audit
commission

Data Quality Review

Southampton City Council

Audit 2006/2007

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Introduction

Background

1 Public services need reliable, accurate and timely information with which to manage services, inform users and account for performance. Service providers make many, often complex, decisions about their priorities and the use of resources. Service users and members of the public more widely, need accessible information to make informed decisions. Regulators and government departments need information to satisfy their responsibilities for making judgements about performance and governance.

2 Much time and money is spent on the activities and systems involved in collecting and analysing the data which underlies performance information, yet there remains a prevailing lack of confidence in much of this data. As increasing reliance is placed on this information in performance management and assessment regimes, the need for reliable data has become more critical.

3 Good quality data is the essential ingredient for reliable performance and financial information to support decision making. The data used to report on performance must be fit for purpose, represent an organisation's activity in an accurate and timely manner. At the same time there must be a balance between the use and importance of the information, and the cost of collecting the required data to the necessary level of accuracy.

4 Public bodies can improve the quality of their data by identifying the performance information that is important to them and their stakeholders, and securing the quality of the data to support these information needs. This is more likely if the performance information is routinely used for the day to day planning and management of services, and the people who collect the data understand its importance.

Scope and objectives

5 The Audit Commission has developed a three-stage approach to the review of data quality, as follows.

Stage 1	**Management arrangements**
	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 audited body's arrangements to secure value for money (the VFM Conclusion).

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Stage 2	**Completeness check**
	Analytical review of BVPIs, and selection of a sample for testing based on risk assessment. The sample is drawn from three key service areas: culture and leisure, environment and housing.
Stage 3	**Data quality spot checks**
	In-depth review of a sample of PIs (from a list of specified BVPIs and non-BVPIs) to determine whether arrangements to secure data quality are delivering accurate, timely and accessible information.

Conclusions

6 The Council has sound corporate arrangements for data quality in place and these are generally being applied in practice. There is scope to enhance arrangements in some areas, such as corporate policy and strategy, data sharing with external organisations, business continuity planning and meeting the training needs of key officers with responsibility for data quality.

7 Our spot checks of indicators identified some minor errors in calculations, but we were able to accept seven of the eight indicators without amendment.

Management arrangements (stage 1)

Governance and leadership

8 The Council has clearly defined responsibility for data quality. Strategic responsibility is taken at the top level by the Chief Executive and the Chief Officers' Management Team (COMT). This corporate commitment is communicated through the Council-wide Performance Network Group (PNG) and the Policy Co-ordinators, who are at deputy director level in each directorate.

9 This commitment is reflected in the arrangements in place to secure data quality. Roles in relation to performance management are specified in the job descriptions of key officers across directorates, including securing the quality, accuracy and timeliness of performance information. The Council sets performance management objectives for key officers with responsibility for data quality and these objectives include elements of data quality (although they do not make explicit reference to data quality). The performance of these officers is regularly appraised against their objectives.

10 The Council has clear objectives to maintain and enhance data quality. These are set out in:

- the Corporate Policy and Performance (CPP) business plan, covering the robustness of performance mechanisms and implementation of quality assurance; and

- the IT strategic plan, covering the importance of effective data management.

There is also evidence that the Council is working to improve data quality, with reductions in the numbers of PIs qualified at audit over the last three years and an Internal Audit project on ensuring effective data management is currently in progress.

11 However, the Council does not have a corporate data quality policy or strategy covering all services, with objectives cascaded into all business plans, and there are no explicit corporate data quality objectives against which to assess improvements.

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12   There is a framework in place for monitoring performance in relation to data quality. Corporate monitoring is undertaken by the Performance Improvement Officer and Internal Audit, and the results of the annual audit are reported to the Head of CPP and to Policy Co-ordinators. Outcomes of reviews are reported to senior management and action is taken to improve data quality performance, for example by COMT to improve the timeliness of quarterly PI reporting and target resources to high risk previously qualified PIs. In addition, Policy Co-ordinators carry out quality checks on PIs and identify areas for improvement.

