

Data Quality and Review of BVPP

North Wiltshire District Council

Audit 2007-2008

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For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

www.audit-commission.gov.uk

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Background

- 1 Public bodies are accountable for the public money they spend: they must manage competing claims on resources to meet the needs of the communities they serve, and plan for the future. The financial and performance information they use to account for their activities, both internally and externally, to their users, partners, commissioners, government departments and regulators, must be appropriate for these purposes, providing the level of accuracy, reliability and consistency required.
- 2 Considerable weight is attached to published performance indicators as the basis for reducing the burden of regulation and awarding freedoms and flexibilities. This has made reliable performance information, and the quality of the underlying data, significantly more important. Regulators and government departments need to be assured that reported information reflects actual performance. This will provide confidence that they are focusing on the key areas for improvement.
- 3 Auditors' work on data quality and performance information supports the Commission's reliance on performance indicators in its service assessments for comprehensive performance assessment (CPA). This delivers the commitment to reduce significantly the level of service inspection required.
- 4 Introducing the comprehensive area assessment (CAA) framework from 2009 will make reliable performance information more important. The CAA will place greater emphasis on assessments that are proportional to risk. Councils will also be required to use information to reshape services, and to account to the public for performance.
- 5 The responsibility for securing the quality of the data underpinning performance information can only rest with the bodies that collect and use the data. Producing data which is fit for purpose should not be an end in itself, but an integral part of a body's operational, performance management, and governance arrangements. Organisations that put data quality at the heart of their performance management systems are most likely to be actively managing data in their day-to-day business, and turning that data into reliable information.
- 6 This is the second year in which we have undertaken work on data quality in local government. Our work 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.
- 7 The expected impact of our 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.

Scope and objectives

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

Table 1

Stage 1	<p>Management arrangements</p> <p>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).</p>
Stage 2	<p>Analytical review</p> <p>An analytical review of 2006/07 BVPI and non-BVPI data.</p>
Stage 3	<p>Data quality spot checks</p> <p>In-depth review of a sample of 2006/07 PIs all of which come from a list of specified Best Value Performance Indicators (BVPIs) and non-BVPIs used in CPA, to determine whether arrangements to secure data quality are delivering accurate, timely and accessible information in practice.</p>

- 9 All three stages of the review have been carried out at this Council. In addition we have also followed up our findings from our previous review of data quality.
- 10 Linked to our review of performance reporting we are also required to review the Council's Best Value Performance Plan (BVPP) and to give an audit opinion confirming the content complies with the statutory requirements set out in the Department for Communities and Local Governments circulars. This report also sets out our findings from our review of the BVPP the opinion is attached at appendix 2.

Conclusions

Stage 1 – Management arrangements

- 11 The Council's overall management arrangements for ensuring data quality are demonstrating adequate performance.
- 12 The Council has adopted a strategic approach to data quality. Responsibility for data quality is clearly defined for staff at all levels, and a lead councillor has been identified. There are clear data quality objectives set out in the Data Quality Strategy, which covers all Council services. However, this has only recently been approved, and it is therefore not yet fully integrated into the Council's planning, monitoring and reporting processes.
- 13 There is an explicit framework for monitoring and reviewing data quality, and effective arrangements for rectifying instances of non-compliance. However, these focus on BVPIs and local performance indicators, with limited reference to other types of data.
- 14 The Council has taken practical steps to ensure that staff are clear about their responsibilities for data quality and follow correct procedures. However, targets have not been introduced for individual staff, or staff skills identified together with a training programme to address skills gaps.
- 15 Although there is a data sharing protocol with key partners in place, the Council has not identified all instances of internal and external data sharing, and reached an agreement with third parties about the standard of data quality required.
- 16 The use of data for performance management is partly effective. Although arrangements for performance reporting have been rationalised, performance improvement is still mixed.

Stage 2 – Analytical review

- 17 Our analytical review work at stage 2 identified that the PI values reviewed fell within expected ranges.

Stage 3 – Data quality spot checks

- 18 Our review and spot checks of BVPI BV199 a, b & c (Local street and environmental cleanliness) and BV214 (Repeat Homelessness) found that both indicators were fairly stated.
- 19 We identified the need to strengthen security over the data and to improve the audit trail. Our recommendations are included in the action plan in Appendix 1.

Management arrangements (Stage 1)

- 20 Overall, the Council's corporate arrangements for data quality are demonstrating adequate performance.

