

**DATA QUALITY AUDIT REPORT**

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**1. Executive summary**

1.1 The purpose of this report is to provide Cabinet with a summary of the findings from the work undertaken by the Audit Commission during 2008 on the Authority's data quality for 2007/2008.

**2. Background**

2.1 The auditors' work on data quality and performance information supports the Audit Commission's reliance on performance indicators in its service assessments for comprehensive performance assessment (CPA), enabling greater confidence in the supporting data on which performance assessments are based.

2.2 The Audit Commission used a three-stage approach for the data quality review:

<b>Stage 1</b>	<b>Management arrangements</b> A review using key lines of enquiry (KLOE) 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 on the Council's arrangements to secure value for money (the VFM conclusion).
<b>Stage 2</b>	<b>Analytical review</b> An analytical review of 2007/08 BVPI and non-BVPI data and selection of a sample for testing based on risk assessment.
<b>Stage 3</b>	<b>Data quality spot checks</b> In-depth review of a sample of 2007/08 PIs, most of which come from a list of specified BVPIs and non-BVPIs used in CPA, to determine whether arrangements to secure data quality are delivering accurate, timely and accessible information in practice. For 2007/08 PI spot checks, the Audit Commission specified that it is compulsory to review two housing benefits PIs at all single tier and district councils as a minimum.

- 2.3 Below is a summary of the Audit Commissions findings around the three stages above. More detailed findings are provided in the full Audit Commission report in Appendix 2.

### **Stage 1 - Management arrangements**

“The Council's overall management arrangements for ensuring data quality are adequate.

Some action has been taken since last year to strengthen arrangements for data quality, including a formal policy which provides a sound foundation for promoting greater corporate ownership of data quality. This now needs time to become properly established within the organisation.

The Council could progress this by, for example, strengthening its approach to following up issues arising from internal reviews. There may also be scope for more effective use to be made of information technology in calculating indicators. More work also needs to be done to establish data quality arrangements to support partnership working.”

### **Stage 2 - Analytical review**

“The analytical review work at stage 2 identified that most of the PI values reviewed either fell within expected ranges or were substantiated by evidence. One PI, BVPI8, could not be substantiated by evidence and was therefore selected for a more detailed review at stage 3.”

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

“With the exception of BVPI 8, the PIs identified for a stage 3 spot check were fairly stated.

In the review of BVPI 8 it was found that the Council had not followed the correct definition of the indicator. As a result the Audit Commission were unable to certify that the PI was fairly stated.”

- 2.4 Recommendations from the findings, which have been agreed with the authority, can be found in Appendix 2.

## **3. Data Quality Action Plan**

- 3.1 The Data Quality Action Plan has been developed to address the Audit Commission's recommendations. This action plan also includes recommendations made by the council's own internal audit function during 2007/08 and any outstanding recommendations made by the Audit Commission in 2006/07 where appropriate. A copy of the action plan can be found in Appendix 1.

3.2 There are several key issues / risks which have been identified in the Data Quality Action Plan and which will need to be controlled throughout the implementation of the action plan. These are:

- Failure to complete performance indicator reviews will lead to the inability to identify common data quality issues and address them accordingly;
- Communication of key messages needs to be cascaded through departments effectively for the data quality action plan to be successful;
- Failure to implement recommendations from either Internal Audit or Audit Commission will result in more issues being identified in the PI reviews;
- Failure to fully embed the data quality policy will result in a disparate application of this guidance across the council.

3.3 The data quality action plan will be implemented by the Council's performance management group with regular reports on progress provided to the Council's corporate improvement group and Audit and Risk Management Committee on a quarterly basis.

#### **4. Data Quality Assessment 2008/09**

4.1 The Use of Resources element of the Council's organisational assessment of CAA will be partly informed by an assessment of our data quality arrangements for 2008/09. The assessment will consider how well the council is managing its resources to deliver value for money, and how well the Council is managing its resources to deliver better and sustainable outcomes for local people. Data quality will feed into the Key Line of Enquiry (KLOE) 2.2 "Data Quality and Use of Information" under the "Governing the Business" theme.

4.2 The KLOE will focus upon whether the Council produces relevant and reliable data and information to support decision making and manage performance. It will specifically look at whether the council:

- Produces relevant and reliable data and works with partners to ensure the quality of partnership data;
- Understands the needs of its decision makers and provides them with information that is fit for purpose and is used to support decision making;
- Ensures data security and compliance with relevant statutory requirements; and
- Monitors performance against its priorities and targets, and addresses underperformance.

#### **5. Financial implications**

5.1 There are no immediate financial implications for Wirral resulting from this report.

## **6. Staffing implications**

6.1 There are no staffing implications for Wirral resulting from this report.

## **7. Equal Opportunities implications**

7.1 There are no equal opportunities implications for Wirral resulting from this report.

## **8. Community Safety implications**

8.1 There are no community safety implications for Wirral resulting from this report.

## **9. Local Agenda 21**

9.1 There are no environmental implications for Wirral resulting from this report.

## **10. Planning implications**

10.1 There are no planning, land use etc. implications for Wirral resulting from this report.

## **11. Anti-poverty implications**

11.1 There are no implications for people from deprived communities in Wirral resulting from this report.

## **12. Social inclusion implications**

12.1 There are no implications that will potentially exclude individuals or groups from accessing services resulting from this report.

## **13. Local Member Support implications**

13.1 There are no local member support implications arising from this report.

## **14. Background Papers**

14.1 The following background papers were used in the preparation of this report:-

- Data Quality Report - Audit 2007/2008 - Audit Commission (Jan 2009)

## **15. Recommendations**

15.1 Cabinet note the Audit Commission's findings and the recommendations arising from the review.

15.2 Cabinet note the Audit Commission's requirements for assessing data quality for 2008/09 as part of the Use of Resources assessment.

- 15.2 Cabinet approve the implementation of the data quality action plan to address these recommendations, and approve the quarterly reporting of this action plan to the Corporate Improvement Group with an annual report to the Audit and Risk Management Committee.

**J. WILKIE**

Deputy Chief Executive/Director of Corporate Services

This report was prepared by Bev McEneaney, who can be contacted on 0151 691 8164.