

# Data Quality

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# Review

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South Somerset District Council

Audit 2007/08

December 2008



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## **Status of our reports**

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# Introduction

- 1 The purpose of this report is to summarise the findings from our work on data quality for 2007/08.
- 2 Auditors' work on data quality and performance information supports the Commission's reliance on performance indicators (PI) in its service assessments for comprehensive performance assessment (CPA).
- 3 Our work on data quality 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. The expected impact of the Audit Commission's 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.

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## Scope of our work

- 4 We have followed the Audit Commission's three-stage approach to the review of data quality as set out in Table 1.

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**Table 1 Data quality approach**

<b>Stage 1</b>	<b>Management arrangements</b> A review using key lines of enquiry (KLOE) 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).
<b>Stage 2</b>	<b>Analytical review</b> An analytical review of 2007/08 BVPI and non-BVPI data and selection of a sample for testing based on risk assessment.
<b>Stage 3</b>	<b>Data quality spot checks</b> In-depth review of a sample of 2007/08 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. For 2007/08 PI spot checks, the Audit Commission specified that it is compulsory to review two housing benefits PIs at all single tier and district councils as a minimum.

- 5 As this is the third year of applying this approach to data quality, we tailored our work to focus on the key changes and actions taken to address previously identified weaknesses and recommendations.
- 6 We agreed with the Council's Head of Finance that internal audit would carry out work in relation to stages 2 and 3 (excluding any testing on the two mandatory HB PIs) before we started on our own testing. We were able to place reliance on the work carried out by internal audit when forming our own conclusions at stages 2 and 3 of the audit.

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### Summary conclusions

#### Stage 1 – Management arrangements

- 7 South Somerset District Council's arrangements for managing data quality continue to perform well and consistently above minimum requirements.
- 8 The Council has strengthened its arrangements for data quality since last year's review. There is clear, top level commitment to data quality, supported by sound corporate governance arrangements. A data quality strategy sets out the council's policy on data quality which is supported by a good range of operational procedures and guidance. Roles and responsibilities are clearly defined at political and officer level and training is being rolled out to staff and councillors.
- 9 A number of systems and processes are in place to secure the quality of data and ensure that it is used effectively to manage and improve service delivery. The Council is therefore well placed to use available data and information to good effect.

#### Stage 2 – Analytical review

- 10 Our analytical review work at Stage 2 did not identify any errors in the Council's published BVPIs.

#### Stage 3 – Data quality spot checks

- 11 Our review and spot checks of a small sample of PIs identified errors in the preparation of the two HB PIs 78a and 78b, and we have placed reservations on these PIs on the Audit Commission's electronic data capture (EDC) system. The Commission will now consider whether it should qualify these PIs.
- 12 Our follow up work from last year on BVPI 183b and the HIP HSSA PI - private sector homes vacant for more than six months - showed that improved arrangements have been agreed but they were not fully implemented in 2007/08.
- 13 An action plan is attached (see Appendix 1) to address the issues arising from this review.

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# Detailed findings

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## Management arrangements (Stage 1)

- 14 South Somerset District Council has arrangements in place which are consistently above minimum requirements and therefore performing well.

### Governance and leadership

- 15 There is clear, top level and political commitment to data quality, supported by effective governance arrangements through a corporate governance group. Roles and responsibilities are clearly defined at all levels. Effective arrangements are in place for monitoring and review of data quality.
- 16 However, although improvement actions are monitored by senior management, data quality is not yet fully integrated with service planning and there is scope to simplify and consolidate improvements within a more systematic framework.

Recommendation
R1 Ensure that all improvement actions are consolidated within a simplified framework, for example by developing a single consolidated data quality action plan that is regularly reviewed and updated.



### Policies

- 17 Organisational policy for data quality is clearly defined. A data quality strategy establishes a comprehensive framework for delivery that is supported by a range of guidance notes, templates and documented procedures, including some specifically for partnership working. The completion of a database audit has enhanced understanding of the extent and type of information held by the Council and allowed better targeting of training to ensure that consistent standards are achieved.
- 18 However, the Council has still to monitor the effectiveness of the data quality strategy quality so it cannot yet demonstrate that its policies and procedures are consistently applied.

