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- Integrity
- Equality
- Openness
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To make a difference for the people of Northern Ireland.

The Department for Communities, with the consent of the Comptroller and Auditor General for Northern Ireland, has designated Mrs Louise Mason as the Local Government Auditor. She, and the Northern Ireland Audit Office, are totally independent of Local Government. She certifies the accounts of all Local Government bodies in Northern Ireland and is also responsible for councils' performance improvement audits and assessments.

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## CAUSEWAY COAST & GLENS BOROUGH COUNCIL AUDIT AND ASSESSMENT REPORT 2017-18

A REPORT TO THE COUNCIL AND THE DEPARTMENT FOR COMMUNITIES UNDER SECTION 95 OF THE LOCAL GOVERNMENT (NORTHERN IRELAND) ACT 2014

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## Section 1

### Introduction and status of this report

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#### Introduction

- 1.1 Part 12 of the Local Government Act (Northern Ireland) 2014 (the Act) sets out that all councils are under 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. It also sets out key responsibilities for the Local Government Auditor. The Department for Communities (the Department) has published 'Guidance for Local Government Performance Improvement 2016' (the Guidance) which councils and the Local Government Auditor have to follow.

#### *The improvement audit*

- 1.2 Each year the Local Government Auditor 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 Local Government Auditor's procedures to do so are called "improvement audits".

#### *The improvement assessment*

- 1.3 The Local Government Auditor also has to assess annually whether a council is likely to make the required arrangements to secure continuous improvement in that year. This is called the "improvement assessment". The Local Government Auditor also has the discretion to assess and report whether a council is likely to comply with these arrangements in future years (see paragraph 2.5).
- 1.4 Improvement audits and improvement assessments are undertaken in accordance with the Local Government Auditor's statutory responsibilities<sup>1</sup> and the Department's Guidance. They are planned and conducted in accordance with the performance improvement Audit Strategy issued by the Local Government Auditor to councils, her Code of Audit Practice for Local Government Bodies in Northern Ireland and the Statement of Responsibilities.

#### Status of this report

- 1.5 This report has been produced by staff of the Northern Ireland Audit Office (the NIAO) on behalf of the Local Government Auditor in discharging her duties under section 95 of the Act. It certifies that she has carried out an improvement audit and improvement assessment for 2017-18 and states whether, as a result, she believes that the Causeway Coast and Glens Borough Council (the Council) has discharged its performance improvement duties.
- 1.6 This report has been prepared for the sole use of the Department and the Council. The Local Government Auditor and NIAO do not accept responsibility to any third party for losses arising from reliance being placed on this report.

#### Other performance improvement reports by the Local Government Auditor

#### *The Annual Improvement Report on the Council*

- 1.7 The Act requires the Local Government Auditor to summarise all of her work carried out (in relation to her responsibilities under the Act) at the Council, in an "annual improvement report". This will be published on the NIAO website in due course, making it publicly available.

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<sup>1</sup> Sections 93 and 94 of the Local Government Act (Northern Ireland) 2014

## Section 1

### Introduction and status of this report

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#### *Special inspections and statutory recommendations*

- 1.8 The Local Government Auditor may also, in some circumstances, carry out special inspections which will be reported to the Council and the Department, and which she may publish, or make statutory recommendations.

## Section 2

### Matters required to be reported on

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#### Matters required to be reported on

