

Data Quality Score Feedback

South Derbyshire District Council

Audit 2006-2007

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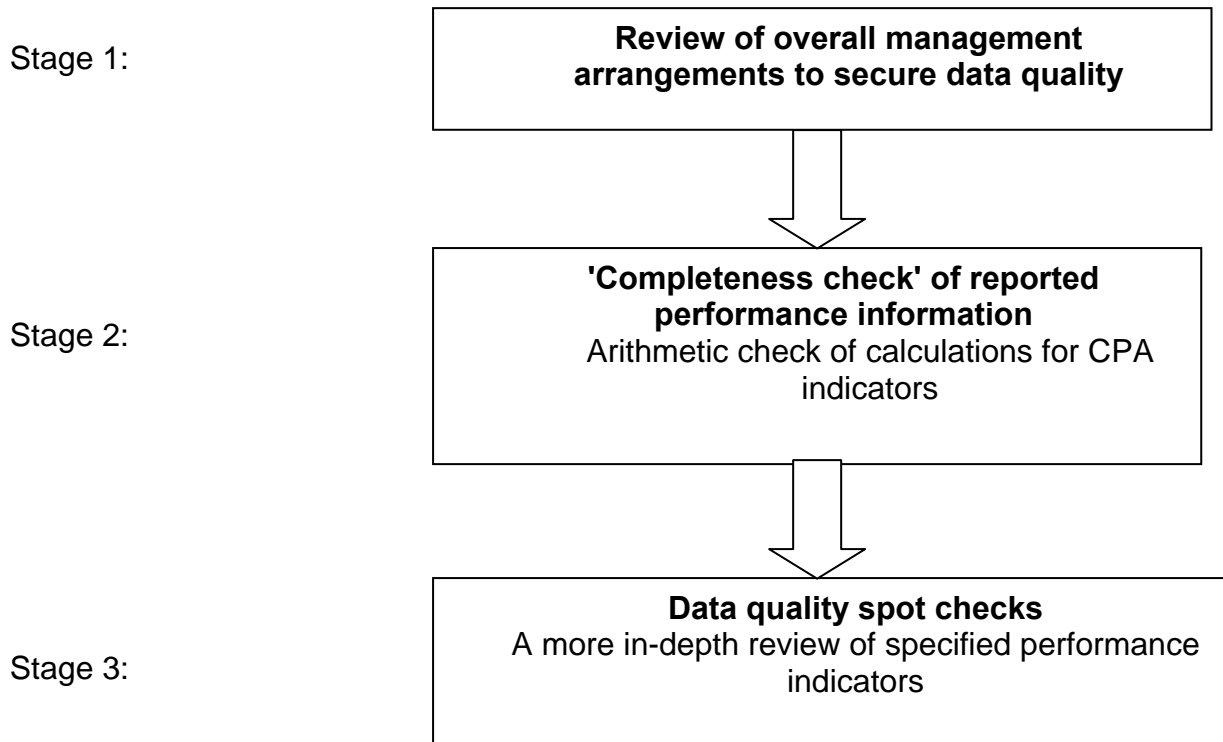
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Introduction

- 1 The Audit Commission has developed a new approach to the audit of performance indicators in local government. It is a broader piece of work than the previous BVPI review and focuses on the Councils arrangements to ensure data quality. The new approach was piloted and rolled out to auditors in spring 2006, in relation to performance indicators for 2005/06 to inform CPA 2006.
- 2 The approach has been developed so that it will both:
 - enable auditors to deliver their conclusion on audited bodies' arrangements to secure value for money (specifically the arrangements for 'monitoring and reviewing performance, including arrangements to ensure data quality'); and
 - support the Commission's CPA function.

Audit approach

- 3 The approach comprises three stages as follows.



