.

## Conclusions

### Stage 1 – Management arrangements

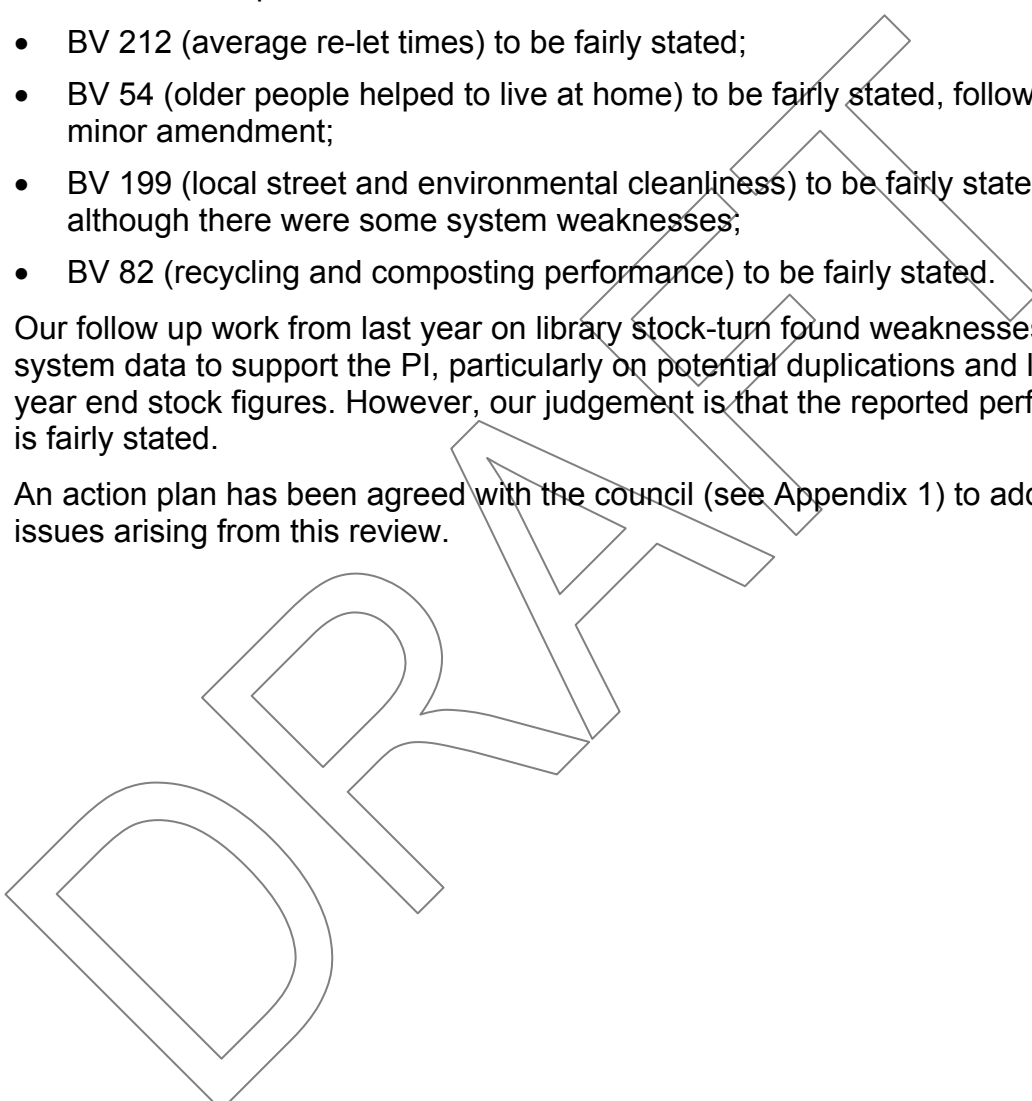
- 12 The council's overall management arrangements for ensuring data quality are adequate. Key strengths include clear guidance and effective support for staff, improvements in systems capturing data, and the council's use of data to improve service performance. Areas for improvement include the need to work more closely with departments to reduce data errors, and improve staff awareness of the data quality policy's key objectives.

## Stage 2 – Analytical review

- 13 Our analytical review work at stage 2 identified that the PI values reviewed fell within expected ranges.. Based on this analytical review, and our audit in 2006, we identified 5 indicators that would feature in our stage 3 work. These are detailed in paragraphs 14 and 15 below.

## Stage 3 – Data quality spot checks

- 14 Our review and spot checks of PIs found:
- BV 212 (average re-let times) to be fairly stated;
  - BV 54 (older people helped to live at home) to be fairly stated, following a minor amendment;
  - BV 199 (local street and environmental cleanliness) to be fairly stated, although there were some system weaknesses;
  - BV 82 (recycling and composting performance) to be fairly stated.
- 15 Our follow up work from last year on library stock-turn found weaknesses in the system data to support the PI, particularly on potential duplications and lack of year end stock figures. However, our judgement is that the reported performance is fairly stated.
- 16 An action plan has been agreed with the council (see Appendix 1) to address the issues arising from this review.



