

Report on	Performance Improvement: Local Government Auditor's Audit and Assessment (Section 95) Report 2025-26
Date of Meeting	Thursday 5 th February 2026
Reporting Officer	J Mc Guckin, Head of Strategic Services and Engagement
Contact Officer	L Jenkins, Corporate 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 (Section 95) Report 2025-26.
2.0	Background
	<u>Local government Auditor's Improvement Audit and Assessment Report 2025 - 26</u>
2.1	Part 12 of the Local Government Act (NI) 2014 ('the Act') 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 Act places a statutory duty on the Local Government Auditor (LGA) to: <ul style="list-style-type: none"> a) Report (via their Annual Improvement Audit) whether each Council has discharged its duties in relation to improvement planning, the publication of improvement information and the extent to which each Council has acted in accordance with the *Department's Guidance. During the course of this work the LGA may make statutory recommendations under section 95 of the Act, and b) Assess annually (via the annual Improvement Assessment) whether a Council is likely to make the required arrangements to secure continuous improvement in that year. The Local Government Auditor also has the discretion to assess and report whether a Council is likely to comply with these arrangements in future years. <p><i>*This refers to LG Circular 21/2016 - Guidance for Local Government Performance Improvement 2016 onwards – hereafter referred to as "The Guidance".</i></p>
3.0	Main Report
3.1	<u>Audit and Assessment Report (Section 95) 2025 to 2026</u> The Local Government Auditor, Colette Kane (LGA) of the Northern Ireland Audit Office (NIAO) issued correspondence on the 1 st of December 2025, which included a letter to the Chief Executive (Appendix One), the correspondence clarified in summary that:

- a) The NIAO proposed an ‘unqualified audit’ opinion, without modification and,
- b) The LGA also states that, as a result of their undertaking an improvement audit and assessment, she believes Mid Ulster District Council (the Council) has discharged its performance improvement and reporting duties, including its assessment of performance for 2024-25 and its 2025-26 improvement plan, and has acted in accordance with the Guidance.
- c) In terms of audit assessment, the LGA has assessed 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). This is called the ‘improvement assessment.’ In her opinion the Council is likely to discharge its duties in respect of Part 12 of the Act during 2025-26 and has demonstrated a track record of improvement.
- d) No statutory recommendations were made in respect of the Council under the Act, nor was there a requirement for a special inspection, and
- e) The LGA made two proposals for improvement. These represent good practice which should assist the Council in meeting its responsibilities for performance improvement.

Accompanying the letter was a copy of the Final Audit and Assessment (Section 95) 2025-26 Report (refer to Appendix Two), also forwarded was an original Audit and Assessment Certificate of Compliance (Appendix Three).

The Local Government Auditor had also forwarded the Council’s letter and Audit and Assessment Report to the Department of the Communities (DfC).

By 31st of March 2026 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.

3.2. Certificate of Compliance and NIAO Audit Assessment Report (S95) 2025 – 2026

Audit Opinion – Improvement Audit

The LGA has certified the performance arrangements with unqualified opinion, without modification.

She certifies an improvement audit and improvement assessment has been conducted. The LGA states that as a result, she believes that Mid Ulster District Council has discharged its performance improvement and reporting duties, including its assessment of performance for 2024-2025 and its improvement plan for 2025-2026, and has acted in accordance with the Guidance.

Improvement Assessment

As a result of the assessment, the LGA believes the Council has discharged its duties under Part 12 of the Act and has acted in accordance with the Department for Communities’ guidance sufficiently. They are also of the opinion, the Council has demonstrated a track record of ongoing improvement, and they believe that the Council is likely to comply with Part 12 of the Act during 2024-25. The LGA has not conducted an assessment to determine whether the Council is likely to comply with the requirements of Part 12 of the Act in subsequent years and they will keep the need for this under review.

Audit Findings and Status of the Audit

During the audit and assessment, the LGA identified no issues requiring a formal statutory recommendation under the Act. The LGA made two proposals for improvement (refer to Appendix Two - page 6/7). Proposals for improvement represent good practice which should assist the Council meeting its responsibilities for performance improvement. The LGA is not minded to carry out a special inspection under section 95(2) of the Act.

