

AGENDA ITEM: 7

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Meeting	Audit Committee
Date	27 April 2009
Subject	Quality of performance data
Report of	Director of Resources and Chief Finance Officer
Summary	To inform the Committee about how the data quality issues identified in data by Grant Thornton's data quality audit 2007-8 are being tackled by the service areas concerned

Officer Contributors	Kari Manovitch, Head of Business Improvement
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix A - Data Quality Policy
For decision by	Audit Committee
Function of	Council
Reason for urgency / exemption from call-in (if appropriate)	None

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1. RECOMMENDATIONS

- 1.1 That the committee note the ongoing work to secure data quality.**

2. RELEVANT PREVIOUS DECISIONS

- 2.1 The Data Quality Policy was agreed by the Cabinet Member for Policy and Performance on 23 March 2009 (enclosed as Appendix A) - DPR no 765.
- 2.2 London Borough of Barnet's annual Data Quality Audit Report 2007/8 was presented to Audit Committee on 5 February 2009.
- 2.3 The Annual Report (incorporating the Best Value Performance Plan) was approved at Council on 18 June 2008.

3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS

- 3.1 Good quality data is essential to ensure effective decision-making. The setting, monitoring and revision of corporate priorities relies on corporate data. One of the objectives of the 'More Choice, Better Value' priority is to achieve Better Use of Resources; performance management is one of the main ways of enabling this and robust data quality is a pre-requisite of that.

4. RISK MANAGEMENT ISSUES

- 4.1 Poor data quality impairs the quality of decision-making and therefore can impact adversely on everything the council does, particularly in terms of its use of resources.
- 4.2 The quality of our all of our data is continually assessed by internal and external reviews. Under the Comprehensive Area Assessment (CAA) and the Use of Resources judgement the council will be judged on its production of relevant, reliable data which supports sound decision making. Therefore poor quality data would put this judgement at risk, with consequent impact on the council's reputation.

5. EQUALITIES AND DIVERSITY ISSUES

- 5.1 This report refers to data about services that support the vulnerable. Poor data quality in such services may lead to decisions that have a negative impact on the most vulnerable in our community.

6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

- 6.1 Without high quality data, our decisions about resource allocation and performance management are impaired.

6.2 The quality of our all of our data is assessed as part of the annual Use of Resources judgement.

7. LEGAL ISSUES

7.1 It is a legal requirement to submit a range of financial and performance data to central government and its appointed bodies, and this data must be of high quality.

8. CONSTITUTIONAL POWERS

8.1 The terms of reference for Audit Committee includes consideration of relevant reports.

9 BACKGROUND INFORMATION

9.1 At the Audit Committee on 5 February 2009 the committee expressed its concern about the errors found by the External Auditors during its spot check auditing of performance indicators.

9.2 In the sample of 80 records relating to the BVPI 78 - speed of processing new Housing Benefit and Council Tax Benefit claims (part a), and speed of processing changes of circumstances (part b) - 8 records failed, 4 for each part of the indicator. Six failed because the date of receipt stamped on the new claims forms did not match the date of receipt entered into the system. The remaining two failed because they were mistakes – one was a duplicate, the other was judged an invalid claim and was not therefore fully processed.

9.3 This represented a 10% error rate which the auditors judged was on the 'threshold of materiality' and therefore the final indicator result was judged to be fairly stated. 14 London boroughs actually had higher error rates and received a formal qualification on this BVPI, so in this context Barnet has done well.

9.4 Although BVPIs have been discontinued for 2009/10, this particular measure remains relevant as it has been continued as 'National Indicator 181 - Time taken to process Housing Benefit/Council Tax Benefit new claims and change events.'

9.5 Another BVPI, the average length of stay in hostel accommodation, was found to be incorrect because one person was mistakenly excluded from the calculation, and the time spent by two others was slightly miscalculated. As a result the outturn was changed by the external auditors from 18 weeks to 16.57 weeks – actually a better result. The difference between these two figures is 7.9%, and this is below what auditors consider a material misstatement level of 10%. Therefore the final indicator result was judged by the external auditors to be fairly stated.