## Management arrangements (Stage 1)

- 17 Overall, the council's corporate arrangements for data quality are adequate.

### Governance and leadership

- 18 The council continues to demonstrate its commitment to data quality. Clear roles and responsibilities have become well-established, and issues relating to data quality are considered by senior officers and members. Departments work effectively with the corporate centre to pursue improvements in data quality processes. The council's commitment to data quality has been further strengthened by the production of a data quality policy, which has raised the profile of data quality and reinforced to staff its importance.
- 19 The council is keen to learn from the findings of internal and external reviews of its data quality, and has instigated improvements in its arrangements for monitoring and review in this area following audit findings in 2006. However audit work continues to identify weaknesses in some data recording systems.

#### **Recommendation**

*R1 Work with those departments where data quality spot checks have identified system weaknesses to explore how data quality errors can be minimised*

### Policies

- 20 The council has strengthened its arrangements for data quality through its production of a data quality policy. However, staff are not adequately aware of the specific objectives the council has for improving data quality across the organisation. In addition, the policy lacks sufficient focus on the key areas for improvement, such as third party data.
- 21 There are robust processes in place for the production, updating and dissemination of data quality guidance and procedures. However, internal and external audits have identified a number of areas for improvement in relation to the consistency with which these procedures are followed across the organisation.

#### **Recommendations**

*R2 Ensure that all staff are aware of the specific objectives the council has for improving its data quality in order to drive forward the required improvements.*

*R3 Build into the data quality policy the key areas for improvement that the council has identified, including a focus on third party data*

## **Systems and processes**

- 22** The council has continued to improve its systems for capturing, recording and reporting data, particularly in relation to the speed of PerformancePlus. It is also involved in pilot work to automate the sharing of data with government departments and regulatory bodies.
- 23** The unification of different operating systems within a number of departments has helped reduce the occurrence of errors in the collection of performance data . However, there is still evidence from audit testing that there are some areas where errors have arisen due to system weaknesses.
- 24** The council has in place security arrangements that restrict access to systems and the data therein. Systems back-up happens automatically. Whilst there is an implicit approach to providing protection for records and performance data which are vital to the continued effective functioning of the council, this is not documented formally.
- 25** The council continues to work with its partners to improve the quality of data, and whilst there is an acknowledgement that there has been an improvement in this area, it is also recognised that further improvement is required, particularly in light of the implementation of the Local Area Agreement.

### ***Recommendation***

*R4 Document the council's approach to ensuring the continuity of performance data*

## **People and skills**

- 26** The council has effective arrangements in place for clarifying and identifying individual responsibilities for data quality, with each department having staff with an assigned role for this area. These staff are very effectively supported by the corporate Policy and Performance Improvement team. However, a formal group for this network of data quality 'champions' does not yet exist, to further enable the sharing of experience and notable practice.
- 27** The council is currently reviewing all of its support services, the aims of which include the streamlining of staffing resources allocated to performance management across departments. This will provide opportunities to further improve data quality.

**Recommendations**

*R5 Establish a formal group for data quality 'champions' to further enable the sharing of experience and notable practice.*

**Data use and reporting**

- 28** This aspect of data quality continues to be an area of real strength for the council. Further improvements have been made in business planning and performance (both financial and non-financial) reporting processes, and performance data is proactively used as a driver for service improvement. Whilst performance information for members is comprehensive, some more-recently elected members have identified the need for more support in interpreting data in order to enhance the quality of scrutiny.
- 29** The council has arrangements in place to provide some internal control and validation for information used to report on performance, such as PerformancePlus, proformas, verification checks, and follow-up of issues identified in previous PI checks and audits. However, PI definitions are not applied correctly at all times and PI audits have identified that clear and complete audit trails are not in place for all PIs.

**Recommendation**

*R6 Ensure all members, particularly those who are new to the role, have adequate training and support on the interpretation and analysis of performance data so that they can offer an effective challenge mechanism.*

## Analytical review (Stage 2)

- 30 An analytical review of the prescribed BVPIs and non-BVPIs was carried out, and all were found to be complete and within plausible and permissible values.

