

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

Fermanagh and Omagh District Council
29 November 2024

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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

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 one 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 Fermanagh and Omagh District Council. We would like to thank the Chief Executive and her staff, particularly the Strategic Planning and Performance 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 Fermanagh and Omagh District 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. We made one proposal for improvement (see Section 3). This represents good practice which should assist the Council in meeting its responsibilities for performance improvement. 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.

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

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

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

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

Thematic area	Issue	Proposal for improvement
Collection, use and publication of performance information	<p>In line with Part 12 of the Local Government Act (Northern Ireland) 2014, the Council has a statutory duty to publish an improvement plan as soon as is reasonably practicable after the start of the financial year. DfC guidance suggests that the plan should be published by 30 June. The Council published its plan on 27 June 2024 however it was not ratified by full Council until after this date on 1 July 2024. We note that the plan was approved by the Council's Regeneration and Community ("R&C") Committee on 11 June 2024. We were unable to obtain evidence to demonstrate that the powers to approve the plan had been delegated to the R&C Committee by full Council.</p>	<p>The Council should ensure that its improvement plan is approved in line with the Council's governance framework before it is published. Approval should be provided by full Council or alternatively, by a sub-committee of Council, provided that approval powers have been appropriately delegated and documented.</p>

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 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.



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29 November 2024

Annex B – Detailed observations

Thematic area	Observations
General duty to improve	<p>The Council has in place arrangements to secure continuous improvement in the exercise of its functions.</p> <p>The Council's arrangements to secure continuous improvement incorporating the seven aspects of improvement are evident throughout the Council's Corporate and Community planning processes and the Performance Management Framework. The Council has adopted a "One Council" approach to performance improvement and has identified four Improvement Objectives, each of which has been clearly linked to an outcome from the Fermanagh and Omagh 2030 Community Plan and a Core Priority area from the new Corporate Plan "Our Council, Our Plan 2024-2028".</p> <p>The Council's improvement objectives include a mix of social, economic and environmental improvements and were identified and agreed following a consultation process to help identify local needs and priorities. Performance improvement is embedded at a service level within the Council where there is continuous monitoring of performance in each service area.</p> <p>Project teams have been established with responsibility for each improvement objective and are led by a Council Director. These project teams report to the Strategic Planning and Performance Manager ("Performance Manager") who facilitates six-monthly reporting to: the Corporate Leadership Team ("CLT"); the Regeneration and Community Committee; Full Council; and to the Audit Panel.</p> <p>The Council continues to make use of baseline data, performance indicators and measures, which are being developed both internally by Council and as part of the Association for</p>

Thematic area	Observations
	Public Service Excellence ("APSE") network in order to benchmark to help identify those functions and services which would benefit most from improvement.
Governance arrangements	<p>The Council has established 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>The Council has an established Performance Management Framework which governs the Council's performance improvement activities.</p> <p>Performance management sits within the Regeneration and Planning Directorate and is managed on a day to day basis by the Performance Manager. The Performance Manager is supported by two Strategic Planning and Performance Officers and altogether they report directly to the Director of Regeneration and Planning. This team oversees the strategic planning and performance function within Council, including community planning, corporate planning and performance improvement duties. Having this dedicated resource helps ensure that a consistent approach to performance improvement is adopted and implemented across all of the Council's Directorates and service areas.</p> <p>The Council has assigned responsibility for oversight of its performance improvement responsibilities to the Regeneration and Community ("R&C") Committee. The R&C Committee receive bi-annual progress reports on the Council's Performance Improvement Plan ("PIP"). Performance Report Cards are used to highlight how each individual improvement objective and the associated performance measures are progressing.</p> <p>The Council's Audit Panel also has responsibility for providing independent scrutiny of the Council's performance improvement activities. The Audit Panel's responsibilities in this respect have been articulated within the Audit Panel's Terms of Reference.</p> <p>During 2021-22, the Council's Internal Audit function completed a review of Community Planning and Corporate Planning. The review focused on the controls established by the</p>