##### *Improvement audit and improvement assessment*

- 2.1 The Local Government Auditor's audit opinions in relation to the improvement audit and her improvement assessment are in the Annex to this report.
- 2.2 In the Annex, the Local Government Auditor certifies that she has performed the improvement audit and improvement assessment for the Council and that, as a result of this work, she is satisfied that the Council has discharged its statutory performance improvement and reporting duties and that it acted in accordance with the Guidance.
- 2.3 She has also reported that, as 2017-18 was the second year 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 in various stages of development and implementation. Whilst the Council is strengthening its arrangements to secure continuous improvement, and has delivered some measurable improvements to its services in 2016-17, it now needs to develop its arrangements at a faster pace. Until the Council's arrangements further develop and begin to mature and it can demonstrate a track record of ongoing improvement, the Local Government Auditor is unable to determine, the extent to which improvements will be delivered.
- 2.4 The Local Government Auditor anticipates that, over the next couple of years that the Council should be able to demonstrate whether it is meeting its responsibility to continuously improve, with the benefit of more developed and established performance improvement arrangements, particularly in relation to additional performance management resource, improved performance improvement information/ data collection and use.
- 2.5 The Local Government Auditor has decided at present not to perform the discretionary assessments of whether councils in Northern Ireland are likely to comply with the requirements in future years. She will keep this decision under review as the new framework establishes itself in and the track records of the councils accumulate.

##### *Special inspections and statutory recommendations*

- 2.6 No special inspections or statutory recommendations were required at the Council this year.

##### *Other matters*

- 2.7 Whilst the Local Government Auditor has no statutory recommendations to make and there is no requirement for a special inspection this year there are some areas which need further development. These are set out under Section 3 'Key audit and assessment findings' of this report.

## Section 3

### Key audit and assessment findings

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#### Key audit and assessment findings

- 3.1 This section outlines observations arising from the thematic areas of the Council's audit and assessment. Some findings, where relevant, give rise to proposals for 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.
- 3.2 Proposals for improvement include matters which, if accepted, will assist the Council to meet its performance improvement responsibilities. The Local Government Auditor believes that agreed proposals to the Council, should be implemented and will follow them up in subsequent years.
- 3.3 Our procedures were limited to those considered necessary for the effective performance of the audit and assessment. Therefore, the Local Government Auditor's observations should not be regarded as a comprehensive statement of all weaknesses which exist, or all improvements which could be made.
- 3.4 Each year we review progress the Council has made on these proposals and it is recommended that the Council's Audit Committee should monitor and track their progress.

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### Key audit and assessment findings

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#### 1. General duty to improve

The Council is required to make arrangements to secure continuous improvement in the exercise of all of its functions. These arrangements should enable the Council to understand local needs and priorities, collect performance data and as a result, use this information to identify and prioritise those functions which will benefit most from improvement. This will enable it to select its improvement objectives and in turn, make best use of its resources and capacity to deliver outcomes.

The Council's arrangements were constructed within the seven relevant criteria set out in legislation and the current functions prioritised and selected for improvement are aligned to its strategic themes and its community plan outcome statements. These relate to a wide range of its functions, for example leisure services, estate management and economic development and include cross cutting thematic priorities such as customer service and engagement. Management told us that following a performance review these functions were selected on the basis of identified priorities to support some of the Council's strategic themes and community plan statements. These include a mix of those areas identified in the prior year, which still require work to deliver improvement and new priority areas for improvement from its community plan statements.

The Council engaged proactively with the public through its community planning process which included, for example, public meetings, to strengthen its understanding of community needs. This process fed into its arrangements to secure continuous improvement and has enabled the Council to build and develop its arrangements. Whilst the Council has a stronger understanding of what its citizens and stakeholders want, the absence of an embedded performance management system to measure how each of its functions are performing prevents the Council from understanding fully which functions will benefit most from improvement. The Council still requires more time and resources for its arrangements to develop effectively and become embedded. This process is being further complicated as the Council is still in the process of rationalising its structures and resources following the merger of the four legacy councils.

In our report last year in relation to the general duty to improve, we stated that *“Going forward the Council will need to continue to ensure that the process by which functions are prioritised and selected is transparent, well documented and subject to appropriate levels of scrutiny.”* Documentation has improved this year, although the availability of supporting documentation relating to the arrangements addressing the general duty to improve was limited.