9.6 This particular indicator was not viewed to be useful by the Housing service and as it is no longer required by central government, they will no longer use it. The new temporary accommodation measure (NI 156) is much simpler as it just

counts the number of households in temporary accommodation, and the service does not foresee any problems in calculating it because it's a straightforward report from Saffron, the information system that the service uses.

- 9.7 The risk arising from data errors is that we do not have an accurate understanding of the service's performance and that decisions about performance management and resource allocation are not made on a sound basis.
- 9.8 Both the Benefits service and the Housing service have processes in place to ensure that data entry and calculation errors do not occur in the first place, and that if they do occur, they are picked up and corrected through routinised checking.
- 9.9 In the Benefits service, there are strict procedures in place, documented in a manual called: Benefits Service Work Instructions. An excerpt is copied below:

Benefit Team Managers will arrange to check all claims with performances outside the norm or as directed by Benefits Manager. This is currently.

- All duplicated new claims and duplicated change of circumstances
- All new claims and change of circumstance which are 50% above the average number of days to assess a new claim or 50% above the average number of days to assess a change of circumstance respectively. This is currently set at 35 days and 25 days respectively.
- All new claims assessed in two days or less.
- A sample check of 10 change of circumstances assessed in two days or less.
- All cases checked must be signed and dated by the assessor.

Once the Benefit Team Manager is satisfied that the performance information is correct, the Area Benefit Manager will carry out a sample check of each list and indicate on the list which claims have been checked. If the Area Benefit Manager is not available the list will be passed to the other Area Benefit Manager for sample checking.

Once the sample check has been carried out the Benefit Team Manager will sign the list to indicate that they are satisfied with the accuracy of the data and the listing will be passed by Wednesday afternoon to the Management Information Officer/ Senior Assessor (subsidy) for storage and this record will be made available to auditors and senior managers as required. The Management Information Officer/ Senior Assessor (Subsidy) will contact the Area Team Manager the next day if the hard copy report has not been passed to them on time.

(page 60, Validation of Performance indicators section)

- 9.10 Benefits staff are supported to achieve high standards of data quality through ongoing training by the in-house training section and regular performance feedback.
- 9.11 In the Housing service, an audit of the documentation supporting a selection of performance figures is undertaken approximately twice a year. The audit of the number of households living in temporary accommodation (NI 153) recently completed threw up queries in two out of ten cases audited because there was no audit trail on Diraq, the scanning solution currently being used. The hard copy files have now been retrieved and will be scanned. Any errors found are fed-back to the officers who erroneously entered the data who then make the

required corrections. Advice, assistance and training are provided to officers as appropriate.

9.12 To support service areas in achieving high standards of data quality, the Business Improvement team in Resources also undertakes a number of support activities:

- Owns and communicates a corporate data quality policy and guidance
- Runs a data quality exercise for a sample of around 20 quarter 3 performance results
- Runs an annual performance management and data quality workshop
- Supports the annual data quality review and spot checks of year end data that is conducted by external auditors

10. LIST OF BACKGROUND PAPERS

- Data Quality Policy – enclosed as Appendix A
- Data Quality Audit Report 2007/8
<http://committeepapers.barnet.gov.uk/democracy/reports/reportdetail.asp?ReportID=7763>
- Benefits Service Work Instructions – available on request from Lyn Sutherland, Benefits Manager, 020 8359 2318

London Borough of Barnet: Data Quality Policy

1. Introduction

Performance data is increasingly relied upon as the basis for decision making and is essential to improving public services. It is used by Barnet services, elected members, internal and external audit, government departments, regulators, the Council's partners and its community.

This policy covers all data used by the council for decision-making, performance management and reporting, whether produced exclusively by the council or sourced from our suppliers or strategic partners.

Why is data quality so important?

The council manages increasingly finite resources. Good quality financial and performance information is essential if the council is to meet the varied needs of its communities, to plan and invest for the future and to account for the use of these resources to all of its stakeholders. Strategic decision making by the council and its partners must be based on robust and reliable performance and financial information. High quality data also enables informed judgements to be made both internally and by our external assessors

The risks arising from relying on poor quality data include:

- published information which is misleading;
- poor use of resources;
- failure to improve services;
- poor policy decisions;
- not recognising and rewarding good performance; and
- not identifying and monitoring improvement opportunities.

