

Lisburn & Castlereagh City Council

Audit and Assessment Report 2018-19

Report to the Council and the Department for Communities
under Section 95 of the Local Government (Northern
Ireland) Act 2014



30 November 2018

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We have prepared this report for sole use of the Lisburn & Castlereagh City Council and the Department for Communities. You must not disclose it to any third party, quote or refer to it, without our written consent and we assume no responsibility to any other person.

1. Key Messages

Summary of the audit

Audit outcome	Status
Audit opinion	Unqualified opinion
Audit assessment	The Local Government Auditor (LGA) has not drawn a conclusion
Statutory recommendations	The LGA made no statutory recommendations
Proposals for improvement	The LGA made four new proposals for improvement

This report summaries the work of the LGA on the 2018-19 performance improvement audit and assessment undertaken on Lisburn & Castlereagh City Council. We would like to thank the Chief Executive and his staff, particularly the Performance Improvement Manager, for their assistance during this work.

We consider that we comply with the Financial Reporting Council (FRC) ethical standards and that, in our professional judgment, we are independent and our objectivity is not compromised.

Audit Opinion

The LGA has certified the performance arrangements with an unqualified audit opinion. She certifies that an improvement audit and improvement assessment has been conducted. The LGA also states that, as a result, she believes that the Lisburn & Castlereagh City Council(the Council) has discharged its performance improvement and reporting duties, including its assessment of performance for 2017-18 and its 2018-19 improvement plan, and has acted in accordance with the Guidance.

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’.

The Council has discharged its duties in respect of Part 12 of the Act as far as possible, in that its arrangements continue to mature. It remains too early for the Council to demonstrate a track record of improvement: consequently, it is not possible for the LGA to conclude as to the extent of

improvement that may be made. The LGA did not exercise her discretion to assess and report whether the council is likely to comply with these arrangements in future years.

This is the second year in which councils have been required to fulfil their full statutory responsibilities under Part 12 of the Act. In the LGA's opinion councils should be able to demonstrate a track record of improvement in 2019 to allow a full assessment to be made.

Audit Findings

During the audit and assessment we identified no issues requiring a formal recommendation under the Act. We made four proposals for improvement (see Section 3). These represent good practice which should assist the Council in meeting its responsibilities for performance improvement. Detailed observations on thematic areas are provided in Annex C and progress on proposals for improvement raised in prior years has been noted in Annex B.

Status of the Audit

The LGA's audit and assessment work on the Council's performance improvement arrangements is now concluded. By March 2019 she 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.

The LGA did not undertake any Special Inspections under the Act in the current year.

The total audit fee charged is in line with that set out in our Audit Strategy. .

Management of information and personal data

During the course of our audit we have access to personal data to support our audit testing. We have established processes to hold this data securely within encrypted files and to destroy it where relevant at the conclusion of our audit. We can confirm that we have discharged those responsibilities communicated to you in accordance with the requirements of the General Data Protection Regulations (GDPR) and the Data Protection Act 2018.

2. Audit Scope

Part 12 of the Act provides all councils with a general duty to make arrangements to secure continuous improvement in the exercise of their functions. It sets out:

- a number of council responsibilities under a performance framework; and
- key responsibilities for the LGA.

The Department for Communities (the Department) has published '*Guidance for Local Government Performance Improvement 2016*' (the Guidance) which the Act requires councils and the LGA to follow. A multi-stakeholder group comprising of representatives of the Department and councils has been established and a subgroup of this has drafted guidance to clarify the requirements of the general duty to improve. A working draft has been agreed and further improvements to reporting on the general duty are expected in 2019.

The improvement audit and assessment work is planned and conducted in accordance with the Audit Strategy issued to the Council, the LGA's Code of Audit Practice for Local Government Bodies in Northern Ireland and the Statement of Responsibilities.

The improvement audit

Each year the LGA has to report 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. The procedures conducted in undertaking this work are referred to as an "improvement audit". During the course of this work the LGA may make statutory recommendations under section 95 of the Act.

The improvement assessment

The LGA also has to assess annually whether a council is likely to comply with the requirements of Part 12 of the Act, including consideration of the arrangements to secure continuous improvement in that year. This is called the 'improvement assessment'. She also has the discretion to assess and report whether a council is likely to comply with these arrangements in future years.

The annual improvement report on the Council

The Act requires the LGA to summarise all of her work (in relation to her responsibilities under the Act) at the Council, in an 'annual improvement report'. This will be published on the NIAO website by March 2019, making it publicly available.

Special inspections

The LGA may also, in some circumstances, carry out special inspections which will be reported to the Council and the Department, and which she may publish.

3. Audit Findings

This section outlines key observations in the form of proposals for improvement, arising from following thematic areas of the Council’s audit and assessment:

- General duty to improve;
- Governance arrangements;
- Improvement objectives;
- Consultation;
- Improvement plan;
- Arrangements to improve; and
- Collection, use and publication of performance information.

