

Audit Summary Report

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Data Quality

Maidstone Borough 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 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.</p>

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

Conclusions

Stage 1 – Management arrangements

- 10 The Council's overall management arrangements for ensuring data quality are performing well.
- 11 In addition, Maidstone Borough Council has established a number of new arrangements in response to the Audit Commission's 2006-07 DQ review, and these should enable the authority to perform strongly in the future as they become embedded within day to day business.
- 12 Key strengths include:
 - The way the council has immediately taken action in response to feedback to improve the quality of its data;
 - All key documents and underpinning arrangements, such as the competencies framework, are clearly linked and all stress the importance of robust data to underpin service management and improvement; and
 - The new arrangements embed data quality as a key tool in the way MBC manages itself and its services.
- 13 MBC will need to work hard to maintain its established DQ arrangements and continue implementation of the new arrangements at the same time as relocating its office accommodation and introducing a new performance management system (Excelsis).
- 14 The key conclusions are listed below for each theme.

Governance and Leadership

- 15 Commitment to data quality continues to be specified in a variety of key corporate documents, such as the Strategic Plan, the Code of Corporate Governance, the Data Quality Policy, the Best Value Performance Plan and the Staff Handbook.
- 16 Overall responsibility has been specified and lies with the Leader of the Council and the Chief Executive, and at operational level with section managers and Heads of Service. Accountability for data quality is formally defined in the Data Quality Policy.
- 17 A competencies framework has been introduced which sets out roles and responsibilities for data quality at all levels of the organisation and this will be embedded in the appraisal system during 2007-08. As part of the implementation of the framework, MBC has raised staff awareness of the need for quality data and the individual roles and responsibilities which underpin this.

- 18 Data quality is seen as "part of the day job" and is integrated into all planning, monitoring and reporting processes within the Council. MBC has an action plan to deliver quality data with clearly identified actions, responsibilities and timescales to support improvement. This is in the process of being integrated with the Corporate Improvement Plan and is monitored through the same framework at strategic level and underpinned by a range of arrangements at operational level.
- 19 Data is subject to challenge and scrutiny at operational, corporate and governance levels.
- 20 MBC has clear data quality objectives at Corporate level, which apply to all departments and functions. These are clearly linked to business objectives and all key documents highlight the need for good data quality to underpin service delivery and improvement.
- 21 Internal Audit routinely reviews data quality and systems as an integral part of each review and examines all systems at least every three years. The Council responds promptly and appropriately to both internal and external audit recommendations relating to the improvement of data quality.
- 22 Arrangements for risk management have been strengthened, with the introduction of an Audit Committee and training of Members to give them the requisite knowledge to underpin strong controls and effective challenge.
- 23 MBC undertakes benchmarking exercises with other Kent Authorities to review the effectiveness of its DQ arrangements and publicises examples of good practice to all relevant staff.

Policies and Procedures

- 24 A policy for data quality is in place, and has been revised since it was introduced in 2006 to more closely reflect the Council's priorities to achieve quality data. The policy specifically reflects the need for good quality data in relation to partnership working.
- 25 The policy outlines responsibilities and procedures to ensure good data quality. Each of the systems in use at the Council have a comprehensive and current set of operational procedures and guidance notes that meet user needs and are fit for purpose. Staff can access policies and operational guidance in a variety of ways, including voice (eg helpdesk approach), electronic and paper based methods.
- 26 While the Chief Executive has overall responsibility for data quality, each directorate has nominated a departmental liaison officer to deal with all matters relating to DQ and information management. The Information Forum continues to assure corporate compliance with data protection and Freedom of Information (FoI) and acts as a conduit between heads of service and the corporate centre. In addition, the Council has appointed a dedicated director with responsibility for improving data quality and providing a high level link between management decision making, strategic planning and data quality.

- 27 MBC has continued the role of Information Champion at service level and these people are responsible for ensuring information provided to the public electronically is accurate and up to date.

Systems and Processes

- 28 Systems and processes reviewed in 2006-07 have been retained and work has begun to introduce a new performance management system (Excelsis) which will build on the 'Reach the Summit' system. This is expected to be operational in the autumn.
- 29 Appropriate controls are in place to ensure the Council's critical systems function correctly, and the many levels of checking and validation of data reviewed in 2006-07 have been continued.
- 30 Security arrangements are in place across the business critical systems. Procedure notes and manuals are actively used and updated as and when required.
- 31 MBC is working towards a "right first time" culture for data quality. The introduction of new systems under the Business Transformation Programme is geared around making efficiencies largely through the use of IT and are dependent on data which is accurate, timely and robust.
- 32 The Information Forum continues to address data related issues, including data sharing protocols which MBC has with a number of external organisations. The Council has developed a directory of systems, which complements and extends the directory of IT systems held within the IT Strategy, and it uses this to provide a corporate perspective of all its systems, plus the data collated and reported by the Council. MBC continues to have contract managers and monitoring officers in place who verify information from third parties in some areas, such as car parking.
- 33 MBC has restructured responsibility for corporate legal activity and this now includes compliance with legal, data and confidentiality standards, data protection and FoI.
- 34 Weaknesses in business continuity arrangements highlighted in last year's DQ assessment have been rectified. The Council now has a corporate Business Continuity Plan and individual Business Continuity Plans for key service areas. The Council tested these last year, and will do so again in 2007-08. Business continuity has also been included in service planning guidance for 2007-08 onwards, requiring service managers to address business continuity issues in their service plans for 2007-08.
- 35 The Council has formalised its data quality arrangements for third party data and data management governance in preparation for increased levels of partnership working in the future.

