



GOVERNMENT

**Data Quality
Review
2007-08**

Lancaster City Council
23 February 2009

AUDIT

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External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

If you have any concerns or are dissatisfied with any part of KPMG's work, in the first instance you should contact Kevin Wharton who is the engagement lead to the Council, telephone 0161 246 4633 email kevin.wharton@kpmg.co.uk who will try to resolve your complaint. If you are dissatisfied with your response please contact Trevor Rees on 0161 246 4063, email trevor.rees@kpmg.co.uk, who is the national contact partner for all of KPMG's work with the Audit Commission. After this, if you still dissatisfied with how your complaint has been handled you can access the Audit Commission's complaints procedure. Put your complaint in writing to the Complaints Team, Nicholson House, Lime Kiln Close, Stoke Gifford, Bristol, BS34 8SU or by e mail to: complaints@audit-commission.gov.uk. Their telephone number is 0844 798 3131, textphone (minicom) 020 7630 0421.

Executive Summary

The Audit Commission has developed a three-stage approach for assessing data quality, the first stage being a review of management arrangements for data quality. This review determines whether the Council has in place proper corporate management arrangements for data quality, and whether they are being applied in practice. This is the third year in which we have undertaken work on data quality.

The findings support our conclusion on your arrangements to secure value for money in relation to the specific criterion on data quality. This requires the Council to have *'a track record of using high quality information on costs to actively manage performance, improve value for money and target resources'*. This conclusion will be issued with the 2007/08 audit opinion on your accounts.

Stage One

The work on management arrangements focuses on corporate data quality arrangements for your performance information. Our work will help drive improvement in the quality of performance information, leading to greater confidence in the supporting data on which performance assessments are based. The review is structured around five themes:

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

These themes break down into thirteen Key Lines of Enquiry (KLOEs). We have assessed your arrangements against each KLOE and have scored you against each theme as defined below:

Level	Description
Inadequate	Below minimum requirements - inadequate performance
Adequate	Only at minimum requirements - adequate performance
Performing well	Consistently above minimum requirements - performing well
Performing strongly	Well above minimum requirements - performing strongly

We have assessed your overall performance as performing well. You have performed well in respect of your arrangements in each of the five themes.

We have provided our key findings in Section One and have raised seven recommendations, summarised in Appendix 1. We report on the implementation of prior year recommendations in Appendix 2

Executive Summary

Stage Two

During Stage Two of the process, we followed up issues arising from the analytical review of 2007/08 BVPI and non-BVPI data, used in the Comprehensive Performance Assessment carried out by the Audit Commission. This analytical review informed our selection of a sample for testing at Stage Three.

Stage Three

When deciding how many and which PIs to review at Stage Three, in addition to those identified for review by the Audit Commission, we used the results from stage one and our cumulative audit knowledge and experience to determine the total number of PIs for review. As a result of this, we have identified 1 BVPI to review. In addition, it is mandatory to review two housing benefits PIs (BV78a and BV78b) at Stage Three. The following were therefore reviewed:

- BV 184 (a) – Proportion of non-decent home;
- BV 78 (a) - Speed of processing new claim to HB/CTB; and
- BV 78 (b) – Speed of processing change of circumstances to HB/CTB.

The results of these spot check reviews indicate that the data quality underpinning your PIs is good.

The results of our data quality spot checks are summarised in Section Two.

Best Value Performance Plan Report

In prior years we audited your Best Value Performance Plan in accordance with the Local Government Act 1999 and the Audit Commission's Code of Audit Practice. From this year there is no requirement for this to be audited.

Management Arrangements

We have assessed your **overall level of performance** as **performing well**. You have performed well in respect of your arrangements over each of the five themes detailed below.

The table sets out key drivers behind each theme, and details areas where you are currently meeting requirements and areas where further development is required.

