Government and Public Sector

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London Borough of Brent
Data Quality Reviews

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Dear Phil

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 Bridget Duley on 17 September 2007 to discuss the results and issues arising. Please contact Sally Palmer if there are matters that you would like to discuss further.

Yours sincerely

PricewaterhouseCoopers LLP

Contents

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

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 BVPI and non-BVPI data, and selection of a sample for testing 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 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 Brent Council.

We have also followed up our work last year on BVPI184a: Proportion of non decent homes where we found data quality issues by selecting it for inclusion in our data testing this year.

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' and 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

Brent is performing well in relation to its overall management arrangements for ensuring data quality. We found that the Council has built on the systems it had in place last year: the main enhancements included the production of a new data quality strategy with a supporting action plan which demonstrated elements of best practice. However, since the strategy was not formally approved until June 2007 we could not fully recognise the achievement it represents in the scores. In addition, the Council has invested in Performance Plus, which is being rolled out across the Council and should tighten controls across directorates. However, it was not fully embedded by the end of March 2007 and could not be considered within this review.

Stage 2 – Analytical review

Our analytical review work at stage 2 identified that the PI values reviewed generally fell within expected ranges although two (BVPI199 a/b) were outside the plausible range suggested by the Audit Commission. This indicator was selected for review in detail at stage 3, as a result of the variance, and the fact that it was also an indicator newly added to the high risk list by the Audit Commission.

Stage 3 – Data quality spot checks

We carried out a review and spot checks of the following PIs:

- BVPI199a/b/c Cleanliness of public places

- BVPI184a Proportion of non decent homes

- BVPI212 Average relet times

- PLSS7 Assessment of users 16 and over of their library service

- IPF Cost per library visit

- HIPHSSA Percentage of total private sector homes vacant for more than six months

The majority of these PIs were fairly stated with the exception of BVPI212, where we concluded that the indicator was not fairly stated as a result of weak controls within the supporting IT package. We also found that the IPF indicator was not fairly stated as a result of a lack of a complete audit trail.

Our follow up work from last year on BVPI184a conclude that the PI was fairly stated. The recommendations we made around this indicator last year have been implemented and arrangements appear to have improved although some concerns remain around the underlying IT system which is

also used to produce information for BVPI212.

An action plan has been agreed with the council (see Appendix 1) to address the issues arising from this review.

Summary of Key Findings and Areas for Improvement

Management arrangements (Stage 1)

Overall, 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 Council has an established governance structure in place to manage data quality. The revised terms of reference for the Performance Management Group outline an explicit role around data quality and include the remit of the Service Director/CMT in quarterly reporting, corporate support and briefing the lead member, who is the Leader of the Council. Members have received data quality briefing as recommended last year. The accountability of staff at all levels is defined in the data quality policy. Corporate documents including the Improving Brent Action Plan and the 2006-10 Corporate Strategy contain sections on performance management, which include a commitment to 'Making sure that the performance data we collect is measuring the right things and is accurate and timely'. The Council has now produced a data quality strategy which has been in place since summer 2006 although it was only formally adopted in June 2007, outside the scope of this review and therefore cannot be given the highest score. The strategy includes formal corporate data quality objectives. Examples of service plans provided show that teams have objectives linked to business objectives around the 'strengthening performance management' priority. A data quality action plan has been produced, containing actions, responsibilities, timescales and progress updates. The Council has also recently set up an Information Governance group to consider risk issues which has a remit to draft an information governance strategy although this was not completed at the time of the review. The data quality strategy states that performance managers are responsible for assessing the risk to performance indicators and it includes a documented procedure to assist them in doing this. Governance arrangements are strong, and have improved since last year.

Areas for Improvement and Recommendations

- To achieve the highest levels of performance, the Council will need to demonstrate how the corporate commitment to data quality is actively promoted – for example how the new strategy has been publicised. Examples of how formal reports on data accuracy are produced and used and best practice shared across the Council would also be useful in demonstrating excellent performance.

Policies and procedures

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

Overview

- The Council has implemented the recommendation form last year and now has a data quality policy in place to cover all business areas and all of the Council's main performance indicator sets. The policy includes sections on data collection recording, analysis and reporting and includes national standards including the Audit Commission's six data quality standards. The data quality strategy also includes data quality requirements around partnership working. The policy outlines the LSP structure and the importance of having data processes which are integrated with partners. The strategy covers review arrangements – it will be reviewed annually and the action plan which supports it will be updated by August each year. The strategy locates responsibility for developing procedure notes in support of the strategy with Performance Management Group and states that staff will be consulted in the review of these. Procedure notes are in place for key systems, as demonstrated last year.

- The data quality policy sets out a systems audit procedure for all PIs which includes a risk assessment, with more work done on indicators assessed as high risk. Results are reported to senior management. All policies and procedures are available on the intranet and staff receive emails informing them of relevant updates. Data quality champions do exist although their impact was difficult to evidence.