### Systems and processes

- 19 Appropriate systems are in place for the collection, recording, analysis, and reporting of the data used to monitor performance. The Council has strengthened its system controls to prevent and detect data manipulation and error and ensure that they are working effectively. Protocols are in place for data shared partners although external data is not yet subject to the same level of risk assurance as that produced internally. Controls and business critical information systems are regularly tested and reviewed, including a risk and disaster recovery assessment

**Recommendation**

**R2** Improve the quality of externally generated and shared data by:

- establishing controls and processes to ensure the quality of data received from external sources;
- working with partners to identify potential areas of risk in the quality of data they generate; and
- establishing processes to keep partners informed of issues arising from the Council's review of its own internal data quality controls and share any corrective action needed.

**People and skills**

**20** Staff are clear of the standards they are expected to achieve. The Council has communicated clearly the responsibilities of staff for achieving data quality, supported by a data quality strategy and a series of protocols, guidance notes and corporate templates. Training on data quality has now been provided to all staff and councillors, including the use of all databases where data is shared across the organisation and externally. Some data quality targets are in place although this is not consistent across all service areas.

**Recommendation**

**R3** Continue to ensure that staff and councillors are clear about the quality of performance data that they are expected to give and receive by:

- establishing clear and consistent targets across all services for data quality and monitoring performance against these;
- monitoring the effectiveness of training, for example through trends in the quality of data produced; and
- keeping established guidance and protocols under review.

**Data use and reporting**

**21** Arrangements for the use of data to manage performance are sound. The Council has taken steps to address weaknesses identified in last year's assessment. Effective validation procedures are in place to ensure the accuracy of data used in reported performance indicators through a system of internal controls. A formal system to validate data quality is in place, based on a regular and recurring cycle of ongoing assessment and checking, supported by guidance for staff. Some processes are now in place for checking external data although these generally remain underdeveloped. Reported performance information is actively used in decision making processes.

## Detailed findings

### Recommendation

**R4** Monitor the effectiveness of recent changes to processes for validating BVPI data.

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### Analytical review (Stage 2)

**22** The Audit Commission identified nine BVPIs where the Council's published performance was either outside the normal range or where the variance from the previous year's figure was larger than would be expected. From our further enquiries in relation to these PIs, we were satisfied that in all cases there were reasonable explanations for the Council being an outlier or for the variation from the previous year's figure.

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### Data quality spot checks (Stage 3)

**23** Three PIs were reviewed - the two mandatory housing benefit PIs, 78a and 78b, and BVPI 184a – per cent council dwellings which were non decent at the start of the year. We used a series of detailed spot checks and audit tests for these PIs. Our findings are shown in Table 2.

**Table 2 Spot check findings**

Performance indicator	Assessment	Comment
Housing Benefits BVPI 78a - Speed of processing new claims.	Unfairly stated	We found the following errors from our sample testing: <ul style="list-style-type: none"> <li>information received date incorrect; and</li> <li>change of circumstance recorded as a new claim.</li> </ul>
Housing Benefits BVPI 78b - Speed of processing changes of circumstances.	Unfairly stated	We found the following errors from our sample testing: <ul style="list-style-type: none"> <li>information received date incorrect;</li> <li>changes of circumstances grouped together, resulting in the PI being over-stated; and</li> <li>double-counting, for example, when a claimant moves property.</li> </ul>
Environment BVPI 199 - Cleanliness of public spaces.	Fairly stated	-

**24** As a result of the input errors we identified in our sample testing on the two HB PIs, we have placed reservations against these on the Audit Commission's EDC system.

### Recommendations

**R5** Arrange additional training for staff inputting data to the benefits system to raise awareness of the importance of data accuracy for the HB PIs.