Governance and leadership

- 21 The Council is performing well in this area. Responsibility for data quality is clearly defined for senior managers and service-based staff. A Deputy Chief Executive Officer has been given overall strategic responsibility. A councillor has been identified as data quality lead, though councillors as a whole have not received training on the importance of data quality.
- 22 There are clear data quality objectives set out in the Data Quality Strategy, which are supported by an action plan. However, the Strategy has only recently been approved and the action plan is at an early stage of implementation. The strategy is therefore not fully integrated into the Council's planning, monitoring and reporting processes.
- 23 There is an explicit framework for monitoring and reviewing data quality. Staff inputting data are required to check accuracy, and responsible officers for each performance indicator sign-off to confirm accuracy and completeness. The Performance Management Section has ongoing responsibility for ensuring compliance with data quality. It raises any concerns with relevant service managers, and any significant issues are reported to the senior management team. Internal Audit reviews the top ten performance indicators identified as high risk, and the results of this review are reported to senior managers and the Final Accounts and Audit Committee. However, these processes focus principally on BVPIs and local performance indicators, with limited reference to other types of data, such as government returns.
- 24 On a day-to-day basis, data quality is championed by the Performance Management Officer. There are no departmental champions to drive data quality at a departmental level. Although there are effective arrangements for rectifying any non-compliance, these depend largely on the ongoing compliance activities carried out by the Performance Monitoring Section. There is therefore a risk to data quality if staff from the Performance Monitoring Section are absent.

Recommendations

- R1 Organise briefings or training for councillors to ensure that they are aware of the importance of data quality.*
- R2 Ensure that all relevant types of data, including government returns, are covered by guidance to staff and subject to monitoring and review. The extent of controls required will depend on the significance of the data, and the risk of misreporting.*
- R3 Ensure that there is an adequate number of staff at departmental level to act as data quality champions to drive data quality improvement at a service-level.*

Policies and procedures

- 25 The Council is performing well in this area. Its Data Quality Strategy is comprehensive. The strategy sets out the three main corporate objectives for data quality, and describes the standard of data quality required for different types of data, including BVPIs, local performance information, government department returns and other types of management information. It applies to all business areas and covers data input, verification and reporting. However, currently it has only limited reference to data quality requirements in relation to sharing data with third parties.
- 26 The strategy is supported by guidance notes for staff, though these focus on BVPIs and local performance indicators, with only limited reference to other types of data. A recommendation is made about this above.
- 27 There are arrangements for reviewing the Data Quality Strategy, though it is too early for reviews to have taken place.
- 28 The Council has taken practical steps to ensure that staff are clear about their responsibilities for data quality and follow correct procedures. Staff benefit from one-to-ones and a helpdesk, and updates to policies and procedures are notified to staff in a timely way.

Recommendations

- R4 Expand the Data Quality Strategy to cover data shared with third parties.*

Systems and processes

- 29 The Council demonstrates adequate performance in this area. It uses a date recording system developed in-house, which is not user-friendly, and some data is recorded in other ways. Inevitably this results in the need for data manipulation, with a resulting risk of inaccuracy. However, the Council has purchased a new system, which is easier to use, which is being implemented during 2007/08.

- 30 There are good security arrangements that restrict access to performance management software, and regular testing takes place to ensure that information is secure and back-up arrangements adequate.
- 31 The Council has not formally identified all instances of internal and external data sharing, though this is included in its future work programme. There is a data sharing protocol with key partners, managed by Wiltshire County Council, though this focuses on data security and protection rather than data quality. Currently, the Council undertakes limited checks of data supplied by third parties. This means that externally provided data may not comply with the Council's data quality requirements.

Recommendations

R5 Ensure that data sharing agreements with partners and contractors cover standards of data quality required. Include provision in agreements with third parties for the Council to undertake checks and audits of data supplied by them.

People and skills

- 32 The Council demonstrates adequate performance in this area. Accountability for data quality has been clearly and formally defined for relevant staff. However, targets have not been set for individual staff, which they are assessed against as part of the staff performance appraisal process. This may result in staff not fully appreciating the personal responsibility they have for data quality, and not being held accountable for ensuring that data is timely and accurate.
- 33 Ad hoc training in data quality has taken place for specific groups of staff. However, there has been no assessment of staff skills required, together with identification of skills gaps, which is fed into a training programme.

Recommendations

R6 Set data quality targets for individual staff, where relevant, that are fed into the performance appraisal process.