DRAFT

## Data quality spot checks (Stage 3)

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

**Table 2**

Performance indicator	Assessment	Comment
<p><b>Culture :</b> Library stock-turn – book issues per 100 population/books available for issue (IPF)</p>	Fairly stated	<p>We found some continuing underlying systems weaknesses in the system data to support the PI. In particular with potential duplications of book issues and no year end stock figures.</p> <p>Our judgement is that the variance would not make a material difference to the reported performance figure - the degree of this variance is below the level included in the Audit Commission's guidance at which the PI would have to be categorised as being mis-stated.</p>
<p><b>Environment :</b> BV 199 a, b &amp; c – local and street cleanliness</p>	Fairly stated	<p>We found that the audit trail for this PI was insufficient to be able to demonstrate the date and times of street surveys. However we are satisfied from the overall audit evidence that the published performance is fairly</p>

Performance indicator	Assessment	Comment
BV 82 a & b – recycling and composting performance	Fairly stated	stated.
<b>Housing :</b> BV 212 – re-let times	Fairly stated	
<b>Other services :</b> BV 54 – older people helped to live at home	Fairly stated	A minor amendment was required due to some inaccuracies on SWIFT , the Social Care database

**Recommendations**

<i>R7 Library stock-turn PI – undertake a review of the TALIS system to establish the extent of the double counting of book issues</i>
<i>R8 Local street and environmental cleanliness (BV 199) – include the time and date of survey, as well as the timing of street cleaning, in the information captured and stored</i>
<i>R9 Older people helped to live at home (BV 54) – Review and revise the SWIFT database for this PI to ensure client records are accurate and relevant.</i>

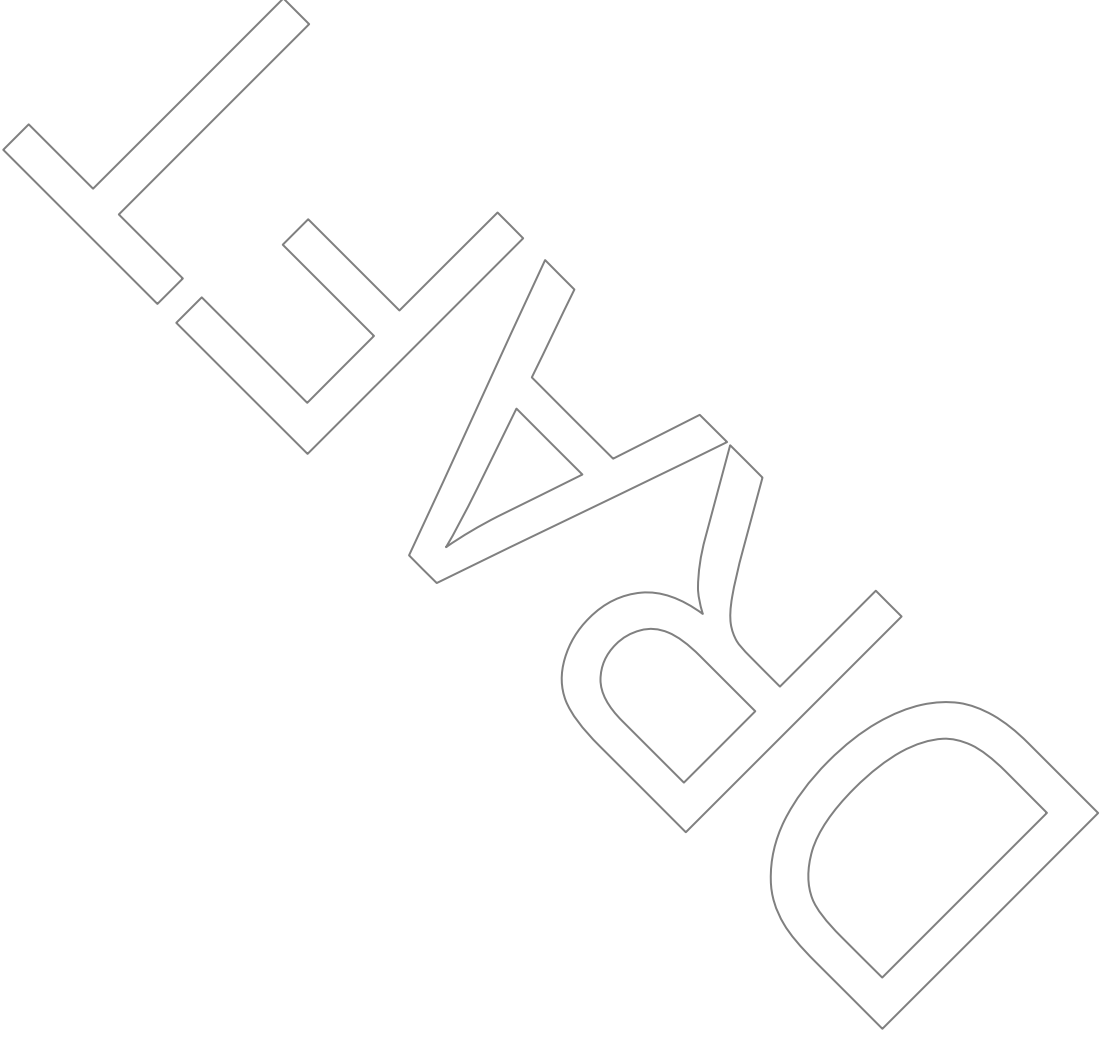
## Appendix 1 – Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	<b>Data Quality</b>					
7	R1 Work with those departments where data quality spot checks have identified system weaknesses to explore how data quality errors can be minimised	3				
7	R2 Ensure that all staff are aware of the specific objectives the council has for improving its data quality in order to drive forward the required improvements.	2				
8	R3 Build into the data quality policy the key areas for improvement that the	3				