These are not formal recommendations, which are more significant matters which require action to be taken by the Council in order to comply with the Act or Guidance. Proposals for improvement include matters which, if accepted, will assist the Council in meeting its performance improvement responsibilities. The LGA will follow up how these proposals have been addressed in subsequent years. We recommend that the Council’s Audit Committee also track progress on their implementation.

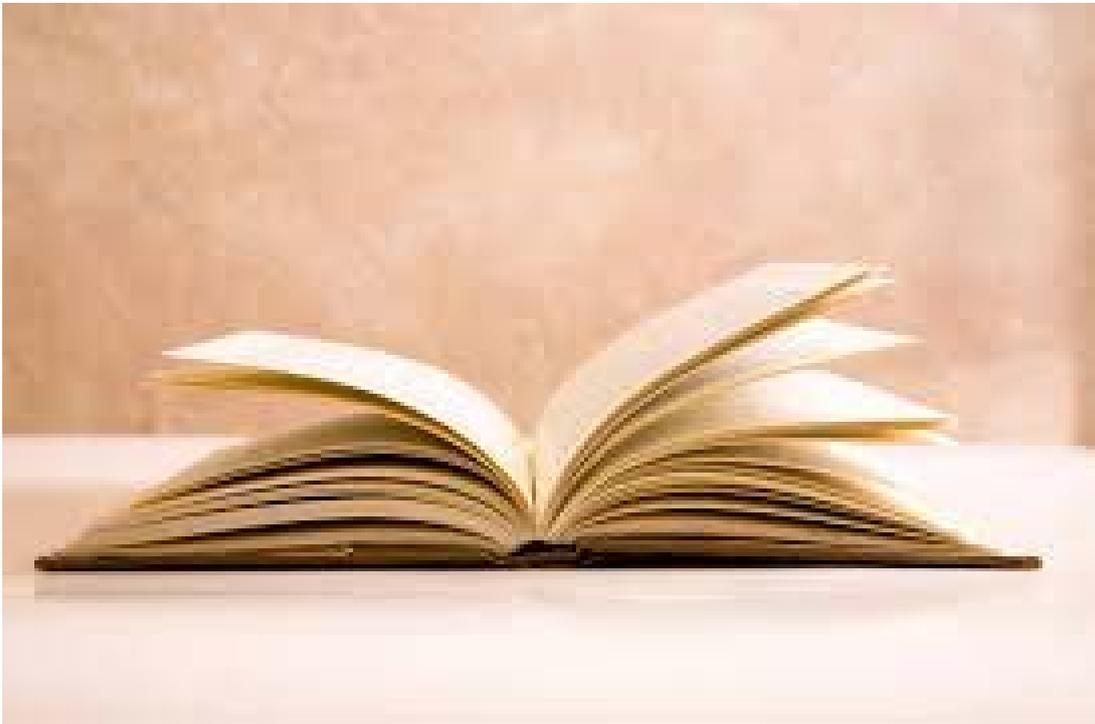
Our procedures were limited to those considered necessary for the effective performance of the audit and assessment. Therefore, the LGA’s observations should not be regarded as a comprehensive statement of all weaknesses which exist, or all improvements which could be made.

Detailed observations for the thematic areas can be found at Annex C.

Thematic area	Issue	Proposal for improvement
Governance	<p>A number of Proposals for Improvement from 2016 and 2017 have not yet been fully addressed.</p> <p>Members have a key role to fulfil in scrutiny and monitoring of the Council’s arrangements for performance improvement.</p> <p>While the s95 Report is brought to the Governance and Audit Committee, progress against implementation of the various Proposals for Improvement are not reported or monitored by the Committee. The existing recommendation tracking mechanisms in place for financial audit and Internal Audit does not currently include Proposals for Improvement from s95 reports in relation to performance improvement and statutory duty.</p>	<p>The Governance and Audit Committee should ensure that it follows up progress against the Proposals for Improvement included within s95 reports on a regular basis.</p>