Management recognises that the performance improvement function is under resourced. The officer with operational responsibility for performance improvement has a large portfolio of other operational areas, one of which includes responsibility for the delivery of a major improvement project. As a result, there is a reputational risk that the Council will not be able to deliver substantial improvement or even fail to meet its statutory performance improvement responsibilities. The experience of other performance regimes in the UK is that expectations of improvement from citizens and other stakeholders increase over time. While management recognises the need for more resources, this has yet to be approved by the Council.

The arrangements through which functions are identified and prioritised for improvement now need to develop at a faster pace. Continued consultation and engagement with all stakeholders, together with increased collection and use of a range of performance information and measures will help inform which Council functions could benefit the most from improvement and in turn deliver measurable and visible outcomes for its citizens.

Last year we recommended a small number of proposals for improvement in relation to the Council's general duty to improve. These have not been implemented.

To assist the Council in meeting its performance improvement responsibilities in future years, we recommend the following proposals for improvement:

- the Council should ensure that the priority areas selected for improvement are supported by a full range of information, including performance management data from across all of its functions and services;

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### Key audit and assessment findings

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- the Council should ensure that that the decision making process through which functions are prioritised and selected for improvement is transparent and well documented;
- the Council should satisfy itself that its performance improvement function is adequately resourced and its roles and responsibilities adequately segregated, to ensure that its arrangements develop at a faster pace and reduce the risk of any future statutory non-compliance; and
- the Council should take action in response to all of last year's proposals for improvement urgently.

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### Key audit and assessment findings

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#### 2. Governance Arrangements

It is important that the Council's governance arrangements support robust and effective decision making in relation to its statutory responsibility to make arrangements to secure continuous improvement in its functions. Last year, the Council established basic governance arrangements to assist it in meeting its performance improvement responsibilities. However, there is no evidence that its governance arrangements have developed this year.

The Council has assigned overall responsibility of its performance improvement responsibilities to its Corporate Policy and Resources Committee. The Council told us that performance against objectives is monitored by the Council's Audit Committee and that there is scrutiny and monitoring of improvement project delivery through functional committees as part of the Council's wider management framework, as well as progress review by the Senior Management Team.

There is evidence that the Audit Committee has been performing its monitoring role, for example, by commissioning internal audit to conduct an independent progress review of the projects underlying its 2016-17 objectives. Amongst a number of findings, internal audit reported that *"there is no consistently-used process of regular reporting of progress against targets to Council committees"*.

There is no evidence that the Corporate Policy and Resources Committee, which has overall responsibility for performance improvement, is subjecting the Council's priorities, improvement objectives, activities, projects, risks and performance to appropriate scrutiny, challenge and evaluation. To date, there is no evidence of progress reporting against the 2017-18 targets, which was also the case last year.

A number of issues which were identified and reported by the Local Government Auditor last year have yet to be addressed. For example, the roles and responsibilities in relation to performance improvement are not included in either the Corporate Policy or Resources Committee or Audit Committee terms of reference.

The Council needs to ensure that its Corporate Policy and Resources Committee, other functional committees and the senior management team are subjecting the Council's priorities, improvement objectives, activities, projects, risks and performance to appropriate scrutiny, challenge and evaluation. To this end, officers must provide the relevant committees with appropriate and timely information in relation to the delivery of the improvement objectives.



## Section 3

### Key audit and assessment findings

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#### 3. Improvement Objectives

The Council is required to establish improvement objectives each year and we assess these in line with legislation and supporting statutory guidance. Councils are expected to determine their own priorities for improvement based on a thorough understanding of the communities they serve. Improvement, in the context of the legislation, means more than just quantifiable gains in service output or efficiency, or the internal effectiveness of an organisation. Improvement for councils should mean activity that enhances the sustainable quality of life and environment for ratepayers and communities. It also requires improvement objectives to be legitimate, clear, robust and deliverable.

The Council has carried forward two of its 2016-17 improvement objectives and selected three new objectives for 2017-18. The detail of these are published in its 'improvement plan'. There are clear links between the improvement objectives and the community plan. The three new objectives were initially identified as part of the community engagement process that resulted in the Council's Community Plan 2017-30.