Recommendations

- R1 Continue plans to carry out detailed scenario planning for performance information systems, making changes to address any weaknesses identified;*
- R2 Review service level agreements (SLAs) to confirm that each one states how performance is to be reported and to set standards for data quality; establish monitoring arrangements for this aspect of SLAs*

People and Skills

- 36** The Council has prioritised the need for quality data and communicates this responsibility through its DQ policy, job descriptions, staff handbook, recruitment, induction and ongoing appraisals. Arrangements have recently been strengthened by the introduction of a competency framework which specifically defines and documents roles and responsibilities for data quality, a certain level of which is a key competency in all jobs with the Council. This will be linked to appraisal and development over 2007-08.
- 37** The implementation of the competency framework began the process of a Council wide assessment of skills and gaps in relation to data quality, and this work will be continuing over 2007-08.
- 38** Staff training to underpin data quality is available at service level and corporate level. Procedure manuals and notes are updated and amended when required and changes are accompanied by staff training and briefings.
- 39** Involvement in the Business Transformation Process has reinforced to staff the need to ensure processes and guidance are followed rigorously. The DQ policy requires that managers raise DQ issues with staff and a work checking course will be held during 2007 to ensure data and information is accurate.
- 40** The Information Liaison Officer network picks up any significant data quality issues and ensures these are addressed, using the Information Forum as appropriate (see point 28 above).

Recommendations

- R3 Following establishment of the competency framework, evaluate training to ensure it is current and tailored to achievement of the DQ competencies*
- R4 Identify the implications and impact of future developments on data quality staff skills and capacity and proactively manage these*

Data Use and Reporting

- 41 All key Council documents stress the need for, and importance of, accurate data in managing and delivering quality services. Reports relate performance information to specific targets in the business plan and there is a clear "golden thread" between from the Community Strategy, the Council's 20/20 vision, the Strategic Plan, service plans and appraisals. These links are laid out in key documents and are accessible to both staff and members of the public.
- 42 The performance management system "Reach the Summit" continues to be used to demonstrate performance levels and progress against targets, alongside other qualitative data. MBC is building on "Reach the Summit" with a new performance management system (Excelsis) which it will be introducing in the autumn of 2007.
- 43 Members continue to receive comprehensive performance reports and they are active in providing scrutiny and challenge to the content of these reports. Members regularly look at performance in terms of MBC's priority themes and use KPIs, BVPI and key objectives to underpin their deliberations. Strategy is reviewed and data supporting performance information is used to plan services, allocate resources, monitor and manage performance. Over 2007-8, this is being extended to the management of third party contractors and partnership working arrangements.
- 44 MBC has developed the high level performance information presented to Members to enable them to assess delivery of key services against targets and key corporate priorities and has strengthened links between priorities and the PIs. Further work in this area is planned for 2007-08 as part of the implementation of the Excelsis system.
- 45 Internal control and validation systems have been strengthened. All data returns are now supported by a verified audit trail. There is an established timetable for the submission of data and arrangements are in place for addressing any areas where the timetable is not met and/or underpinning checks have not been verified.

Recommendations

R5 Undertake an analysis of the level of the risk of the data being mis-stated, the likelihood and impact of data errors and/or accuracy required in the reported performance

Stage 2 – Analytical review

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

Stage 3 – Data quality spot checks

- 47** We reviewed and spot checked BVPI 199 a to c (Cleanliness of public spaces) and non-BVPI Private Sector Homes Empty for Greater than Six Months.
- 48** We found a number of errors in the council's application of the methodology to calculate elements of BVPI 199 a to c. We did not review BVPI 199 d. However in our opinion BVPI 199 a to c is fairly stated as the errors were not so great as to undermine the entire basis of the calculation.
- 49** In our opinion the non-BVPI Private Sector Homes Empty for Greater than Six Months is fairly stated.
- 50** An action plan has been agreed with the council (see Appendix 1) to address the issues arising from this review.

Analytical review (Stage 2)

- 51 An analytical review of the following BVPIs and/or 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 199	Variance from 2005/06 attributable to real performance improvement	This PI was selected for further testing at Stage 3
BVPI 82a	Variance from 2005/06 attributable to real performance improvement	Slight increase in performance is attributed to the extension of paper collections from 75% of the borough to the whole borough
Empty homes	No change in performance as the figure was 1% at both 1 April 2006 and 1 April 2007	1.23% at 1 April 2007; as at 1 April 2006 was 0.86%. However, we were not able to validate the value at 1 April 2006 as there was an insufficient audit trail. This PI was selected for further testing at Stage 3.