Areas for Improvement and Recommendations

- To progress further, the Council will need to show how its data quality champions have promoted data quality, reviewed and reported on compliance, how they rectify non compliance and can demonstrate the impact they are having as a result. This recommendation was also made last year.

Systems and processes

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

Overview

- The major change since last year has been the introduction of the Performance Plus system which allows greater corporate control over data quality. It provides information to be used in business planning and monitors procedures for achieving targets. The system does restrict access to users but at the time of the audit was still being rolled out and is not yet fully embedded. This was obvious in the number of changes which were necessary to the information entered by the Council onto the Electronic Data Collection website operated by the Audit Commission, indicating that that Council systems are not operating to a principle of right first time, although processes are in place to identify and rectify errors. Interviews with staff also suggested that the systems which will be introduced to support Performance Plus may need to be codified. For example – with a large number of staff entering data onto the system responsibility for checking that this data is accurate will need to be clearly located in future, to ensure that minor errors are not made.

- The data quality policy sets out some level of control including the rollout of Performance Plus. Other examples include checking and sign off of data, reduction in manual data entry, calculations in accordance with guidance and the preparation of audit trails plus validation checks against expected targets. Performance managers within the directorates are the main focus for undertaking testing and rectifying errors. Performance Plus also contains elements of data validation and incorporates formulas as well as an audit trail of changes made over time. However, it does not appear that any control mapping and testing that has taken place to prevent and detect data manipulation and error and no routine annual testing of controls takes place except on high risk systems.

- Last year we recommended that business continuity plans should be put in place for all business critical systems, finalised and tested. However, it was not possible to identify during the audit that any major changes had been made to systems over the last year, although the Council does have a Business Continuity Manager in place and has plans to enhance security over the coming years.

- The data quality policy includes a section on data sharing with partners and the Council has agreed an *Overarching Inter-agency Information Sharing Protocol,* a framework for information sharing but it is not clear to what extent this is used in practice. It is also still unclear whether all instances of data sharing have been identified, although a list of some was provided as part of the self assessment evidence. The policy does list three levels of control to be carried out on information received from third parties. The minimum level of control is for the Council to check data and the highest for the Council to check the partners' quality assurance processes and controls however no examples of this validation process operating in practice were provided.

Areas for Improvement and Recommendations

- The Council should ensure that there are regular reviews of controls in place for key systems, in line with the recommendation made last year.
- The Council should ensure that business continuity arrangements and testing are formally documented.
- The Council will need to demonstrate how it has validated information received from third parties, in accordance with the recommendation made last year.

People and skills

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

Overview

- The new data quality strategy sets out the roles and responsibilities of staff across the organisation from service manager to internal audit and members. It covers training, with corporate performance management training being provided and reviewed in the light of the data quality action plan. This was a recommendation made last year. Teams are also required to show annually how targets within their service plans are being met and the strategy makes the link with data quality and individual performance management. Some additional training has been undertaken around Performance Plus and the Performance Management Group has been informed about the new policy but it does not appear that any training updates have been provided, or that a formal programme of training covering data quality exists or is evaluated corporately. The arrangements in place appear to have been maintained at a similar standard of performance as demonstrated last year.

Areas for Improvement and Recommendations

- The Council should consider putting in place corporate arrangements to review data quality training.

Data use

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

Overview

- The Council continues to show some strengths in this area. It produces large amounts of performance information including though the annual performance plan, quarterly Vital Signs report and the corporate strategy action plan. Senior managers and members monitor both medium and high risk indicators with specific tolerance levels set and the Vital Signs report is used to select areas of service delivery in which performance may be scrutinised. However despite the evidence of last year, the Council scored a 2 for performance management in the April 2006 CPA report. The Council is implementing a new system of performance and finance review to combine activity, performance and budget data in one report. Under the existing data quality policy and procedures clear guidelines have been set out in regard to audit trails and verification checks including senior management approval although there is some evidence that checks are not operating effectively for this criteria as a result of the number of changes that were made to outturns during the preparation for the audit.

Areas for Improvement and Recommendations

- The Council should ensure that verification checks are undertaken consistently before information is submitted externally and used in reports to managers and members.

Analytical review (Stage 2)

An analytical review of all the BVPIs and non-BVPIs was carried out, with variance identified by the Audit Commission followed up with the Council. 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
BVPI199a/b	This PI did not show a high performance variance from 2005/06 but the figures given were outside the plausible range suggested by the Audit Commission. The range was queried with the Council and the indicator was selected for testing.	Spot check testing found no data quality issues with this indicator which would indicate that concerns with the fact that the data is outside the plausible range. This indicator relies on surveys being carried out by a contractor to a set of defined standards and we consider this indicator to be fairly stated.

All other BVPIs and non BVPIs reviewed were found to be complete and within plausible and permissible values.

Recommendations
No recommendations are necessary.

