

Darlington Borough Council

Data Quality Reviews – Management Arrangements and Spot Checks

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November 2006

Dear Ladies and Gentlemen

Data Quality Reviews – Management Arrangements and Spot Checks

We are pleased to present the summary results of our assessment of Darlington Borough Council's management arrangements relating to data quality, which has been completed in accordance with the methodology and guidance issued by the Audit Commission.

The results and issues arising have been discussed with Lorraine O'Donnell, Assistant Chief Executive.

Please contact Sarah Thompson (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.

Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the audited body, and no responsibility is taken by auditors to any Member or officer in their individual capacity, or to any third party.

Introduction and summary

Introduction

This report sets out the results of our assessment of our work on two aspects of performance information at Darlington Borough Council:

- Overarching management arrangements to secure data quality; and
- Detailed spot checks on the accuracy of a sample of reported performance indicators.

Management arrangements

Our assessment of the management arrangements in place to secure data quality was conducted in accordance with the methodology and guidance prescribed by the Audit Commission in 'Data quality reviews 2006/07 (local government), Stage 1: management arrangements'.

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 (see below); and
- Inform our Use of Resources Conclusion in respect of performance information (as reported in our 2005-06 audit report).

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

Approach and Scoring to Management Arrangements

The assessment that we have undertaken covers five themes relating to data quality:

- Governance and leadership;
- Policies and procedures;
- Systems and processes;
- People and skills; and
- Data use.

Each theme is supported by a number of key lines of enquiry, setting out areas of audit focus and showing the performance levels required to be rated as 2, 3 or 4. These performance levels translate into the following assessments:

1 = below minimum requirements – inadequate performance

2 = only at minimum requirements – adequate performance

3 = consistently above minimum requirements – performing well

4 = well above minimum requirements – performing strongly

Evidence for each key line of enquiry has been collected from a self-assessment prepared by the Council and supporting documentary evidence that the Council has provided and interviews with key officers. The evidence supporting the assessment of each key line of enquiry has been discussed and agreed with Lorraine O'Donnell.

Summary of scores for Management Arrangements

Overall the Authority scored a level 3 'performing well' for Management Arrangements around Data Quality. The Authority have given increased importance to performance management since their Corporate Assessment in 2002 and have introduced a number of strong changes to performance management.

Our detailed testing for each of the key lines of enquiry is detailed below. There are a number of key strengths and areas for improvement.

Strengths include:

- Use of performance management framework meetings;
- Use of PerformancePlus, the Authority's performance management and monitoring system;
- Technical support available from the Policy Unit in relation to PerformancePlus and performance indicator definitions; and
- A strong culture of performance management in which staff in departments appear to be aware of their responsibilities.

Areas for improvement:

- More direction from the Policy Unit and Internal Audit should be provided to departments in relation to best practice for audit and

monitoring of performance and performance indicators;

- Procedure notes for performance management should be created in each department; and
- Senior management should consider holding more detailed reviews of failing areas of performance.

Our Use of Resources Conclusion has been reported separately in our Audit Report on the 2005-06 accounts and is based on a simple assessment of whether the arrangements in place are adequate (i.e. consistent with a score of 2-4) or inadequate (i.e. consistent with a score of 1).

Performance indicator spot checks

We have completed our spot checks of the Council's performance indicators in accordance with the methodology and guidance prescribed by the Audit Commission in 'Local Government Data Quality, Stage 3: spot checks'. This report sets out the results of our assessment on page 13.

The sample selected for Darlington Borough Council was as follows:

- BV109 - Planning Speed;
- BV215 - Speed in Fixing Street Lights;
- BV165 - Percentage of pedestrian crossings with facilities for disabled people;
- BV184a - Proportion of Non Decent Homes;
- IPF - Stock Level per 1,000 Population;
- HIP BPSA - Average Relet Times;
- HIP HSSA - Percentage of total private sector homes vacant for more than 6 months;

- KPI2 - Service users who have moved on in a planned way from temporary living arrangements; and
- HIP HSSA – Repeat Homelessness.

Summary of results of spot checks

We reviewed a total of 9 performance indicators, which included both BVPIs and non-BVPIs.

