



# West Lothian Council

## AUDIT COMMITTEE

### AUDIT OF COVALENT PERFORMANCE MANAGEMENT SYSTEM

#### REPORT BY INTERNAL AUDIT MANAGER

##### **A. PURPOSE OF REPORT**

To inform the Audit Committee of the results of our recent work on the Covalent performance management system.

##### **B. RECOMMENDATION**

That the Committee notes the terms of this report.

##### **C. SUMMARY OF IMPLICATIONS**

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|---|---|
| <b>I Council Values</b>   | Being honest, open and accountable.<br>Making best use of resources.  |
| <b>II Policy and Legal (including Strategic Environmental Assessment, Equality Issues, Health or Risk Assessment)</b> | The 2005 Best Value audit of West Lothian Council identified the continued development of a comprehensive performance management system as an area for improvement. |
| <b>III Resources - (Financial, Staffing and Property)</b>   | None.   |
| <b>IV Consultations</b>   | Chief Executive, Best Value Manager   |

##### **D. TERMS OF REPORT**

I reported to the Audit Committee on the Covalent performance management system in December 2008 and at that meeting the Committee asked for a further report in six months time.

My audit work was undertaken in April and May 2009 and involved testing a random sample of 22 high level performance indicators to determine whether they were up to date and accurate. The attached appendix details the results which are summarised as follows:

- 18 indicators were up to date; 4 indicators (18% of the sample) were not up to date;
- 14 indicators were considered to be accurate or to have minor errors which would not affect understanding of performance (64% of the sample);
- 3 indicators could not be checked as back up information was not available or was not auditable;
- 4 indicators either had material errors or were estimates which turned out to be materially different from actual;

- one indicator (NET006\_9b) requires a revised definition as it did not appear to be an effective measure of performance.

It is imperative that information within Covalent is an accurate reflection of service performance. Services must also ensure that back up documentation is retained to enable performance information within Covalent to be checked.

I note that some of the indicators comprise estimated information and would recommend that the Best Value Manager considers whether this is appropriate. In the event that estimates of performance are included within Covalent, these should be clearly marked as such and updated as soon as possible with actual performance.

#### **E. CONCLUSION**

Further improvements must be made to ensure that performance information included within Covalent is relevant, accurate and up to date.

#### **F. BACKGROUND REFERENCES**

Audit Scotland: Audit of Best Value and Community Planning, June 2005

Report to the Audit Committee 11 December 2008: Audit of Covalent Performance Management System.

Appendices/Attachments: Summary of Audit Testing

Contact Person: [Kenneth.ribbons@westlothian.gov.uk](mailto:Kenneth.ribbons@westlothian.gov.uk) 01506 777088

**Kenneth Ribbons**  
**Internal Audit Manager**  
**2 June 2009**