

By: Director Of Law & Governance
To: Governance and Audit Committee – 5th March 2008
Subject: DATA QUALITY POLICY
Classification: Unrestricted

Summary:

As part of the Audit Commission's Audit Code of Practice, Local Authorities are subject to an annual audit of the strength of management arrangements for securing data quality. The report from the 2006/07 audit included a recommendation that KCC adopt a Data Quality Policy. This is consistent with the Audit Commission's previously published general recommendation that all Local Authorities should adopt a Data Quality Policy as part of good business practice. Members are asked to APPROVE the attached draft Data Quality Policy.

FOR DECISION

1. Introduction

1.1 Data quality and the strength of management arrangements to secure it within public bodies have been subject to increasing concern and focus by government, the Audit Commission and other regulators.

1.2 Local authorities and other local public services are now subject to an annual external audit of management arrangement for securing data quality.

1.3 One of the main expectations of the Audit Commission for local authorities regarding management arrangements for securing data quality is that local authorities should adopt a data quality strategy or policy.

1.4 In August 2007 KCC was subject to its second external audit of its management arrangements for securing data quality and the final report was agreed in January 2008. This report included the recommendation :

“The Council should consider its responsibilities for data quality and consolidate these into a Data Quality Strategy which is available to all officers.”

1.5 This paper provides a definition of data quality, and a summary of the Audit Commission's requirements on local authorities for data quality, with a draft Data Quality Policy for approval attached in Appendix 1.

1.6 The policy consolidates and formalises the work the council is already doing on data quality including the work of directorate data quality champions put in place over a year ago.

2. Definition of Data Quality

2.1 Data quality is here defined as data which is fit for purpose, where the purpose is to inform the decision making process of the council.

2.2 Data refers to numeric and quantitative information, which may relate to activity, inputs, outputs, performance or the quality of services provided by the council, as well as similar information which may relate to the general quality of life of Kent residents, such as crime or health statistics.

2.3 Data quality as defined here is essentially concerned with aggregate data and summary statistics relevant to performance management at a more strategic level, otherwise known as PIs, and not with records at a individual level more relevant to personalised services at an operational level, although the former is often built upon the latter and these two levels of data are clearly interlinked.

2.4 Data Protection and information governance have separate, although related requirements to the general requirements around management arrangements for securing data quality and are addressed in more detail within existing policies and documentation. In some cases data security is related to data quality through a subordinate role, for example if data is not secure, its quality could be comprised.

3. Audit Commission Requirements

3.1 The recent emphasis on data quality from the Audit Commission originated with the publication of *Improving Performance Information* by the Public Audit Forum in December 2005. The membership of the Forum is made up of the National Audit Office, the Audit Commission, Wales Audit Office, Audit Scotland and the Northern Ireland Audit Office.

3.2 The Public Audit Forum's purpose was to see improvement in the quality of PIs used by public bodies, with PIs being defined as those which are published by accountable bodies for the purposes of informing stakeholders.

3.3 The document *Improving Performance Information* specified and attempted to clarify the respective roles of PI setting bodies (government in the main), auditors and accountable bodies (local authorities and other providers of public services).

3.4 The role of accountable bodies or local authorities was seen as involving the following :

- Involving top management and those charged with governance in the monitoring and review of PIs and using PIs in the wider performance management of the organisation
- Designating a senior individual with overall responsibility for data quality
- Putting in place robust systems and processes for the collection, compilation and reviewing of PIs
- Training and developing staff

- Fair and balanced reporting of PIs to stakeholders in a way that is accessible and meaningful to the intended user, whether internal or external.

3.5 The document *Improving Performance Information* was not widely disseminated and nor was it subject to a consultation process. However the Audit Commission quickly moved forward by adopting the principles of the document with immediate effect.

3.6 In July 2006 all local authorities were subject to a Data Quality audit by the Audit Commission against a detailed (13 pages long) set of key lines of enquiry, which was based on the principles shown above. Central to the key lines of enquiry was the idea that in order for the council to deliver “robust systems and processes”, a data quality strategy and policy were required.

3.7 Given the speed of the implementation and the lack of consultation about the new audit regime for data quality, various objections were raised by many local authorities and these included the concern of a general lack of consistency in the application of the new audit requirement. For example some councils received detailed reports as a result of the audit and others did not. KCC did not receive an official report from our auditors on the findings of the first data quality audit.

3.8 In March 2007 the Audit Commission finally published a consultation document *Improving information to support decision making : standards for better quality data*. This generally re-stated the purpose of the audit process and rationale for the key lines of enquiry which had already been used by auditors in July 2006.

3.9 In November 2007 the document *Improving information to support decision making : standards for better quality data* was re-published by the Audit Commission in final format and this now stands as their current position on the subject.

3.10 The November 2007 document provides a set of standards which includes a list of thirty key components which public bodies should adopt to support improvement in data quality. These components include items such as :

- (1.1) There is clear corporate leadership of data quality by those charged with governance
- (1.3) The corporate objectives for data quality are clearly defined
- (1.5) The commitment to data quality is communicated clearly, reinforcing the message that all staff have a responsibility for data quality
- (2.1) There is comprehensive guidance for staff on data quality, translating the corporate commitment into practice

3.11 In August 2007 KCC was subject to a second external audit of our management arrangements for securing data quality and the final report was agreed in January 2008. This report included the recommendation :

“The Council should consider its responsibilities for data quality and consolidate these into a Data Quality Strategy which is available to all officers.”

3.12 The Audit Commission has recently emphasised that management arrangements for data quality will continue to be an important focus for them in the new CAA regime which replaces CPA in 2009:

“Accurate and reliable data is important to support sound analysis and good decision making. Because of this, auditors of local public bodies will continue to look at the quality of data, with emphasis on local arrangements for ensuring the accuracy of data...”

Comprehensive Area Assessment, Audit Commission, November 2007.

4. Conclusion

4.1 The need for good quality data for decision making purposes can not reasonably be disputed. However, this outcome could be achieved in a number of ways and consideration must be given to what is most appropriate for the council, given existing policies on related issues of Data Protection and information governance.

4.2 The recommendation from external audit calls for KCC to adopt a Data Quality Strategy, which would require reference to the particular indicators the council is required by government to report. However, national indicators are currently in a state of flux with existing BVPIs being deleted in April and the new national indicator set of 198 indicators still being subject to consultation.

4.3 Given point 1.23 above, it has been agreed with our external auditors that a generic policy is the more appropriate document for KCC to adopt at this time. Such a policy would communicate a commitment to data quality, provide general guidance for securing data quality and clarify responsibilities in the organisation without going into the specifics of what indicators are being collected or what system development is required to improve the quality of our data for the government specified PIs.

4.4 In preparing the policy, reference has been made to the Audit Commission published standards to ensure all responsibilities and key components are mentioned and communicated, along with appropriate guidance.

5. Recommendation

5.1 Members are asked to APPROVE the attached Data Quality Policy in Appendix 1.

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