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

Data quality spot checks (Stage 3)

- 53 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 BVPI 199 a, b and c	Fairly stated	We found a number of errors in the council's application of the methodology to calculate elements of this PI. However in our opinion BVPI 199 a to c is fairly stated as the errors were not so great as to undermine the entire basis of the calculation.
Housing Empty homes	Fairly stated	See below

Cleanliness of public spaces

- 54 This PI is calculated on a sample of observations made over the course of three four-month periods in the year. ENCAMS set out guidance which should be followed in selecting 50m sections of road or other area (known as “transects”) for observations.
- 55 It was noted during the course of our review of this PI that some of the main roads selected for review had been incorrectly identified and placed in the wrong ward. We reviewed around half of the transects used for BVPI 199 in order to ascertain whether the correct wards were being used. We looked at 452 transects (out of 900) - 177 from July 2006, 138 from Nov 2006 and 137 from March 2007 and we identified 31 transects where the incorrect ward had been used. These are analysed in table 4.

Table 4

Issue	Number of cases
Incorrectly located in Loose Ward - actually in South Ward	14
MBC clean this area but it is actually in T&M Borough (20/20 estate)	3
Street not in correct ward (just over ward boundary in all cases)	6
Boxley main roads (see below)	6
High Street recreation grounds (see below)	2
Total	31

- 56** Boxley main roads- the survey assumed that there were no main roads (as defined) in Boxley Ward. Looking at the Ward map, it is apparent that part of the A229 is in fact in Boxley Ward and meets the definition of main road. This was not included in the survey because it is not cleaned by MBC but T&MBC (on the instructions of Kent Highways). The indicator is set to measure cleanliness of public spaces in the borough regardless of who actually cleans it. Therefore the A229 should have been used rather than part of Park Wood (used as a replacement as no main roads had been found in Boxley Ward).
- 57** High Street recreation grounds - the survey used two transects in the southern part of South Park (in South Ward) on the grounds that there were insufficient recreation grounds in High Street Ward. The definition of "recreation grounds" would include Brenchley Gardens and the riverside (both in High Street Ward), so transects from outside High Street Ward should not have been used as there are sufficient in the ward itself.
- 58** Although this failings present a problem in deciding whether or not the indicator is fairly stated, it seems unlikely that the final figures would be significantly different in view of the relatively low number of transects involved, if the incorrect transects were representative of such transects in the borough.
- 59** It was also noted that 130 of the 900 transect observations took place before 8.00am, 42 took place at the weekend and only 37 took place after 3.00pm. The guidance states that observations should take place on weekdays between 8.00am and 6.00pm and be spread throughout the day. It is best practice for the observations to be spread throughout the working day from Monday to Friday.

Empty homes

- 60 The number of empty homes is estimated from the council tax system. This has a number of inherent problems common to all authorities using this approach, such as new occupiers not informing the council promptly that they have moved in or delays in processing that information by the council. An apparently empty property at 1 April 2007 may have been actually reoccupied before that date. It should therefore be remembered that the value of this non-BVPI is only an approximation.

Recommendations

R6 The guidance issued by EMCAMS should be followed in carrying out the BVPI 199 surveys. In particular transect selection should be carried out so that all transects are in the correct wards and this should be checked by a second officer. All observations should be carried out between 8.00am and 6.00pm and spread throughout the working day. No observations should be made at the weekend

Appendix 1 – Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
	<Recommendation Title>					
9	R1 Continue plans to carry out detailed scenario planning for performance information systems, making changes to address any weaknesses identified;	2	Heads of Service /Policy and Performance Manager	Agreed.		2008-09
9	R2 Review service level agreements (SLAs) to confirm that each one states how performance is to be reported and to set standards for data quality; establish monitoring arrangements for this aspect of SLAs	3	Heads of Service /Policy and Performance Manager	Agreed.		2008-09
9	R3 Following establishment of the competency framework, evaluate training to ensure it is current and tailored to achievement of the DQ competencies	3	Policy and Performance Manager / Head of Human Resources	Agreed.		2008-09
9	R4 Identify the implications and impact of future developments on data quality staff skills and capacity and proactively manage these	3	Policy and Performance Manager / Head of Human Resources	Agreed.		2008-09
10	R5 Undertake an analysis of the level of the risk of the data being mis-stated, the likelihood and impact of data errors and/or accuracy required in the reported performance	3	Heads of Service /Policy and Performance Manager	Agreed.		2008-09

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
15	R6 The guidance issued by EMCAMS should be followed in carrying out the BVPI 199 surveys. In particular transect selection should be carried out so that all transects are in the correct wards and this should be checked by a second officer. All observations should be carried out between 8.00am and 6.00pm and spread throughout the working day. No observations should be made at the weekend	3	Assistant Director of Regulatory and Environmental Services (and Policy and Performance Manager)	Agreed.	A review of this area was undertaken when the issue was identified and additional checking processes put in place. The definition of this indicator is such that it is believed similar errors occurred in other boroughs; we will seek to learn lessons from them where appropriate. Any developments regarding National Indicators will need to be taken into account when implementing these recommendations.	2008-09