Thematic area	Observations
	<p>Council to monitor and report on performance measures (including the completion of Performance Report Cards) and to ensure that there is a robust evidence base for reporting against these measures. A satisfactory level of assurance was provided. We note that a further review of "Performance Improvement and Reporting" has been scheduled for completion during 2026-27, as part of the Council's Internal Audit Strategy 2023-2027.</p>
Improvement objectives	<p>The Council set four improvement objectives within the 2024-25 PIP. We consider these objectives to be legitimate, clear, robust, deliverable and demonstrable. We also consider the seven aspects of improvement to have been covered by these four improvement objectives.</p> <p>Three of the 2024-25 improvement objectives have been carried forward from the 2023-24 PIP and have been amended to ensure alignment with the Council's 2024-2028 Corporate Plan. The Council explains this within the PIP and includes a brief "taking stock at year-end" section to summarise how each improvement objective was progressed during the previous year.</p> <p>The Council developed a fourth improvement objective in 2024-25 focusing on the innovation and advancement of governance and digital capabilities. This improvement objective underpins the "One Council" approach, to help ensure that all services across the Council are collaborating and working towards shared objectives.</p> <p>Within the PIP, the Council explains the rationale supporting each improvement objective and summarises this using the following headings:</p> <ul style="list-style-type: none"> a) the story behind the baseline (i.e. why it is important); b) what the Council wants to achieve; c) what the Council will do; and d) how the Council will measure what has been done and the impact it has achieved.

Thematic area	Observations
	<p>We consider the outcomes of each improvement objective to be clearly documented within the PIP and specific performance measures have been included for each improvement objective to enable the Council to measure and determine whether they have been achieved.</p>
Consultation	<p>The Department for Communities guidance requires Councils to consult when deciding how to discharge the general duty to improve and on its proposed improvement objectives.</p> <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 improvement objectives. We consider that the Council has met its statutory duty in this respect.</p> <p>Consultation with all Council staff took place from September 2023 to February 2024 regarding potential areas for improvement. Alongside this process, members of the public were provided with the opportunity, through the Council website, to suggest potential improvement objectives for consideration. A draft suite of 4 improvement objectives for 2024-25 was proposed for public consultation after Council consideration of budgetary constraints, the impact of the cost-of-living crisis, the climate emergency, legislative responsibilities, and an overview of outturn in progress towards meeting the Improvement Objectives in 2023-2024.</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 seven weeks commencing on 6 March 2024 and running until 24 April 2024. Consultation responses could be submitted in writing (either by email or letter), response to an online survey or by contacting a Council Officer for discussion. An overall total of 170 responses were received from the public consultation which was an increase of 81 from last year.</p>

Thematic area	Observations
	<p>Following broad support for the Council's draft improvement objectives, the four improvement objectives were finalised for inclusion in the 2024-25 PIP. We note that some additional actions were incorporated into one of the carried forward improvement objectives to reflect consultation responses (Improvement Objective Two).</p> <p>The Council's consultation process for developing the annual PIP is conducted in accordance with the Council's Consultation Engagement Framework 2023-2026. We note that this Framework references the Council's consultation approach for developing performance improvement objectives.</p>
Improvement plan	<p>The Council published on its website, the Performance Improvement Plan for 2024-25 on 27 June 2024, before the statutory deadline of 30 June. The publication of the PIP was promoted through social media platforms and advertised in the local newspapers.</p> <p>The improvement objectives outlined in the PIP are directly aligned with the themes and priorities identified in the 2030 Community Plan and the Council's Corporate Plan 2024-2028. The PIP specifically outlines a number of areas of focus across the Council, with the aim of delivering improvements to benefit residents and service users.</p> <p>For each of the four improvement objectives, the PIP sets out: the relevant Directorate; the Lead Officer; the strategic significance at a regional and local level; associated actions and performance measures; milestones and reporting periods; and a summary of the impact that these objectives should have on Council residents.</p> <p>The PIP also references Section 89 of the Local Government Act (NI) 2014 which requires Councils to publish the results of the statutory indicators set by Central Government (focusing on economic development, planning and waste management). Each of the seven</p>