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
Culture PLSS7 Assessment of users 16 and over of their library service	Fairly stated	The Council does not carry out internal checks to validate data, and places complete reliance on information sent through from IPF, although survey forms are kept. The system appears to be adequately designed to ensure the indicator is materially accurate; however, the Council may wish to consider carrying out a reconciliation to ensure that the total number of forms from the survey are sent off to and scanned in by IPF correctly.
Culture IPF Cost per library visit	Unfairly stated	This indicator was reserved as a result of an insufficient audit trail to cover the visitor numbers and financial expenditure figures.
Environment BVPI199a/b/c Cleanliness of public places	Fairly stated	The outturn for this indicator was amended during the audit.
Housing BVPI184a Proportion of non decent homes	Fairly stated	This indicator was reserved last year, however the Council has taken steps to implement our recommendations. The outturn was amended during the audit.
Housing BVPI212 Average relet times	Unfairly stated	This indicator was reserved because the parameters set up within the system used to calculate the outturn could not record the appropriate data.
Housing HIPHSSA Percentage of total private sector homes vacant for more than six months	Fairly stated	The outturn for this indicator was amended during the audit.

Culture: IPF Cost per library visit

Last year, we found that the Council was using an estimated figure for visits to mobile libraries, and although we did not reserve this indicator we recommended that the Council implement a system for more accurately capturing or estimating mobile library visits. The Council has implemented this recommendation and the visits to mobile libraries were estimated based on counts during two sample weeks in November 2006. In general, we found that management arrangements were robust.

However, when we completed the Stage 3 testing required for this indicator, we found that management arrangements were not operating effectively in practice: for example, although electronic counters at libraries are read daily, the Council could not provide evidence to support these readings for the whole year in the majority of libraries. We could not identify a complete set of daily or weekly totals for visitor numbers for seven out of the twelve libraries. A spot check on the Town Hall figures reflected an error of 195 visits for the month July to September 2006 (reported figure 48930: actual figure 48776). During the testing we matched the full year totals for Tokyngton, Kingsbury and Cricklewood libraries back to source records and found daily and weekly missing data for some months – for example there was a variance of 322 visits for Cricklewood library. We were also required to select a multi function building during testing and found that data for Willesden Green library was also missing for April to September. As a result, we could not place reliance on the accuracy of the reported outturn figure for visitor numbers.

We also found discrepancies between the information used to calculate the IPF return for books and talking books provided by the finance staff based in the library and the figures on the unit's accounts system. We were required to test the audit trails for cells 83, 84,100, 101 to 105, 116, 118 on the IPF return, all of which contain expenditure figures. We could find no supporting evidence for cells 83, 101 to 105 and the net expenditure figure was also missing. We were unable to place reliance on the financial data as a result of the lack of an audit trail and have reserved the indicator as a result.

We recommend that the Council take steps to collate and record visitor numbers using a consistent method for all libraries and ensures that an audit trail is generated when the IPF return is completed to support financial data.

Housing: BVPI212 Average relet times

Information for tenancy termination dates and tenancy start dates is recorded on the Council's V5 housing database. Excel Spreadsheets are used to record the dates from tenancy termination date to tenancy start date. In conducting the test for BV212 we were required to re-perform the calculation of the indicator. The spreadsheet provided as part of the audit gave the total number of lets as 457 and this information was correlated with the data held on the database for BV212 managed by the Brent Housing Partnership (BHP). During testing, we identified that a number of properties were missing from the BHP database, and therefore attempted to validate the spreadsheet information with a report generated directly from the Council's housing database V5.

While the total number of lets after one inaccuracy was removed was found to be 457, and accurate, the individual property entries on the V5 report did not match the data from BHP. The report generated from the V5 system had identified properties that were occupied as void and also missed out properties that were actually recorded as void on the BHP database and spreadsheet. Although data on the BHP database could be updated with missing properties which appeared on the V5 report, we were unable to determine that the V5 system was accurate and have been unable to determine that this indicator has been fairly stated.

We recommend that the Council undertake a data cleansing exercise between V5 and the BHP database to ensure that outturn figures are supported by a complete audit trail.

Housing: BVPI184a Proportion of non decent homes

Follow up work

Last year we reserved this indicator because the Council did not have a master database to identify which homes had fallen out of decency and which had been made decent as a result of responsive repairs. This year we found that the Council has a comprehensive asset database in place to record stock condition, some elements of which are validated using information from V5. The Council amended the outturn for this indicator during the audit as a result of the addition of a number of properties which were previously earmarked for demolition. Despite the issues identified around V5 we consider that the system set up for BVPI184a and the associated controls can be used to generate an outturn which is fairly stated.

Recommendations

IPF: Cost per library visit

We recommend that the Council take steps to collate and record visitor numbers using a consistent method for all libraries and ensures that an audit trail is generated when the IPF return is completed to support financial data.

BVPI212: Average re-let times
We recommend that the Council undertakes a data cleansing exercise between V5 and the BHP database to ensure that outturn figures are supported by a complete audit trail.