Thematic area	Issue	Proposal for improvement
General Duty and Objectives	The arrangements and process through which functions are prioritised and selected for improvement is not transparent or well documented. The Council is unable to clearly demonstrate how data and information is used to identify, prioritise and select those functions/services which would benefit most from improvement, and set objectives areas for improvement. It is important that there is a logical and transparent documented process and evidence base to support the general duty to improve and its selection of priority areas for improvement.	The Council needs to to clearly demonstrate that robust and transparent arrangements are in place: <ul style="list-style-type: none"> • through which functions which would benefit most from improvement are identified, prioritised, selected; and • objectives are developed and subject to appropriate levels of scrutiny.
Collection, use and publication of performance information	Performance data in relation to the self-imposed standards and indicators is not independently validated. It is generally provided by the relevant project manager and input into the Performance Management system to generate reports.	The Council should seek to get independent validation and assurance of the system and process in place for the collection of data and information in relation to self-imposed KPIs and standards. There may be a role for Internal Audit to do this.
Collection, use and publication of performance information	<p>Future self-assessments would benefit from more consistent reporting on the extent of any improvement to local services or functions resulting.</p> <p>The primary focus of the Council’s self-assessment report is on ‘output’ measures, such as progress made in delivering a specific project against milestones. There is little focus on outcomes achieved in year against the overall objectives.</p> <p>Improvement is not always measured against a baseline position or a target set out in the improvement plan or what was achieved in the year if a long-term project. It is not always clear therefore how the Council is demonstrating the improvement to functions or services arising as a result of delivering the actions in its improvement plan.</p>	The Council should continue to develop its performance management data and information collection and reporting arrangements and software system to assist in regular monitoring and reporting specifically on each improvement objectives and related outcome performance going forward.

4. Annexes



Annex A – Audit and Assessment Certificate

Audit and assessment of Lisburn and Castlereagh City Council’s performance improvement arrangements

Certificate of Compliance

I certify that I have audited Lisburn and Castlereagh City Council’s (the Council) assessment of its performance for 2017-18 and its 2018-19 improvement plan in accordance with section 93 of the Local Government Act (Northern Ireland) 2014 (the Act) and the Code of Audit Practice for local government bodies.

I also certify that I have performed an improvement assessment for 2018-19 at the Council in accordance with Section 94 of the Act and the Code of Audit Practice.

This is a report to comply with the requirement of section 95(2) of the Act.

Respective responsibilities of the Council and the Local Government Auditor

Under the Act, the Council has a general duty to make arrangements to secure continuous improvement in the exercise of its functions and to set improvement objectives for each financial year. The Council is 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 (the Department) may specify by order. The Act also requires that the Council has regard to any guidance issued by the Department in publishing its assessment.

As the Council’s auditor, I am required by the Act to determine and report each year on whether:

- 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 in relation to those duties; and
- The Council is likely to comply with the requirements of Part 12 of the Act.

Scope of the audit and assessment

For the audit I am not required to form a view on the completeness or accuracy of information or whether the improvement plan published by the Council can be achieved. My audits of the Council’s improvement plan and assessment of performance, therefore, comprised a review of the Council’s publications to ascertain whether they included elements prescribed in legislation. I also assessed whether the arrangements for publishing the documents complied with the requirements of the legislation, and that the Council had regard to statutory guidance in preparing and publishing them.

For the improvement assessment I am required to form a view on whether the Council is likely to comply with the requirements of Part 12 of the Act, informed by:

- A forward looking assessment of the Council’s likelihood to comply with its duty to make arrangements to secure continuous improvement; and
- A retrospective assessment of whether the Council has achieved its planned improvements to inform a view as to its track record of improvement.

My assessment of the Council's improvement responsibilities and arrangements, therefore, comprised a review of certain improvement arrangements within the Council, along with information gathered from my improvement audit.

The work I have carried out in order to report and make recommendations in accordance with sections 93 to 95 of the Act cannot solely be relied upon to identify all weaknesses or opportunities for improvement.

Audit opinion

Improvement planning and publication of improvement information

As a result of my audit, I believe the Council has discharged its duties in connection with (1) improvement planning and (2) publication of improvement information in accordance with section 92 of the Act and has acted in accordance with the Department for Communities' guidance sufficiently.

Improvement assessment

As a result of my assessment, I believe the Council has as far as possible discharged its duties under Part 12 of the Act and has acted in accordance with the Department for Communities' guidance sufficiently.

The 2018-19 year was the third in which councils were required to implement the new performance improvement framework. The Council's arrangements to secure continuous improvement, as is to be expected, are still developing and embedding. The Council continues to strengthen its arrangements to secure continuous improvement, and has delivered some measurable improvements to its services in 2017-18. However, until the Council's arrangements mature and it can demonstrate a track record of ongoing improvement in relation to the framework, I am unable to determine the extent to which improvements will be made.

I have 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, I will keep the need for this under review as arrangements become more fully established.

Other matters

I have no recommendations to make under section 95(2) of the Local Government (Northern Ireland) Act 2014.

I am not minded to carry out a special inspection under section 95(2) of the Act.

