



## **Audit and Assessment Report 2023-24**

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

**Fermanagh and Omagh District Council**  
30 November 2023

# Contents

1. KEY MESSAGES.....	1
2. AUDIT SCOPE.....	4
3. AUDIT FINDINGS.....	6
4. ANNEXES.....	7

*We have prepared this report for Fermanagh and Omagh District 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

<b>Audit outcome</b>	<b>Status</b>
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 2023-24
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 2023-24 performance improvement audit and assessment undertaken on Fermanagh and Omagh District Council. We would like to thank the Chief Executive and her staff, particularly the Performance Improvement Manager, for their assistance during this work.

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

## Audit Opinion

The LGA has certified the performance arrangements with an unqualified audit opinion, without modification. She certifies an improvement audit and improvement assessment has been conducted. The LGA also states that, as a result, she believes that the Fermanagh and Omagh District Council (the Council) has discharged its performance improvement and reporting duties, including its assessment of performance for 2022-23 and its 2023-24 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 2023-24 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. 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 2024 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.

### **Benchmarking**

The issue of benchmarking with other councils has been part of the work plan for the Performance Improvement Working Group (PIWG) for several years and limited progress has been made on this matter. Progress on this issue would 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. We acknowledge that delays to this process were faced because of the COVID-19 pandemic.

## 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 2024, 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 Fermanagh and Omagh District Council’s performance improvement arrangements**

##### **Certificate of Compliance**

I certify that I have audited Fermanagh and Omagh District Council’s (the Council) assessment of its performance for 2022-23 and its improvement plan for 2023-24 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 2023-24 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 2023-24.

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.



Colette Kane  
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30th November 2023

## Annex B – Detailed observations

Thematic area	Observations
General duty to improve	<p>The Council’s arrangements to secure continuous improvement (including community planning, corporate planning, Service Plans and its Performance Improvement Framework and processes within) incorporate the seven aspects of improvement into its assessments of functions and services. The Council has adopted a whole Council approach to performance improvement and has become an organisation that monitors performance based on societal change, and what actions need to be taken to achieve desired outcomes of the Community and Corporate plans. Improvement is embedded in service planning, evidence and data gathering and continuous monitoring of performance level accountability in each service area. This is supported by the Council’s values and approach as set out in the Corporate Plan.</p> <p>In line with guidance, the Council has established and implemented an Improvement Framework which allows them to understand effectively local needs and priorities and to make best use of their resources and capacity to meet them and to evaluate the impact of their actions.</p> <p>Project teams have been established for each improvement objective, led by a Director, and supported by identified strand leads. These teams report to the Programme Manager who manages reporting to the Senior Management Team (SMT), Policy &amp; Resources Committee, and the Audit Panel.</p> <p>The Council continues to make use of previous performance reports, service data (or other qualitative data) and in particular, baseline data, performance indicators and measures, being developed both internally and as part of the Association for Public</p>

Thematic area	Observations
	<p>Service Excellence (APSE) network in order to benchmark to help identify those functions/services which would benefit most from improvement.</p>
<p>Governance arrangements</p>	<p>The Council has established appropriate governance arrangements to assist it in securing continuous improvement and continues to develop these, where necessary, to assist in meeting its performance improvement responsibilities.</p> <p>Performance management sits under the Regeneration and Planning Directorate, within the Head of Place Shaping and Regeneration.</p> <p>Responsibility for managing performance improvements sits with the Strategic Planning and Performance Manager who is supported by two Strategic Planning and Performance Officers. The team looks after the strategic planning and performance of the organisations, including community planning, corporate planning and performance improvement duties. This ensures synergy across the plans and commitment to continuous improvement through the adoption of a shared vision and commitment to an outcomes-based approach to performance at population and performance level.</p> <p>The Council has assigned the responsibility for oversight of the performance improvement responsibilities to the Regeneration and Community (R&amp;C) Committee. On a quarterly basis it receives progress reports on the Council's Improvement Plan. These show how each project and activity is contributing to the overall improvement objectives, as this information becomes available.</p> <p>The Council's Audit Panel provides independent scrutiny. The Terms of Reference for the Audit Panel were updated to reflect their respective performance improvement responsibilities and were agreed by the Audit Panel in March 2017.</p>