- 5 of these indicators (55.5%) of the indicators were amended as a result of our detailed testing; and
- 3 indicators (33%) were amended due to DBC not reporting to the number of decimal points that the PI had to be reported to.

Acknowledgement

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

Summary of Key Findings and Areas for Improvement

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?

3

Overview

- There is a strong corporate commitment to securing data quality and the message is outlined and reinforced in key documents. However, this relates particularly to performance management; data quality as a whole should be targeted even in areas where data is not specifically used for either performance or finance information.

Key Lines of Enquiry

- Responsibility for data quality is clearly defined
Data quality responsibilities run through the organisation with the Assistant Chief Executive, Lorraine O'Donnell having overall responsibility for performance management. Every performance indicator has an accountable officer who is identified in the various plans at the authority. There is also a responsibilities document that details the relevant roles and responsibilities of staff involved in performance management.
- The body has clear data quality objectives
Performance management objectives are linked to Community Strategy Themes and corporate objectives within PerformancePlus and there are causal maps to show how this links together. However, specific departmental data quality objectives are not in place to complement the corporate approach.
- The body has effective arrangements for monitoring and review of data quality
There is a framework in place for monitoring performance management and formal scrutiny by those charged with governance.

Areas for Improvement

- The Authority should implement a more formalised strategy for data quality.
- The Authority should consider wider aspects of data quality rather than focus simply on performance management.

Policies and procedures

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

2/3

Overview

- There is no comprehensive data quality policy in place, although there are various documents such as the Responsibilities of the Centre and Departments, which together met the requirements of a 'strategy'. All staff are aware of the various documents and are able to access these through the intranet.

Key Lines of Enquiry

- A policy for data quality is in place, supported by a current set of operational procedures and guidance
There are a number of documents in place which, together, make up a performance management strategy. These include the 'Responsibilities of the Centre and Departments' document to the forms required to be completed for each performance indicator and the detailed timetables for completion of these. However, there is no comprehensive data quality policy in place and these only cover data quality in relation to performance indicators.
- Policies and procedures are followed by staff and applied consistently throughout the organisation
There is a performance management champion in each department and they attend the Performance Management Framework Co-ordinators Group. Accountable officers for each performance indicator are able to access any document in relation to performance indicators through the intranet. In house departmental training is provided as well as corporate training on PerformancePlus; however, there is no specific corporate training on 'data quality'.

Areas for Improvement

- A comprehensive data quality policy should be implemented;
- The policy should be reviewed on an annual basis to ensure that this is kept up-to-date;
- Non compliance with the policy should be monitored and reported to senior management; and
- Specific training should be carried out on key areas of data quality.

Overview

- PerformancePlus is the system in place for the recording, analysing and reporting of data used to monitor performance. The underlying data, entered into PerformancePlus, is collected by a variety of other council systems, dependent on the area in which the performance indicator is collated.

Key Lines of Enquiry

- There are appropriate systems in place for collection, recording, analysis and reporting of data used to monitor performance, and staff are supported in their use of these systems
There is a stand-alone performance monitoring system in place – PerformancePlus, this enables collation, recording, reporting and analysing of performance indicators. However, this does not interface with the other systems within the Council and requires the manual input of the performance information.
The Authority have utilised PerformancePlus to a high standard and are able to include performance management objectives and causal maps in the system.
Briefing Books, presenting performance indicator actuals compared with targets, are produced on a quarterly basis and published on the intranet for staff and Members to review performance.
- The body has appropriate controls in place to ensure that information systems secure the quality of data used to report on performance
High-level reviews of data are carried out before this data is reported to the Policy Unit, however, there are no specific in-built controls in PerformancePlus and the system relies on manual controls. The data is checked by staff in the Policy Unit when it has been reported in PerformancePlus by comparing the data in the system with that in the manual performance indicator forms; however, this is not checked to the source documents.
- Security arrangements for performance information systems are robust and business continuity plans are in place
Security arrangements and business continuity plans are in place across IT as a whole in the organisation that includes the PerformancePlus system.
- An effective management framework for data sharing is in place
The members of the Local Strategic Partnership have adopted PerformancePlus, as the vehicle to report their performance, however, there is little validation of data received from third parties such as the Police and no specific protocols for sharing data either internally or externally.