Theme	Performance	Key issues
Governance & Leadership	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ The Council has ensured that the Data Quality Policy is embedded within the organisation. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council provided one-on-one training with staff during the year, however the Council should demonstrate an example of good practice in securing data quality training for all relevant staff.
Policies & Procedures	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ The Council has reviewed and updated the Data Quality Strategy during the year. The updated Data Quality Strategy now covers data quality requirements on partnership working. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council has developed a network of information custodians, however the Council need to demonstrate the impact that information custodians have on data quality. For example, by creating a log to identify all issues and actions by the information custodians to improve data quality. • The Council should begin to pursue and rectify non-compliance with policies and procedures by partnerships.
Systems & Processes	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ The council has introduced business continuity arrangements during the year to provide protection for records and performance data which are vital to the continued effective functioning of the Council. ✓ A formal Information Sharing protocol has been introduced during the year which specifies the responsibilities of partners to provide data which is 'fit for purpose' to the Council. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council should put systematic arrangements in place annually to ensure that data supplied by third parties is fit for purpose, for example, via direct input into the Escendency System or through data quality assessments carried out by Internal Audit. • Any issues identified at partner bodies is communicated to them on an ad hoc basis. The Council should ensure the partner bodies are fully involved in this process, for instance being included on internal data quality communications.

Management Arrangements (continued)

Theme	Performance	Key issues
People & Skills	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ During the year, the Council has continued updating the Data Quality Strategy to ensure all relevant staff are clear on their roles and responsibilities around data quality. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council should develop a formal training programme on data quality issues tailored to the varying needs of all relevant staff and ensure it is adapted to changing needs.
Data Use	Performing well	<p>Improvements in this area include:</p> <ul style="list-style-type: none"> ✓ During the year, the members and senior management have fully utilised the Escendency system. This is evidenced by quarterly performance reports and annual reports for 2007/08. <p>Areas for further development:</p> <ul style="list-style-type: none"> • The Council should develop a formal documented process for checking externally reported data/performance indicators, both departmentally and corporately, to assure the quality of the data.

Performance Indicator Spot Checks

Our Stage Two and Three analytical review work identified that the PI values reviewed fell within expected ranges. We carried out spot checks on three of your PIs. As a result of our audit work, one PI was amended and no reservations issued on two PIs as summarised in the table below.

PI	Description	Value stated	Conclusion
BV 184 (a)	Proportion of non-decent homes	1%	Amended to 0%
BV 78 (a)	Speed of processing new claim to HB/ CTB	19.2 days	Fairly stated
BV 78 (b)	Speed of processing changes of circumstances to HB/ CTB	7.4 days	Fairly stated

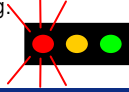
Recommendations

This appendix summarises the recommendations we have identified relating to your data quality management arrangements. We have given each a risk rating (as explained below) and agreed with management what action you will need to take.

We will follow up these recommendations as part of our 2008-09 audit.

Priority rating for recommendations

Priority one: Addressing these issues is essential to assist in moving you towards an improved rating.



Priority two: Addressing these issues is desirable to assist in moving you towards an improved rating.



Priority three: Addressing these issues will assist in moving you towards an improved rating.



