

Report on	Performance Improvement: Local Government Auditor's Audit and Assessment Report 2020-21
Date of Meeting	Wednesday 12 th January 2022
Reporting Officer	P Moffett, Assistant Director: Org. Development, Strategy & Performance
Contact Officer	L Jenkins, Performance & Quality Officer

Is this report restricted for confidential business? If 'Yes', confirm below the exempt information category relied upon	Yes	
	No	X

1.0	Purpose of Report
1.1	To update the committee and members of the key findings of the Local Government Auditor's Audit and Assessment Report 2020-21.
2.0	Background
	Local Government Auditor's Improvement Audit and Assessment Report 2020-21
2.1	Part 12 of the Local Government Act (NI) 2014 places a duty on Councils' to make arrangements to secure continuous improvement in the exercise of their functions. This includes setting improvement objectives for each financial year and putting in place arrangements to achieve those objectives, as well as publishing annual progress reports.
2.2.	The requirement to set improvement objectives and publish an improvement plan was not required for 2020-21 under the <i>Local Government (Meetings and Performance) (Northern Ireland) Act 2021</i> . The Council was required to gather information to assess improvements in its services and to issue a report annually on its performance against indicators and standards which it has set itself or which have been set for it by Government departments. The Act requires the Council to publish a self-assessment before 30 September in the financial year following that to which the information relates, or by any other such date as the Department for Communities may specify by order. The Act also requires that the Council has regard to any guidance issued by the Department in publishing its assessment.
2.3	The NI Audit Office is required to determine and report each year on whether: <ul style="list-style-type: none"> 1. The Council has discharged its duties in relation to improvement planning, published the required improvement information and the extent to which the Council has acted in accordance with the Department's guidance (LG Circular 21/2016 - <i>Guidance for Local Government Performance Improvement 2016 onwards</i>) in relation to those duties; and 2. The Council is likely to comply with the requirements of Part 12 of the Act.
3.0	Main Report

LGA Audit Opinion, Assessment and Findings - (Section 95) Report 2020/21 and Certificate of Compliance

- 3.1 The NI Audit Office issued correspondence on the 30th of November 2021, which included a letter to the Chief Executive (Appendix One), a Section 95 Report (Appendix Two) and a Certificate of Compliance (Appendix Three).

Audit Opinion

- 3.2 The Local Government Auditor (LGA), has certified the performance arrangements with an unqualified audit opinion, without modification and confirms that an improvement audit and improvement assessment has been conducted. In line with the Local Government (Meetings and Performance) (Northern Ireland) Act 2021, councils were not required to publish an improvement plan for 2020-21 and therefore no audit of a plan could be undertaken.

The audit opinion has therefore been amended from that provided in previous years. The LGA also states that, as a result, she believes that the Mid Ulster District Council has discharged its performance improvement reporting duties, by publishing its assessment of performance for 2019-20, and has acted in accordance with the Guidance.

Audit Assessment

- 3.3 The LGA has a responsibility on assessing whether the Council is likely to comply with its performance improvement responsibilities under Part 12 of the Local Government Act (Northern Ireland) 2014 (the Act) for 2020-21 (known as the improvement assessment). In normal circumstances this work would have been undertaken in time for this report to be issued by 30 November 2020. However this was delayed whilst awaiting legislation to clarify the performance improvement arrangements for this period. In light of the impact of the COVID-19 pandemic on council services, the LGA has concluded that she is unable to reach an opinion on whether the Council was likely to have complied with its performance improvement responsibilities for 2020- 21. The LGA did not exercise her discretion to assess and report whether the council is likely to comply with these arrangements in future years.

Audit Findings

- 3.4 During the audit and assessment the NIAO identified no issues requiring a formal recommendation under the Act. NIAO stated they identified no issues requiring a Proposal for Improvement, which represents good practice to assist the Council in meeting its responsibilities for performance improvement.

In line with discussions with the Department and Councils on the impact of COVID-19 on council resources it was agreed that consideration of performance improvement themes would be restricted for this year to considering the collection, use and publication of performance information in the self-assessment report. Detailed observations on this theme are provided in Appendix Two (Annex B).

- 3.5 **Other Matters**

The LGA has no recommendations to make under section 95(2) of the Local Government (Northern Ireland) Act 2014. It is not minded to carry out a special inspection under section 95(2) of the Act.

3.6	<p>Status of the Audit</p> <p>The LGA's audit and assessment work on the Council's performance improvement arrangements is now concluded. By March 2022 the LGA will publish an Annual Improvement Report on the Council on the NIAO website, making it publicly available. This will summarise the key outcomes in this report and work conducted in 2021.</p> <p>The LGA did not undertake any Special Inspections under the Act in the current year. As a result of the changes made to performance improvement requirements in light of the pandemic, the extent of audit work undertaken reduced compared to that in previous years. This will be reflected in the audit fee for this work, which will be confirmed shortly.</p> <p>A typographical error in the S95 report has been queried by Council with Deloitte (who undertook) the Audit and this has been passed to NIAO, Council is awaiting this response from NIAO at the time of papers being prepared for committee.</p>
4.0	<p>Other Considerations</p>
4.1	<p>Financial, Human Resources & Risk Implications</p> <p>Financial: not applicable, arrangements being delivered within existing resource</p> <p>Human: not applicable, arrangements currently being delivered within existing resource</p> <p>Risk Management: Will assist in council's compliance with Part 12 of the Local Government (NI) Act 2014</p>
4.2	<p><u>Screening & Impact Statements</u></p> <p>Equality & Good Relations Implications: Not applicable No specific implications neutral impact on S75 groups and neutral impact on promotion of good relations</p> <p>Rural Needs Implications: not applicable</p>
5.0	<p>Recommendation(s)</p>
5.1	<p>That the committee notes the findings of Audit and Assessment (Section 95) Report 2020-21 and LGA Certificate of Compliance issued by the Northern Ireland Audit Office</p>
6.0	<p>Documents Attached & References</p> <p>Appendix One: NIAO Correspondence dated 30th November 2021</p> <p>Appendix Two: Audit and Assessment (Sec. 95) Report 2020-21</p> <p>Appendix Three: LGA Certificate of Compliance</p>