13   Councillors scrutinise performance data in the Council's corporate improvement plan (formerly the CPP) prior to its publication and action is taken by officers to address any inaccuracies.

14   There is no framework for monitoring measures of data quality and no formal programme of data quality reviews, and there are no arrangements for reporting to councillors on such issues. Data quality is not yet embedded in corporate risk management arrangements with regular assessments of risk areas, although the results of previous PI audits have been used as an indicator of risks. There are still some omissions occurring in quarterly monitoring reports, and some minor errors in the annual submission.

Recommendations
R1   *Develop a corporate policy and strategy for data quality.*
R2   *Carry out reviews of data quality to identify and mitigate risks, and identify measures of performance.*

Policies

15   Although the Council does not have a comprehensive data quality policy, operational policies exist that support data quality objectives. There are Council-wide arrangements for ensuring the quality of PI data through annual self-assessment and the application of quality checks to all PI data. These operational policies have been approved by senior officers and are corporately driven. The development of a formal corporate policy would assist the Council with raising the profile of data quality and emphasising the importance placed upon it.

16   The Council's Performance Information Collection System (PICS) has a current set of operational procedures and guidance embedded in it, along with local monitoring arrangements. A PICS help-sheet provides guidance on recording, analysing and reporting data, and there is also guidance provided on the annual self-assessment process.

17   Policies and procedures are followed by staff and applied consistently throughout the organisation. Staff are able to access the current procedures and guidance through PICS and the intranet. The Performance Improvement Officer is proactive in informing staff of policy and procedure changes.

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18 Policy Co-ordinators, who are the high-level data quality champions, quality-assure data collection and monitor compliance with policies at directorate level, with the corporate performance officers supplementing this across the organisation. Poor performance on data quality is investigated and action taken.

Systems and procedures

19 There are satisfactory arrangements in place for collecting, recording and reporting the data used to monitor performance. PICS facilitates reporting to senior managers, COMT, Cabinet and Scrutiny against business plan targets and City Performance Plan commitments. Staff using PICS receive adequate guidance and support. There is no programme of regular reviews of data quality, but Internal Audit carries out reviews of specific data issues each year and is undertaking a wider one-off review during 2006/07.

20 There are adequate controls in place to ensure that information systems secure the quality of data used to report performance. Controls within PICS and in the various feeder computer systems that produce performance data are reviewed by Internal Audit. However, it is unclear what controls there are over data produced from spreadsheet systems, and this is being reviewed as part of Internal Audit's current project.

21 There is rigorous data checking by directorates and by corporate policy officers at the year-end prior to reporting to COMT. Checking is done during the year in some directorates, for example by performance officers, and there is also an expectation that Policy Co-ordinators will undertake management reviews of in-year data entered into PICS, although there is no evidence that this is done consistently.

22 Adequate security arrangements are in place for performance information systems, including PICS. Back-ups are maintained for all servers, and these can be restored, but there is no full business continuity plan and there is no regular testing of the plans for IT systems or PICS.

23 There is a framework in place for data sharing, accessed through the information sharing (IS) site on the intranet, which incorporates corporate guidance on applying the Data Protection Act and corporate policy and guidance on IS. It requires that protocols are in place for external sharing and there is an 'Information sharing panel' which quality checks draft protocols.

24 The framework is applied to some cases of external data sharing, through services working with the IS panel on developing their protocols, and there are some final protocols stored on a database managed by Legal Services. However, as the application of protocols is devolved to directorates, there is no assurance that protocols are in place for all instances where data is shared externally.

25 There are some processes in place to validate data from third parties, including community safety data used by Policy Performance and Resources Group and data from the PCT used by Children's Services, but these do not operate across the organisation.

