



## **Audit and Assessment Report 2022-23**

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

**Lisburn & Castlereagh City Council**  
30 November 2022

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# 1. Key Messages

## Summary of the audit

<b>Audit outcome</b>	<b>Status</b>
Audit opinion	Unqualified opinion
Audit assessment	The LGA has concluded that she is unable to assess whether Council is likely to comply with Part 12 of the Local Government Act (Northern Ireland) 2014 (the Act) during 2022-23.
Statutory recommendations	The LGA made no statutory recommendations
Proposals for improvement	The LGA made no new proposals for improvement

This report summarises the work of the Local Government Auditor (LGA) on the 2022-23 performance improvement audit and assessment undertaken on Lisburn and Castlereagh Council. We would like to thank the Chief Executive and his staff, particularly the Performance Improvement Officer, 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 a unqualified audit opinion, without modification. She certifies an improvement audit and improvement assessment has been conducted. The LGA also states that, as a result, she believes that Lisburn & Castlereagh City Council (the Council) has discharged its performance improvement and reporting duties, including its assessment of performance for 2021-22 and its 2022-23 improvement plan, and has acted in accordance with the Guidance

## **Audit Assessment**

The LGA is required to assess whether Lisburn & Castlereagh City Council (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'.

Councils continue to operate in a challenging environment with focus on recovery from the Covid-19 pandemic and the ongoing cost of living crisis, impacting both on performance and the way in which services are delivered. This changing landscape and refocusing of priorities has impacted on the ability to rely on past trends in councils' performance to assess the likelihood of future compliance with Part 12 of the Act. In light of this, the LGA has concluded that she is unable to reach an opinion on whether the Council is likely to have complied with its performance improvement responsibilities for 2022-23.

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**

During the audit and assessment we identified no issues requiring a formal recommendation under the Act. We made no proposals for improvement (see Section 3). Detailed observations and suggestions on thematic areas are provided 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 31 March 2023 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.

## **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.

## **Other matters**

### **Sustainability and Climate Change**

Councils have begun to address the issue of climate change and sustainability, with individual councils at varying stages of progress. If councils are to link climate change and sustainable action to their performance objectives or even as part of their wider continuous improvement arrangements in future years, it will be necessary to consider arrangements to improve, including ensuring adequate resourcing and gathering of accurate data.

## 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. Further guidance to clarify the requirements of the general duty to improve was issued by the Department during 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 31 March 2023, 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
- Collection, use and publication of performance information; and
- Demonstrating a track record of improvement.

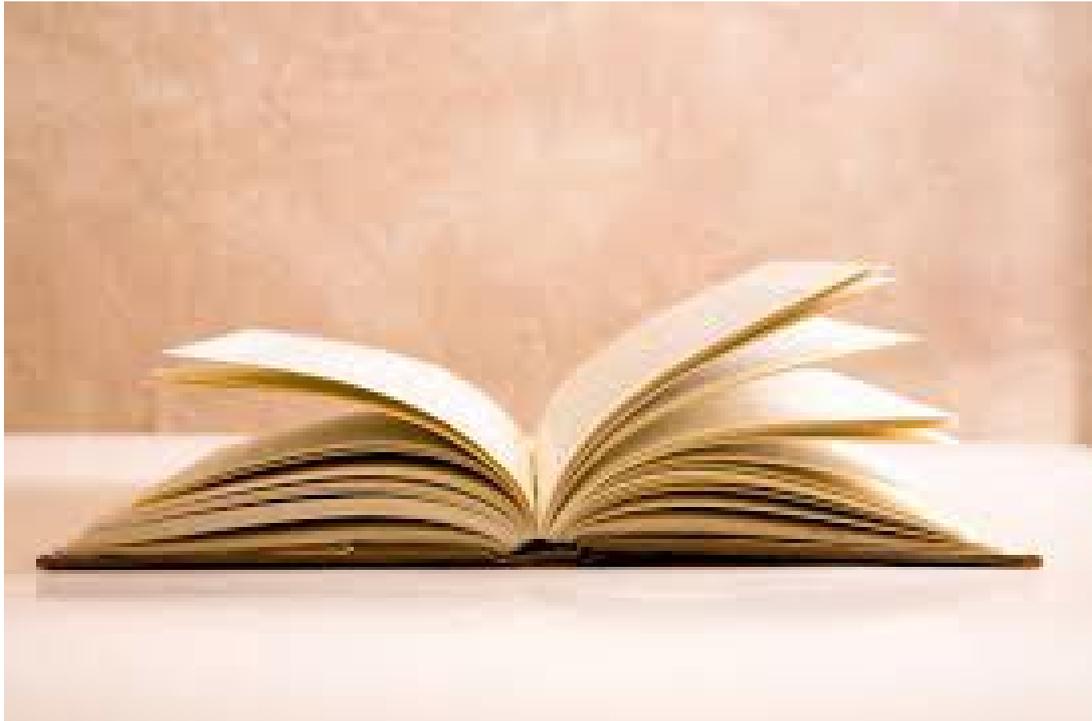
These are not formal recommendations, which are more significant matters which require action to be taken by the Council in order to comply with the Act or Guidance. Proposals for improvement include matters which, if accepted, will assist the Council in meeting its performance improvement responsibilities.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