PAMELA McCREEDY
Local Government Auditor

30 November 2018

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Annex B – Follow up of implementation of prior year proposals for improvement

Year of report	Ref	Proposal for improvement	Action taken by Council	Status
General duty to Improve				
2016-17	GD1	Linking the forthcoming community plan, and the ongoing processes that underpin it, with the Council's improvement processes.		Implemented
2016-17	GD2	Analyse any trends from the Performance Management system as further data becomes available. This will help identify those functions/services which would benefit most from improvement.	<p>KPIs for functions and services across the Council are in place, monitored and reported on, and continue to be developed. The Council has established performance management system software with an onscreen dashboard available to all Heads of Service and Directors to monitor their function and departmental performance in-year. Work on developing benchmarking is continuing.</p> <p>Performance reporting across functions and against objectives would also benefit from year on year trend analysis where possible.</p>	<p>In Progress</p> <p>In addition to reporting on KPIs across all function and services, regular reporting on performance against specific improvement objectives and the KPIs and measures supporting them would strengthen the Council's arrangements.</p>

Year of report	Ref	Proposal for improvement	Action taken by Council	Status
Governance				
2016-17	GOV 1	The Terms of Reference for the Governance and Audit Committee should be updated to reflect its performance improvement responsibilities. Currently they refer to Performance Management rather than performance improvement responsibilities.	There is a review of the Council's governance documentation at present, and the Terms of reference have been reviewed by Corporate management team (and include performance management). Due to be reported to the Committee for consideration.	In progress
2016-17	GOV 2	Performance improvement should continue to feature as a standing item on the Governance and Audit Committee agenda.		Implemented
2016-17	GOV 3	Senior management should facilitate Members of the Governance and Audit Committee with training and support to discharge the performance improvement responsibilities.		Implemented
2016-17	GOV 4	The Governance and Audit Committee should monitor the activity of any committee charged with the scrutiny of performance improvement.		Implemented
2016-17	GOV 5	Senior management should continue to ensure that the Governance and Audit Committee is provided with appropriate documentation to perform their monitoring function.	Performance Improvement is a regular item on the Governance & Audit Committee agenda.	In progress

2016-17	GOV 6	The Governance and Audit Committee should consider the benefit of using internal audit, where required, to provide it with future assurance on the integrity and operation of the Council's performance framework and identify areas for improvement.		Implemented
2017-18	GOV 7	Quarterly progress reports to the Governance and Audit Committee on improvement objectives would benefit from more detailed information relating to the specific baselines, performance measures and indicators linked to each improvement objective and associated projects and activities, as this information becomes available. This should show how each project and activity is contributing to the overall improvement objectives.	<p>Quarterly reports are taken to the Corporate Management Team and subsequently to the Governance and Audit Committee. Monitoring reports include an update on the progress of improvement projects. In addition, a quarterly KPI report is presented. This is generated from the Council's performance management software and provides an update on all the internal KPIs within the Council, some of which are linked to specific improvement objectives.</p> <p>Performance management data collection and information reporting needs to be developed further to assist in monitoring and reporting specifically on improvement objectives and related performance going forward.</p> <p>However, baselines against which to measure improvement are not always available or published, either at overall objective level, or for all projects or activities under them. Progress is set out mainly in output terms against relevant project milestones rather than to the specific outcome performance measures and indicators. There are, however, some statistics provided against these, where available. The KPI performance report does not highlight the KPIs specific to each objective. Ongoing assessment against outcomes is limited given timescales, and because improvement or progress measurement may not be undertaken until the project has been completed and implemented in full.</p>	In progress

			Baselines, systems and processes are still developing and will continue to do so.	
2017-18	GOV 8	The Council should, wherever possible, not wait until the end of the year and after the next year's improvement plan has been published to report on outcomes. Ongoing assessment should feed into considering next year's improvement objectives and plan.	The Council told us that showing the achievement of outcomes could potentially take a considerable amount of time therefore LCCC are continuing to monitor outputs and will assess these against the desired outcomes as projects progress, where the information is available. Objectives were carried forward from the previous improvement plan, but there is no evidence to demonstrate how ongoing assessment was factored in.	Not Implemented

Year of report	Ref	Proposal for improvement	Action taken by Council	Status
Improvement Objectives				
2016-17	OBJ 1	Ensuring that each improvement objective is focused on outcomes for citizens in relation to improved functions and/or services.	As noted in previous years the improvement objectives are high-level, strategic, aspirational, would take several years to be delivered and are dependent on other partners for delivery. The Council should consider the scope and level at which objectives are set and establish baselines and targets against which improvement can be measured and demonstrated through the use of meaningful performance indicators and data collection and/or other qualitative methods.	In progress
2016-17	OBJ 2	In relation to the improvement objectives, more detail is required in the 'Performance Improvement Plan' so that it is clear to a reader how citizens will be better off if the Council improves as it intends to.	<p>Under its current arrangements the Council will find it difficult to measure or demonstrate improvement at the overall objective level. The Performance Improvement Plan includes a section under each of the five objectives called 'we will have succeeded if we' which aims to demonstrate to the reader how citizens will be better off if the Council improves as it intends to.</p> <p>However, this is limited as objectives are strategic and aspirational and the Council is continuing to develop a system to establish baselines, collect and report on data and information specific to each overall objective and corresponding project.</p> <p>In addition, the detail underlying the improvement objectives is too focused on project delivery. While improvement could arise from these projects, it is not clear what this will look like as the outcomes or improvement for citizens are not always defined. Some of the projects are foundational in nature, for example delivering a strategy, plan or scheme. Delivering</p>	In progress

