

Derby City Council Data Quality Reviews

The Members of the Audit and Accounts Committee
Derby City Council
The Council House
Derby
DE1 2FS

December 2007

Ladies and Gentlemen,

Data Quality Reviews

We are pleased to present the summary results of our assessment of the Council's data quality arrangements, which has been completed in accordance with the methodology and guidance issued by the Audit Commission. Please contact Catherine Little / Stephen Lappage if there are matters that you would like to discuss further.

Yours sincerely

PricewaterhouseCoopers LLP

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Code of Audit Practice and Statement of Responsibilities of Auditors and of Audited Bodies

In March 2005 the Audit Commission issued a revised version of the 'Statement of responsibilities of auditors and of audited bodies'. It is available from the Chief Executive of each audited body. The purpose of the statement is to assist auditors and audited bodies by explaining where the responsibilities of auditors begin and end, and what is to be expected of the audited body in certain areas. Our reports and management letters are prepared in the context of this Statement.

Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the audited body, and no responsibility is taken by auditors to any Member or officer in their individual capacity, or to any third party.

Introduction and Summary

Introduction

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

Stage 1: Management arrangements

A review to determine whether proper corporate management arrangements for data quality are in place, and whether these are being applied in practice.

The findings contribute to the auditor's conclusion under the Code of Audit Practice on the Council's arrangements to secure value for money (the VFM conclusion).

Stage 2: Analytical review

An analytical review of 2006/07 BVPI and non-BVPI data, and selection of a sample for testing based on risk assessment.

Stage 3: Data quality spot checks

In-depth review of a sample of 2006/07 Performance Indicators (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.

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

Summary

We have completed our assessment of the Council's data quality arrangements in accordance with the methodology and guidance prescribed by the Audit Commission in 'Local government data quality Refresh 2007: Stage 1: review of corporate arrangements, Stage 2: analytical review, and Stage 3: Data Quality Spot Checks' and this report sets out the results of our assessment.

The assessment of the management arrangements in place for data quality is used to:

- Direct the detailed work that we undertake on data quality spot checks ; and
- Inform our Use of Resources Conclusion in respect of performance information (as reported in our 2006/07 audit report).

The work that we have undertaken is also reported to the Audit Commission to inform their CPA assessment.

Findings

Stage 1 – Management arrangements

The Council's overall management arrangements for ensuring data quality are **performing well**.

The detailed results are shown in Appendix A to this report.

A number of developments have been identified in relation to the effective monitoring and review of data quality, and also in relation to controls in place over information systems; these developments are detailed in the 'Summary of Findings' below.

Stage 2 – Analytical review

An initial analytical review was carried out by the Audit Commission PI team. This review identified that the PI values for indicators applicable to the Council fell within expected ranges. Therefore no PIs were flagged up on the EDC website for further investigation by ourselves.

Stage 3 – Data quality spot checks

Our review and spot checks of the following PIs:

- PLSS 7: Assessment of users 16 and over of their library service
- BVPI 165: % of pedestrian crossings with facilities for disabled people
- BVPI 199a: Local street and environmental cleanliness
- BVPI 199b: Local street and environmental cleanliness
- BVPI 199c: Local street and environmental cleanliness
- BVPI 212: Average time to re-let Council Housing

We found them to be **fairly stated**. The detailed findings can be seen in Appendix B.

Previous Year's Recommendations

As part of this review we followed up the recommendations raised in the previous year. In 2005/06 our review covered the following PIs:

- BV82a Recycling performance
- BV82b Composting performance
- BV109a Planning speed
- BV 109b Planning Speed
- BV 109c Planning Speed
- BV 215a Speed in fixing street lights
- BV 215b Speed in fixing street lights
- BV 184a Proportion of non-decent homes
- H17 Private sector unfit properties made fit
- H(X) Service users who have moved on in a planned way from temporary way from temporary living arrangements

Appendix C shows the details of follow up work undertaken by the Council to implement the recommendations. During this review we have not validated the explanations provided to us.

Summary of Key Findings and Areas for Improvement

Management arrangements (Stage 1)

Governance and leadership

Has the body put in place arrangements at a senior level to secure the quality of data used to manage and report on performance?

Assessment: Performing well.

- Responsibility for data quality has been assigned within the Council and this now includes an individual at top management level who has overall strategic responsibility for data quality. A number of developments have been implemented which were not fully embedded in 2006/07.

Areas for Improvement

To further improve the Council should:

- Evidence that the members have received training on the importance of data quality and are aware of the arrangements the Council has put in place to mitigate the risks associated with poor quality data
- Demonstrate that the corporate commitment to data quality is actively promoted, making clear to relevant staff their responsibility for data quality (eg accuracy, completeness, timeliness).
- Embed data quality into all departmental risk register; and
- Embed data quality into divisional objectives.

