

Audit and Assessment Report 2024-25

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

**Armagh City, Banbridge and Craigavon Borough
Council**

29 November 2024

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We have prepared this report for Armagh City, Banbridge and Craigavon Borough Council's sole use. 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 LGA has concluded that the Council is likely to comply with Part 12 of the Local Government Act (Northern Ireland) 2014 (the Act) during 2024-25.
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 2024-25 performance improvement audit and assessment undertaken on Armagh City, Banbridge and Craigavon Borough Council. We would like to thank the Chief Executive and his staff, particularly the Performance Improvement team, 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, without modification. She certifies an improvement audit and improvement assessment has been conducted. The LGA also states that, as a result, she believes that Armagh City, Banbridge and Craigavon Borough Council (the Council) has discharged its performance improvement and reporting duties, including its assessment of performance for 2023-24 and its 2024-25 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'.

In her opinion, the Council is likely to discharge its duties in respect of Part 12 of the Act during 2024-25 and has demonstrated a track record of improvement. 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 statutory recommendation under the Act and no proposals for improvement. We made no proposals for improvement (see Section 3). Detailed observations 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 2025 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.

Armagh City, Banbridge and Craigavon Council have a performance improvement objective (PIO) on sustainability and climate change; 'PIO 3: *We will reduce Council's environmental impact through the implementation of the Net Zero Roadmap Analysis and associated action plan*'.

Benchmarking

As I have as reported in previous years, whilst councils have undertaken work to improve benchmarking, for example by participating in the Association of Public Service Excellence (APSE) Performance Networks, more progress needs to be made by the sector to allow a broader range of functions to be compared to support councils with their General Duty to Improve, in accordance with section 84 of the Local Government (Northern Ireland) Act 2014.

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 2025, 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

During the audit and assessment no issues were identified that required a formal recommendation under the Act. There were also no issues identified requiring a Proposal for Improvement, which represents good practice to assist the Council in meeting its responsibilities for performance improvement.

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 B.

4. Annexes

Annex A – Audit and Assessment Certificate

Audit and assessment of Armagh City, Banbridge and Craigavon Borough Council's performance improvement arrangements

Certificate of Compliance

I certify that I have audited Armagh City, Banbridge and Craigavon Borough Council's (the Council) assessment of its performance for 2023-24 and its improvement plan for 2024-25 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 2024-25 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 discharged its duties under Part 12 of the Act and has acted in accordance with the Department for Communities' guidance sufficiently.

In my opinion, the Council has demonstrated a track record of ongoing improvement, and I believe that the Council is likely to comply with Part 12 of the Act during 2024-25.

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.

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.

A handwritten signature in cursive script that reads "Colette Kane".

Colette Kane
Local Government Auditor
Northern Ireland Audit Office
106 University Street
BELFAST
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28 November 2024

Annex B – Detailed observations

Thematic area	Observations
General duty to improve	<p>Armagh City, Banbridge and Craigavon Borough Council (the Council) has demonstrated that it has put in place adequate arrangements to secure continuous improvement in exercising its functions. A description of how the Council will discharge its duty to improve under section 84 (1) – Part 12 of the Local Government Act (NI) 2014 (the Act) has been included in the 2024-25 Performance Improvement Plan (PIP). The Council has further provided evidence within the PIP of arrangements in practice in its description of both the statutory performance indicators (pages 20-21) and self-imposed performance indicators (page 22).</p> <p>As laid out within the Act, there are seven key aspects of improvement, and these are clearly linked to the Council's selected Performance Improvement Objectives (PIOs). Each of the five selected PIOs for the 2024-25 PIP link corresponding improvement areas in Appendix 4 (pages 33-38) – all seven aspects have been covered. The key strategic themes from the Corporate Plan and Community Plan are also linked to each PIO in Appendix 4.</p> <p>The Council shows continuous development and evaluation of the impact and effectiveness of its functions and services through the use of its Performance Management Framework (last reviewed in 2019 by Internal Audit). This provides an established process for selecting functions and services for improvement which we have assessed as being reasonable. There has been an increase in the number of PIOs selected from the prior year (an increase of four to five). Two of five (PIO 1 and PIO 2) are internal facing objectives whilst the other three (PIO 3, PIO4 and PIO 5) are externally facing objectives.</p>

