Report on	Performance Improvement: Local Government Auditor's Audit and Assessment (Section 95) Report 2024-25
Date of Meeting	Thursday 9th January 2025
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?	Yes	
If 'Yes', confirm below the exempt information category relied upon	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 2024-25.
2.0	**Background**
	<u>Local government Auditor's Improvement Audit and Assessment Report 2023-24</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: 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. **This refers* to *LG Circular 21/2016 - Guidance for Local Government Performance Improvement 2016 onwards – hereafter referred to as "The Guidance*".
3.0	**Main Report**
3.1	**<u>Audit and Assessment Report (Section 95) 2024 to 2025 and Certificate of Compliance</u>** The Local Government Auditor , Colette Kane (LGA) of the Northern Ireland Audit Office (NIAO) issued correspondence on the 29th of November 2024, which included a letter to the Chief Executive (Appendix One), the correspondence clarified that:

a) The NIAO proposed an 'unqualified audit' opinion and,
b) In terms of assessment the LGA concluded that the Council is likely to comply with Part 12 of the Local Government Act (Northern Ireland) 2014 (the Act) during 2023 to 2024, and that
c) No statutory recommendations were made in respect of the Council nor was there a requirement for a special inspection, and
d) The LGA made one proposal for improvement.

Accompanying the letter was a copy of the Final Audit and Assessment (Section 95) 2024-25 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 2025 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) 2024 – 2025**

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 2023-2024 and its improvement plan for 2024-2025, 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 one proposal for improvement (refer to Appendix Two - page 6). 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 Proposal for Improvement**

Following significant engagement with relevant council officers throughout October to November 2024, no formal recommendations were issued to the Council as a result of the audit.

One proposal for improvement was introduced, as outlined under the thematic area of, "Governance Arrangements" (refer to page 6 in Appendix Two).

Thematic Area	LGA Issue	Proposal For Improvement	Management Response
2. Governance Arrangements	There is only one member of staff currently working in the area of performance improvement, within the Organisational Development, Strategy and Performance Directorate. The officer has extensive experience and knowledge of the performance improvement processes, however there does not appear to be any business continuity arrangements in place should the officer become available for any reason. .	**The Council should ensure that the knowledge of the Corporate Performance and Quality Officer is documented and retained by the Council to allow continuity in the performance improvement cycle should there be an interruption to staffing.**	The Performance and Quality Officer will develop a step-by-step guidance document with relevant templates, "how to" etc. and place on a shared drive within the Head of Strategic Services and Engagement and the wider team. The HR/OD team are currently on the cusp of researching and developing a new workforce plan (refer to 3.2 in Corporate Plan 2024/28), part of which will look at governance and risk issues, e.g. in relation to capacity reviews of roles in critical compliance functions with the view to developing actions; moving forward, regarding business continuity and succession planning, thereby fostering a culture of preparedness and adaptability. Corporate Plan 2024 - 2028 | Mid Ulster District Council The new corporate plan also highlights that Council will ensure its Governance Framework is appropriately integrated within our service delivery models and work will also be undertaken to ensure that our current processes for identifying, assessing and managing risks and helps us to avoid regulatory violations or

			litigation, thereby increasing our performance and long-term sustainability (refer to 3.4 in corporate plan 2024/28) Corporate Plan 2024 - 2028 | Mid Ulster District Council

3.4 **LGA Detailed Observations**

The LGA Section 95 2024.25 report also includes an annex of detailed observations made during the actual NIAO audit (refer to Appendix Two pages 11-20 - Annex B). While not a 'proposal for improvement' Council views the LGA observations with their associated references as 'points of good practice' and have also included them in the table below with a management response.

Thematic Area	LGA Observations	Management Response
Governance Arrangements	**Internal Audit** Does not carry out an audit of performance improvement as a function, taking assurance over work completed by NIAO in this area. The Council should consider the benefit of using Internal Audit periodically to provide assurance on the integrity and operation of the Council's performance improvement framework. (page 13)	The Strategic Director of OD, Strategy and Performance will liaise with the Strategic Director of Corporate Services and Finance to establish if they are content that there is currently sufficient review and oversight arrangements in place on the integrity and operation of the Council's Performance Improvement Framework using Internal Audit periodically. .
Collection Use and Publication of Performance Information	**Self-Imposed Indicators** There are a total of 28 identified performance indicators which include the key statutory indicators. Of the 28, only 22 had a year end result available and 8 had no target attached, therefore the KPI's have been measures out of 14 which is the number of kpi's that have both a target ad a year end result available: 9/14 were achieved or exceeded (64%) and 5/14 had no results or were establishing baselines. A more complete data set of wider range of KPI's would allow more benchmarking and trend analysis. There is no further details provided	A new set pf performance measures/indicators has been developed for the Council's new Corporate Plan 2024-28. This new suite replaces the previous 28 tracked corporate health indicators belonging to the last Corporate Plan. The broader and expanded new suite of performance measures and indicators will be tracked, reviewed and reported to P & R via the Assistant Director of OD Strategy & Performance and the Strategic Planning

		in the SAR of what action, if any , will be taken by the Council to achieve the KPI's in future where currently not meeting targets. With the results available we can say that the Council has been able to demonstrate continuous improvement.	Officer, which will allow for more benchmarking (e.g. time series and comparative analysis), based on best practice such as the utilisation quantitative and qualitative updates, the use of RAG reporting (i.e. use of interpretation descriptors), trends and target direction as well as descriptions of how to bring measures back on track (that is when measures are not meeting their targets).

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 2024-25.
6.0	**Documents Attached & References**
	Appendix One: LGA Correspondence to Adrian Mc Creesh dated 29th of November 2024 Appendix Two: Final Audit and Assessment Section 95 Report 2024-25. Appendix Three: Certificate of Compliance