

Government and Public Sector

November 2007

# Darlington Borough Council

## Data quality reviews

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Dear Lorraine

**Data Quality Reviews**

We are pleased to present the summary results of our assessment of the Authority's data quality arrangements, which has been completed in accordance with the methodology and guidance issued by the Audit Commission. We met with David Goodchild and Dawn Barron on 29<sup>th</sup> November 2007 to discuss the results and issues arising. Please contact Sarah Thompson on 0191 269 4120 if there are matters that you would like to discuss further.

Yours sincerely

PricewaterhouseCoopers LLP

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**Code of Audit Practice and Statement of Responsibilities of Auditors and of Audited Bodies**

*In March 2005 the Audit Commission issued a revised version of the ‘Statement of responsibilities of auditors and of audited bodies’. It is available from the Chief Executive of each audited body. The purpose of the statement is to assist auditors and audited bodies by explaining where the responsibilities of auditors begin and end, and what is to be expected of the audited body in certain areas. Our reports and management letters are prepared in the context of this Statement.*

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# Introduction and summary

## Introduction

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

### Stage 1: Management arrangements

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).

### Stage 2: Analytical review

An analytical review of 2006/07 Best Value Performance Indicators (BVPI) and non-BVPI data and selection of a sample of individual performance indicators (PIs) for testing, in Stage 3, based on risk assessment.

### Stage 3: Data quality spot checks

In-depth review of a sample of 2006/07 PIs all of which come from a list of specified BVPIs and non-BVPIs used in Comprehensive Performance Assessment (CPA), to determine whether arrangements to secure data quality are delivering accurate, timely and accessible information in practice.

All three stages of the review have been carried out at Darlington Borough Council.

## Summary

We have completed our assessment of the Council's data quality arrangements in accordance with the methodology and guidance prescribed by the Audit Commission in 'Local government data quality refresh 2007: Stage 1: review of corporate arrangements, Stage 2: analytical review, and Stage 3: Data Quality Spot Checks'. This report sets out the results of our assessment.

The assessment of the management arrangements in place for data quality is used to:

- Direct the detailed work that we undertake on data quality spot checks ; and
- Inform our Use of Resources Conclusion in respect of performance information (as reported in our 2006-07 audit report).

The work that we have undertaken is also reported to the Audit Commission to inform their CPA assessment.

## Summary findings

### Stage 1 – Management arrangements

The council's overall management arrangements for ensuring data quality are performing well.

#### Strengths

- There is a framework in place for monitoring data quality and for formal scrutiny by those charged with governance.
- Each department has a data quality/performance management champion.

- Staff have clearly defined roles and responsibilities in relation to data quality.
- The council has in place arrangements that are focused on ensuring that data supporting performance information is also used to improve the delivery of services.
- Data is subject to internal verification and there are complete and clear audit trails for PIs and the Council has developed a system of self audits within most departments.

#### Weaknesses

- The Authority should look to implement a more augmented strategy for data quality, which should be presented in one document, and this should be reviewed on an annual basis to ensure that it is kept up-to-date.
- Third party data should be validated to ensure that it is complete and accurate, taking into account the level of benefit gained from such validating against the level of risk / impact of not doing so.
- Data sharing protocols should be implemented.
- A comprehensive data quality training programme should be devised and maintained for all relevant staff.

### Stage 2 – Analytical review

Our analytical review work at stage 2 identified that the PI values reviewed either fell within expected ranges or were substantiated by evidence.

### **Stage 3 – Data quality spot checks**

Our review and spot checks of 6 PIs out of a sample of 11 found the following:

IPF – Cost per Library Visit - this was found to be fairly stated and no amendment to the submitted figure was required.

BV82a - Percent of household waste recycled and total tonnage of household waste arising which has been sent by the authority for recycling - this was found to be fairly stated and no amendment to the submitted figure was required.