I have made no proposals for improvement this year but detailed observations and suggestions for the thematic areas can be found at Annex B.

In the prior year I made two proposals for improvement and noted the Council had taken these forward and improvements have been made.

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.

## 4. Annexes



## **Annex A – Audit and Assessment Certificate**

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

#### **Certificate of Compliance**

I certify that I have audited Lisburn & Castlereagh City Council’s (the Council) assessment of its performance for 2021-22 and its improvement plan for 2022-23 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 2022-23 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**

Councils continue to operate in a challenging environment with focus on recovery from the Covid-19 pandemic and the ongoing cost of living

crisis, impacting both on performance and the way in which services are delivered. This changing landscape and refocusing of priorities has impacted my ability to rely on past trends in councils' performance to assess the likelihood of future compliance with Part 12 of the Act. In light of this, I am unable to reach an opinion on whether the Council is likely to discharge its duties under Part 12 of the Act and act in accordance with the Department for Communities' guidance sufficiently during 2022-23.

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.

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30 November 2022

## Annex B – Detailed observations

Thematic area	Observations
General duty to improve	<p>The Council has demonstrated that it has put in the appropriate arrangements to select objectives (of which it has selected two) and established a system to ensure continuous improvement in order to achieve its general duty to improve.</p> <p>The Council published its Performance Improvement Plan 2022-23 on 29 June 2022 following approval by the Governance and Audit Committee. This outlines the Council’s arrangements to secure continuous improvement in the exercise of its functions, including the overall objectives, related projects and self-imposed indicators. The arrangements are constructed in line with the seven relevant criteria laid out in legislation and aligned to the Council’s corporate priorities.</p> <p>KPIs for functions and services across the Council are in place, monitored and reported on, and continue to be developed. The Council has an 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. KPIs across all function and services are regularly reported on a quarterly basis. Performance against specific improvement objectives and the KPIs and measures supporting them, are reported on regularly. Although content the KPI mechanism in place is suitable for the theme of ‘general duty to improve’, we consider the council’s use of KPI’s over the long term under the thematic heading of ‘demonstrating a track record of improvement below and have raised some possible actions which it may wish to consider.</p>

Thematic area	Observations
	<p>Some of the 2022-23 improvement projects relate to surveys and other feedback mechanisms. These will only produce improvement when the results are acted upon. It is therefore imperative that the Council follows through any such survey results to provide tangible improvements and I welcome the comments from the council outlining their plan for the survey results.</p>
<p>Governance arrangements</p>	<p>Details of the governance arrangements for Lisburn and Castlereagh City Council are included in section 4 of the Performance Improvement Plan.</p> <p>The Council continues to make progress putting arrangements in place to secure continuous improvement in the exercise of its functions in order to achieve its general duty to improve, as well as improvement objectives in 2022-23, and has made arrangements to secure achievement of improvement for each of its improvement objectives. In relation to its general duty to improve, arrangements are constructed within the seven relevant criteria set out in legislation and the current functions prioritised and selected for improvement are aligned to the Council's corporate priorities.</p> <p>Projects are assigned to Senior Responsible Officers who are staff at Head of Service level within the Council. They are responsible for reporting to the Performance Improvement Officer on a regular basis and providing both qualitative and quantitative information to inform the reports taken to meetings and committees. Progress towards achievement of the objectives and underlying projects is monitored by the Corporate Management Team, and ultimate scrutiny and monitoring responsibility lies with the Governance &amp; Audit Committee, who meet quarterly. It is regularly supplied with documentation to support the performance improvement items on the agenda, including a status report on KPIs and a qualitative report on progress to date, which assists it in performing its monitoring function. The minutes of the Governance and Audit Committee are ratified at full Council.</p>