Policies and procedures

Has the organisation defined its expectations and requirements in relation to data quality?

Assessment: performing well

- Directorate level policies are in place and operational level guidance notes exist. The Council has demonstrated that relevant staff are aware of, and can access, policies, procedures and guidance.

Areas for Improvement

To further improve the Council should:

- Ensure that there is consistency in reporting compliance with data quality policies.
- Formalise requirements of the Council regarding data quality within partnership arrangements.
- Incorporate data quality aspects into partnership arrangements.
- Demonstrate the effectiveness and impact of the data quality champions (DCOs)
- Demonstrate that policies and procedures are reviewed at least annually and updated when needed

Systems and processes

Are there effective systems and processes in place to secure the quality of data?

Assessment: Performing well

- The Council has a well established corporate system 'Performance Eye' for securely collating and analysing data.
- There is effective use of internal audit in the review of high risk indicators.
- The Council has identified that the performance monitoring systems are not directly linked into Performance Eye and is working to address this.
- Where relationships exist with other bodies the procedures in place cannot provide assurance over the quality of the data in all cases. The Council should assess the arrangements to determine the risk by impact and likelihood of issues arising from data quality in these relationships.
- Corporate disaster recovery plans are in place but limited testing in terms of scenario planning has taken place.

Areas for Improvement

To further improve the Council should:

- Undertake control mapping and testing of performance information systems to prevent and detect data manipulation and error.
- Demonstrating a proactive approach to strengthening performance information system controls rather than merely reacting to issues when detected
- Strengthen the procedures with partnerships to ensure that awareness exists of which data is provided by third parties, the quality of that data, how quality is assured by the third party or can be gained by the Council and the risks if that quality cannot be assured

People and skills

Does the organisation have the resources in place to secure data quality?

Assessment: Performing well

- Roles and responsibilities regarding data quality have been clearly defined within the directorates and corporate responsibilities are becoming more clearly defined with some further embedding required. Formal training is available. Training applied at operational level continues to be effective.

Areas for Improvement

To further improve the Council should:

- Demonstrate that it's internal network of data quality champions (DCOs) are effective and have successfully driven data quality improvement throughout the Council
- Assess relevant staff against data quality targets and standards set

Data use

Are there effective arrangements for the use of data for performance management and service improvement?

Assessment: Performing strongly

- Strong monitoring arrangements are in place through Performance Eye.
- Quarterly performance reporting is undertaken to Chief Officers and members, with areas of achievement and improvement highlighted
- All data is subject to senior approval prior to external reporting.

Areas for Improvement

To further improve the Council should:

- Strengthen existing processes for checking externally reported data/performance indicators, both departmentally and corporately to assure the quality of the data.
- Evidencing that all reported data is rigorously verified both departmentally and corporately, but the extent of this is informed by an analysis of the level of the risk of the data being misstated, likelihood and impact of data errors and the accuracy required in the reported performance.

Appendix A: Stage 1 Detailed Findings

KLOE Criteria	2005/06 Assessment	2006/07 Assessment
Governance and leadership	Performing well	Performing well
Policies and procedures	Performing well	Performing well
Systems and processes	Performing well	Performing well
People and skills	Performing well	Performing well
Data use	Performing strongly	Performing strongly
Overall Assessment	Performing well	Performing well

Appendix B: Stage 3 Data Quality Spot Checks

PI tested	Overall conclusion	Control issues identified
PLSS 7: Assessment of users 16 and over of their library service	Fairly stated at 89%	No control issues noted.
BVPI 165: % of pedestrian crossings with facilities for disabled people	Fairly stated at 89%	<p>The outturn was revised from 95% to 89% for the following reason:</p> <p>Our testing identified two non-compliant crossings out of the twenty nine tested. These crossings were non-compliant with the Communities and Local Government (CLG) guidance because the dropped kerb on two sides of the road was greater than the 9mm allowed for the crossings built earlier than 2002.</p> <p>To assess the impact of this error on the performance indicator, an extrapolation was performed across the whole population. The outcome of this extrapolation was to reduce the compliant number of crossings by ten to 141 from 151.</p> <p>The impact of this revision was to change the final outturn by 6%.</p> <p>The following control issue was noted:</p> <p>The reason for amendment noted above is also a control weakness.</p> <p>Recommendations:</p> <p>The Council should ensure only compliant crossings are included in the performance indicator calculation.</p>