Thematic area	Observations
	<p>There is however one PIO that is directly related to a statutory indicator (PIO2) and self-imposed indicator (PIO1). As per the Department for Communities guidance (Local Government circular 21/2016, para 38) "Councils should avoid using performance indicators, targets and standards as an objective in themselves. In almost all cases they will be too narrow and too far removed from public understanding and need. Consequently, they should be seen as only one of the tools to help demonstrate improvement." We recognise that these areas of performance have been affected by the pandemic and the inclusion of them as objectives is intended to strengthen the service areas in the post Covid environment. Going forward and following achievement of these PIOs, the Council should consider choosing more varied areas of focus.</p> <p>The Self-Assessment Report (SAR) for 2023-24 fulfils the Council's general duty to improve in relation to improvement arrangements and provides an overview of performance against statutory, self-imposed and PIOs. The over of the SAR (section 2.0) reviews performance over the 2023-24 period.</p> <p>The Council published their PIP by 30 June 2024.</p>

Thematic area	Observations
Governance arrangements	<p data-bbox="560 237 1971 392">The day-to-day delivery of the PIOs is facilitated by the Strategy and Performance Directorate. The Directorate is responsible for overseeing the development, monitoring and reporting of the PIOs. There are adequate governance arrangements which continued to operate effectively in the period.</p> <p data-bbox="560 432 1993 624">There is a Performance Policy (approved in 2019) and a Performance Management Framework (presented to the Performance and Audit Committee in 2019) which are embedded in the Council's performance management function. The overall responsibility for performance improvement and requisite scrutiny is held by the Performance and Audit Committee.</p> <p data-bbox="560 663 2004 855">The Performance and Audit Committee has its responsibilities in respect of performance improvement set out in the Terms of Reference for the committee. The committee meets quarterly, and performance improvement is a standing agenda item at each meeting, with reports on the progress of each performance improvement objective provided bi-annually.</p> <p data-bbox="560 895 1982 1126">Performance improvement functions are further reported to the Governance, Resources and Strategy Committee via the reporting of progress in departmental business plans. The PIP is submitted to full Council in draft prior to acceptance for the year. Full Council also has oversight of the function through the acceptance of minutes from both the Performance and Audit Committee and the Governance, Resources and Strategy Committee.</p> <p data-bbox="560 1166 1948 1286">The Internal Audit function of the Council review governance arrangements and other aspects of performance management on a four-year rolling audit plan. Performance improvement was to be reviewed in 2024-25 but has been deferred to 2025-26.</p>

Thematic area	Observations
	<p>During our Audit fieldwork we sampled three of the five selected PIOs from the 2024-25 PIP. In all PIOs tested, the Council demonstrated the following:</p> <ul style="list-style-type: none"> • It is clear how the achievement of the project will contribute to the achievement of the objective to which it is linked • The project has a realistic service plan, timetable and budget in place • A project manager is in place who is accountable to senior management; • Elected member are kept informed of the progress and allowed to challenge any aspects; • There is a risk register attached to each objective that is regularly updated; and • Issues are recorded and managed on an ongoing basis. <p>The 'Management, Reporting and Governance Arrangements' are clearly laid out in the PIP (pages 22-24). We consider these to be sufficient to ensure adequate oversight and accountability.</p>
Improvement objectives	<p>The Council has identified five PIOs in the 2024-25 PIP. The Council has demonstrated that each of these objectives are legitimate, clear, robust, deliverable and demonstrable. The objectives cover several Council service areas and are clearly presented in the PIP in a format that answers key questions for stakeholders; why?/what action we will take?/how we will measure progress?/benefits to you/who is responsible?</p> <p>The PIP links each of the performance improvement objectives to the seven key improvement areas in the Local Government Act (NI) 2014 (The Act) in the Appendix 1 table. The objectives are further aligned to the Council's Corporate plan, Community plan and Medium-Term Recovery plan. Each objective has a Senior Responsible Officer, whose role includes management and reporting of the progress of the objective.</p>