3.3 **LGA Proposals for Improvement**

Following significant engagement with relevant council officers throughout October to November 2025, no formal recommendations were issued to the Council as a result of the NIAO audit.

Two proposals for improvement were introduced, as outlined under the thematic area of, "Governance Arrangements" and "Demonstrating a Track Record of Improvement" (refer to page 6-7 in Appendix Two).

Thematic Area	LGA Issue	Proposal For Improvement	Management Response
Governance Arrangements	Internal Audit do not carry out any work on the Performance Improvement function there is therefore no data validation on figures within the Self-Assessment Report (SAR).	Performance Improvement should be seriously reconsidered as a subject for Internal Audit reporting. Although an external audit is completed by the Northern Ireland Audit Office this does not include data validation. An Internal Audit report would provide assurance over the integrity of the Council's performance improvement framework as well as data validation over figures used in the SAR.	<p>Council's Internal Audit Manager has responded by proposing the following, <i>"The audit plan for 2026/27 includes contingency days, so I can assign some audit days to validate the accuracy and reliability of a sample of the data used for performance measurement, to provide assurance that the council's reported performance is based on credible information etc."</i></p> <p>The Corporate Performance & Quality officer is going to undertake an exercise, with other Council Performance Improvement Officers to ascertain the role that their internal audit plays regarding their Council's performance improvement framework (i.e. assurance) and collate responses with regard to internal audit reporting.</p>

	<p>Demonstrating a track record of Improvement</p>	<p>The Council has not met statutory planning indicators for the second year in a row. In the 2024-25 period all three indicators have demonstrated a downward trend.</p>	<p>Council should consider an in-depth analysis of its current planning system to see what action could be taken to improve average processing times (for major and local planning) and increase the percentage of enforcement cases processed within 39 weeks. This may require introducing a performance improvement objective with a focus on the planning function.</p>	<p>In relation to the Planning system, it is proposed that under Council's current Performance Improvement Objective (outlined below), and its related Improvement Project (CIP One Project) that is to:</p> <p><i>“Enhance the experience of our customers by working to embed a culture which puts them at the centre of how services are offered and accessed. Ensuring Council services are accessible, efficient, and responsive to the needs of communities across our District.”</i></p> <p>That a review of current planning activities, which support customer experience, accessibility, transparency, responsiveness, and system efficiency is undertaken and activities and measures arising from this appear in the CIP One improvement project moving forward. The CIP One project forms part of Council's Performance Improvement Plan. The approach will give consideration in acknowledging that Councils are not solely responsible for all elements of major application timescales, due to the reliance on external consultees. Major planning applications often require detailed technical assessments, on a range of issues such as; environmental impact, traffic, noise, flood risk, and ecology issues to help ensure sustainable development. Many of these are assessed by</p>
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			external statutory bodies not linked to Council, and against timeframes, which Council, have little or no control over. Councils, however, remain held accountable for the achievement of the 30-week statutory target.
4.0	Other Considerations		
4.1	Financial, Human Resources & Risk Implications		
	Financial: not applicable, arrangements being delivered within existing resource		
	Human: not applicable, arrangements currently being delivered within existing resource		
	Risk Management: Will assist in council's compliance with Part 12 of the Local Government (NI) Act 2014		
4.2	<u>Screening & Impact Statements</u>		
	Equality & Good Relations Implications: Not applicable No specific implications neutral impact on S75 groups and neutral impact on promotion of good relations		
	Rural Needs Implications: not applicable		
5.0	Recommendation(s)		
5.1	That the committee notes the findings of Audit and Assessment (Section 95) Report 2025-26.		
6.0	Documents Attached & References		
	Appendix One: LGA Correspondence to Chief Executive dated 1 st December 2025 Appendix Two: Final Audit and Assessment Section 95 Report 2025-26. Appendix Three: Certificate of Compliance		