

Audit Summary Report

August 2006



# **Management of Data Quality**

**Walsall Metropolitan Borough Council**

**Audit 2005-2006**

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## Introduction and background

- 1 The aims of this work are to determine whether effective corporate management arrangements for data quality have been developed and whether these are being applied in practice. The findings will contribute to our conclusion under the Code of Audit Practice on the Authority's arrangements to secure Value for Money
- 2 The areas for review in the Key Lines of Enquiry (KLOE) are:
  - 1. governance and leadership;
  - 2. policies and procedures;
  - 3. systems and processes;
  - 4. people and skills; and
  - 5. data use.
- 3 The work has been carried out as a pilot audit and consequently the KLOE's were in draft format. As we commenced the audit earlier than at most councils in order to carry out the pilot some of the process we were seeking to assess were still under development. We have reported the situation as we found it at the time of our audit work and the action plan reflects the fact that since then many of the issues we raised have been addressed. Our final assessment against the Audit Commission criteria will be against the situation in August 2006.

## Audit approach

- 4 The basis for the audit work was the draft Key Lines of Enquiry. These were used to assess the Authority against the list of themes as documented in paragraph 2 above.
- 5 Information for the work carried out was obtained from the following sources;
  - documents provided by the Authority;
  - interviews and discussion with officers;
  - Cumulative Audit Knowledge and Experience (CAKE) of the auditor completing the work; and
  - audit work that we had completed in previous years.

## Main conclusions

### KLOE 1: Governance and leadership

- 6 The focus for this KLOE is: Is there a corporate framework of management and accountability for data quality, with a commitment to securing a culture of data quality throughout the organisation?
- 7 Within this heading there are 3 KLOE's which are as follows:
- KLOE 1.1: responsibility for data quality is clearly defined;
  - KLOE 1.2: the Authority has clear data quality objectives; and
  - KLOE 1.3: the Authority monitors and reviews its data quality effectively.

#### KLOE 1.1

- 8 For level 2 the organisation's commitment to data quality should be outlined in key corporate documents such as the strategic plan and incorporated into a data quality policy. At the time we carried out this audit the Council did not have this in place but it planned to publish an addendum to the corporate plan which would contain the performance measures and also have a section regarding the Authority's commitment to data quality. The draft of the quality assurance policy document and the data quality assurance delivery plan which was discussed at EMT on 11 May 2006 and provided to us for review.

#### **Recommendation**

*R1 The Authority should ensure that the addendum to the corporate plan which will contain the performance measures does contain a section on their commitment to data quality.*

#### KLOE 1.2

- 9 There is currently no data quality strategy in place although we have been informed by the Authority that a draft version is being written. The Authority needs to ensure that the data quality strategy is in place and that it has been agreed with Cabinet. This leads into KLOE 2.1 which discusses the data quality policy of the Authority, (See paragraph 13 below). The data quality assurance delivery plan provides the basis for such a strategy.

#### **Recommendation**

*R2 The Authority should ensure that it has in place a data quality strategy and that it has been agreed by Cabinet.*

## KLOE 2: Policies and procedures

- 10 The focus for this KLOE is: Are there appropriate policies and procedures in place to secure the quality of data recorded and reported by the organisation?
- 11 Within this heading there are 2 KLOE'S which are as follows:
- KLOE 2.1: a policy for data quality is in place, supported by a current set of operational procedures and guidance; and
  - KLOE 2.2: polices and procedures are applied comprehensively and consistently.

### KLOE 2.1

- 12 This KLOE discusses the data quality policy. As in paragraph 10 it has been established that there is no current data quality policy or strategy in place. For the Authority to obtain a level 2 on this KLOE it needs to have a data quality policy in place. To obtain a level 3 once the Authority has the policy in place they need to ensure that they are complying with the following:
- the policy has to be approved by senior management - level 2;
  - ensure that the policy is accessible to all staff- level 2;
  - the policy needs to cover data collection, recording, analysis and reporting - level 3;
  - it needs to have been implemented in all directorates - level 3;
  - it needs to define local practices and monitoring arrangements - level 3;
  - the policy needs updating annually and updating when needed - level 3; and
  - the policy needs to be supported by comprehensive guidance and procedures - level 3.

<b>Recommendations</b>
<i>R3 The Authority need to ensure that the data quality policy is approved by senior management (EDT).</i>
<i>R4 The Authority need to ensure that the data quality policy is in place and that it is accessible to all relevant staff and hence implemented in all directorates. The policy needs to cover data collection, recording, analysis and reporting and define local practices and monitoring arrangements and be supported by guidance and procedures.</i>
<i>R5 Once implemented the policy will need to be reviewed annually and updated when necessary.</i>

- 13 To obtain a level 4 on this KLOE the Authority need to include in their data quality policy requirements in relation to partnership working. We are aware of agreements that the Authority has in place in respect of partnership working, for example, SERCO contract but the policy should cover data quality requirements in relation to partnership working. Also to obtain a level 4 the Authority need to consult with the users of the policy and ensure that any recommendations that arise from the consultation are taken into consideration. As the Authority is now party to an LAA it is important that it ensures that data quality policy encompasses these activities.