Thematic area	Observations
	<p>The proposed objectives were released for public consultation and all objectives were endorsed by stakeholders (85%-100% approval rating). The PIP was then endorsed and approved by full Council on 24 June 2024.</p> <p>All four of the PIOs contained within the 2023-24 PIP have been retained (with some slight changes) in the PIP for 2024-25, alongside a new PIO. The rationale for the retention of PIOs from the prior year, and the addition of the new PIO, is shown on pages 7-10 of the PIP and are reasonable.</p>
Consultation	<p>The Council has complied with its statutory duty to consult on its general duty to improve and proposed improvement objectives for inclusion in the 2024-25 PIP. The consultation was transparent, and the Council made use of a wide range of methods to engage potential respondents within the process. This has not appeared to be as effective as the prior year as there has been a reduction in the number of respondents.</p> <p>An eight-week consultation was held between 26 March 2024 and 21 May 2024, complying with the Council's Public Consultation Policy.</p> <p>The consultation was promoted through a variety of methods, including:</p> <ul style="list-style-type: none"> • advertisement via the Council website, with electronic access on the communication hub; • advertisement on the staff newsletter and promotion via the intranet; • emails promoting the consultation issued to elected members, neighbouring Councils, community partners, local businesses and trade unions; 15 Thematic area Observations • hard copies available at Council reception sites; and • promotion via social media including Twitter (X) and Facebook.

Thematic area	Observations
	<p>The Council again made the decision this year to not advertise via the press, reasons for this have been noted.</p> <p>The public consultation received 34 responses, a decrease from the 70 responses received in the prior year. The five proposed performance improvement objectives received overwhelming support from respondents with all achieving agreement of 85% or over.</p>
Improvement plan	<p>The published PIP for 2024-25 is compliant with the Local Government Act (NI) 2014 and subsequent Department for Communities guidance.</p> <p>The PIP was approved by Council and published in June 2024. The plan outlines five PIOs in a clear and concise way, breaking each one down into why?/ what? /how? /benefits/who is responsible terms? The document is available on the Council website and other formats are available upon request, a fact that is stated on the website page and within the PIP itself (page 25). Details of the Strategy and Performance department including address, email address and telephone number are supplied on both the website page and in the PIP (page 25), alongside a request for any feedback.</p> <p>Performance improvement objectives are linked to key aspects of improvement from the Act as well as the Community Plan, Corporate Plan and Medium-Term Recovery Plan. This provides a demonstrable contribution by the Council to improving the quality of life for all citizens.</p> <p>The PIP is a transparent and understandable document which contains sufficient detail for the stakeholder - including targets, timetables and predicted benefits. This is presented on pages 7-10 and in more detail in Appendix 4 (pages 33-38). The PIP further provides detail on the statutory indicators and standards with sufficient description of these and disclosure of the targets set.</p>

Thematic area	Observations
Arrangements to improve	<p>The arrangements the Council has in place to secure the achievement of improvement objectives, statutory indicators and ensure the general duty to improve as per legislation are adequate.</p> <p>DfC guidance states that the Council should be able to understand and demonstrate the impact of its arrangements for continuous improvement on the outcome for citizens. The published Performance Improvement Plan (PIP) contains a 'benefits to you' section in the description of each performance improvement objective (pages 12-18) that outlines the improvement that citizens can hope to benefit from. Appendix 4 (pages 33-38) of the PIP goes further and links each performance improvement objective to other key Council strategies in the Corporate Plan, Community Plan and Medium-Term Recovery Plan.</p> <p>Each of the identified performance improvement objectives have a Senior Responsible Officer, actions and measures which are considered realistic and associated risks have been assessed and mitigated when necessary. The performance improvement objectives are being managed in an effective way.</p> <p>The performance improvement objectives are being reported on a six-monthly basis to the Performance and Audit Committee. Management scrutiny is evident in the monthly meetings of the executive management team of the Council.</p>
Collection, use and publication of performance information	<p>The Council's arrangements to assess performance and publish the results are sufficient, The SAR published by the Council following the evaluation of improvement objectives from the prior year PIP is transparent and understandable.</p> <p>The SAR for 2023-24 was published by the Council by the statutory deadline of 30 September 2024. It is transparent and understandable, containing a suitable evaluation of the performance improvement objectives identified in the PIP for 2023-24. The SAR contains details on the progression and achievement of outcomes via a red-amber-green</p>