R7 Assess skills required by staff with data quality responsibilities, and use this to identify skills gaps and develop a training programme.

Data use and reporting

- 34 The Council demonstrates adequate performance in this area. Arrangements for using data for performance management and service improvement are partly effective. Performance reporting has been rationalised through quarterly reports to Executive and Scrutiny Committees, with a focus on exceptions reporting. There are also regular reports to the senior management team, and information is disseminated to staff through team briefings, newsletters and the intranet. This has resulted in a good understanding among staff of the way the information they generate is used.
- 35 However, performance improvement is mixed, and this indicates that the use of performance information to monitor service delivery and take action where performance is below expectations is not yet fully effective.

Analytical review (Stage 2)

- 36 An analytical review of the following BVPIs and non-BVPIs was carried out, comparing the 06/07 figures to 05/06. The findings, subject to the validation of a sample of PIs in stage 3 spot checks, are shown below.

Table 2

2006/07 Performance indicator	Assessment	Comment
Bv82 a (i)	Within Variance	
BV82a (ii)	Within Variance	
BV82 b (i)	Within Variance	
BV82 b (ii)	Within Variance	
BV183 b	Within Variance	
BV199 a	Within Variance	PI selected for Stage 3 spot check
Bv199 b	Within Variance	PI selected for Stage 3 spot check
BV199 c	Within Variance	PI selected for Stage 3 spot check
BV214	Within Variance	PI selected for Stage 3 spot check
Non-BVPI (HIP HSSA) H 18	Within Variance	

- 37 All PIs reviewed were found to be complete and within plausible and permissible values.

Data quality spot checks (Stage 3)

- 38 On the basis of the work done at Stages 1 and 2, the authority was assessed as medium risk. In line with Audit Commission guidance, 2 PIs were selected for further review using audit tools drawn up especially for each indicator. Taking into account the movements observed in Stage 2 and comparing the respective movements of the specified indicators both regionally and nationally, we chose to review BV199a, b & c and BV214. Our findings are recorded below.

Table 3

Performance indicator	Assessment	Comment
Environment BV199 a	Fairly Stated	The indicator has been accurately calculated in line with the DEFRA guidance.
BV 199 b	Fairly Stated	The indicator has been accurately calculated in line with the DEFRA guidance.
BV 199 c	Fairly Stated	The indicator has been accurately calculated in line with the DEFRA guidance.
Homelessness BV214	Fairly Stated	The indicator has been accurately calculated in line with guidance.

- 39 As indicated in Table 3, both BV199 and BV214 were deemed to be fairly stated. We have however, identified areas in which the calculation of both indicators may be improved.

BV 199 - Local Street and Environmental Cleanliness

- 40 It was noted that the spreadsheet on which all indicator data is recorded is not password protected. Password protection of the spreadsheet would ensure that only those with a specific need to amend the data are able to do so, thus minimising the risk of manipulation or accidental corruption.

- 41 The guidance for BV199 suggests that the person carrying out the street surveys should not conduct these surveys immediately following street cleaning. We were unable to check this in full as street cleaning schedules for 2006/07 were unavailable. There is a need to strengthen the audit trail.
- 42 We were unable to obtain a signed copy of the indicator. Our guidance states that best practice is that all indicators are signed-off by a senior service manager prior to submission.
- 43 At other councils a photograph is taken during the checking of each transect to provide evidence of work completed and the standard of cleanliness at the time of the inspection. This is not explicitly required by the DEFRA guidance, but we regard this as good practice.

Recommendations
<i>R8 The BVPI199 spreadsheet is password protected to restrict access only to those staff with a specific need to amend the data.</i>
<i>R9 The street cleaning schedule is held on file to enable audit checking in future years.</i>
<i>R10 The senior cleansing service manager should sign off indicator 199 in future years.</i>
<i>R11 A photograph is taken of each transect.</i>

BV214 - Repeat Homelessness

- 44 The key spreadsheet that holds the data from which the indicator is calculated is not password protected. There is scope to improve security.
- 45 Audit testing identified that the number of repeat homelessness cases used in the numerator for BV214 did not agree to those included on the quarterly P1e forms. As audit testing found that BV214 is accurate, the figures returned to the Department for Communities and Local Government are therefore incorrect. The Council should ensure that the figures on both documents match and are correct.