BV199 a, b, and c – Local Street and Environment Cleanliness - this was found to be fairly stated and no amendment to the submitted figure was required.

BV184a – Proportion of non decent homes - this was found to be fairly stated and no amendment to the submitted figure was required.

BV 214 – Repeat Homelessness – this was found to be fairly stated and no amendment to the submitted figure was required.

HIP HSSA - Percentage of total private sector homes vacant for more than six months - this was found to be fairly stated and no amendment to the submitted figure was required.

### **Acknowledgement**

We would like to take this opportunity to thank officers and staff, particularly David Goodchild and Neale Kipling, for their assistance during the course of the data quality reviews.

# Summary of key findings and areas for improvement

## Management arrangements (Stage 1)

Overall, we have judged that the Council is 'performing well' in relation to its corporate arrangements for data quality.

### Governance and leadership

Has the body put in place arrangements at a senior level to secure the quality of data used to manage and report on performance?

#### Overview

- The BVPP clearly shows the councils commitment to and performance on the PIs, including targets, actual performance and the relevant accountable officers (AO) who have responsibility for the PI.
- There is a framework in place for monitoring data quality; responsibility is held at both departmental and corporate level. There is a member lead for data quality and formal scrutiny of performance by those charged with governance. The Assistant Chief Executive, Lorraine O'Donnell has overall responsibility for performance management.
- Every performance indicator has an accountable officer who is identified in the various plans at the authority and is responsible for reporting their performance indicator on PerformancePlus, which is used to collate and pull together all of the performance indicators.
- A data quality strategy is being developed; it should be implemented in the Autumn 2007 this demonstrates there are plans to improve data quality with appropriate timescales for implementation being set.
- Self audits have taken place in a number of departments; PI compilation and calculations, as well as source data have been tested.
- Benchmarking exercises occur to varying degrees in different departments. The majority of benchmarking is with external bodies and good practice has been adopted in this area; there is no formal inter-departmental benchmarking.

#### Areas for Improvement and Recommendations

- The Council are currently implementing a single strategy document for data quality which is expected to be completed by January 2008.

- The Authority should consider wider aspects of data quality rather than focus simply on performance management.
- Data quality is not yet fully integrated into the Council's planning, monitoring and reporting process - however, this is underway - particularly with the implementation of the combined finance and performance report.



## Policies and procedures

### Has the organisation defined its expectations and requirements in relation to data quality?

#### Overview

- Data quality policies and guidance are available for staff on the document control system/intranet and any updates are notified via e-mail on a timely basis. Operational procedures and guidance notes in relation to inputting data on the Performance Plus system are in place and these are fit for purpose.
- Each department has its own data quality procedures. However, these are not formalised documents. Team meetings and informal feedback are used as a method of involving staff in policy development and informing them of any updates within departments.
- A comprehensive data quality policy is being drafted; however, there is currently a roles and responsibilities document in place which details the roles of the individuals in relation to performance management. This will be further enhanced by the data quality policy.
- The Departmental Performance Management Framework (PMF) Practitioners perform the role of Data Quality Champion's for their department. They are responsible for promoting data quality and reviewing policy and compliance. The PMF Practitioners' Group aims to share good data quality practice across departments.

#### Areas for Improvement and Recommendations

- A comprehensive data quality policy should be implemented – this is currently in progress and should be implemented by the January 2008.
- This policy should be reviewed on an annual basis to ensure that it is kept up-to-date.
- Non compliance with the policy should be monitored and reported to senior management.

## Systems and processes

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

#### Overview

- There is a culture of 'right first time' with regards to data collection and where weaknesses are noted, appropriate action is taken. The PI audit found fewer issues than the prior year and no adjustments to the PIs. This indicates that the Council are placing more emphasis on data quality.
- Each department has its own specific systems for recording data. The majority of systems are well-established within the departments. All departments manually input data from their systems into PerformancePlus (the corporate reporting system); this allows reporting of both departmental and corporate performance.
- Performance reports are taken from PerformancePlus and reported to Cabinet.
- Data output from systems is monitored by the relevant accountable officer against their own expectations; however, this could be improved through increased self-audits.
- However, there is little validation undertaken on third party data and no formal data sharing protocols in place.
- Security arrangements and business continuity plans are in place on all systems in all departments.