- 4 In common with the Use of Resources (UoR) work the data quality management arrangements (Stage 1) are assessed using Key Lines of Enquiry (KLoE) and are graded on a 1 to 4 scale. Also like the UoR score achieving a score of 2 rates as 'adequate performance'. Scoring is based on the following scale:

1	Below minimum requirements – inadequate performance
2	Only at minimum requirements – adequate performance
3	Consistently above minimum requirements – performing well
4	Well above minimum requirements – performing strongly

- 5 A risk assessment, which influences the extent of further work, is based on the findings of the review of management arrangements (Stage 1). Essentially a score of 1 produces High risk, scores 2 and 3 produce Medium risk and 4 produces Low risk.
- 6 Detailed reviews of a sample of performance indicators are based on the assessment of risk. The typical number of PIs which are subject to detailed reviews is summarised below:

Risk assessment	Number of detailed reviews	
	STCC	Districts
Low	6-8	1-2
Medium	8-10	2-3
High	10-12	3-4

- 7 The list of performance indicators was confirmed early in 2006, following completion of the Commission's consultation with stakeholder bodies on the service assessment methodology for single tier and county councils for CPA 2006. (How PIs will inform CPA for Districts was published in 'CPA - District Council Framework from 2006' on the Audit Commission website on 31 July 2006).
- 8 Where an authority's management arrangements are assessed as higher risk, auditors will need to consider charging additional fees.

- 9 In parallel with the development of the new audit approach outlined above, the Commission has developed standards for better quality data, which are based closely on the Public Audit Forum publication, 'Improving Performance Information'. The draft standards set out the systems and processes that a good public body should put in place to assure itself about the robustness of published performance information. The Commission hopes to secure formal endorsement of the draft standards from other key stakeholder bodies, such as government departments, representative associations of audited and inspected bodies, and professional bodies.
- 10 The Commission hopes the published standards will enable audited and inspected bodies to implement and adopt them formally for 2006/07. It is envisaged that for 2006/07 and subsequent years' PIs, the stage 1 review of management arrangements will focus on compliance with the standards.

Summary scores for each theme

Key Lines of Enquiry (KLoE)	Score
Governance and leadership	2
Policies	2
Systems and processes	2
People and skills	2
Data use	2

Theme summaries

- 11 The key findings and conclusions for each of the five themes are summarised below.

Governance and leadership

<p>Governance and leadership</p> <p>Has the body put in place arrangements at a senior level to secure the quality of data used to manage and report on performance?</p> <p>Overall score 2</p>	
<p>Key findings and conclusions</p> <p>The organisation is committed to improving data quality (DQ) and responsibilities and accountabilities have been identified corporately and departmentally. However, the commitment to DQ has not reached the level of ‘championing’.</p> <p>A strategy for data quality is not in place but data quality objectives are developing. Actions are being taken to improve DQ but not in a strategic and systematic way.</p> <p>There are arrangements in place to take an ‘overview’ of data quality however there is no formal, risk based programme of data quality review.</p>	
<p>Improvements needed to move to next level</p>	
<p>KLOE 1.1 - - [Responsibility for data quality is clearly defined.]</p> <p>Data quality responsibilities and accountabilities have been identified but this has not reached the level of ‘championing’</p> <p>There is no formal reporting of data quality issues.</p>	<p>The Council should raise awareness of the importance of data quality, for example, by:</p> <ul style="list-style-type: none"> • identifying ‘champions’; and • introducing formal reporting of DQ issues to those with responsibility for corporate governance.
<p>KLOE 1.2 - [The body has clear data quality objectives.]</p> <p>A Data Quality strategy is not in place but there is an objective to improve DQ contained within the Council’s improvement plan for 2006/07.</p>	<p>The Council should:</p> <ul style="list-style-type: none"> • develop a DQ strategy with defined objectives for improvement; and • ensure the strategy is underpinned by an action plan with clear milestones and targets.

Improvements needed to move to next level	
<p>KLOE 1.3 - [The body has effective arrangements for monitoring and review of data quality.]</p> <p>An overview is undertaken corporately of data related to BVPIs. This is a 'reasonableness' check only it is not an in-depth review of the data that is either systematic or risk based.</p> <p>DQ is not identified as a corporate risk though business continuity and data recovery are.</p>	<p>The Council should:</p> <ul style="list-style-type: none"> • introduce a risk based and proportionate formal approach to data quality review. • formally consider the risk associated with unreliable and inaccurate information.