Recommendations
<i>R12 The spreadsheet holding the BVPI214 data should be password protected.</i>
<i>R13 Officers should ensure that all P1e forms are consistent with data used in the calculation of the indicator.</i>

Follow up of previous year recommendations

- 46 Thirteen recommendations were made last year.
- 47 A number have been fully implemented. These include:
- Recommendation 3 - the role and responsibilities of the lead councillor for data quality has been clarified.
 - Recommendation 4 - The terms of reference of the IMDS Group have been changed to embrace data quality.
 - Recommendation 12 - a Data Quality Strategy has been produced and approved by the Final Accounts and Audit Committee.
 - Recommendation 8 - The Council's commitment to data quality has been communicated to staff at all levels.
 - Recommendation 9 - The Council has set up adequate systems and processes to ensure that the quality of data is 'right first time'. This includes user guides and help desk arrangements.
- 48 A number of recommendations have been partly implemented:
- Recommendation 2 - The Council has defined data quality responsibilities for staff at all levels in the Data Quality Strategy. Following restructuring, a job evaluation process is in progress, and data quality responsibilities are being incorporated into the job descriptions of relevant staff.
 - Recommendation 13 - Performance reporting and monitoring arrangements have been simplified, and a VFM project is underway to align performance information with costs. However, further work is required to make this fully effective in driving performance improvement.
 - Recommendation 10 - Support is provided to staff through user guides, one-to-ones and a helpdesk facility. However, training is only provided on an ad hoc basis.
 - Recommendation 11 - The Council has a protocol in place for sharing data with key partners. However, data quality standards or provision for the Council to validate data from third parties is not included. A further recommendation has been made.
- 49 Some recommendations have not yet been implemented:
- Recommendation 5 - Standards and targets have not yet been incorporated into the appraisal system for staff. A further recommendation has been made.
 - Recommendation 7 - Corporate objectives for data quality have not yet been translated into objectives for individual services, though this will be undertaken as part of producing new service plans, once new service heads have been recruited.

- Recommendation 12 - The Council has not identified staff skill gaps and introduced appropriate training for staff. A further recommendation has been made.

Best Value Performance Plan 07/08

Background

- 50 The Local Government Act 1999 (the Act) requires Best Value authorities to publish a Best Value Performance Plan (BVPP) each year, setting out an assessment of current performance and targets for improvement. The Act requires the external auditors of Best Value authorities to audit the BVPP and to report whether it has been prepared and published in accordance with the Act and statutory guidance. The most recent guidance is set out in the BV Circular 03-2003 and the addendum to this (Circular 02-2004), updated by ODPM circular 5/2006.
- 51 The BVPP requirements vary for authorities according to the rating they received under Comprehensive Performance Assessment. As the Council was rated 'fair', the BVPP has been assessed in line with the requirements for fair authorities.
- 52 It should be noted that this is not the auditor's statutory audit report on the BVPP, required under section 7 of the Local Government Act 1999, which is included in appendix 2.

Audit approach

- 53 To assess the extent to which the BVPP complied with legislation and statutory guidance we used a 'Compliance Checklist', drawn up by the Audit Commission. We also used a BVPI 'Inclusion Checklist' to consider whether the BVPP included all the specified performance information.

Findings

- 54 The BVPP was approved by Members and published by the statutory deadline. It has been adopted by full council.
- 55 The BVPP contains a brief summary of the Council's strategic objectives and priorities for improvement which reflects its corporate and business planning processes and community strategy.
- 56 The BVPP explains arrangements to address the Council's improvement priorities and cover the opportunities and weaknesses identified in CPA.
- 57 The BVPP confirms that the Council has adopted the Code of Practice in their approach to workforce matters and contracting.

- 58 The BVPP included all of the 2006/07 PI outturn figures along with outturns for 2005/06. It also included all targets which had been set for the current and subsequent 3 years with the exception of BVPI 16b (Percentage of economically active disabled community population) where officers felt it was not possible to set a meaningful target.
- 59 We are not making any statutory or non statutory recommendations on the Council's BVPP.

