



National Audit Office

DATA ASSURANCE SUMMARY REPORTS

Department for Culture, Media & Sport

Background and scope

- 1** In May 2012, the Department for Culture, Media & Sport (the Department) published its updated business plan for the period 2012–2015. This sets out the Department’s vision, coalition priorities, structural reform plans, departmental expenditure and information on how it is going to become more transparent, with performance measured using input and impact indicators.
- 2** The National Audit Office has undertaken to review the data systems underpinning each of these indicators. Our first review was carried out in 2011–12 and a summary report of our findings was published.¹ This report covers our review of a second tranche of the Department’s data systems based on the 2012–2015 Business Plan published in May 2012. In addition, this report includes an assessment of the information culture in place at the Department.
- 3** Our conclusions are summarised as numerical scores. The ratings are based on the extent to which departments have put in place and operated internal controls over the data systems that are effective and proportionate to the risks involved.
- 4** This report provides an overview of the results of our assessment. It does not provide a conclusion on the accuracy of the outturn figures included in the Department’s public performance statements. This is because the existence of sound data systems reduces but does not eliminate the possibility of error in reported data.

¹ Available at: www.nao.org.uk/publications/1213/review_data_systems_for_dcms.aspx. Summary reports for every department are available on the National Audit Office website at: www.nao.org.uk/search/pi_area/data-assurance-summary-reports/type/report

Our findings on completeness of information

5 The Department's business plan sets out the coalition's priorities and the indicators used to demonstrate progress against these priorities. Our review identified some gaps where indicators are not in place which reduces the ability for the public to measure cost-effectiveness and progress. As an example, there is a coalition priority for 'creating the conditions for growth', which is defined as facilitating sustainable growth in tourism, media, leisure, creative, communications and other cultural industries. However, this is measured by an impact indicator – 'the proportion of people directly employed in tourism' – only. Similarly, 'facilitate the delivery of universal broadband and improved mobile coverage' has indicators relating to broadband only and not mobile coverage.

6 We also note that, in terms of the business plan priorities, there are some areas of significant departmental spending which are not well covered, such as museums and galleries. Museums and galleries constitute a significant proportion of departmental spend through grant-in-aid, but none of the five business plan priorities focus on these institutions.

7 At the ministerial board level, the business plan priorities are regularly considered, although the board does not typically make use of the indicators as more detailed documents relevant to running the business are used. The Department also acknowledges that non-executive directors make little formal use of the indicators at present.

8 A wide range of management information documents are provided to the ministerial and executive boards. These include finance, HR and project and programme assurance information. The various project teams provide dashboards on the projects, which are updated monthly. The boards also receive information on both policy and internal performance, for example, administration budgets and cumulative spending. As in prior years, we found that information is presented to the boards on the basis of risk: information relating to the key risks facing the Department is presented in order to allow those risks to be monitored or actions taken in response.

Our findings on information strategy

9 We noted that there is no organisation-wide information strategy in place. As the Department is in a period of restructuring and cost reduction, there is an increased risk that the lack of a formal information strategy could result in loss of corporate knowledge.

Our assessment of data systems

10 We examined three business plan indicators, comprising:

- Proportion of people directly employed in tourism.
- Number of premises covered per £ million of broadband delivery programme expenditure.
- Broadband Delivery UK's Best-in-Europe scorecard (measuring coverage, speed, price and choice of broadband service).

11 The table in **Figure 1** summarises our assessment of the data systems underlying these indicators.

12 We found that the indicator relating to tourism is adequate but, for the broadband indicators, data has not yet been published or has only been recently published.

13 We consider that the data system in place for tourism is appropriate for reporting the number of people directly employed in tourism. However, this is different to the proportion of people directly employed in tourism, which we would expect to be a percentage of the total workforce. We have also noted that there is a time delay in publishing figures in the Tourism Satellite Account due to the delay in the National Accounts being produced which greatly limits the use of the indicator in evaluating the Department's performance. In addition, this indicator is used by the Department to monitor its progress against the priority to 'create the conditions for growth' although its usefulness for this purpose appears limited.

14 With the second indicator above, a full formal risk assessment of using data from suppliers has not been undertaken and therefore there has been no comprehensive consideration of the risks to data quality. There is a need for controls to be introduced to ensure that data used in calculating the ratio is robust. Finally, and we consider most importantly, we note that no reporting has taken place for the first two years of the business plan and hence the Department has not yet finalised the format for presenting data. This indicator has featured in the business plan since 2011, for the period 2011–2015. However, publication is not expected to take place until 2013.

Figure 1

A summary of the results of our data assurance exercise

Score	Meaning	Indicators we reviewed
4	The indicator's data system is fit for purpose and cost-effectively run	
3	The indicator's data system is fit for purpose but some improvements could be made	Proportion of people directly employed in tourism Broadband Delivery UK's Best-in-Europe scorecard (measuring coverage, speed, price and choice of broadband service)
2	The indicator's data system has some weaknesses which the Department is addressing	Number of premises covered per £ million of broadband delivery programme expenditure
1	The indicator's data system has weaknesses which the Department must address	
0	No system has been established to measure performance against the indicators	

Source: National Audit Office

15 For the third indicator above, we noted that, as with the other broadband indicator, no reporting took place for the first two years of the business plan. This indicator has featured in the business plan since 2011, for the period 2011–2015. We also found that the role of Ofcom is to obtain data from the European Commission and prepare the scorecard. The Department has minimal input and oversight into the process though does retain overall responsibility for the production and publication of the scorecard. However, at present there is no formal framework in place between the Department and Ofcom for the preparation of the scorecard and therefore a risk that the Department fails to have sufficient oversight of the process and ensuring data quality.

Recommendations

Number of people directly employed in tourism

16 The Department should use a more up-to-date measure in order to provide a more relevant assessment of the number of people employed in tourism.

Number of premises covered per £ million of broadband delivery programme expenditure

17 We recommend that, as the reporting system matures, a comprehensive assessment of the risks to data quality in information provided by broadband suppliers is undertaken.

18 The Department should consider making interim indicators available where possible.

Broadband Delivery UK's Best-in-Europe scorecard (measuring coverage, speed, price and choice of broadband service)

19 When embarking on future projects the Department should consider making interim indicators available where possible, for example publishing United Kingdom only data if Europe-wide data is not available.

20 The arrangement between Ofcom and the Department should be formalised and the Department should ensure that they gain an understanding of the controls and processes that Ofcom have in place in collecting the data and how they report the data in the scorecard. The Department should also ensure it is fully aware of any risks to data quality based on the data system.

Business Plan and Information Strategy

21 We repeat our recommendation from 2012 that, while keeping costs in proportion, the Department should, as part of the current business plan update exercise, consider whether or not there is a need to improve the coverage of the business by devising new indicators or making more use of other externally reported data sets.

22 Consideration should be given to whether a formal information strategy may be needed. As the Department is in a period of restructuring and cost reduction, there is an increased risk that the lack of a formal information strategy could result in loss of corporate knowledge.