



DERBY CITY COUNCIL

## AUDIT AND ACCOUNTS COMMITTEE 19 February 2007

Report of the Director of Resources and  
Housing

# ITEM 7

### Data quality audit 2005/06

#### RECOMMENDATIONS

- 1.1 To note the findings of the recent review of data quality undertaken by the Council's External Auditors.
- 1.2 To approve the action plan drawn up to address areas of underperformance.

#### SUPPORTING INFORMATION

##### Background

- 3.1 The Council's Best Value Performance Plan - BVPP - is a statutory document and has been subject to annual review by our External Auditors, PricewaterhouseCoopers. For 2005/06, the Audit Commission extended the scope of this audit to include overall management arrangements for data quality and scrutiny of indicators included in Comprehensive Performance Assessment – CPA.
- 3.2 The audit consisted of three stages...
  - Stage one – Review of overall arrangements to secure data quality. This involved the completion of a data quality self-assessment and supporting evidence.
  - Stage two – Completeness check of reported performance information, including arithmetical and analytical review.
  - Stage three – Data quality spot checks – a more in-depth review of specified performance indicators. The auditors highlighted 9 indicators for detailed review.
- 3.3 The results of the audit inform the Auditor's qualified / unqualified opinion on the BVPP and contribute towards the assessment of Use of Resources. The additional focus on CPA data, which include some non-BVPI indicators, provides the Audit Commission with greater confidence about the data used as part of service assessments for housing, culture and environment.

##### Audit findings

- 3.4 The report produced by PricewaterhouseCoopers is shown in **Appendix 2**.

- 3.5 The stage one assessment focused on data quality arrangements covering governance and leadership, policies and procedures, systems and processes, people and skills, and data use. PricewaterhouseCoopers confirmed that the Council currently meets Level 3 out of 4 for data quality requirements. This means 'responsibility for data quality is clearly defined, policy for data quality in place supported by current set of operational procedures and guidance. The Council has effective controls in place for data reporting.'
- 3.6 The detailed PI work at stages two and three resulted in three reservations on BV109b and c (planning applications) and KPI2 (Supporting People), with amendments made to the reported performance of a further three indicators. Fortunately this has not led to any qualifications by the Audit Commission, which could have impacted negatively on CPA service assessment scores. The auditors have issued an unqualified on the BVPP.

## Action plan

- 3.7 The review of data quality arrangements has identified a number of areas for improvement. In particular the need to ensure data quality responsibilities are reflected in job descriptions and appropriate data quality training for both members and staff. An action plan to address the areas of underperformance is shown in **Appendix 3**. The action plan has been approved by Chief Officer Group and the Organisational Performance Board.
- 3.8 The action plan will be supported by ongoing work at a number of levels...
- Corporate directors have ultimate responsibility for the accuracy and quality of the data produced in their departments and therefore should continue to provide proportionate challenge to local arrangements. In particular, all relevant plans and policies at departmental level should reflect data quality objectives.
  - The Organisational Performance Board is responsible for monitoring implementation of the Performance Management Strategy and as part of this should challenge on data quality issues.
  - Ongoing work with the Performance Management Co-ordinators Group to improve data quality through Performance Eye and identify training needs.
  - Work by Internal Audit to review the robustness of processes and system controls for recording and collating performance data. Internal Audit are examining 9 indicators for 2006/07 based on the list of high-risk PIs drawn up by CMPU. A new programme for 2007/08 will be confirmed over the next few months.
- 3.9 It is proposed to incorporate this ongoing work and actions identified in Appendix 3 in the refreshed Performance Management Strategy for 2007/08.

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**Background papers:**

**List of appendices:**

Appendix 1 – Implications  
Appendix 2 – PricewaterhouseCoopers report on data quality  
Appendix 3 – Data quality action plan

**PI**

<b>IMPLICATIONS</b>
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**Financial**

1. The results of the audit inform the Auditor's qualified / unqualified opinion on the BVPP and contribute towards the assessment of Use of Resources.

**Legal**

2. Councils are required under the Local Government Act 1999 to publish Best Value Performance Plans by 30 June each year, which is subject to external audit and opinion.

**Personnel**

3. None directly arising from this report.

**Equalities impact**

4. None directly arising from this report.

**Corporate priorities**

5. Our data quality arrangements support the analysis and performance reporting on progress in delivering the Council's corporate priorities.

## Data Quality Action Plan

Ref	Findings – areas for improvement	Actions to address issue undertaken to date	Further actions proposed	Action date & Responsible officer
	<b>Governance and leadership</b>			
1.	Members have not received specific training on the importance of data quality.	<ul style="list-style-type: none"> <li>Data quality incorporated into Performance Eye training package for Members, which is offered on a regular basis e.g. sessions run for Members in September 2006.</li> </ul>	<ul style="list-style-type: none"> <li>Development of 'Performance Guide for Members' to include a description of the performance framework in place and the role and responsibilities of members in relation to performance and data quality.</li> <li>Ongoing work with Audit and Accounts Committee Scrutiny Commissions to raise the profile of data quality within reviews and performance reporting.</li> </ul>	<p>Heather Greenan April 2007.</p> <p>Performance Team. Ongoing.</p>
2.	The Council has not undertaken a comprehensive review of staff awareness on data quality issues.		<ul style="list-style-type: none"> <li>Performance Management Coordinators Group to undertake a review of staff awareness and training needs.</li> </ul>	Heather Greenan. May 2007.
3.	Departmental data quality objectives are not explicitly stated in departmental business plans.		<ul style="list-style-type: none"> <li>Data quality objectives to be included in the business planning guidance.</li> </ul>	Heather Greenan / Sarah Aplin. January 2007.