Once the new objectives had been identified, the Council reviewed its ongoing projects and identified which of these would assist in delivering the new objectives. Retrofitting existing plans into what is a new framework for performance improvement is an acceptable approach, but done without due consideration, it risks committing the Council to projects which have no direct link to delivering improvement.

The objectives cover a broad range of projects, recognising the need to improve internal arrangements as well as to ensure positive outcomes for citizens. In this respect, they are legitimate and clear.

The objectives have all been set at a strategic level, and are broad, aspirational and open-ended. The new objectives mirror elements of the Community Plan, although there is no requirement for improvement objectives to be the same as community objectives. Community plan objectives are long term, strategic and involve working with partners to achieve better outcomes for citizens. Improvement objectives should focus on those elements that are within the statutory and operational control of the Council. For example, if a community plan objective is to 'create a healthier community', a linked improvement objective could be 'to provide more and better opportunities for citizens to engage in physical activity'.

The Department for Communities' statutory guidance makes clear that improvement objectives that are too broad and aspirational may lack the capability to inform effective action and accountability. Objectives that are too narrow or operational in nature may lack an overall sense of purpose. 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". Another risk of setting objectives at a strategic level is that it will become more difficult to measure improvement, at the objective level, over time.

Each of the objectives are supported by a number of 'performance improvement projects' with high level underlying information setting out what improvements are expected, key actions and targets. Because the objectives are set at a strategic level, there is a large gap between what the overall objective seeks to achieve and the projects set to deliver the objective. The objectives do not contain any measures or targets of success in terms of visible improvement to citizens or other stake holders. Instead, measures of success are at the underlying project level. The Council is, of course, free to interpret its responsibilities in this way. However, it will make it more difficult over time to demonstrate the extent to which any improvement accruing from the projects is contributing to the overall objectives.

Many projects are at a very early stage of development and any improvement is likely to be years away. Some are described in terms of being 'potential' and therefore have a greater risk of not being delivered as the Council has yet to conduct business appraisals, acquire funding or approvals. For example, the improvement objective 'A Healthier Safe Community' has a project to deliver a new leisure facility and improvement is defined as a *'potential new state of the art leisure facility that offers a wide range of*

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### Key audit and assessment findings

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*sporting opportunities for all. Facilities for wider functions and activities will be available to meet the needs of the local population and visitors to the area'.*

Not all of the projects, key actions and targets are outcome-based and therefore it is not always clear what improvement will actually look like or how success will be demonstrated. The projects, if delivered successfully, should establish building blocks for improvement, but under its current arrangements the Council will find it difficult to measure or demonstrate its extent. If improvement arising from projects is having a limited impact on the improvement objectives then the Council should consider whether its objectives have been set at too broad a level. Experience elsewhere in the United Kingdom indicates that the selection of broad improvement objectives has led to difficulty in concisely reporting improvement.

A small number of last year's improvement objectives have not been carried forward, or have been reworded and realigned to link with its Community Plan, which was a new requirement for this year. This is acceptable in what is the final phased year of the framework.

To assist the Council we recommend the following proposals for improvement:

- the Council should avoid improvement objectives that are excessively broad, aspirational and open-ended as they may lack the capability to inform effective action and accountability. Objectives should ideally both describe the overall purpose and the scope of action to deliver it (e.g. "we will provide more and better opportunities for citizens to engage in physical activity").
- the Council should ensure that each improvement objective and its underlying projects are focused on outcomes for citizens in relation to improved functions and/or services rather than simply outputs. For example, developing an Estates Strategy is an output which may be required to achieve an outcome, or set of outcomes, sometime in the future. The outcome(s) should always be clearly stated so that citizens can understand how they will benefit.
- the Council should ensure that improvement can be demonstrated at the objective level 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 (and set standards which they hope to achieve) against which future improvement can be demonstrated.