**Recommendations**

*R6 In the data quality policy the Authority should identify where partnership working is taking place and record this in the policy so all staff are aware of the partnerships the Authority has.*

*R7 When the policy is in draft format the Authority should consult with the users of the policy and any recommendations that are made should be considered.*

**KLOE 2.2**

- 14 KLOE 2.2 leads on from KLOE 2.1 and it's aim is to establish whether the policies and procedures are applied comprehensively and consistently. Once the Authority has a data quality policy in place they need to ensure that training takes place (level 2) and that there are mechanisms in place to ensure that the policy is complied with.

**Recommendation**

*R8 The Authority should ensure that they put procedures in place to be able to obtain a level 3 and 4 on this KLOE.*

**KLOE 3: Systems and processes**

- 15 The focus for this KLOE is: Has the organisation put in place systems and processes which secure the quality of data as part of the normal business activity of the organisation?
- 16 Within this heading there are 4 KLOE's which are as follows:
- KLOE 3.1: there are appropriate systems in place for the production of the organisation's data and staff are supported in the use of these systems;
  - KLOE 3.2: the Authority has appropriate controls in place to ensure that information systems secure quality of data;
  - KLOE 3.3: security arrangements for information systems are robust, and business continuity plans are in place; and
  - KLOE 3.4: an effective management framework for external data is in place.

### KLOE 3.1

- 17 In our work completed in previous years we identified some weaknesses in systems for data collection. For the 2005/06 audit the weakness were around the library standards. To improve on this KLOE the Authority need to ensure that all systems for data recording are adequate and there are no weaknesses. From knowledge of the Authority we know that the weaknesses found in the 2005/06 audit of the performance measures have been addressed.

#### **Recommendation**

*R9 The Authority should be proactive in ensuring that systems for data recording are adequate and therefore no weaknesses are identified at the audit stage.*

### KLOE 3.2

- 18 A level 3 point in this KLOE is that controls are reviewed at least annually to ensure that they are working effectively. The Authority should consider Internal Audit being involved in this process.

#### **Recommendation**

*R10 For testing of controls on an annual basis, the Authority should consider the benefit of Internal Audit being involved.*

### KLOE 3.3

- 19 For level 3 in this KLOE the Authority need to provide for audit a Business Continuity Plan. As per the KLOE the plan should be 'in place to provide protection for records and data which are vital to the continued effective functioning of the organisation.' There are other issues in the KLOE that the Authority need to be addressed for the Authority to achieve a level 3.

#### **Recommendation**

*R11 The Authority need to ensure that they provide for audit a copy of their Business Continuity Plan.*

### KLOE 3.4

- 20 Part of the level 2 for this KLOE involves the Authority providing the framework that they have in place for 'identifying all relevant legal, compliance and confidentiality standards' and that they have plans in place to ensure that the framework is complied with.

#### **Recommendation**

*R12 The Authority need to provide for audit a framework for 'identifying all relevant legal, compliance and confidentiality standards'.*



## KLOE 4: People and skills

- 21 The focus for this KLOE is: Has the organisation put in place arrangements to ensure that staff have the appropriate knowledge, competencies and capacity for their roles in relation to data quality?
- 22 Within this heading there are 2 KLOE's which are as follows:
- KLOE 4.1: the body has communicated clearly the responsibilities of staff for achieving data quality; and
  - KLOE 4.2: the organisation has arrangements in place to ensure that staff have the necessary skills in relation to data quality.

### KLOE 4.1

- 23 From the job descriptions that have been received from the Authority only 2 of these explicitly state that the officer has data quality has responsibility for data quality.

#### **Recommendation**

*R13 The Authority needs to review all the job descriptions for those officers who have data quality as part of their job and incorporate this into those officers job descriptions.*

### KLOE 4.2

- 24 The Authority have supplied training on performance and data collection to services but there appears to be no formal training programme in place. In level 3 it explicitly states that there should be a formal ongoing programme of training on data quality requirements and issues. There are other issues in level 3 regarding training that the Authority need to be aware off to fully achieve level 3.