			these outputs may pave the way for improvement in future years, but not necessarily in the current year or within a specified timeframe.	
2016-17	OBJ 3	Ensuring that improvement can be demonstrated and, where possible, measured through the use of meaningful performance indicators and data collection and/or other qualitative methods. These indicators should not just concentrate around nor be limited to the statutory indicators and standards imposed by central government. Where possible and relevant, the Council should use baseline performance data/information against which future improvement can be demonstrated, which may be obtained from its Performance Management software.	A small group of KPIs has been designed for each service and unit within the Council. These are in addition to the statutory KPIs. The Council have not yet established clear baselines.	In progress
2017-18	OBJ 4	Additional clarity over the level of improvement expected for each objective and how it will be measured would improve the objectives. This could be achieved by establishing baselines, and setting challenging and realistic standards at the objective level, and providing clear links to the associated key performance indicators and measures which will be used to measure improvement in terms of outcomes across the objective as a whole rather than just at individual project level.	While the Council has made progress in developing the improvement framework, it is still in the process of ensuring supporting data and information is available to establish baselines and for monitoring and reporting against outcomes in terms of improvement.	In progress

Year of report	Ref	Proposal for improvement	Action taken by Council	Status
Consultation				
2016-17	CON 1	Continue to raise the profile and transparency of the performance improvement framework throughout the year on the Council's website and other communication channels, for example social media, citizen magazines etc.		Implemented
2016-17	CON 2	Consider other methods of obtaining views (as well as service level feedback) from citizens and organisations, for example, a citizen panel, staff and councillor workshops and focus groups.		Implemented
2016-17	CON 3	The consultation sought feedback on the Performance Improvement Plan. From our own experience of consultations we believe that providing additional discussion points and explaining any specific matters the Council wish to obtain comment on, or guide consultees to matters they may wish to reflect upon, encourage more meaningful responses.		Implemented
2016-17	CON 4	Publishing a transparent synopsis of responses together with what impact, if any, these had on improvement objectives would demonstrate to consultees that their views are being considered.	A formal consultation report summarising the whole consultation process, responses and outcomes was not produced and published. However, consultation responses were considered and amendments made to the draft plan. In addition a synopsis of all responses from the focus groups was taken to the Governance and Audit Committee in June 2018 as part of the Performance Improvement Plan scrutiny and	Implemented

			<p>approval process. This was also published on the Council website in its Performance Improvement section.</p> <p>The Council will consider the publication of a formal consultation report while developing their Engagement and Communication Strategy over the coming year.</p>	
2017-18	CON 5	<p>Providing a more structured form for feedback during consultation, including specific questions, additional discussion points, and explaining any specific matters the Council wish to obtain comment on, or to guide consultees and citizens to matters they may wish to reflect upon, encourages more meaningful responses and greater opportunity for comments.</p>	<p>Consultation during 2018-19 followed a similar format to that of previous year. The use of focus groups was more structured and better managed, and provided useful feedback which was acted on.</p> <p>Work has been ongoing and is continuing to develop an Engagement and Participation Strategy for the Council which will address a lot of these issues such as developing a structured form for feedback during consultation, and more detail on how consultations will be managed and carried out throughout the Council. It is also planned to develop a digital platform for consultation.</p>	In progress
2017-18	CON 6	<p>Once completed, publishing a synopsis of responses together with the Council's response, for example explaining the process of consultation, summarising the responses received, disclosing how many responses have been received, and how these have informed the policy, that is what impact, if any, they had on the draft improvement objectives.</p>	<p>A formal consultation report summarising the whole consultation process, responses and outcomes was not produced and published. However, consultation responses were considered and amendments made to the draft plan. In addition a synopsis of all responses from the focus groups was taken to the Governance and Audit Committee in June 2018 as part of the Performance Improvement Plan scrutiny and approval process. This was also published on the Council website in their Performance Improvement section.</p> <p>The Council will consider the publication of a formal consultation report while developing their Engagement and Communication Strategy over the coming year.</p>	In progress

Year of report	Ref	Proposal for improvement	Action taken by Council	Status
		Plan		
2017-18	PLAN 1	Good practice suggests that the Council should provide a rationale within its improvement plan for any prior year improvement objectives which have not been brought forward and which have not been achieved.	All performance improvement objectives from 2017- 18 have been carried forward to 2018-19.	Implemented
2017-18	PLAN 2	In the interests of openness and transparency for the citizen, the governance and management arrangements for performance improvement should be included in the published plan.	The Annual Business Plan & Performance Improvement Plan outlines the Council's overall governance and structures in general terms, including lines of accountability to senior management and elected members. However, it does not clearly highlight the Governance and Audit Committee's specific responsibilities in relation to the legislative duty for performance improvement and how it undertakes them.	In progress
2017-18	PLAN 3	Including local (non-statutory) indicators (more reflective of the general duty to improve) in the plan.		Implemented