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Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	council has identified, including a focus on third party data					
8	R4 Document the council's approach to ensuring the continuity of performance data	2				
9	R5 Establish a formal group for data quality 'champions' to further enable the sharing of experience and notable practice.	1				
9	R6 Ensure all members, particularly those who are new to the role, have adequate training and support on the interpretation and analysis of performance data so that they can offer an effective challenge	2				

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
12	mechanism. R7 Library Stock-turn PI – undertake a review of the TALIS system to establish the extent of the double counting of book issues	3				
12	R8 Local street and environmental cleanliness (BV 199) – include the time and date of survey, as well as the timing of street cleaning, in the information captured and stored	2				
12	R9 Older people helped to live at home (BV 54) – review and revise the SWIFT database for this PI, to ensure client records are accurate and relevant.	3				



## Appendix 1 – Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	<b>Data Quality</b>					
7	R1 Work with those departments where data quality spot checks have identified system weaknesses to explore how data quality errors can be minimised	3	Departmental representatives / Peter Hogg / Alan Dunn		Targeted upfront audit work to pick up any known issues from previous audits (internal and external)  In addition we ask departments to identify areas where system weaknesses may occur. This also allows us to target our up front audit work.	January 08 – March 08
7	R2 Ensure that all staff are aware of the specific objectives the council has for improving its data quality in order to drive forward the required improvements.	2	Alan Dunn / James Winterbottom		Increase accessibility of data quality strategy  Re-run awareness sessions  Develop case study material to the strategy to make data quality a live issue for all staff	January 08 – June 08

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
8	R3 Build into the data quality policy the key areas for improvement that the council has identified, including a focus on third party data	3	Alan Dunn		Use members seminars to raise awareness amongst Elected Members  Work with members of Audit and Governance Committee to develop further understanding  Improve focus on third party data through the LAA performance management arrangements  At an AGMA level, working with other authorities to develop a consistent approach to data quality issues.  Identify specific areas for improvement within the data quality policy with relevant responsible officers and communicate outcome to employees with a data quality responsibility	January 08 – June 08  January 08 – March 09  January 08 – June 08
8	R4 Document the council's approach to	2	James Winterbottom /		Identify the systems which are used to generate performance information.	January 08 – March 08

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	ensuring the continuity of performance data		Vicky Sharrock		Document existing continuity arrangements where they do not currently exist for these systems.	
9	R5 Establish a formal group for data quality 'champions' to further enable the sharing of experience and notable practice.	1	James Winterbottom		CDT are the corporate data quality 'champions' group.  Developments through the virtual PPI team will enable the sharing of experiences, learning and notable practice amongst departments.	January 08 – April 08
9	R6 Ensure all members, particularly those who are new to the role, have adequate training and support on the interpretation and analysis of performance data so that they can offer an effective challenge mechanism.	2	Alan Dunn		Develop a package of information for new members and include this with the new member training.  Use the members seminar to ensure awareness levels remain high amongst all members.  Ensure continued use of corporate standards in the presentation of information to enable analysis and	January 08 – June 08  January 08 – June 08

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
12	R7 Library Stock-turn PI – undertake a review of the TALIS system to establish the extent of the double counting of book issues	3	Stephen Ruffley		interpretation. Develop an action plan to address all the issues raised within the audit report. Implement actions within the action plan	Completed January 08 – June 08
12	R8 Local street and environmental cleanliness (BV 199) – include the time and date of survey, as well as the timing of street cleaning, in the information captured and stored	2	Jonathan Bilsborough		The time of the survey is now recorded on site. Information on the timing of street cleaning is obtained and recorded to ensure surveys are not carried out on the same day.	completed
12	R9 Older people helped to live at home (BV 54) – review and revise the SWIFT database for this PI, to ensure client	3	Keith Jackson		Adult Services will be undertaking a data cleansing exercise on the information held within SWIFT to ensure the correct client information is used.	January 08 – June 08

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	records are accurate and relevant.					