#### Areas for Improvement and Recommendations

- As the input into PerformancePlus is manual it is subject to human error/manipulation. The Council should ensure that performance information is reviewed to source documents where possible and marked as reviewed prior to input into PerformancePlus – and where this is not possible self-audits are carried out on a regular basis. The Council already carry out much of this; however, they should ensure that they continue to undertake these tests to ensure data is accurate.
- The Council should ensure that all performance information systems are subject to control mapping and testing. This would greatly improve data quality and reduce data quality issues. This would also enable the Council to be more proactive in terms of strengthening performance information system where any control issues were found.
- Third party data should be validated to ensure that it is complete and accurate, taking into account the level of benefit gained from such validating against the level of risk / impact of not doing so. It is expected that this will be covered in the Data Quality Strategy.
- Instances of internal and external data sharing have been identified. However formal protocols or standards have yet to be developed. The Council acknowledges protocols for third party data are required; however it also considers that a balance is required between onerous protocols and improved data quality. It is expected that this will be covered in the Data Quality Strategy.

## People and skills

### Does the organisation have the resources in place to secure data quality?

#### Overview

- There is a roles and responsibilities document in place which details individual's roles and responsibilities with regards to Performance Management. Staff appear to be clear about their responsibilities and this is included in job descriptions.
- There are data quality champions in each department who support staff in the data capturing roles. The Departmental PMF Practitioners perform the role of data quality champion for their department. They are responsible for promoting data quality and reviewing policy and compliance. PMF coordinators and practitioners make themselves available for guidance and have good working relationship with accountable officers.
- Responsibilities for specific PIs and the importance of data quality recorded in individuals PDRs. Targets/objectives are set and reviewed during the PDRs on a 6 monthly basis.
- Training is provided to staff on an informal basis and any weaknesses or training needs identified will be periodically included in their PDRs, where either the officer or line manager can request training in a particular area.

#### Areas for Improvement and Recommendations

- An assessment of data quality skills in place and potential gaps should be carried out by the Authority to identify specific training needs. A comprehensive data quality training programme should then be devised and maintained for all relevant staff.
- Staff should be assessed against data quality targets and standards and feedback on their performance should be provided through relevant avenues.

## Data use

### Are there effective arrangements for the use of data for performance management and service improvement?

#### Overview

- Various reports such as: exception reports, combined reports, monthly performance reports and monthly budget monitoring reports are used on a day to day basis by management to improve performance in relation to data quality.
- Cabinet members and senior management use the performance information to allocate funds. The PIs are used to identify possible areas in which funding should be allocated.
- Reports relating to performance information are monitored and used to forecast year-end position against targets so that areas where action is needed can be identified. Cabinet members receive the following reports on a quarterly basis; budget monitoring reports, performance management reports, combined report.
- BVPIs and non-BVPIs are generally supported by an audit trail; definitions are generally correct; and these are signed off by senior management.

#### Areas for Improvement and Recommendations

- The Council should ensure that targets are accurate and calculated in an appropriate way; otherwise this does not produce an effective target against which to compare actual performance.
- Reports from PerformancePlus should be reviewed to ensure that they meet user's needs and can be produced individually in accordance with user preferences.
- A formal documented process for checking externally reported data/performance indicators, both departmentally and corporately, should be put in place to assure the quality of the data.

## Analytical review (Stage 2)

An analytical review of the following BVPIs and non-BVPIs was carried out, there were no significant variances which required investigation; therefore, the BVPIs and non-BVPIs which were not chosen for a full audit in Stage 3 were chosen for review to ensure that these appeared reasonable. The findings, subject to the validation of a sample of PIs in stage 3 spot checks, are shown below.