Thematic area	Observations
	<p>system (pages 25-34), looks at its own performance from as far back where figures are available and benchmarks against other Councils where possible (Appendices B-E).</p> <p>The collection and use of information that is timely and relevant is essential to ensure the operation of an effective performance management framework. This enables Council to measure and evaluate improvement, assists in identifying areas in need of attention, facilitates comparison and benchmarking and supports external communication of outcomes.</p> <p>There are three types of required information to be collected:</p> <ul style="list-style-type: none"> • general duty to improve - self-imposed indicators and standards; • improvement objectives - specific performance targets and measures; and • statutory indicators - prescribed by The Local Government (Performance and Standards) Order (NI) 2015. <p>We have reviewed the Self-Assessment Report for 2023-24 as part of our audit fieldwork. This document meets its legislative requirements in:</p> <ul style="list-style-type: none"> • discharging its general duty to improve; • discussing the progress in meeting improvement objectives for the year and any issues encountered; • referencing self-imposed and statutory performance indicators; and • meeting self-imposed and statutory indicators (note two statutory indicators were not met). <p>The report fulfils the key purpose of demonstrating to citizens and stakeholders how the Council discharges its legislative duties and enables the communication of progress and improvements to functions and services.</p>

Thematic area	Observations
Demonstrating a track record of improvement	<p>The Council has reported on the achievement of outcomes in the Self-Assessment Report.</p> <p>Outcomes (Performance Improvement Plan 2023-24) (pages 24-34) There were four performance improvement objectives identified in 2023-24. Of the four objectives, three were rated as 'amber' and one as 'red'. All objectives have a reflective 'how did we perform?' narrative attached. All four of the objectives have been carried through to 2024-25, some with slight changes to the scope and action to be taken.</p> <p>Indicators (Statutory) (pages 18-23) There are seven statutory indicators across three service areas (economic development, planning and waste management), of these:</p> <ul style="list-style-type: none"> • five indicators have been rated as green (P1, P3, W1, W2 and W3); and • two indicators have been rated as red (E1 and P2). <p>Indicators (Self-imposed) (page 15) These standards are set out within the overall corporate performance of the Council which indicates a total of 474 performance measures (indicators and standards/targets) with ratings:</p> <ul style="list-style-type: none"> • 81 per cent green (met/exceeded); • 12.25 per cent amber (slightly short/behind schedule); and • 6.75 per cent red (missed/not achieved). <p>Comparing corporate performance with the prior year, there is an increase in green standards/targets, a slight decrease in amber standards/targets and a decrease in red standards/targets.</p>

Thematic area	Observations
	<p>As well as achievement information for the 2023-24 year, the Council includes trend information in the SAR, where available, as far back as 2016-17. Information on statutory indicators is shown on pages 38-41, prompt payments on pages 42-47 and absenteeism figures on pages 48-53. The use of a graphical format for statutory indicators in particular is clear in showing a progression which, mostly, demonstrates a trend of ongoing improvement.</p> <p>The Council continues to be proactive in including as much data as is available to allow benchmarking and trend analysis to be as complete as it can be. This demonstrates Council performance in a wide context with clear comparables. The Council continues to demonstrate improvement, meeting outcomes and indicators and where not, offering explanation and amending working practices with the aim of future achievement.</p>