Thematic area	Observations
	<p>Council established performance improvement guidance for staff from 2016. The Performance Improvement Officer confirmed that this was originally to be reviewed when DfC releases updated guidance. The council has since informed me that a review of the policy is to be included in the 2023/24 Performance Improvement process which is a proactive step to keep the policy relevant and I will review the changes in my next S95 report.</p> <p>Furthermore Internal Audit should look for opportunities to provide assurance, support and recommendations towards the Performance Improvement programme as a whole as its current work programme has little direct performance improvement scheduled. However I note the Performance Improvement Plan will be shared with Internal Audit which adds an extra layer of oversight.</p>
Improvement objectives	<p>The Council has set two improvement objectives, both of which meet at least one of the seven criteria required in legislation and relate to the functions and services to the Council's Corporate Plan themes and outcomes.</p> <p>The objectives are:</p> <ol style="list-style-type: none"> <li>1. We will continue to improve our citizen engagement methods and ensure accessible processes for contacting the Council.</li> <li>2. We will continue to deliver Council led activities, that seek to maintain and improve the physical and mental wellbeing for our citizens.</li> </ol> <p>The Council approved the improvement objectives formally through the Governance and Audit Committee and the Committee minutes are ratified by Council.</p> <p>Each improvement objective sets out:</p> <ul style="list-style-type: none"> <li>- why it was selected;</li> <li>- the projects needed to achieve the objective;</li> </ul>

Thematic area	Observations
	<ul style="list-style-type: none"> <li>- links to the Corporate Plan and the seven criteria laid out in legislation;</li> <li>- what success will look like for each project, including measurable outcomes; and</li> <li>- overall desired outcomes from delivering each objective.</li> </ul> <p>Arrangements are in place to aim to secure achievement of its improvement objectives. Council has a performance management system to collect and report on data and information specific to each overall objective and the Performance Improvement Officer also gathers qualitative data on a quarterly basis. Progress to date is reported to the Governance and Audit Committee each quarter in the form of both a KPI report and a more qualitative report detailing progress to date and also shows a section on “what difference did we make?” detailing feedback received and positive stories of community outcomes arising from the projects.</p>
Consultation	<p>The consultation process in itself is effective. The consultation process was open for two months, April and May of 2022. Awareness was raised via the website and social media. The consultation had a mix of online and in person events to gather a range of opinions on the chosen objectives. The return of in person focus groups is welcome and a sign of the wider Covid-19 recovery and safety measures implemented by the Council. The mechanism also answers questions and even passes suggestions and comments to more relevant departments. However, while the process works and the participation is greatly improved on the prior year, it would be useful for the Council to explore ways of ensuring more representative participation. The current mix has a high proportion of Council staff, whilst we acknowledge they are also likely to be rate payers, they may have a different perspective from other groups.</p>
Improvement plan	<p>The Council has prepared an annual Performance Improvement Plan for 2022-23 and published it on 14 June 2022 on its website before the statutory deadline. It has also committed to taking all reasonable steps to provide the document in other formats and languages upon request.</p>

Thematic area	Observations
	<p>The Council has considered and slightly modified the objectives while continuing to link to their corporate plan and have identified specific projects and outcomes with which to measure success. The objectives are monitored using KPI quarterly reports. The arrangements are linked to the seven areas in the statutory guidance and the corporate plan.</p> <p>The Council also published a short summary Performance Improvement Plan showing why it had chosen each of the objectives, what it will do in the year ahead to deliver this, how it will measure success, and what success will look like for the ratepayer. This makes the Plan more readily accessible and more likely to be read by a wider range of stakeholders.</p> <p>Overall, the 2022-23 Performance Improvement Plan meets the requirements of the legislation. The Plan includes:</p> <ul style="list-style-type: none"> <li>• a description of the Governance and Audit Committee’s specific responsibilities in relation to the legislative duty for performance improvement and how it undertakes them;</li> <li>• detail on how the Council intends to achieve statutory indicators and standards set by central government;</li> <li>• descriptions of the Council’s arrangements to secure continuous improvement in the exercise of its functions (section 84 (1)); and of its arrangements to exercise its functions so that any applicable statutory performance standards are met are both included; and</li> <li>• its improvement objectives, including why they were chosen, the corresponding projects, links to the corporate plan and community plan, and the measures of success.</li> </ul>