Ref	Findings – areas for improvement	Actions to address issue undertaken to date	Further actions proposed	Action date & Responsible officer
4.	Data quality is not yet fully embedded in the Council's risk management process.		<ul style="list-style-type: none"> <li>• Provide list of generic risks, including data quality, for departments to consider when reviewing their registers.</li> <li>• Update corporate risk register to reflect risk of poor data quality.</li> </ul>	<p>Richard Boneham. January 2007.</p> <p>Richard Boneham. March 2007.</p>
	<b>Policies and procedures</b>			
5.	Need to consolidate dispersed data quality policies into one place.		<ul style="list-style-type: none"> <li>• Review and update all corporate data quality and training materials.</li> <li>• Establish central area on Performance Eye homepage for easy reference.</li> <li>• Liaison with PMCG regarding consolidation of departmental policies and procedures on Performance Eye/ shared drives.</li> </ul>	<p>Performance Team. June 2007.</p> <p>Natalie Tuckwell March 2007.</p> <p>Heather Greenan December 2007.</p>
6.	Non-business critical systems have not been reviewed as is the case for business critical systems. Need to ensure that these are reviewed to ensure completeness of procedure notes.	<ul style="list-style-type: none"> <li>• Data quality forms issued to all BVPI and CPA owners to identify a comprehensive list of PI systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Update list of 'high risk' indicators for 2007/08 and develop audit programme with Internal Audit, ensuring non-business critical systems are covered where appropriate.</li> </ul>	<p>Heather Greenan / Richard Boneham. April 2007.</p>

Ref	Findings – areas for improvement	Actions to address issue undertaken to date	Further actions proposed	Action date & Responsible officer
7.	Departmental co-ordinator roles need to be reviewed in light of recent restructure and applied consistently across the Council.	<ul style="list-style-type: none"> <li>Terms of reference and membership of the Performance Management Coordinators Group has been reviewed.</li> </ul>	-	-
	<b>Systems and processes</b>			
8.	Some disaster recovery arrangements are underdeveloped, for example, there is limited evidence of detailed scenario planning.	<ul style="list-style-type: none"> <li>Corporate business continuity plan is in place.</li> <li>Ongoing training which includes scenario planning.</li> </ul>	<ul style="list-style-type: none"> <li>Develop and review Business Continuity and Disaster Recovery Plans to ensure that performance data is included and data quality is properly considered.</li> </ul>	Corporate Directors. March 2007.
9.	Arrangements for reviewing the validity of third party data are still in development stages. These will be developed further as part of the Data Warehouse procedures.	<ul style="list-style-type: none"> <li>Data obtained from third parties is already reflected as risk factor in the annual PI risk assessment.</li> </ul>	<ul style="list-style-type: none"> <li>Establish data sharing agreements for all partners engaged in delivering the Neighbourhood Renewal Strategy.</li> </ul>	John Parnham. June 2007.

Ref	Findings – areas for improvement	Actions to address issue undertaken to date	Further actions proposed	Action date & Responsible officer
	<b>People and skills</b>			
10.	In light of the Council restructure, responsibilities for data quality should be reviewed and if necessary, any changes communicated to relevant staff.		<ul style="list-style-type: none"> <li>• Include data quality within the performance management objective of the new individual performance scheme currently being developed.</li> <li>• Identify list of existing members of staff with performance / data responsibilities.</li> <li>• Review job descriptions of existing staff and update to reflect data quality arrangements.</li> <li>• Communicate the need for all new job descriptions for performance officer and data handling/analyst jobs to include an explicit responsibility for ensuring data quality.</li> </ul>	<p>Heather Greenan/ Barbara Rusk. June 2007.</p> <p>HR Staffing Officers / Heather Greenan June 2007</p> <p>HR Staffing Officers / December 2007</p> <p>Heather Greenan February 2007</p>

Ref	Findings – areas for improvement	Actions to address issue undertaken to date	Further actions proposed	Action date & Responsible officer
11.	Need to undertake comprehensive skills assessment to identify gaps in training provision and if necessary revise training provision.		<ul style="list-style-type: none"> <li>Performance Management Coordinators Group to undertake a review of staff awareness and training needs.</li> <li>Develop tailored training programme for data quality.</li> </ul>	<p>Heather Greenan May 2007.</p> <p>Heather Greenan June 2007.</p>
	<b>Data use</b>			
12.	Definitions for local indicators have not yet been entered onto Performance Eye.	<ul style="list-style-type: none"> <li>A standard definition template for BVPI, LAA and LPSA indicators has been in place for sometime. This has been issued to accountable officers for all 2007/08 corporate plan indicators.</li> </ul>	<ul style="list-style-type: none"> <li>Implement rolling review of definitions on Performance Eye to ensure they are up to date and reflect the latest guidance available.</li> <li>Issue definition templates for all other indicators and input onto Performance Eye.</li> </ul>	<p>Natalie Tuckwell / Sarah Aplin March 2007.</p> <p>Natalie Tuckwell / Sarah Aplin June 2007.</p>