#### **Recommendation**

*R14 The Authority needs to have a formal training programme in place and it needs to be aware of the other points within level 3 that are in respect of training.*

## KLOE 5: Data use

- 25 The focus for this KLOE is: Has the organisation put in place arrangements and controls that are focused on securing data which is accurate, valid, reliable, timely, relevant and complete?
- 26 Within this heading there is 1 KLOE which is as follows:
- KLOE 5.1: the body has put in place arrangements and controls that are focused on securing data which is accurate, valid, reliable, timely, relevant and complete.
- 27 The Authority generally complies with this KLOE.

## Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
5	R1 The Authority should ensure that the addendum to the corporate plan which will contain the performance measures does contain a section on their commitment to data quality.	3	Kam Mavi	Yes	The addendum to the corporate plan was published on 28 June 2006 which contained all the statutory performance data and a section on Walsall MBC commitment to securing data quality.	Completed June 2006.
5	R2 The Authority should ensure that it has in place a data quality strategy and that it has been agreed by Cabinet.	3	Rob Flinter	Yes	The Data Quality Assurance Policy was considered and approved by cabinet on 14 June 2006.	Completed June 2006
6	R3 The Authority need to ensure that the data quality policy is approved by senior management (EDT).	3	Rob Flinter	Yes	The Data Quality Assurance Policy was considered and approved by EMT on 11 May 2006.	Completed May 2006.
6	R4 The Authority need to ensure that the data quality policy is in place and that it is accessible to all relevant staff and hence implemented in all directorates. The policy needs to cover data collection, recording, analysis and reporting and define local practices and monitoring arrangements and be supported by guidance and procedures.	2	Kam Mavi	Yes	The policy has been circulated to members of the Corporate Performance Improvement group and Performance network Group It has also been circulated to the top three tiers of staff.  It will be posted on the public folders and the Council's website.	Completed June 2006.  Completed August 2006.  August 2006.

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
6	R5 Once implemented the policy will need to be reviewed annually and updated when necessary.	1	Andy Field	Yes	The policy is to be reviewed at least annually and amended if required. The first review will commence in January 2007 to allow the findings/recommendations of the PI audit process and the annual audit letter to be taken into consideration.	January 2007.
6	R6 In the data quality policy the Authority should identify where partnership working is taking place and record this in the policy so all staff are aware of the partnerships the Authority has.	2	Andy Field	Yes	An Appendix will be attached to the policy which lists where partnership work is involved.	October 2006.
7	R7 When the policy is in draft format the Authority should consult with the users of the policy and any recommendations that are made should be considered.	2	Kam Mavi	Yes	The draft policy was originally circulated to members of the Corporate Performance Improvement group and Performance network Group and comments were considered and incorporated where appropriate in the final draft. Consultation will be built into the annual review process to ensure the policy remains fit for purpose.	Ongoing.  January 2007 (See R5).
7	R8 The Authority should ensure that they put procedures in place to be able to obtain a level 3 and 4 on this KLOE.	3	Rob Flinter	Yes	The policy has a delivery plan which is intended to ensure level 3 and 4 of this KLOE can be achieved.	Ongoing.

## 12 Management of Data Quality | Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
7	R9 The Authority should be proactive in ensuring that systems for data recording are adequate and therefore no weaknesses are identified at the audit stage.	2	Kam Mavi  Members of the corporate performance improvement group.	Yes	Recommendations from previous audit reports have been fully implemented to ensure systems are robust. Members of the Corporate Performance Improvement Group will continue to work with service users to ensure all current systems remain adequate and future systems are tested for compliance.	Completed  Ongoing.
8	R10 For testing of controls on an annual basis, the Authority should consider the benefit of Internal Audit being involved.	2	Rob Flinter	Yes	Discussions with internal audit are underway to agree the scope of future PI audit work.	Ongoing.
8	R11 The Authority need to ensure that they provide for audit a copy of their Business Continuity Plan.	2	Dennis Jones	Yes	ISS have developed an outline business continuity plan - work is underway to develop this plan in conjunction with the Emergency Plan Team.	September 2006.
8	R12 The Authority need to provide for audit a framework for 'identifying all relevant legal, compliance and confidentiality standards'.	2	Rob Flinter	Yes	The associated delivery plan will ensure there is compliance with the requirements set out in the policy.	Ongoing.
8	R13 The Authority needs to review all the job descriptions for those officers who have data quality as part of their job and incorporate this into those officers job descriptions.	2	Rob Flinter	Yes	A review of job descriptions of key personnel has been undertaken and these have been amended to incorporate responsibilities for data quality. Agreement has also been reached with HR to ensure a data accuracy clause is inserted in the job description of all posts of Head of Service and above.	Completed May 2006.  Completed May 2006.

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
9	R14 The Authority needs to have a formal training programme in place and it needs to be aware of the other points within level 3 that are in respect of training.	2	Kam Mavi	Yes	Awareness training sessions have been provided for directorate staff. A formal training program specific to the needs of members will be developed.	Completed July 2006. December 2006.