Thematic area	Observations
Arrangements to improve	<p>The Council is required to establish arrangements to deliver on its improvement objectives each year. The Department for Communities' guidance states that the Council should be able to understand and demonstrate the impact of its arrangements for continuous improvement on the outcomes for citizens.</p> <p>The Council continues to make progress putting arrangements in place to secure continuous improvement in the exercise of its functions in order to achieve its general duty to improve, as well as improvement objectives in 2022-23. It has made arrangements to secure achievement of improvement for each of its improvement objectives. In relation to its general duty to improve, arrangements are constructed within the seven relevant criteria set out in legislation and the current functions prioritised and selected for improvement are aligned to the Council's corporate priorities.</p> <p>As mentioned in our assessment of the Governance Arrangements above, the Council has in place roles and accountability mechanisms which ensure appropriate attention is given to the arrangements to improve and performance improvement as a whole.</p>
Collection, use and publication of performance information	<p>We raised a proposal for improvement in the prior year that the Council should consider utilising the data used by some other councils to enable comparison of its performance in planning and waste, with more up to date figures. The Council has again chosen not to do this, although it outlined its rationale in its self assessment report. It has used the Quarter 3 2021-22 planning bulletin figures to provide some comparison. However, the Quarter 4 figures were available on 7 July, in advance of publication of the self assessment report. We would emphasise other Councils allocate the resource to perform this exercise, so it is unfortunate that ratepayers do not have access to the same comparable information. The Council has notified me that it may consider the timescales, designing and approval of the report</p>

Thematic area	Observations
	<p>We noted that there were publication errors in the prior year and that the Performance Improvement Officer has made arrangements to minimise this in the current self assessment report and Improvement Plan, however we did note that in two parts of the self assessment report there were conflicting figures for two projects. Only one of these figures was correct. The Performance Officer was able to explain the error came about as one page referred to full year figures and another up to Quarter 3, and has provided assurance it would not occur again. It is important however that the Council adequately quality assures the figures included in the narrative of its reports carefully before publication.</p>
<p>Demonstrating a track record of improvement</p>	<p>The issue of benchmarking with other Councils is part of the work plan for the Performance Improvement Working Group (PIWG) and it is expected that progress on this issue will be made to allow a broader range of activities to be compared. However, we note that delays to this process were faced because of the COVID-19 pandemic and while there was an intention to take this issue forward through the PIWG, limited progress has been made on this matter.</p> <p>We would suggest the Council considers improving comparison with previous years self-imposed indicators as there is little at the moment. We do acknowledge that many of the projects were new in 2021-22 and therefore trend analysis could not be performed due to lack of data or comparability. However we expect that some would have been ongoing within the Council for a number of years and therefore relevant data should have been available to evidence improvement. For example, the number of C-SAW programmes and participants should be able to be tracked over a number of years.</p> <p>Whilst the sample data for service KPIs in section 5 shows progress over a number of years, this is limited, and the supplementary KPIs in the appendix show only in-year data rather than over a number of years. Council reported 2021-22 indicators in the</p>

Thematic area	Observations
	<p>appendix of the 2022-23 plan, but these were not all included in the main body of the 2021-22 report.</p> <p>In order to clearly demonstrate a track record of improvement, Council should include previous year(s) data where it can be obtained. This will be particularly important next year where the objectives are the same (even if the individual projects have changed/evolved) and so it will be important for LCCC to explain how the efforts have achieved continuous improvement towards the overall objective.</p> <p>Council should consider both deciding on a set of indicators relevant to performance improvement (such as those in appendix 1 of the 2022-23 plan) that will be reliably shared each year, and also share a year-on-year trend for all of these.</p> <p>The Council wrote to me to inform me that the above observations will be taken into consideration for the 2023/24 planning.</p>