No.	Priority	Recommendation	Management response	Officer and due date
1	● (two)	Governance and leadership The Council provided one-on-one training with staff during the year, however the Council should demonstrate an example of good practice in securing data quality training for all relevant staff.	Agreed	Corporate Performance Manager April 2009
2	● (two)	Policies and procedures The Council has developed a network of information custodians, however the Council need to demonstrate the impact that information custodians have on data quality. For example, by creating a log to identify all issues and actions by the information custodians to improve data quality.	Agreed	Corporate Performance Manger April 2009
3	● (two)	Policies and procedures The Council should begin to pursue and rectify non-compliance with policies and procedures by partnerships.	DQ compliance within partnerships will be checked by LSP PMF Team	Corporate Performance Manager - ongoing
4	● (two)	Systems and processes The Council should put systematic arrangements in place annually to ensure that data supplied by third parties is fit for purpose, for example, via direct input into the Escendency System or through data quality assessments carried out by Internal Audit.	Agreed - Corporate Strategy will check. It is inconsistent with the role of Internal Audit as impartial assessors for them to play an integral part in the process – however, potential for review of systems on an ad hoc basis where appropriate	Corporate Performance Manager – ongoing throughout year
5	● (three)	Systems and processes Any issues identified at partner bodies is communicated to them on an ad hoc basis. The Council should ensure the partner bodies are fully involved in this process, for instance being included on internal data quality communications.	Agreed	Corporate Performance Manager - ongoing
6	● (two)	People and skills The Council should develop a formal training programme on data quality issues tailored to the varying needs of all relevant staff and ensure it is adapted to changing needs.	Agreed	Corporate Performance Manager – programme in place April 2009
7	● (two)	Data Use The Council should develop a formal documented process for checking externally reported data/performance indicators, both departmentally and corporately, to assure the quality of the data.	Agreed	Corporate Performance Manger April 2009

Prior Year Recommendations

This appendix summarises the progress made to implement the recommendations that were identified in previous Data Quality reports by the Audit Commission. We have given each of our observations a risk rating (as explained in Appendix 1). In summary:

Year	Number of recommendations that were:		
	Included in original report	Implemented in year or superseded	Remain outstanding (re-iterated below)
2006-07	6	4	2
Total	6	4	2

No.	Risk	Issue and recommendation	Management response	Officer and due date	Status at November 2008
1	● (three)	Governance and Leadership Ensure that the Council's Data Quality Policy is embedded within the organisation	Refresh DQ Strategy to ensure good fit with latest AC guidance and then re-launch through Information Custodian Group (draft report February 2008)	Information Management Group April 2008	Fully implemented The Data Quality Strategy has been updated during the year and is embedded within the organisation.
2	● (two)	Policies Demonstrate the impact that information custodians have on data quality	Examples sought through Information Custodian Group	Corporate Performance Manager Ongoing	Not implemented This is still ongoing process. See Recommendation two.
3	● (three)	Systems and processes Accelerate the development of Business Continuity Plans.	Business Continuity plans have been in place for all Council Services since March 2007. They were tested at table-top exercise in September 2007 and have recently been reviewed and revised based on learning from that exercise and some recent plan activations.	Information Management Group March 2008	Fully implemented Business Continuity Plans have been in place during the year.
4	● (two)	Systems and processes Specify quality requirements for all data used by the Council which is shared with external partners, or which is provided by a third-party organisation.	Agreed. Complete at strategy level covered by Information Sharing protocol. In early 08 there will be a significant review of what the council measures to take into account the NI set and the emerging LAA. Requirements at a detailed operation level can only be fully specified when we are clear what we will measure	Information Management Group and Information Custodians June 2008	Fully implemented A formal Information Sharing Protocol has been introduced during the year.

Prior Year Recommendations (continued)

No.	Risk	Issue and recommendation	Management response	Officer and due date	Status at November 2008
5	● (one)	<p>People and Skills</p> <p>Ensure that data quality training is periodically evaluated and adapted to changing needs.</p>	<p>Second session of DQ training planned for spring 2008 to train the small number of Information Custodians who missed the initial training. Will be scheduled to take place after business plans completed.</p>	<p>Corporate Performance Manager April 2008</p>	<p>Partially implemented</p> <p>Training has been provided during the year. However, improvement to training can be strengthened by developing training programme. See Recommendation seven.</p>
6	● (two)	<p>Data use and reporting</p> <p>Monitor usage of the Escendency system to ensure that members and senior management are fully utilising the system.</p>	<p>There are a detailed project plan for the further development of the system. At all stages, central QA procedures will ensure that the functionality of the system is fully utilised.</p>	<p>Corporate Performance Manager Ongoing</p>	<p>Fully implemented</p> <p>During the year, the members and senior management have fully utilised the Escendency system. This is evidenced by quarterly performance reports and annual reports for 2007/08.</p>