Thematic area	Observations
	<p>The Council has not utilised its Internal Audit function in relation to Performance Improvement in 2022-23 and confirmed no work in this area was envisaged in the current year 2023-24. The last internal audit was completed in 2021, with the next planned in 2026-27 according to the Internal Audit Strategy. The Council may want to consider whether the internal audit function could be used on a more regular basis to provide assurance on the integrity and operation of the Council's performance framework and identify areas for improvement. It is acknowledged however that management are content that the performance improvement data is sufficiently validated by the SMT at Council meetings, and that the SMT scrutinise the performance improvement work on a granular level as part of a robust review.</p>
Improvement objectives	<p>For 2023-24 performance year, improvement objectives were reduced from six to three. The Council has clearly documented the rationale for not carrying over all objectives within the improvement plan. The plan also clearly illustrates whether improvement has been achieved and provides a clear summary to evidence the achievement.</p> <p>The objectives were selected based on a range of factors and the improvement objectives identified in are in line with the Council's Corporate Improvement Priorities as clearly documented in the plan.</p> <p>At the April meeting of the R&amp;C Committee, approval was secured for a draft Performance Improvement Plan 2023-2024. Under Part 12 of the Local Government Act (NI) 2014, the Council is required to consult upon and publish its annual forward looking Performance Objectives.</p> <p>At the R&amp;C Committee meeting in February 2023 the Committee agreed three Improvement Objectives for 2023-24 for consultation purposes.</p> <p>The Council's Improvement Objectives for 2023-2024 are:</p>

Thematic area	Observations
	<ol style="list-style-type: none"> <li>1. We will protect the environment and improve its sustainability.</li> <li>2. We will work in partnership to tackle disadvantage, with a focus on reducing poverty to ensure our people have equal access to opportunities.</li> <li>3. We will work to accelerate economic recovery and job creation, enhancing skills and providing opportunities for sustained employment.</li> </ol> <p>Within the Plan, the Council has included a section that explains the rationale as to why each improvement objective has been retained, amended or identified. The improvement objectives meet at least one of the seven criteria required by legislation and relate to the functions and services identified for improvement as set out in the 10-year Community Plan and the Council’s Corporate Plan Themes.</p> <p>For each improvement objective, the Council also sets out:</p> <ul style="list-style-type: none"> <li>• actions (What we propose to do);</li> <li>• best ideas (The Workplan);</li> <li>• performance measures (How we will know we are making progress); and</li> <li>• what difference will this action make?</li> </ul> <p>The outcomes of each objective are clearly documented within the performance improvement plan and each of the objectives are robust, deliverable, and demonstrable. Specific measurements and targets have been included for each activity which will allow the Council to determine if they have been achieved. Where available, the Council has included prior year data which will allow the Council to assess if improvement has been achieved.</p>

Thematic area	Observations
Consultation	<p>The Council has consulted in respect of its improvement objectives through a number of methods and considered the responses received as part of developing its performance objectives.</p> <p>The Council conducted extensive consultation during its community planning process to identify and understand community needs. This helped inform its improvement priorities and consideration was given to how these would align with the priorities and themes within the Community Plan.</p> <p>Consultation with all internal Council staff took place from December 2022 to February 2023 regarding potential areas for improvement. Further meetings were held with Directors and Heads of Service in establishing the draft content. A re-prioritised draft suite of Improvement Objectives and reconfigured actions for 2023-2024 was proposed for public consultation after extensive consideration of budgetary constraints, withdrawal of funding, the impact of the cost-of-living crisis, the climate emergency, new legislative responsibilities, an overview of progress towards Improvement Objectives in 2022-2023 and a strategic mapping process at both regional and local level.</p> <p>A range of consultation methods were used, identifying key target groups and ensuring all Section 75 categories had an opportunity to respond. The public consultation ran for a period of eight weeks commencing on 8 March 2023 until 5 April 2023. Consultation responses could be submitted in writing (either by email or letter), online survey or by contacting a Council Officer for discussion. An overall total of 89 responses were received which was an increase of 12 from last year.</p>
Improvement plan	<p>The Council published its Performance Improvement Plan 2023-24 on 29 June 2023 after formal approval by the Regeneration and Community Committee and in accordance with the requirements of the legislation. It is available in electronic format on the Council's website and other formats upon request.</p>



Thematic area	Observations
	<p>The improvement objectives outlined in the Plan are based around the themes set out in the Community Plan and the Council’s Corporate Plan. It outlines a number of areas which the Council will focus on in the year ahead, with the aim of delivering improvements to benefit residents and service users.</p> <p>The Plan contains a high-level description of the Council’s arrangements for discharging its performance improvement duties and includes its improvement framework, improvement objectives, as well as the related community and corporate plan outcome. A summary of the Council’s consultation process, together with information on how citizens and stakeholders may propose new objectives during the year, are included, as are the governance arrangements in place for the Improvement Plan.</p> <p>The Plan includes separate sections which outline the statutory and self-imposed performance indicators and standards and provides sufficient information on its arrangements to exercise its functions so that any applicable statutory performance standards are met.</p>
Arrangements to improve	<p>The Council is required to establish arrangements to deliver on its improvement objectives, statutory indicators and its general duty to improve each year.</p> <p>The projects underlying improvement objectives are supported by Project Plans and Project Management in place through utilisation of Outcomes Based Accountability Performance Report Cards. These projects have lines of accountability, including risk management, to senior management and members.</p> <p>In addition, Members with a strategy or policy and oversight focus receive regular updates on progress through full council and committee meetings.</p>