BVPI 199a: Local street and environmental cleanliness	Fairly stated at 11.7%	<p>The outturn was revised from 12% to 11.7% for the following reason:</p> <p>Communities and Local Government (CLG) performance indicator guidance requires the outturn to be stated at one decimal place. This change had no significant impact on the performance indicator.</p> <p>The following control issue was noted:</p> <ul style="list-style-type: none"> • Our testing identified 154 incomplete survey forms out of the 300 surveys carried out. It was noted that one or more details listed below were missing from the survey forms tested: <ul style="list-style-type: none"> • The surveyor details • The date of the survey • The ward being tested <p>Recommendation:</p> <ul style="list-style-type: none"> • The Council should ensure that all survey forms are completed correctly and all necessary fields are completed.
BVPI 199b: Local street and environmental cleanliness	Fairly stated at 6%	Control issues and recommendations documented for 199a are also applicable to 199b.
BVPI 199c: Local street and environmental cleanliness	Fairly stated at 1%	Control issues and recommendations documented for 199a are also applicable to 199c.
BVPI 212: Average time to re-let Council Housing	Fairly stated at 32 days	<p>The following control issue was noted:</p> <ul style="list-style-type: none"> • Our testing identified five out of forty void properties sampled where the start and the end dates per the academy system could not be agreed to the supporting documentation. <p>Recommendation:</p> <ul style="list-style-type: none"> • The Council should ensure that all appropriate supporting documentation is retained to support start and end dates of tenancies.

Appendix C: Follow-up of 2005/06 Recommendations

PI tested	Overall conclusion	Control issues identified	Follow-up (Please note that no testing and validation has been performed by PwC to confirm the actions taken by the Council)
BV82a Recycling performance	Fairly stated	<p>For seven out of ten items tested the Council was only able to show the total tonnage collected in the month and was unable to provide any further breakdown.</p> <p>Recommendation: Breakdown should be obtained from the contractors.</p>	<p>Individual breakdowns cannot be obtained for the collections made by the contractors. This is because they empty a number of banks in different regions every day and they cannot weigh the tonnage on a weighbridge between each collection.</p> <p><u>PwC Comments:</u></p> <p>We acknowledge the difficulties associated with obtaining the breakdown of the total tonnage collected. However the Audit Commission guidance requires us to obtain the detailed breakdown, therefore the Council should give further consideration to this matter.</p>
BV82b Composting performance	Restated from 10.08% to 9.94%	<p>The outturn was revised due to a minor error in April 2005 figure.</p> <p>Following control issues were noted:</p> <ul style="list-style-type: none"> For two out of ten items tested, the Council was unable to provide a weighbridge ticket; For one out of ten items tested, the tonnage for the month was incorrectly stated. As a result the tonnage for April 	<p>The following actions have been taken by the Council to implement the recommendations:</p> <ul style="list-style-type: none"> The Council retains copies of the weighbridge tickets and the originals are retained by the contractors; and The Council have introduced spot checks and weighbridge ticket checks during the year to ensure the records at the sites and the tonnage as per the weighbridge tickets agrees to the system figures.

		<p>2005 was overstated by 190.79 tonnes;</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • All collections should be supported by the weighbridge tickets; • Spot checks should take place to verify the correct input of figures. 	
BV109a Planning speed	Fairly stated	<p>Following control issues were noted:</p> <ul style="list-style-type: none"> • As per the ODPM guidance, clock should start when valid applications are received in the planning department rather than the post office. However at Derby CC, the clock is started when the applications are received in the planning department; • Audit Commission guidance states that "Time spent in abeyance (for example pending the signing of section 106 agreement) should be included in the total time taken and the processing period must not be suspended awaiting amended plans nor restarted upon receipts of amended plans." Therefore for all applications the clock should start when applications are received. However at Derby CC the clock is only started after agreeing heads of terms for a draft section 106 agreement or unilateral undertakings. If the Council is satisfied that, for example brief heads of terms are required before the application is considered to be valid 	<p>The following actions have been taken by the Council to implement the recommendations:</p> <ul style="list-style-type: none"> • The clock start date has been amended in line with the recommendations. The clock now starts when applications are date stamped as being received in the post room; • In most cases the clock will not stop once an application has been received until the decision has been made. However in some cases if the initial application is received and processed into the system, and subsequently an error on the application is found the clock will stop for this application. Once this has been rectified the clock will start and the application will start from scratch again as if the initial erroneous application had not been received.