Appendix 1 – Action Plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
8	R1 Organise briefings or training for councillors to ensure that they are aware of the importance of data quality.	3	Graham Wilkie Julie Matthews	Yes	Data Quality to be included within Members' training.	November 2007
8	R2 Ensure that there is an adequate number of staff at departmental level to act as data quality champions to drive data quality improvement at a service-level.	3	Graham Wilkie	Yes	Key users of the performance management system (covalent), who represent service areas, will act as data quality champions.	December 2007
8	R3 Ensure that all relevant types of data, including government returns, are covered by guidance to staff and subject to monitoring and review. The extent of controls required will depend on the significance of the data, and the risk of misreporting.	3	Graham Wilkie	Yes	Data Quality Strategy to be updated to reflect this. Data Quality Champions to assist in the identification of relevant data.	December 2007
8	R4 Expand the Data Quality Strategy to cover data shared with third parties.	3	Graham Wilkie	Yes	Data Quality Strategy to be updated to reflect this.	December 2007
9	R5 Ensure that data sharing agreements with partners and contractors cover standards of data quality required. Include provision in agreements with third parties for the Council to undertake checks and audits of data supplied by them.	3	Graham Wilkie	Yes	Agreements with third parties to include data quality requirements and monitoring arrangements. Data sharing agreements to be reviewed.	January 2008
9	R6 Set data quality targets for individual staff, where relevant, that are fed into the performance appraisal process.	3	Graham Wilkie Managers	Yes	Managers will be advised to set targets for appropriate staff (as set out in appraisal guidance).	December 2007

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
9	R7 Assess skills required by staff with data quality responsibilities, and use this to identify skills gaps and develop a training programme.	3	Graham Wilkie Data Quality Champions	Yes		January 2008
13	R8 The BVPI199 spreadsheet is password protected to restrict access only to those staff with a specific need to amend the data.	2	Mel Scott	Yes	Password will be set up and shared with responsible officers.	November 2007
13	R9 The street cleaning schedule is held on file to enable audit checking in future years	2	Steve Bowcock	Yes	Schedules are currently being completed and will be made available.	January 2008
13	R10 The senior cleansing service manager should sign off indicator 199 in future years.		Mel Scott	Yes		May 2008
13	R11 A photograph is taken of each transect.		Steve Bowcock	Partially	A county-wide IT based project is underway to improve the process of measuring this PI. The use of photographs will be investigated.	December 2007
13	R12 The spreadsheet holding the BVPI214 data should be password protected.	2	Jill Neal Sylvia Spensley	Yes	Password will be set up and shared with responsible officers.	November 2007
13	R13 Officers should ensure that all P1e forms are consistent with data used in the calculation of the indicator.	2	Jill Neal Sylvia Spensley	Yes	Responsible officers will ensure That P1e forms are consistent with the calculation of the PI.	November 2007

Appendix 2 - Auditor's Statutory report on the Best Value Performance Plan

Auditor's report to North Wiltshire District Council on its best value performance plan

Authority's Responsibilities

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to regularly review the adequacy and effectiveness of these arrangements. Under the Local Government Act 1999 (the Act) the council is required to prepare and publish a best value performance plan summarising the council's assessments of its performance and position in relation to its statutory duty to make arrangements to secure continuous improvement to the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The Council is responsible for the preparation of the plan and for the information and assessments set out within it. The Council is also responsible for establishing appropriate corporate performance management and financial management arrangements from which the information and assessments in its plan are derived. The form and content of the best value performance plan are prescribed in section 6 of the Act and statutory guidance issued by the Government.

Auditors' Responsibilities

We are required by section 7 of the Local Government Act 1999 and the Audit Commission's statutory Code of Audit Practice to carry out an audit of the Council's best value performance plan, certify that we have done so, and report:

- any matters that prevent us from concluding that the plan has been prepared and published in accordance with statutory requirements set out in section 6 of the Local Government Act 1999 and statutory guidance; and
- where appropriate, making any recommendations under section 7 of the Local Government Act 1999.

Report and recommendations

We certify that we have audited the council's best value performance plan in accordance with section 7 of the Local Government Act 1999 and the Audit Commission's statutory Code of Audit Practice.

In preparing our report we are not required to form a view on the completeness or accuracy of the information or the realism and achievability of the assessments published by the Council. Our work, therefore, comprised a review and assessment of the plan and, where appropriate, examination on a test basis of relevant evidence, sufficient to satisfy ourselves that the plan includes those matters prescribed in legislation and statutory guidance and that the arrangements for publishing the plan complied with the requirements of the legislation and statutory guidance.

We have not identified any matters to report to the authority.

We have no recommendations to make on procedures in relation to the plan.

Brian Bethell
November 2007

Audit Commission
Westward House
Lime Kiln Close
Stoke Gifford
Bristol BS34 8SR