Areas for Improvement

- As the input onto PerformancePlus is manual then this is subject to human error/manipulation. The Council should ensure that all performance information is reviewed to source documents and marked as reviewed prior to input into PerformancePlus.
- Third party data should be validated to ensure it is complete and accurate.
- Data sharing protocols should be implemented.

People and skills

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

3

Overview

- Roles and responsibilities of staff with responsibility for performance management are clearly set out in the 'Roles and Responsibilities' document and relevant information is disseminated to staff via Performance Management Framework Co-ordinators.

Key Lines of Enquiry

- The body has communicated clearly the responsibilities of staff, where applicable, for achieving data quality
Staff responsibilities are clearly highlighted in the 'Roles and Responsibilities' document which details staff roles in the Performance Management Framework (PMF). All performance indicators have an accountable officer who has overall responsibility for compiling the performance indicator. PMF Co-ordinators are responsible for ensuring that any information is disseminated to accountable officers as necessary.
- The organisation has arrangements in place to ensure that staff with data quality responsibilities have the necessary skills
Training has been undertaken on PerformancePlus and manuals are available on the intranet. Updates on BVPI guidance are disseminated via e-mails and through the PMF Co-ordinators' meetings. Some departments are actively looking at potential future developments such as staff with data quality responsibilities leaving and putting in place systems/procedures notes. This should be rolled out as best practice across all departments.

Areas for Improvement

- An assessment of data quality skills in place and potential gaps should be carried out by the Authority to identify specific training needs.
- Staff should be assessed against data quality targets and standards.
- All departments should consider future developments, which may impact on data quality staff skills and proactively manage these.

Overview

- Performance information is actively used to manage the services provided by the Authority and these are managed even before the performance information is reported to the Governing Body.

Key Lines of Enquiry

- The body has put in place arrangements that are focused on ensuring that the data supporting performance information is used to manage and improve the delivery of services. Performance information is reviewed against targets to identify any deviations from planned performance. Management action is taken to address any service provision issues. Members have access to PerformancePlus and have received training on how to use it. Cabinet received a report every 6 months during 2005/06; this has changed to every 3 months during 2006/07 as performance is now reported with financial information in a combined report.
- The body has effective controls in place for data reporting. Performance indicator data is checked to ensure that it has been calculated correctly and correct definitions have been applied by the Policy Unit. Data should be reviewed within Departments prior to reporting to the Policy Unit and into PerformancePlus.

Areas for Improvement

- 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.

Data Quality Spot Checks

Approach

The spot checks that we have undertaken were taken from a specified list of 19 indicators and were chosen based on results from Stage 1, (management arrangements); and Stage 2, (completeness check on all 19 PI's). We also used the results from the prior year audits of performance indicators to inform our sample selection.

The sample selected for Darlington Borough Council was as follows:

- BV109 - Planning Speed
- BV215 - Speed in Fixing Street Lights
- BV165 - Percentage of pedestrian crossings with facilities for disabled people
- BV184a - Proportion of Non Decent Homes
- KPI2 - Service users who have moved on in a planned way from temporary living arrangements
- IPF - Stock Level per 1,000 Population

- HIP BPSA - Average Relet Times
- HIP HSSA - Repeat Homelessness
- HIP HSSA - Percentage of total private sector homes vacant for more than 6 months

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.

Evidence for each indicator was obtained through discussion with the relevant accountable officer and through testing to source documents. Results of the spot check were agreed with David Goodchild prior to reporting these to the Audit Commission. We submitted the detailed results to the Audit Commission prior to the deadline of 9 October 2006.