		<p>then it seems reasonable to allow for this.</p> <p>Recommendations:</p> <ul style="list-style-type: none"> • Clock should start when applications are date stamped as being received in the post room; • Derby CC should consider this part of the Audit Commission guidance and seek clarification from the DCLG (Department of Communities and Local Government) if necessary to avoid non-compliance in the future. 	
BV 109b Planning Speed	Reserved	<p>The PI is reserved because the outturn was not calculated in line with the DCLG guidance. The Council has allowed a 3-5 days grace period to assess planning applications for validity as opposed to recording the start date as the date at which an application is received by the Council i.e. in the post room or whereby outstanding documents required to make the application valid are received.</p> <p>The control issues raised in 109a are also applicable to 109b.</p>	The actions taken to implement recommendations for BV 109a are also applicable for BV 109b.
BV 109c Planning Speed	Reserved	<p>The PI is reserved because the outturn was not calculated in line with the DCLG guidance. The Council has allowed a 3-5 days grace period to assess planning applications for validity as opposed to recording the start date as the date at which an application is received by the Council i.e. in the post room or whereby outstanding documents required to make the</p>	The actions taken to implement recommendations for BV 109a are also applicable for BV 109c.

		<p>application valid are received.</p> <p>The control issues raised in 109a are also applicable to 109c.</p>	
BV 215a Speed in fixing street lights	Restated from 10.98 days to 12.85 days	<p>The outturn was revised for the following reasons:</p> <p>In accordance with the ODPM guidance, where response times fall under the control of a non distribution network operator (DNO), completion dates for BVPI 215a should agree to start dates for BVPI 215b. This requirement was not observed in the original calculation, therefore the indicator was amended.</p> <p>The impact of the above amendment was to adjust the final outturn by 17%.</p> <p>Following control issues were noted:</p> <p>No checks are performed on work completed and entered by the contractors from signed work sheets or in fact the work completed by electricians;</p> <p>Recommendations:</p> <p>The Council should introduce procedures to review the data quality to cover various points of data collection, entry and reporting.</p>	<p>The following actions have been taken by the Council to implement the recommendations:</p> <p>The issues noted in prior year were caused by changes which were pending at the year end. These changes were implemented in June 2006 with Balfour Beatty (BB), which now have the overall responsibility for the street lighting and reporting these performance indicator results to the Council.</p> <p>A monthly report with the performance indicator outturn is produced by BB in a spreadsheet format. This report is reviewed by the council officer responsible for this performance indicator. If the report is not accurate a financial penalty is imposed on BB.</p>
BV 215b Speed in fixing street lights	Restated from 32.20 days to 32.41 days	<p>The outturn was revised for the following reason:</p> <p>Only cases where completion dates were before</p>	<p>The actions taken to implement recommendations for BV 215a are also applicable for BV 215b.</p>

		<p>31st March 2006 should be included within the calculation. This part of the guidance was not always observed at the Council, therefore the outturn was revised.</p> <p>The impact of the above was to adjust the final outturn by 0.06%.</p> <p>The control issues raised in 215a are also applicable to 215b.</p>	
BV 184a Proportion of non-decent homes	Restated from 1.49% to 14.53%	<p>The outturn was revised for the following reason:</p> <p>The submitted PI was based on the data as at 31st March 2006 rather than 1st April, 2005 as per the Audit Commission guidance.</p> <p>The impact of the above was to adjust the final outturn by 875%.</p> <p>Following control issue was noted;</p> <p>Our testing identified two cases where the surveyors' reports were completed after the year-end and the surveys were not always dated.</p>	<p>The following actions have been taken by the Council to implement the recommendations:</p> <ul style="list-style-type: none"> • The Housing Decency Programme has now been completed and there are currently only around 100 homes which are non-decent. These houses are classed as non-decent due to the tenants refusing to allow these to be made decent. Hence, the only changes to the decency are made through maintenance as once a home becomes non-decent maintenance is performed to make this decent; and • A new programme has been actioned to update the proformas for the indicator to bring this in line with the most recent guidance. The performance indicator will be subject to review by another council officer to ensure correct processes are followed in calculating and reviewing the indicator.
H17 Private sector unfit properties made fit	Fairly stated	None noted.	Not applicable
H(X) Service users who have moved on in a planned way from	Reserved	The indicator was reserved for the following reason:	<p>The following action have been taken by the Council to implement the recommendation:</p> <p>Validation of data is now performed during site visits to ensure the</p>

<p>temporary way from temporary living arrangements</p>		<p>The data to compile this PI was collected from the external service providers. No work was carried out by the Council to check the validity of this data and to ensure the data was collected in line with the DCLG guidance. Therefore no comfort was obtained over the accuracy of the figures behind the outturn of 55.2%.</p> <p>Following control issue was noted;</p> <p>No validation checks are performed on the data received from the service providers.</p> <p>Recommendation: Procedures should be designed to check the validity of the data provided by the service providers and to ensure the data is collected in line with DCLG guidance.</p>	<p>data is correctly provided by the service providers. No other changes have been made in the recording or collection of data for this indicator.</p>
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