Recommendations	
R3	*Ensure that in-year checks on data entered into PICS are carried out and that there are regular checks of directorate data.*
R4	*Prepare a corporate business continuity plan and ensure that this and divisional plans are regularly tested.*
R5	*Ensure that appropriate protocols are in place for all cases where data is being shared with external organisations.*
R6	*Ensure that processes are in place across the organisation to validate data received from third parties and used for internal performance monitoring.*

People and skills

26   The Council has communicated clearly the responsibilities of staff for achieving data quality. Roles and responsibilities are clearly defined in the job descriptions and person specifications of officers with key responsibilities for performance information, and are applied consistently. The designated Policy Co-ordinators from each division form a network across the organisation, which enables the Council to assess how well staff understand their data quality roles and responsibilities.

27   The Council has arrangements in place to ensure that staff with data quality responsibility have the necessary skills. Although only limited formal data quality training is provided, there are arrangements for disseminating essential information. Policy Co-ordinators and officers with data quality responsibilities are trained on a one-to-one basis for their roles, including in the use of PICS. Corporate Policy and Performance officers provide regular briefings through the Performance Network Group and the Policy Co-ordinators, to ensure that changes in guidance are disseminated, but there is no regular, formal update training.

28   Some data quality training is provided by managers in divisions, for example on the use of self-assessment forms and on business planning. Any performance weaknesses identified are addressed through one-to-ones with line managers, with support from Policy Co-ordinators as appropriate. However, there is little evidence of any systematic review of data quality training needs at service level and there has been no corporate review of such training, although the role of Policy Co-ordinators has been reviewed and changed.

Recommendation	
R7	*Carry out regular reviews of data quality training needs, and programme training accordingly.*

Data use

29   The Council makes effective use of the data supporting performance information to manage and improve the delivery of its services. There is quarterly performance reporting at divisional and service level and high level reporting to COMT and Cabinet using a scorecard format. Reports are exception based, highlighting under-performance and using a traffic-light approach. Managers are required to report on the action being taken in areas where targets are at risk. Quarterly reports are also provided to scrutiny panels.

30   Performance reports lead to management action. Where services have consistently underperformed, they have been taken into an intensive care process led by the Chief Executive, which focuses attention on improving performance and monitors progress through key performance indicators.

31   The Council has some effective controls in place for data reporting. Most data returns are supported by a clear audit trail and indicator definitions are generally applied correctly, as evidenced by our spot check audits. There is a sound process for verifying data reported externally, such as HIP returns and PAF indicators, but this has failed with housing benefit returns to the DWP and the annual benefit subsidy claim.

Risk assessment (stage 2)

32   Our assessment at Stage 1 was that the Council's management arrangements for data quality are above the minimum requirement and represent a 'Medium' audit risk. This together with information from our interviews with Council staff and analytical review of the 2005/06 PIs, led to us selecting for our spot-checks 8 out of the 19 PIs specified by the Audit Commission for audit consideration. This approach was agreed with the Council prior to commencing our Stage 3 work.

Review of performance indicators (stage 3)

33   The following PIs were reviewed using a series of spot checks and audit tests.

Culture

- Stock turn - book issues per 1,000 population/books per 1,000 population (IPF)

- Cost per library visit (IPF)

Housing

- Ration of planned to responsive housing repairs (HIP BPSA)

- Private sector homes vacant for more than six months (HIP HSSA)

- Non-decent homes made decent (BVPI 184a)

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Environment

- Planning speed (BVPI 109)
- Recycling performance (BVPI 82a)
- Composting performance (BVPI 82b)

Summary of review findings

34 All but one of the PIs reviewed were found to be fairly stated. The exception was the cost per library visit, which had to be amended. There were some minor errors that did not affect the reported figures in some other cases.