Year of report	Ref	Proposal for improvement	Action taken by Council	Status
Information				
2017-18	INFO 1	<p>The Local Government Auditor makes the following proposal for improvement to enhance the collection and use of information:</p> <ul style="list-style-type: none"> the Council should continue working with other councils and the Department to agree a suite of self-imposed indicators and standards as soon as practicable. This will enable meaningful comparisons to be made and published in line with its statutory responsibility. 	<p>The Council participates in the Local Government Performance Improvement Working Group which meets quarterly and work is ongoing to develop an agreed suite of indicators.</p>	In Progress
2017-18	INFO 2	<p>Self-assessment reports must include a clear and transparent self-assessment of performance in relation to the general duty to improve as required under the legislation.</p>	<p>The 2017-18 self-assessment Improvement Report includes paragraphs on “Discharging the general duty to secure continuous improvement in 2017-18”. However a clear self-assessment of performance in relation to the General Duty is not included.</p> <p>A sub group of the Multi-Stakeholder group referred to above was tasked with drafting guidance to clarify the requirements of the General Duty to Improve. A working draft has now been agreed and we expect that further improvements to reporting on the General Duty will be made in 2019.</p>	In Progress
2017-18	INFO 3	<p>Self-assessment should not focus solely on the underlying projects, but also include a clear and transparent assessment of the</p>	<p>The Council has included an evaluation of progress against each objective based primarily on an update against projects.</p>	Implemented

		Council's progress in delivering its improvement objectives.		
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Annex C – Detailed observations

Thematic area	Observations
<p>General duty to improve</p>	<p>The Council is required to make arrangements to secure continuous improvement in the exercise of its functions and arrangements are in place. This was the third year in which councils were required to implement the statutory performance improvement framework. Whilst arrangements are in place and improvement objectives and projects are documented and subject to scrutiny going forward we would expect the arrangements to meet its general duty and to identify, prioritise and select areas for improvement to be more refined and mature. It is important that the Council continues to develop its improvement framework and its performance management system and processes to support this. An important part of this is addressing prior year proposals for improvement which are still considered relevant.</p> <p>Performance improvement information is taken to the Governance and Audit Committee in the first instance, and subsequently to other committees for noting if it specifically refers to their department. The Council has appointed Improvement Champions in each department and a bespoke Performance Management software system is in place to support performance management across the Council. Whilst performance is a regular agenda item and quarterly reports are provided to the Corporate Management Team and committees, the Council is not able to clearly demonstrate that information is being collected across all functions and services and is used to identify areas of improvement.</p> <p>This is an area on which we commented in our previous reports. It is important that there is a logical evidence base and documented process to support the general duty to improve and its selection of priority areas for improvement. As further data becomes available there is scope for the system to be further developed to assist specifically in establishing baselines and targets, and monitoring and reporting on performance objectives and related performance measures and indicators. Once embedded fully, alongside the ongoing benchmarking work across councils, this should enable increased collection and use of a wide range of performance information and measures across all functions and services over time. Comparisons with other councils can also help identify, prioritise and select those functions/services which would benefit most from improvement, and develop objectives.</p> <p>A Multi-Stakeholder Group has been established with representatives from the Department for Communities and the councils. A sub group was tasked with drafting guidance to clarify the requirements of the General Duty to Improve. A working draft has now been established and we expect that further improvements to reporting on the General Duty will be made in 2019</p>

Thematic area	Observations
<p>Governance arrangements</p>	<p>The Council has established governance arrangements to monitor and scrutinise its statutory performance improvement responsibilities. These are still developing and are not yet mature.</p> <p>The Council has assigned its Governance and Audit Committee with overall responsibility for scrutiny and oversight of performance improvement. In 2016-17 the LGA proposed that the Terms of Reference for the Committee should be updated to reflect its performance improvement responsibilities. A review of the Council’s governance documentation is underway, which will include a review of the Committee’s terms of reference.</p> <p>Performance improvement is a regular item on the quarterly Committee agenda. Oversight includes the approval of key milestone events such as: improvement objectives and the improvement plan; monitoring reports on KPIs and progress against improvement projects; and consideration of the s95 report which includes a number of Proposals for Improvement based on good practice. However progress against implementation of the various Proposals for Improvement included in previous s95 reports are not reported to the Committee.</p> <p>Each quarter two monitoring reports are taken to the corporate management team and subsequently to the Committee. One provides an update on progress of the projects and activities expected to contribute to each improvement objective. The other is a performance summary report, taken from the performance management system, which provides an update on all the internal KPIs that exist within the Council, many of which are linked to improvement projects.</p> <p>Baselines against which to measure improvement are not always available or published at overall objective level or for all projects or activities under them. Progress is set out mainly in output terms against relevant project milestones rather than relating to the specific performance measures and indicators linked to each improvement projects and activities. However, there are some statistics provided against these where available. The KPI performance report does not highlight the KPIs specific to each objective. Ongoing assessment against outcomes is limited given timescales and because improvement or progress measurement may not be done until after the project has been completed and implemented in full.</p>