Source: Audit Commission: In The Know, Audit Commission, 2008.

The quality of our data is assessed annually by our appointed external auditors. Under the Comprehensive Area Assessment (CAA) and the Use of Resources judgement the council will be judged on its production of relevant, reliable data to support sound decision making and performance management.

2. Our commitment

The London Borough of Barnet is committed to ensuring that the performance data it uses possesses the following six key characteristics:

- **Accuracy** – data has been calculated without errors, and adheres precisely to any applicable definition
- **Reliability** – data reflects stable and consistent collection processes across collection points and over time
- **Timeliness** – data capture occurs as quickly as possible after the event or activity, and is reported in a timely fashion
- **Relevance** – data is applicable to the issue and provides the answers needed
- **Completeness** – data comprises of all necessary elements and lacks nothing
- **A clear audit trail** – a documented process for obtaining and using the data, which is understood by all involved in producing the data, and accessible to those who rely on the data.

(Adapted from Improving Information to Support Decision Making: Standards for Better Quality Data, Audit Commission, 15 March 2007).

The Council also recognises that the resources spent on achieving these data quality characteristics must be proportionate to the significance of the data.

3. Responsibilities and requirements for maintaining data quality

The Business Improvement team have responsibility for developing the corporate data quality policy and providing guidance on its implementation. The team is also responsible for testing data quality and ensuring that when problems are found they are effectively reported and acted on.

It is the responsibility of each service area to develop and maintain data quality procedures pertinent to their service/area. These procedures should be developed in consultation with any partners or suppliers involved and observed by all parties.

It is the responsibility of all managers to ensure that every member of staff entering, extracting, analysing or reporting data adheres to the necessary principles for ensuring data quality, and understand their role in contributing to robust performance monitoring and measurement across the council and with partners.

To protect the quality of data used across the council and its partnerships the following guiding principles should be adhered to:

- **Senior managers have an overview** of all performance data produced, used and reported by their service area, and all externally reported data is signed off at a senior level.
- **Responsibility for data quality is clearly assigned and everyone understands their role.** Responsibility for data quality should be reflected in job descriptions and the appraisal process. Managers should ensure that suitable appraisal targets and statements in job descriptions are included, based on the level of involvement staff have in the process of producing and using data.

- **Staff at all levels recognise why data quality is important and it is seen as ‘part of the day job’.** Officers should know how their day-to-day job contributes to the calculation of performance indicators and how lapses can either lead to errors or delay in reporting, which limit our ability to manage performance effectively.
- **Systems and processes are fit for purpose** and operate according to the principle of ‘right first time’. Procedure notes and training are used to ensure staff are able to correctly collect and record data. Data is held securely and used and shared in compliance with all legal requirements. Manual processing and intervention is limited as far as possible. Business continuity plans are in place to ensure that risks from unexpected system disruption are mitigated and managed to minimise gaps in data quality.
- **Adequate and effective controls are in place** during the input, reporting and output of data to ensure the quality of the data is maintained (in this context control is defined as any action taken by management to enhance the likelihood that established objectives and goals will be achieved). Routine departmental verification checks are carried out on the data underpinning reported figures.
- **Clear and complete audit trails are maintained** to demonstrate accuracy for all data used for decision-making internally or reported externally to government departments, their agencies and regulators, and are supplied on request to the business improvement team, internal or external audit.

4. Guidance and support

The data quality guidance provides more detail about how to achieve data quality in practice, the regulatory requirements and sources of information and advice. The latest version of this is available on the Business Improvement pages on the intranet and will be regularly reviewed, at least annually, to ensure it accurately reflects national and local contexts.

Further support in relation to data quality can also be obtained from:

- The [Business improvement team](#), which supports, challenges and reports on corporate performance in the Corporate Plan. It also leads on ongoing data quality guidance, testing and training in conjunction with nominated service performance leads, and the annual external audit of data quality.
- [Internal Audit](#), which can provide independent and objective assurance on processes in place for data quality.
- The [Information Governance Officer](#) provides guidance on the Data Protection Act 1998 which relates to personal data and Freedom of Information Act 2000 which relates to general data.

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