2006/7 Performance Indicator	Assessment	Comment
<p>BVPI165 – Percentage of pedestrian crossings with facilities for the disabled.</p> <p>2006/07 7.8% (2005/06 40.0%)</p>	Variance from 2005/06 attributable to real performance decline.	<p>The Council undertook a review of their crossings in March 2007 and found that nearly all of their upstands on crossings were not in-line with guidelines. This has heavily impacted on this PI and has thus reduced it to a state at which only 4 crossings are compliant with all the set criteria.</p> <p>There is also an issue with the audible and tactile signals in relation to the crossings; the Council have an agreement with Darlington Disability Association not to include audible indicators on their crossings and this is in contrast with the guidance. This further reduces their performance.</p>
<p>BVPI212 – Average relet times for local authority dwellings (days).</p> <p>2006/07 27 (2005/06 30)</p>	Variance from 2005/06 attributable to real performance improvement.	<p>The Council has implemented a number of initiatives to try to encourage reduction in the number of days in relation to relet times. These include encouraging tenants to provide a 4-week notice period which gives the Council time to find a new tenant prior to the current tenant moving out; completing any non-major repairs while tenants are in situ; and weekly reports detailing all properties that have vacant for more than two weeks, this allows management to identify and investigate specific properties which appear to be 'sticking'.</p>
<p>BVPI82b – Percentage of/tonnage of household waste composted.</p> <p>i – 2006/07 6.69% (2005/06 3.38%)</p> <p>ii – 2006/07 3,354.40 (2005/06 1,738.74)</p>	Variance from 2005/06 attributable to real performance improvement.	<p>The Council has refurbished the Civic Amenity Site from which green waste is collected which has improved the amount of space available for collection of waste.</p>

2006/7 Performance Indicator	Assessment	Comment
<p>Non-BVPI PLSS7 – Percentage of library users who view their library services as good and very good.</p> <p>2006/07 95.20% (2005/06 97.50%)</p>	<p>Variance from 2005/06 attributable to unknown factors.</p>	<p>The Library Users Survey is carried out once every 3 years, so if no new survey had been carried out, then the data should be the same as in the prior year.</p> <p>It was confirmed that a new survey was carried out on 26/09/06 and this had caused the PI value to reduce.</p>

#### Findings

- The Council should review why the PLSS7 PI has fallen since the previous survey and although this is not statistically different there are potential reasons why this could be the case such as the scaffolding which was situated around the library building and also the increased traffic due to the pedestrian heart project.
- The Council should undertake some further work with the Cabinet around BV165 and whether the agreement reached with Darlington Disability Association is appropriate.

### Data quality spot checks (Stage 3)

A number of PIs were reviewed using a series of detailed spot checks and audit tests. Our findings are shown below.

Performance Indicator	Assessment	Comment
<p><b>Culture</b> IPF – Cost per Library Visit</p> <p>Submitted figure = £2.97</p>	<p>Fairly Stated</p>	<p>Testing was carried out on the library survey methodology used and also on the net expenditure figures which are included in the CIPFA Libraries return. The Council had reported this PI as £2.88; this had been incorrectly calculated as it incorrectly excluded overheads in the calculation. The submitted figure was taken directly from the CIPFA return which included the overheads figure and was correctly calculated at £2.97.</p> <p>Therefore, no amendment was required in; however, this was reported to the Council to enable internal reporting to match what is reported externally.</p>
<p><b>Environment</b> BV82a - Percent of household waste recycled and Total tonnage of household waste arising which has been sent by the authority for recycling.</p> <p>Submitted figures: BV82ai – 16.02% BV82aaii – 8,036.05</p>	<p>Fairly Stated</p>	<p>No testing was required on the accuracy of the calculation. Testing was carried out on whether the correct definitions had been used and whether the systems and controls in place to capture this data have been set up effectively.</p> <p>The data used for this PI comes directly from invoices that are received from the waste disposal contractors/charities. This data is not verified; there is a risk that the Council are relying on data which may not be accurate.</p> <p>Therefore, to improve the control of third party data the Council should consider reviewing the contracts with third parties and consider the ability to perform spot checks on their data.</p>