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#### 4. Consultation

We looked at how well the Council involved local people and those that work with and for it, in deciding its priorities for improvement. The Council carried out extensive consultation during its community planning process to identify and understand community needs. In time, three of its community planning objectives were also selected as its improvement objectives. Following this, the improvement objectives and related projects were then subjected to a six week consultation process using staff newsletters, social media, the Council website and the local press. In addition, the Council provides its citizens and stakeholders with an opportunity to propose new improvement objectives during the year via the website. In this respect, the Council has met its statutory duty to consult on its improvement objectives. However, the Council received no responses in relation to its consultation.

It is the Council's responsibility to promote and encourage its citizens and stakeholders to engage with it. In last year's report we shared a number of good practice methods for raising the public profile of the concept of performance improvement along with ways to improve the consultation process, which if adopted, should encourage more citizens and stakeholders to participate in future consultations. However, most of these proposals have not yet been implemented by the Council.

The Council needs to be more proactive in its efforts to promote its performance improvement responsibilities and engage with citizens and stakeholders. Until this is addressed there is a risk that the Council's improvement objectives will not meet the expectations of the public.

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#### 5. Improvement Plan

The Council published its 'Performance Improvement Plan 2017/18' in June 2017 and it is available in electronic format from the Council's website. The document contains a high level description of the Council's community plan, which provides some useful background to its improvement plan. It includes a description of its annual performance improvement objectives, how these were selected, together with related 'performance improvement projects' and key actions to be undertaken in carrying out those projects. The plan includes a separate section on the statutory imposed performance indicators and standards. In addition, it sets out why objectives were chosen and, with regard to each 'performance improvement project', what improvements are expected. It also provides a summary of the Council's consultation process and the outcome of that process, together with information on how citizens and stakeholders may propose new objectives during the year.

We noted that the content of the plan was silent on two important areas as required by Section 94(2) of the Act:

- there was no description of the Council's arrangements to secure continuous improvement in the exercise of its functions (section 84 (1)); and
- there was no description of its arrangements to exercise its functions so that any applicable statutory performance standards are met, only a list of published indicators and standards (section 89(5)).

These issues were subsequently addressed and an updated plan was published on the Council's website in October.

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. The Council should also continue to monitor any ongoing improvement delivered by prior year short term improvement objectives (i.e. those lasting only one year) as part of its duty to continuously improve. This may be done corporately through the any future performance management framework and does not necessarily require publication in the improvement plan or the annual report.

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#### 6. Arrangements to improve

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 their arrangements for continuous improvement on the outcomes for citizens.

Three years after the introduction of the performance improvement framework, there remains an absence of baseline data or information against which future improvement can be demonstrated or measured. The Council must now address this urgently. Successful implementation of a performance management system, and embedding it throughout all Council functions, will be critical to measuring future improvement.

While arrangements are in place to deliver the current year improvement objectives, we are not yet able to determine the extent of any improvement which will be delivered because:

- the Council's performance improvement arrangements are not yet fully established or embedded corporately;
- improvement objectives are broad, open-ended and set at a highly strategic level, and are not always outcome-based;
- many of the improvement projects are at early stages of development and unlikely to deliver improvement in the short term; and
- the Council has no established baselines from which to measure improvement and at this stage it does not yet have a positive track record.

## Section 3

### Key audit and assessment findings

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#### 7. Collection, use and publication of performance information

The collection, use and publication of performance information is critical within the performance improvement framework. It enables the Council to measure and evaluate improvement, assists in the identification of priority areas, facilitates comparison and benchmarking and supports the communication of outcomes and progress with its citizens and other stakeholders.

The Council had additional responsibilities this year specifically, in relation to carrying out of a self-assessment of its performance improvement in 2016-17 and reporting this by 30 September 2017.