Thematic area	Observations
Improvement objectives	<p>The Council published its Performance Improvement Plan for 2018-19 in June 2018 which included six improvement objectives – five of which were carried forward from the previous year. While the plan meets the requirements of legislation, and the objectives reflect key elements of the Community Plan, they remain strategic, broad and open-ended and there is some distance between what the overall objectives are seeking to achieve and the projects and activities set to contribute towards delivering them.</p> <p>There are risks with setting objectives of this nature and the experience elsewhere in the United Kingdom indicates that the selection of broad improvement objectives has led to difficulty in concisely reporting improvement. The Council is, of course, free to interpret its responsibilities in this way, although the Department’s guidance cautions against setting objectives that are too broad.</p> <p>The Guidance states that objectives should ideally both describe the overall purpose and the scope of action to deliver it (for example “we will provide more and better opportunities for citizens to engage in physical activity”). The Council’s objectives are largely aspirational and cover a broad range of actions and projects across a number of functions and refer to “promoting” and “supporting” rather than specifically to an element of improvement such as to “improve” or “increase”. Whilst this is an acceptable approach in the short term, it may make it more difficult in year and over time to report on any demonstrable improvement at the objective level.</p> <p>Councils can set objectives which span more than one year, perhaps with intermediate milestones, provided that these are reviewed annually to ensure their continued relevance. All of the objectives have a medium to long-term span but none have:</p> <ul style="list-style-type: none"> • baselines indicating current performance; • targets indicating where they hope to get to; or • milestones along the way to report on improvement progress. <p>Several capital projects central to objectives are long term plans, not deliverable for a number of years and some of the “What we will do in 2018-19” and “What success will look like” are not within the control of the Council. For example: capital projects such as the delivery of a new hotel, the new Knockmore link road, a Community Hub in Carryduff, and the redevelopment of the Dundonald International Ice Bowl.</p> <p>Evidence, such as performance indicators, is required to monitor and measure the delivery of the improvement objectives and should be included in the plan. The Council should ensure that any improvement can be demonstrated at the overall objective level and not just at the project and action level. The plan would benefit from greater clarity and transparency on the level of</p>

Thematic area	Observations
	<p>improvement expected for each objective and how it will be measured. However, it is still not always clear what the baseline is for each objective at an overall level and/or the corresponding projects or actions or which KPI's relate to which objective. It will therefore be difficult to measure and report on any improvement in outcomes for the citizen at an overall level or how much each of the projects will contribute towards this.</p> <p>We recognise that performance management is not yet mature. The Council is seeking to address this through the development of Community Planning indicators, further development of the performance management framework and system, as well as working with APSE Performance Networks and participating in the Local Government Performance Improvement Working Group to develop indicators to enable benchmarking and enhance baseline information. Successful agreement and implementation of these projects and embedding these arrangements throughout all council services will be critical to identifying areas for improvement and then in measuring, monitoring, and reporting future progress.</p> <p>The Council adopted an approach where services and departments will work together to achieve each improvement objectives and has chosen to demonstrate improvement across the organisation rather than selecting specific functions for improvement. The Council's purpose in doing this is to link all its strategic long term plans such as Community Plan, Corporate Plan to 2022, Local Development Plan etc. and to continue with "telling the story" across strategies. Whilst this is undoubtedly ambitious and legitimate, it makes it more difficult over time to identify and report demonstrable improvement at the objective level given the lack of baselines or milestones.</p> <p>The Council has detailed in its performance improvement plan a list of corresponding improvement projects and actions to across a number of functions to be delivered to contribute towards achieving each improvement objective. The Council has established arrangements to deliver projects and actions corresponding to improvement objectives. Whilst some of the improvement projects may be output focused, successful delivery should contribute towards achieving the improvement objectives. We therefore consider that objectives are legitimate.</p>

Thematic area	Observations
Consultation	<p>The consultation during 2018-19 followed a similar format to that of the previous year. Consultation included:</p> <ul style="list-style-type: none"> • staff; • elected representatives; • community/voluntary groups; • local businesses; representative business organisations; • Section 75 and statutory consultees. <p>The Council also conducted focus groups; made use of social media; placed adverts in local papers; used its website to publish the draft plan and provided contact details encouraging individuals or organisations to submit views at any time during the year. The Council has therefore complied with its statutory requirement to consult on its performance improvement objectives.</p> <p>Evidence of focus groups including agenda, attendee lists, minutes and a summary of the findings were provided to the Audit and Governance Committee. Based on the feedback received a number of changes were made to the content and layout of the Annual Business Plan and Performance Improvement Plan and a final version was published in June 2018.</p> <p>Work has been ongoing to develop an Engagement and Participation Strategy which should address these issues. Whilst improvement was made with regards formalising the focus groups further work needs to be done with regards formalising the online consultation and consultation synopsis report provided to Council.</p>