Performance Indicator	Assessment	Comment
<p><b>Environment</b> BV199 a, b, and c – Local Street and Environment Cleanliness</p> <p>Submitted figure's: a) Street Cleanliness – 10.8% b) Graffiti – 4% c) Fly-posting – 0%</p>	<p>Fairly Stated.</p>	<p>Testing was carried out to ensure that the surveys had been set up correctly, and were carried out in the timescales as detailed in the guidance. A number of surveys were then agreed to the database to ensure that these have been recorded correctly.</p> <p>No issues were noted with this testing.</p>
<p><b>Housing</b> BV184a – Proportion of non-decent homes</p> <p>Submitted figure = 0%</p>	<p>Fairly Stated</p>	<p>Testing was carried out on the number of homes made decent during the year and a sample was agreed to supporting documentation to ensure that this was reasonable. Testing was also carried out on those homes which became non-decent during the year.</p> <p>During testing of the homes becoming decent during the year, one property - 15 Headlam Road - was found to have become decent after the year-end and therefore, should not be included in the calculation. This was extrapolated to determine the impact this would have on the PI; however, due to the small number of non decent properties this would not impact on the PI. Therefore, no adjustments proposed.</p> <p>The Council should however, ensure that their information is more accurately maintained to ensure that going forward the PI is accurate.</p>
<p><b>Housing</b> BV 214 – Repeat Homelessness</p> <p>Submitted figure = 0%</p>	<p>Fairly Stated</p>	<p>Testing was carried out to ensure that the repeat homelessness applications were included in this calculation and that no repeat homelessness applications had been incorrectly excluded.</p> <p>No issues were noted with this testing.</p>



Performance Indicator	Assessment	Comment
<p><b>Housing</b></p> <p>HIP HSSA - Percentage of total private sector homes vacant for more than six months</p> <p>Submitted figure = 1%</p>	Fairly Stated	<p>The Council had originally reported the PI using figures as at 01/04/06. However, this was incorrect and we requested figures from 01/04/07 to comply with the guidance.</p> <p>The figure submitted was taken directly from the HIP HSSA return and therefore, the submission was correct. However, it was found that one of the figures in the HIP HSSA return 'number of private sector homes vacant for more than 6 months' was incorrect. The Council informed PwC that this return would be resubmitted; however, this did not impact the PI figure.</p> <p>Testing was carried out by reviewing the Council Tax system for properties which were exempt from Council Tax for more than 6 months. No issues were noted in the testing.</p>

The spot checks that we have undertaken were taken from a specified list of 11 indicators and were chosen based on results from Stage 1 (management arrangements); and Stage 2 (completeness check on all 11 PI's). We also used the results from the prior-year audit of performance indicators to select the sample. Each indicator was spot checked using the Audit Commission audit guide.

Our approach to testing included reviewing management arrangements around the indicator, reviewing the systems in place for the indicator, ensuring the correct definition had been used and ensuring that the indicator had been calculated correctly. Audit tests for each indicator, including sample sizes, were stipulated by the Audit Commission in the audit guide.

#### Recommendations

- IPF - the Council should ensure that when reporting Cost per Library Visit internally they use the correct approach.
- BV82a - further work should be carried out on the waste indicators to ensure that the Council are fully aware of the differences in the reported and submitted figures. They should also review their approach towards the verification of third party data in relation to the waste/recycling PI and should consider reviewing the contracts with third parties and consider the ability to perform spot checks on their data.
- BV184a - the Council should ensure that they maintain accurate information to enable them to produce an accurate performance indicator figure.

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