Thematic area	Observations
Collection, use and publication of performance information	<p data-bbox="562 237 1957 389">On 30 September 2023, the Council published the 'Annual Performance Report 2022-2023' on the Council's website, social media platforms and in its residents' newsletter. The report was published following approval at the Regeneration and Community Committee on 12 September 2023.</p> <p data-bbox="562 432 1050 467">The published report includes:</p> <ul data-bbox="607 472 1995 740" style="list-style-type: none"> <li data-bbox="607 472 1995 544">• its performance in discharging the general duty to secure continuous improvement in 2022-23;</li> <li data-bbox="607 549 1995 624">• results of its 2022-23 statutory performance standards compared with the same standards in the prior year; and</li> <li data-bbox="607 628 1995 740">• results of its 2022-23 self-imposed performance standards and indicators relating to its General Duty to Improve, and where applicable comparisons with the same standards in the prior year.</li> </ul> <p data-bbox="562 783 1973 1015">The report includes an overview and self-assessment of the performance of the Council during the previous financial year in accordance with its legislative requirements. Cost-of-living and inflationary pressures, adverse climate and ecological changes, alongside new and increasing demands on Council services have dominated the past year, at a time when recovery from the Covid-19 pandemic remained a significant priority, all of which have been considered within the Annual Report.</p> <p data-bbox="562 1058 2007 1209">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. It enables the Council to communicate progress against its improvement objectives and to highlight what visible improvements it has made to its functions and services.</p> <p data-bbox="562 1252 1984 1366">The report includes a comparison of its performance statutory indicators against the ten Councils (with the waste indicators based on provisional figures as data is not provided by the Department in respect of waste indicators until after 30 September 2023).</p>

Thematic area	Observations
	<p data-bbox="562 240 1962 312">Statutory indicators data has also been compared to performance going back to 2016-17.</p> <p data-bbox="562 360 1973 507">The Council achieved four out of seven targets set for the seven statutory performance standards in 2022-23, which is an improvement on 2021-22 where one was met. For each indicator, the Council included the plans it has to rectify this going forward in a section headed 'We will improve by'.</p> <p data-bbox="562 555 2007 702">Two inaccuracies were identified in the published annual report 2022-23, one where a prior period comparative had not been updated and one typographical error where the wrong year was used. It is important that the annual self-assessment report is subject to appropriate quality review prior to publication.</p>
<p data-bbox="203 751 479 858">Demonstrating a track record of improvement</p>	<p data-bbox="562 751 1991 1249">In relation to Statutory Indicators, the Council has reported results against 2021-22 and five years of results has been presented in bar charts to effectively communicate the improvements over time. The Council has also presented results for other councils for comparison. The results show the Council achieved the Economic Development indicator (ED1), ranked sixth out of the eleven Councils for Planning indicator 1 (P1), and second for the second Planning indicator (P2). No comparison was available for the third Planning indicator (P3). The Council performed strong in waste indicators, achieving the lowest waste arisings for the second year running in waste indicator three (W3) and ranking fifth in waste indicator two (W2), however the Council did not meet the waste indicator one (W1) target, ranking ninth out of eleven, An analysis paragraph has been included for each indicator in the Council's self-assessment report and the Council has included narrative where indicators have been adversely impacted by matters such as Covid-19, industrial action or IT systems.</p> <p data-bbox="562 1297 1962 1369">Despite the present challenges, the Council still performs well across many of the statutory indicators achieving four (ED1, P2, W2 and W3) out of seven. Though P1 has</p>

Thematic area	Observations
	<p>not been achieved, it has shown improvement on 2021-22. Data was not available for comparison for P3, while W1 has remained the same as 2021-22. Where there is scope for building on levels of performance, the Council has included bullet points on how to improve in the 'We will improve by' section.</p> <p>The Council established six improvement objectives in 2021 for 2021-22 and 2022-23 which has allowed the Council to demonstrate a record of improvement across the two years. The Council has extended three objectives to 2023-24 in a decision taken after Consultation, while three were achieved in 2022-23.</p> <p>The Council also reports on 24 self-imposed measures from APSE which supports the benchmarking process. 80 per cent of self-imposed performance measures showed an improvement against targets set in the previous financial year 2022-2023.</p> <p>Overall, having considered improvement objectives and both statutory and self imposed indicators the results have demonstrated that the Council has demonstrated a track record of improvement.</p>