The type of information required to be collected, used and reported falls under three key areas:

- the general duty to improve - reflected in local (non-statutory, self-imposed) performance indicators and standards;
- the improvement objectives; and
- statutory and local performance indicators and standards.

The Council is now required to make year on year internal comparisons for local indicators and standards. This should allow it to measure performance and demonstrate the extent of any improvement, in both its general duty for continuous improvement across all functions and in any standards and indicators regarding the individual improvement objectives. It should also compare these local indicators and standards with other councils, where it is reasonably practical to do so.

Some councils have told us that they are unclear as to the purpose or extent of the collection, use and reporting of local performance information. Clearly, some aspects of this responsibility would benefit from additional clarity and formal guidance from the Department for Communities. This would enhance councils' current understanding of the legislation's requirements and also the Department for Communities' expectations of councils.

The Local Government Auditor's interpretation of this part of the legislation currently is that:

- a council is expected to select a small range of local indicators and set associated standards across its functions, with baselines and targets established for improvement. This will help to identify its improvement priorities and objectives, and will be required to fully meet its responsibility to collect and use information in relation to the general duty to improve across all of its functions;
- in relation to local performance indicators and standards, a council must publish the results of its performance and provide a year on year comparison within its annual self-assessment report;
- in relation to comparisons with other councils, the Council must continue to work with the Department for Communities and the other councils to agree a suite of local indicators to facilitate comparison. Until this is agreed and implemented, it will not be practicable to publish meaningful comparisons.

This was the first year that councils were required to meet this responsibility. The Local Government Auditor's current view is that, to encourage councils to comply fully and to allow more time for the framework to mature, she will not issue any statutory recommendations in relation to this matter this year. Instead 'proposals for improvement' will be used to highlight any matters of non-compliance. If not addressed by councils, these may become statutory recommendations next year.

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#### Performance information

The Council does not yet have a performance management system. This is inhibiting its ability to collect a range of corporate data and information across all of its functions and services to monitor performance in relation to its general duty to improve. It has not begun to set any local indicators and standards to monitor its general duty to improve.

The Council does have some limited information to monitor progress in relation to a small number of its projects which support delivery of its improvement objectives. These focus more on qualitative information, such as progress of projects against target milestones. Because the performance management framework is not embedded corporately, this information is used to monitor the progress of projects contained within service delivery plans, but is not being used collectively to monitor the improvement objectives themselves, which would facilitate scrutiny and inform decision making in relation to the Council's performance improvement responsibilities.

The Council is liaising with other councils and the Department to agree a range of local performance indicators to facilitate effective comparison. However, this collaborative work is at a very early stage of development and it is too early to draw any conclusions about the extent to which this will benefit the Council. The Local Government Auditor is encouraging all councils and the Department to agree a suite of local performance indicators to facilitate effective comparison as soon as practicable.

The Local Government Auditor recommends that the Council adopts the following proposals for Improvement to enhance its collection and use of information:

- in addition to any local indicators and standards relating specifically to improvement objectives, the Council should select a range of local indicators and standards to enable it to measure and monitor improvement across its full range of functions, as part of its general duty arrangements to continuously improve. This information should be included in the published self-assessment and provide year on year comparisons.
- the Council should ensure that a performance management framework is established and embedded across all of its functions without delay.
- the Council should continue working with other councils and the Department to agree a suite of self-imposed indicators and standards. This will enable meaningful comparisons to be made and published in line with its statutory responsibility.

#### Publication of performance information

The Council is required each year to publish a report, or reports, to include a self-assessment of its performance in a financial year:

- in discharging its general duty to improve;
- in meeting its improvement objectives for that year;
- by reference to its local and statutory performance indicators; and
- meeting its local and statutory performance standards.

In addition, 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.

The key purpose of the report is to show citizens, and other stakeholders how the Council is discharging its duty under legislation to secure continuous improvement as set out in its 2016-17 improvement plan. It enables the

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Council to communicate progress against its improvement objectives and to highlight what visible improvements it has made to its functions and services.