Stock turn - book issues per 1,000 population/books per 1,000 population (IPF)

- We concluded that management arrangements are appropriate. However, we had concerns about the accuracy of the total book count, as there is no annual stock check undertaken to validate the data held within the Council's Galaxy IT system. We carried out additional testing to increase our confidence in the figures, and on this basis were able to accept the Council's figures. We concluded that the BVPI was fairly stated, based on valid data, correctly calculated and in compliance with the ODPM definition.

Recommendation
R8   **Library book stock turnover** - *Implement an annual stock check process to provide assurance on the data held in the Galaxy system.*

Cost per library visit (IPF)

- We concluded that the systems are sufficiently robust to provide figures for visitor numbers that comply with the BVPI definition.

- However, the calculation provided on the self-assessment form was incorrect and our testing of the visitor numbers found that the figures for one library covered only ten months of the year. The submitted value for the indicator was therefore amended from £3.31 to £3.13. This was discussed and agreed with library officers.

- In addition, the final figure reported in the Council's Agresso accounting system for library costs did not agree with the figure reported on the CIPFA return, and no reconciliation was provided to explain the difference. The indicator definition is based on using the CIPFA return figure and we accepted assurances that the CIPFA return figure was soundly based. We suggest that in future the figures should be reconciled to provide additional confidence in the indicator.

Recommendation
R9 **Cost per library visit** *- Reconcile the CIPFA return figures for library expenditure to the final accounts figures each year.*

Planned to responsive housing repairs (HIP BPSA)

- We concluded that the system is adequately designed to ensure the indicator is materially accurate and that the PI was calculated correctly. Our testing showed that the council has correctly recorded the 2005/06 expenditure split for planned and responsive work undertaken, although the responsive repairs figure showed slight but not material variance from supporting financial records viewed on Agresso.

Private sector homes vacant for more than six months (HIP HSSA)

- We concluded that this PI is fairly stated. There is an acceptable audit trail for the calculation of total properties vacant for more than six months, based both on Council Tax records and a local land gazetteer system. The properties we selected for our spot checks had been correctly included within or excluded from the numerator of the indicator.

- The source data is as accurate as possible given that vacancy dates in the council tax records are never backdated more than one month. The correct definition has been used (in line with HSSA guidance), and it is correctly calculated.

Non-decent homes made decent (BVPI 184a)

- We found that the Council has addressed the issues we raised following our 2004/05 PI audit when we issued a reservation on this indicator. New software has been obtained which is able to identify non-decent homes correctly.

- Our spot checks gave us assurance that the system now used is accurate for the purposes of the PI calculation, and we concluded that the PI is fairly stated.

Planning speed (BVPI 109)

- The 'Uniform' system provides a sound basis upon which the information required for the calculation of the PI can be collected.

- The figures originally reported had been rounded to the nearest whole number, but were required by the definition to be reported to two decimal places. They were amended accordingly.

- Planning applications had been assessed against a period set in the system that is a day shorter than the definition requires. Based on the sample of cases we tested, this did not impact upon the reported results. However, the Council should amend the parameters in Uniform to ensure that data is based on the correct target periods.

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- We identified some categorisation errors in the minor and other applications categories. These did not affect the results, but the Council needs to revisit the registration stage to check that it is consistent in the way it categorises applications.

Recommendations
R10 ***Planning speed*** *- Amend the parameters in the Uniform system to ensure periods for determining planning applications are correctly set.*
R11 ***Planning speed*** *- Ensure that planning applications are consistently registered correctly.*

Recycling (BVPI 82a) and composting performance (BVPI 82b)

- The system used by the Council provides a sound basis for collecting the information and calculating the PI. However, there is scope to tighten password controls for access to the system and to provide checks on the accuracy of the information entered manually.

- Our testing identified minor errors in the adding up of the total tonnage and the incorrect inclusion of one waste stream. Neither of these had an impact on the reported indicator value.

- The Council needs to double-check its calculations to ensure that only correct elements of the waste stream are included, there are no errors introduced when collating this information from its spreadsheet, and adjustments are made for any late notifications of changes to figures provided by the County Council.