**R6** Consider what additional reports could be produced which would identify errors in data for the HB PIs.



## Detailed findings

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### Follow up

**25** We followed up our recommendations from the previous year in respect of two PIs as follows.

- BVPI 183b - Average length of stay in hostel accommodation. A new procedure guide was produced for this PI in 2007/08, although we noted that quarterly calculations have not been carried out as required by this guide.
- HIP HSSA PI - Private sector homes vacant for more than six months. The IT section has been asked to produce a quarterly report that identifies from council tax records where a property has been declared as vacant for more than six months. A report was generated in February 2008 but the data was not used to calculate the 2007/08 PI, and so as in 2006/07, the reported figure could not be verified.

Recommendation	
<b>R7</b>	Ensure that BVPI 183b is calculated and reported on a quarterly basis, as required by the Council's procedure guide for this PI.
<b>R8</b>	Ensure that the new quarterly reports from the council tax records are used to calculate the PI for private sector homes vacant for more than six months.

# Appendix 1 – Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
<b>Management arrangements</b>						
5	R1 Ensure that all improvement actions are consolidated within a simplified framework, for example by developing a single consolidated data quality action plan that is regularly reviewed and updated.	3	Corporate Director (Communities)	Y	Data Quality Strategy action plan to include all recommendations from Audit Commission Data Quality Reviews	December 2008
6	R2 Improve the quality of externally generated and shared data by: <ul style="list-style-type: none"> <li>establishing controls and processes to ensure the quality of data received from external sources</li> <li>working with partners to identify potential areas of risk in the quality of data they generate</li> <li>establishing processes to keep partners informed of issues arising from the Council's review of its own internal data quality controls and share any corrective action needed.</li> </ul>	3 2 2	MB/Area Development Manager (East) MB/Performance Manger Voluntary sector officer MB/Head of Finance	Y  Y Y	Agreed protocols  <ul style="list-style-type: none"> <li>Part of SCC Performance Officers Group and SINE</li> <li>Sample checks- identify irregularities through trends.</li> </ul> Regular agenda item for SWAP	Done  Ongoing  December 2009

## Detailed findings

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
6	R3 Continue to ensure that staff and councillors are clear about the quality of performance data they are expected to give and receive by: <ul style="list-style-type: none"> <li>establishing clear and consistent targets across all services for data quality and monitoring performance against these</li> <li>monitoring the effectiveness of training, for example through trends in the quality of data produced</li> <li>keeping established guidance and protocols under review.</li> </ul>	3	Head of Legal and Democratic Services/Performance Manager/Corp Director (Communities)	Y	<ul style="list-style-type: none"> <li>Tolerance levels for performance reports.</li> <li>SWAP audits to monitor data quality.</li> </ul>	Ongoing
		3	Corp Director (Communities)/ Head of Finance	Y	<ul style="list-style-type: none"> <li>Comparison of SWAP audit trends.</li> <li>Included data quality as part of computer audit.</li> </ul>	June 2009
		3	MB	Y	Regular reviews of Data Quality Strategy as stated in the strategy.	January 2009
6	R4 Monitor the effectiveness of recent changes to processes for validating BVPI data.	3	Corporate Director (Health and Well-Being)	Y	Ensure processes are being adhered to	March 2009
<b>Spot checks</b>						
8	R5 Arrange additional training for staff inputting data to the benefits system to raise awareness of the importance of data accuracy for the HB PIs.	2	Corp Director (Health and Well-Being)	Y	Inputting data. Benefits staff trained in data quality.	January 2009
8	R6 Consider what additional reports could be produced which would identify errors in data for the HB PIs.	2	Corp Director (Health and Well-Being)	Y	Identify additional reports. Identify systems checks.	February 2009
8	R7 Ensure that BVPI 183b is calculated and reported on a quarterly basis, as required by the Council's procedure guide for this PI.	2	Corp Director (Health and Well-Being)	Y	Use IT system that is in place to ensure quarterly reporting.	March 2009
8	R8 Ensure that the new quarterly reports from the council tax records are used to calculate the PI for private sector homes vacant for more than six months.	2	Corp Director (Health and Well-Being)	Y	System is in place to ensure quarterly reports are used to calculate the PI for private sector homes vacant for more than six months.	February 2009

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