Policies

<p>Policies</p> <p>Has the organisation defined its expectations and requirements in relation to data quality?</p> <p>Overall score 2</p>
<p>Key findings and conclusions</p> <p>There is no policy for data quality in place defining the Council's expectations and requirements with respect to data quality. However, all staff with responsibility for BVPIs have access to written guidance and corporate support if required.</p> <p>A number of departmental operational procedures and guidance arrangements are in place but the approach is not consistent across the organisation. A target in the Council's improvement plan 2006/07 is to establish procedures and protocols for DQ.</p> <p>Where procedures are in place there is no systematic approach to determine compliance. .</p>

Improvements needed to move to next level	
<p>KLOE 2.1 - [A policy for data quality is in place, supported by a current set of operational procedures and guidance.] There is no formal data quality policy in place which covers data collection, recording, analysis and reporting. There are a number of departmental operational procedures and guidance arrangements in place but the approach is not consistent across the organisation.</p>	<p>The Council needs to :</p> <ul style="list-style-type: none"> • establish the extent to which procedures, protocols and guidance are in place and are meeting the needs of staff; and • develop corporate policies, protocols and procedures for DQ to address unmet need.
<p>KLOE 2.2 – (Policies and procedures are followed by staff and applied consistently throughout the organisation.) The focus for DQ within the Council is, as yet, on BVPIs and not on other sources of performance data and information. Where procedures are in place, for example for BVPIs -all staff with responsibility have access to a briefing meeting. However not all were aware of this. Identified weaknesses are addressed. eg, individual instances of non compliance such as late submission of data are dealt with. Data is subject to departmental checks and management review. However, there has been no corporate evaluation of how robust and consistent these checks are.</p>	<p>The Council needs to ensure:</p> <ul style="list-style-type: none"> • a consistent and proportionate approach is taken to ensuring the quality of all performance data; • relevant staff are aware of and have access to available training and support; and • compliance with procedures and guidance, including management review of data, is robust and consistent.

Systems and processes

Systems and processes

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

Overall score 2

Key findings and conclusions

No major issues were highlighted related to existing systems. However, the 'right first time principle' is not yet being consistently achieved across the Council.

The Council has controls in place to ensure that systems secure the quality of performance data however there is no formal and systematic review of their effectiveness.

Security arrangements for performance information systems are in place and staff are aware of them.

Further developments in business continuity planning are taking place.

No management framework for external or internal data sharing is in place. There are some agreements related to established partnerships such as the Crime and Disorder Reduction Partnership (CDRP).

Improvements needed to move to next level

KLOE 3.1 – (There are appropriate systems in place for the collection, recording, analysis and reporting of the data used to monitor performance, and staff are supported in their use of these systems.)

Internal Audit takes a risk based approach to the evaluation of financial systems. A greater emphasis is to be given in future, by the Council, to performance information systems.

The approach to local performance indicators (LPIs) is an acknowledged area for improvement to be addressed during a planned service plan review. LPIs do not yet go through the corporate centre and DQ arrangements are departmental.

The Council needs to further develop:

- the risk based evaluation of performance information systems undertaken by Internal Audit; and
- its approach to DQ in respect of non BVPI data such as LPIs.

Improvements needed to move to next level	
<p>KLOE 3.2 – (The body has appropriate controls in place to ensure that information systems secure the quality of data used to report on performance.)</p> <p>There is no formal and systematic review of controls related to the security of data</p> <p>Controls are in place for the main systems generating performance management information. It is unclear what is in place at the level of individual data bases or spreadsheets held in departments.</p>	<p>The Council needs to:</p> <ul style="list-style-type: none"> • develop a systematic review of controls related to the security of all data; and • establish what approach is taken to individual data bases or spreadsheets held in departments.
<p>KLOE 3.3 – (Security arrangements for performance information systems are robust, and business continuity plans are in place.)</p> <p>The Council indicates that it has user guides available for most of its systems. Procedure notes are not as common. Staff are aware of the existence of manuals but it is unclear if they are reviewed and updated as appropriate.</p> <p>A business continuity plan is in place but work is in progress to develop it as the Council has identified that it does not address all its requirements.</p> <p>Some testing of systems is carried out by Internal Audit on a risk based approach (so far mainly financial systems). However, no penetration testing of systems has been carried out.</p>	<p>The Council needs to ensure that</p> <ul style="list-style-type: none"> • up to date procedure notes/manuals are in place for business critical information systems; • a revised business continuity plan is put in place; and • it regularly tests its business critical information systems.