Recommendation
R12 ***Waste recycling and composting*** *- Enhance checks on waste indicator calculations to ensure that errors and changes are identified and adjusted for.*

The way forward

35   In order to improve the integrity and effectiveness of its data quality arrangements, the Council needs to address the issues raised in this report. These are brought together in an action plan in the Appendix.

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Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
7	R1 Develop a corporate policy and strategy for data quality	3	Head of Corporate Policy and Performance	Yes	Work already in progress.	By 30 March 2007
7	R2 Carry out reviews of data quality to identify and mitigate risks, and identify measures of performance.	2	Executive Directors and Policy Co-ordinators	Yes	The identification and delivery of the Council's Strategic Risk Register's actions/controls to manage Key Strategic Risks 3, 5, 6, 8, 9 and 11 will help to deliver this recommendation.	Identification by 30 March 2007 Delivery as per action/control plans.
9	R3 Ensure that in-year checks on data entered into PICS are carried out and that there are regular checks of directorate data.	2	Head of Corporate Policy and Performance and Policy Co-ordinators	Yes	PICS will be replaced by a new LAA Performance Management database in 2007/08. In-year checks will be built into the new QA process for this system.	From July 2007 onwards.

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
9	R4 Prepare a corporate business continuity plan and ensure that this and divisional plans are regularly tested.	2	Executive Director of Communities, Health & Care	In part	Although there is a Corporate Business Continuity Plan, it does not specifically address data quality issues associated with performance management information. However ,when it is updated, it will address the latest Strategic Risk Register, in particular Strategic Risks 5 & 7.	Update Corporate BC Plan – by 30 March 2007 Test Divisional BC Plans as per programme
9	R5 Ensure that appropriate protocols are in place for all cases where data is being shared with external organisations.	2	Executive Directors & Head of Corporate Policy and Performance	Yes	Protocols exist and have been placed on the intranet. Need to cascade awareness and review in light of change in partnership funding and the development of the LAA.	By 30 April 2007
9	R6 Ensure that processes are in place across the organisation to validate data received from third parties and used for internal performance monitoring.	2	Head of Corporate Policy and Performance & Executive Directors	Yes	Need to standardise practices across the Council by promoting increased use of protocols and the introduction of shared performance management systems and data with key LAA delivery partners.	By 30 June 2007

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Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
9	R7 Carry out regular reviews of data quality training needs, and programme training accordingly.	2	Executive Director of Resources and all Executive Directors	Yes for key staff within P Mgt activity	Ensure data quality training needs are reflected within the Corporate Learning and Development Plan as well as Directorate Plans to ensure appropriate training programmes are identified and delivered to key staff in line with needs identified through the annual appraisal process.	Corporate L&D Plan reviewed by 30 March 2007 Deliver training as per needs identified within L&D Plan
11	R8 Library book stock turnover - Implement an annual stock check process to provide assurance on the data held in the Galaxy system.	3	Executive Director - Neighbourhoods	Yes	Accepted as a High Priority PI.	By 30 March 2007
12	R9 Cost per library visit - Reconcile the CIPFA return figures for library expenditure to the final accounts figures each year.	3	Executive Directors of Resources & Neighbourhoods	Yes	Accepted as a High Priority PI.	By 30 June 2007

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Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
13	R10 Planning speed - Amend the parameters in the Uniform system to ensure periods for determining planning applications are correctly set.	3	Executive Director of Environment	Yes	Accepted as a High Priority PI.	By 30 March 2007
13	R11 Planning speed - Ensure that planning applications are consistently registered correctly.	3	Executive Director of Environment	Yes	Accepted as a High Priority PI.	By 30 March 2007
13	R12 Waste recycling and composting - Enhance checks on waste indicator calculations to ensure that errors and changes are identified and adjusted for.	3	Executive Director of Environment	Yes	Accepted as a High Priority PI.	By 30 March 2007

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