Summary of Results

Performance Indicator	Original Indicator	Amended Indicator	Comments
BV109 Planning Speed – made up of the following three elements:			
BV109a - Percentage of Major Planning Applications determined within 13 weeks	71.05%	69.23%	The supporting documentation did not agree to the reported performance indicator. The amended PI agrees to the supporting evidence.
BV109b – Percentage of Minor Planning Applications determined within 8 weeks	78.64%	78.64%	No issues noted
BV109c - Percentage of Other Planning Applications determined within 8 weeks	87.48%	87.48%	No issues noted

Performance Indicator	Original Indicator	Amended Indicator	Comments
BV215 Speed in Fixing Street Lights – made up of the following two elements:			
BV215a - The average number of days taken to repair a street lighting fault that is under the control of the local authority	3.22 days	3.33 days	<p>We found that some of the street lighting faults had been double counted in the original calculation; therefore, the indicator was amended.</p> <p>We noted that the Council may be basing this indicator on the number of lighting columns rather than the number of lights.</p> <p>Our view is that this error is unlikely to materially affect the PI. Nevertheless, the Council should ensure that this PI is calculated accurately in future.</p>
BV215b - The average time taken to repair a street lighting fault where the response time is under the control of the distribution network operator	21.12 days	21.12 days	<p>No issues noted.</p> <p>However, the Council should ensure that where faults are found to relate to the Distribution Network Operator (DNO) then the completion date shown for this light in BV215a should match the start date of the DNO calculating this for BV215b. Often there is the potential for there to be a time lag between when the Council realises that the fault is a DNO fault and therefore, remove this from the BV215a calculation and when they notify the DNO and they therefore, include this as the start date for BV215b.</p>
BV165 - Percentage of Pedestrian Crossings with Facilities for Disabled People	47.83%	40.00%	<p>This indicator was amended following our physical inspection of a sample of 10 crossings.</p> <p>We found that, for 3 of the sample, the crossings failed to meet the tactile and audible indicator guidelines. The Authority undertook a full survey of crossings and amended the PI as a result of this survey. This was then spot checked by PwC and the amended figure was accepted as reasonable.</p>

Performance Indicator	Original Indicator	Amended Indicator	Comments
			<p>PwC recognise that the Authority has underperformed on this PI due to an agreement with the Darlington Association on Disability for crossings to have tactile but not audible signals. This is in contrast to government guidance on crossings.</p>
<p>BV184a - Proportion of Non Decent Homes</p>	<p>0.56%</p>	<p>1%</p>	<p>No amendments were made other than to amend the reporting of the indicator to zero decimal places.</p> <p>However, during the audit tests carried out on the homes made decent in the year it was found that supporting documentation could not be provided for 2 properties and 1 property still failed the non-decency test although it was recorded as being decent.</p> <p>We also noted that the Authority had transposed the figure for the total number of homes when calculating this indicator.</p> <p>Due to the indicator being reported to zero decimal place, these matters did not impact the reported value of the indicator.</p> <p>However, the Authority should ensure that all information is correct and accurate going forward. The Authority should also review the guidance as to when a non decent property can be discounted from this indicator as it was noted that where a tenant has declined works to be carried out on their property then this is excluded from the calculation. Per the guidance, these properties should be included in this indicator.</p>

Performance Indicator	Original Indicator	Amended Indicator	Comments
IPF – Stock Level	698.07	698	No amendments were made other than to amend the reporting of the indicator to zero decimal places. However, we noted the following point; the books which were not on loan were counted using a manual stock count, whereas the books on loan as at the year-end were obtained from the system. The manual stock count provided just a total number of books and was not split down per book; therefore, during the testing PwC were unable to verify if a book was included in the return if it had not been on loan as at the year end. It is recommended that a reconciliation is carried out between the system and the manual stock count at the end of each year so that books not on loan can be verified as being included in the return.
HIP BPSA - Average Relet Times	29.80	29.80	No issues noted
HIP HSSA - Percentage of Total Private Sector Homes Vacant for more than 6 Months	1.24%	1%	This indicator was amended to 1.22% as the incorrect figure for total private sector homes was used. However, this is automatically reported as zero decimal places. It was also noted that the incorrect figure had been reported in the HIP HSSA return for this indicator.
HIP HSSA - Repeat Homelessness	1.50%	2%	No issues noted, however, indicator was reported to zero decimal places.
KPI2 – Service Users who have Moved on in a Planned Way from Temporary Living Arrangements	69.59%	68.7%	This indicator was amended as the Authority had originally calculated this performance indicator based on initial returns from service providers, which were found to be inaccurate. The amended indicator was audited and found to still be inaccurate as the information provided had not been included in the indicator accurately. Therefore, the indicator was amended again prior to reporting in EDC.

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