Improvements needed to move to next level	
<p>KLOE 3.4 - [An effective management framework for data sharing is in place.]</p> <p>The organisation has not undertaken an exercise to identify all instances of internal and external data sharing.</p> <p>There are individual examples of data sharing protocols and agreements such as related to the CDRP.</p> <p>There is no corporate policy or procedure related to validating data from third parties</p>	<p>The Council needs to:</p> <ul style="list-style-type: none"> • undertake an exercise to identify internal and external data sharing • ensure there is a corporate approach to data sharing and quality assuring shared information.

People and skills

People and skills
<p>Does the organisation have the resources in place to secure data quality?</p> <p>Overall score 2</p>
Key findings and conclusions
<p>Staff with a DQ role related to BVPIs demonstrate an awareness of their role and responsibilities. However, an assessment has not been undertaken to establish if roles and responsibilities are being consistently applied across the organisation and if there are any skills gaps.</p> <p>The organisation has provided a briefing session to ensure that staff have the necessary knowledge in relation to BVPI data quality. In addition written guidance and updates are provided. However, no systematic review of the adequacy of DQ training and the extent to which it addresses the needs of staff has taken place.</p>

Improvements needed to move to next level	
<p>KLOE 4.1 – (The body has communicated clearly the responsibilities of staff, where applicable, for achieving data quality.)</p> <p>A corporate skills assessment of the workforce with regard to DQ has not taken place. Skill gaps are identified and addressed departmentally.</p> <p>The job descriptions of some staff with DQ responsibilities had implicit links to the delivery of DQ. However, consideration of whether DQ responsibilities are being delivered, for example as part of performance appraisal, is inconsistent.</p>	<p>The Council should:</p> <ul style="list-style-type: none"> • undertake an assessment of the data quality skills across the workforce identifying any skill gaps; and • integrate DQ into job descriptions and appraisals, as appropriate, establishing how well staff understand and deliver their roles and responsibilities.
<p>KLOE 4.2 – (The organisation has arrangements in place to ensure that staff with data quality responsibility have the necessary skills.)</p> <p>A BVPI briefing session is held and information packs are circulated. On-going corporate support is available. No other specific DQ training is in place in the Council- though departments train on the job and respond to DQ training issues as they arise.</p> <p>There has not been a systematic review of the adequacy of DQ training and the extent to which it addresses the needs of staff.</p>	<p>The Council should</p> <ul style="list-style-type: none"> • raise awareness of available BVPI training and support; and • review how far training is meeting the needs of staff and address any unmet need.

Data use

Data use

Are there effective arrangements and controls in place for the use of data by the organisation?

Overall score 2

Key findings and conclusions

A performance management culture is developing and further improvements in performance management are planned. BVPI performance information is being used to identify deviations from planned performance and there are examples of where action has been taken to address underperformance.

The Council has arrangements and controls in place to ensure data quality but the effectiveness of these arrangements has not been systematically tested.

Improvements needed to move to next level

KLOE 5.1 – (The body has put in place arrangements that are focused on ensuring that data supporting performance information is also used to manage and improve the delivery of services.)

Quarterly performance monitoring reports are in place. Progress against BVPI targets forms part of the team brief in some departments.

A priority of the 2006/07 Improvement Plan is performance management. A target is to achieve and report targets regularly.

The performance management culture within the Council is still developing. There are examples of action taken to address underperformance.

Reporting to the Member Improvement Panel is part of the Council's arrangements to follow up under performance.

Performance reports focus on exceptions and highlight reasons for underperformance. In some instances it is less clear what remedial action is to be taken to allow follow-up.

The Council should ensure that:

- arrangements put in place are focused on ensuring that data supporting performance information is also used to manage and improve the delivery of services; and
- remedial action is taken to address underperformance is clearly recorded to allow follow-up.

Improvements needed to move to next level

KLOE 5.2 - (The body has effective controls in place for data reporting.)
Heads of Service are accountable for reviewing and verifying data. However, there are no internal quality assurance checks to ensure effectiveness and consistency of arrangements.

The Council should ensure that any quality assurance approach introduced ensures that DQ arrangements are effective and consistently applied.