Thematic area	Observations
Improvement plan	<p>The Council published its Annual Business & Improvement Plan 2018-19 on 28 June 2018. It updates the improvement objectives from the previous year and is available in electronic format on the Council’s website and other formats upon request.</p> <p>An improvement plan benefits from detail which enhances the transparency and meaningfulness of the Council's commitment to continuously improve its functions. The plan contains a high level description of the Council’s arrangements for discharging its performance improvement duties and includes its improvement objectives, the related community planning outcome, and corresponding projects.</p> <p>While the plan meets the requirements of legislation, as noted previously, the improvement objectives are strategic, broad and open-ended and how improvement at the overall objective level will be measured in terms of KPIs and performance measures or the link between objectives, projects and KPIs is not always transparent.</p> <p>The Department’s guidance says that evidence such as performance indicators is required to monitor and measure the delivery of the improvement objectives. Some progress has been made with the improvement plan containing more detail this year around what success will look like, setting out how citizens and other stakeholders will be better off as a result of the Improvement process. However, it would benefit from even greater clarity and transparency on how each project will deliver against the overall objective, the level of improvement expected for each objective, and how it will be measured. Including more detail on objectives and projects where possible such as baselines, current performance, targets and specific KPIs would improve transparency and meaningfulness. We recognise that all relevant baseline data or information against which future improvement can be measured is not yet available.</p>
Arrangements to improve	<p>The Council is required to establish arrangements to deliver on its improvement objectives each year. The underlying projects relating to the improvement objectives are generally supported by delivery plans and budgets for use by operational teams, are being project managed and have lines of accountability, including risk management, to senior management and members. In addition, Members receive regular updates from senior management on progress.</p>

Thematic area	Observations
Collection, use and publication of performance information	<p>The Council continues to develop its performance management framework. Software generates reports on a suite of indicators across its functions and services to monitor corporate performance including statutory and self-imposed indicators many of which are linked to improvement objectives. These have helped to support the Council’s self-assessment and report.</p> <p>There is scope to make more and better use of information to assist in identifying areas for improvement and to demonstrate the level of improvement delivered in terms of outcomes against overall objectives and corresponding projects.</p> <p>Performance data in relation to the self-imposed standards and indicators is not independently validated. It is generally provided by the relevant project manager and input into the performance management system to generate reports.</p> <p>The Council’s assessment of its performance and its published report should include a comparison of its performance with previous years, and where reasonably practicable, with other councils. A Multi-Stakeholder Group has been established with representatives from the Department for Communities and the councils. Its work plan includes consideration of benchmarking. We expect that progress will be made by September 2019 to allow a broader range of functions to be compared with other councils. This issue should be taken forward as a sector to ensure consistency.</p> <p>In September 2018 the Council published its annual “Performance Improvement Report 2017-18’ on its website, which includes a self-assessment of performance. The report provides an assessment of the Council’s performance in relation to its improvement responsibilities for 2017-18 and, in so far as possible, meets with the requirements of the legislation and guidance.</p> <p>The report included a summary self-assessment table with the Council’s evaluation of progress against each of the five improvement objectives for 2017-18. An update on the corresponding improvement projects for each objective is provided, although this is generally on output terms such as milestones or a developed strategy or plan, rather than the outcomes resulting from them. Some KPIs for each improvement objective are included to support their evaluation. A brief narrative on the “outcomes achieved” for each objective was included, but these were not always quantified or measured.</p> <p>Future self-assessments would benefit from more consistent reporting on the extent of any improvement to local services or functions. It is difficult to measure the actual improvement delivered over a single year in terms of outcomes, and demonstrate clearly the impact on citizens due to:</p> <ul style="list-style-type: none"> • the broad strategic nature of objectives; • a lack of baselines, targets and standards against which to measure the actual improvement;

Thematic area	Observations
	<ul style="list-style-type: none"> • limited measures of success or data clearly linked to objectives and corresponding projects; and • a number of key projects have a medium-long term timescale and will continue over multiple years. <p>The links between the objectives, projects and outcome measures or KPIs associated with them was not always clear. In the interests of openness and transparency these should be set out clearly for each improvement objective in the pan.</p> <p>The Council published performance information in relation to its statutory indicators during 2017-18. This relates to the functional areas of planning, economic development and waste management and included:</p> <ul style="list-style-type: none"> • a comparison to previous years; • some explanation and context to performance; and • where possible some comparisons to the other councils. <p>The Council reported on performance against its self-imposed performance measures based on corporate plan priorities and commitments. However, comparison to previous years' performance was not made as many KPIs were not used in 2016-17.</p>