In September 2017 the Council published its Self-Assessment Report 2016-17. It focused on performance in relation to the projects which supported the Council's 2016-17 improvement objectives and includes a section on its performance in relation to the statutory indicators, as well as a comparison against other councils in Northern Ireland.

The self-assessment report benefits from additional information by way of targets and evidence required, which had not been included in the original plan. These are in turn matched with what the Council terms 'outcomes' arising from the projects. The report represents a basic summary of the Council's performance in relation to its improvement projects 2016-17. Many of the highlights listed as outcomes are actually outputs and do not set out clearly what has actually improved as a result of their delivery. Some have been expressed in quantifiable measurements which should provide baselines going forward, assuming the Council continues to report on these. However, as most are one off projects, it is possible that they will not be reported on again and that no comparison will be possible. This highlights the risk arising from the large gap between what the overall objective seeks to achieve and the projects established to deliver the objective (highlighted earlier in this report). The self-assessment report is focused on project outputs (and some outcomes) rather than the actual improvement objectives. It also does not include a self-assessment of its performance in discharging its general duty to improve. The Council will need to address this omission next year.

The Local Government Auditor has made a number of observations and good practice suggestions for consideration in future self-assessment reports. These will be shared with councils as a separate publication later in the year. If adopted, these would further enhance the transparency of council's performance improvement to citizens and stakeholders.

The Local Government Auditor recommends that the Council adopts the following proposals for improvement to enhance transparency and clarity of future self-assessments:

- self-assessment reports must include a section on performance in relation to its general duty to improve as required under the legislation; and
- self-assessments should not focus solely on the underlying projects, but also include an assessment of the Council's progress in delivering its improvement objectives.



## Section 4

### Other Matters

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#### Statement on personal data

- 4.1 During the course of the audit and assessment we may 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 Data Protection Act 1998.

#### Independence, integrity & objectivity of auditors

- 4.2 The NIAO's policy to ensure independence, integrity and objectivity of our auditors was set out in our Audit Strategy. Overall, the threat to the audit arising from issues affecting our independence, integrity and objectivity is low, and the safeguards in place ensure that the likelihood of any impact is low.
- 4.3 We have complied with APB Ethical Standards and, in our professional judgement, we are independent and our objectivity is not compromised. There are no relationships between NIAO and the Council that we consider to bear on our objectivity and independence

#### Complaints procedure

- 4.4 NIAO seeks to ensure that, when carrying out its audit work, it complies with the principles developed by the Public Audit Forum in its paper "What Public Sector Bodies can expect from their Auditors".

NIAO also wishes to gauge public sector bodies' perceptions of its audit processes in order to promote continuous improvement. In particular, it undertakes to act quickly on any complaint and ensure that the underlying causes of problems are addressed to prevent them recurring. In the first instance, complaints can be addressed to the member of the Directorate responsible for the audit within which the concern has been raised.

Failing resolution of the problem to the satisfaction of the complainant, the Chief Executive of the Council can then write directly to the Local Government Auditor will ensure that a further review of the case will be undertaken.

# **Audit and assessment of Causeway Coast and Glens Borough Council performance improvement arrangements**

## **Certificate of Compliance**

I certify that I have audited Causeway Coast and Glens Borough Council's (the Council) assessment of its performance for 2016-17 and its 2017-18 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 2017-18 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 by 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 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 requirement to make arrangements to secure continuous improvement in the exercise of its duties.

## **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. 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.

## ANNEX

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 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.

2017-18 was the second year 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 in the early stages of development and implementation. Whilst the Council is strengthening its arrangements to secure continuous improvement, and has delivered some measurable improvements to its services in 2016-17, it now needs to develop its arrangements at a faster pace. Until the Council's arrangements further develop and begin to mature and it can demonstrate a track record of ongoing improvement, I am unable to determine, the extent to which improvements will be delivered.

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 financial 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 2017