Thematic area	Observations
	<p>statutory indicators are listed along with the Council's performance against these indicators over the past 5 years.</p>
<p>Arrangements to improve</p>	<p>The Council has adequate arrangements in place to secure the achievement of its improvement objectives, statutory indicators and the general duty to improve.</p> <p>The Council's improvement objectives are supported by a suite of performance measures and stand-alone projects. Projects are supported by Project Plans and progress against performance measures is tracked through the completion of Outcomes Based Accountability Performance Report Cards. Ongoing risks associated with the delivery of projects are identified and managed as part of project management arrangements and, if required, escalated to the Council's Corporate and Divisional Risk Registers as part of the Council's normal risk management reporting arrangements. Project specific risks are recorded on Project Risk Registers in the first instance.</p> <p>Progress against all improvement objectives and the associated performance measures is reviewed at a service level on a monthly basis (via meetings between Directors and Heads of Service), and reported bi-annually to the R&C Committee and Audit Panel. The Council uses a Red, Amber, Green ("RAG") reporting mechanism to highlight progress, which serves as a useful visual for Members.</p>
<p>Collection, use and publication of performance information</p>	<p>The Council's arrangements to assess its performance and to publish the results are in line with the legislative requirements and the Department's guidance.</p> <p>The Council published its Annual Performance Report (the Performance Report) for 2023-24 following approval by the R&C Committee on 12 September 2024. The Performance Report was: published on the Council's website and social media platforms; issued to the media; and circulated to staff, elected members and Community Planning Partners.</p>

Thematic area	Observations
	<p>The published Annual Performance Report includes:</p> <ul style="list-style-type: none"> • the Council's performance in discharging the general duty to secure continuous improvement in 2023-24; • outturn of the Council's 2023-24 performance against the 7 statutory performance indicators, along with comparison performance data dating back 5 years; and • outturn of the Council's 2023-24 performance against the 24 self-imposed performance indicators, along with comparison performance data dating back 3 years (where this date was available). <p>The Annual Performance Report includes an overview and self-assessment of the performance of the Council during the previous financial year in accordance with its legislative requirements. 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>There is clear linkage between the Council's improvement objectives, associated actions and performance measures, and Corporate and Community Plan priorities. As a result, we consider that the Council is collecting, and reporting relevant data for citizens.</p> <p>The performance outturn results for the 7 statutory indicators (covering Economic Development, Planning and Waste) is subject to external validation processes, set by the relevant Government Departments. The Council collects and shares the data with the relevant Government Department, who then take responsibility for publishing the results.</p>

Thematic area	Observations
	<p>The Council reported it met 4 of the 7 statutory performance indicators in 2023-24, which is the same outturn as 2022-23. For each statutory performance indicator that was not met, the Council has set out its plans to rectify this in a section titled "We will continue to improve by".</p> <p>The Council is a member of the Association of Public Service Excellence (APSE), including the APSE Performance Network, a public sector benchmarking organisation which assists the Council in improving its ability to compare performance across a wide range of services and activities.</p> <p>The Council uses data from a variety of its internal systems and data sources to report against the 24 self-imposed performance measures and APSE data is used to benchmark the performance outturn results from these performance measures. The Council's Data Science and Intelligence Team are responsible for reviewing the Council's data collection and reporting processes on a 6 monthly basis. This includes the data used by the Council to report progress against its Corporate and Community Plans as well as its performance improvement objectives.</p> <p>In line with Part 12 of the Local Government Act (Northern Ireland) 2014, the Council has a statutory duty to publish an improvement plan as soon as is reasonably practicable after the start of the financial year. DfC guidance suggests that the plan should be published by 30 June. The Council published its plan on 27 June 2024 however it was not ratified by full Council until after this date on 1 July 2024.</p> <p>We note that the plan was approved by the Council's R&C Committee on 11 June 2024. We were unable to obtain evidence to demonstrate that the powers to approve the plan had been delegated to the R&C Committee by full Council.</p> <p>The Council should ensure that its improvement plan is approved in line with the Council's governance framework before it is published. Approval should be provided by full Council</p>

Thematic area	Observations
	<p>or alternatively, by a sub-committee of Council, provided that approval powers have been appropriately delegated and documented.</p>
<p>Demonstrating a track record of improvement</p>	<p>The Council has reported on the achievement of outcomes within the 2023-24 Annual Performance Report.</p> <p>Performance Improvement Objectives from 2023-24 The Council identified 3 performance improvement objectives in 2023-24. Each improvement objective was supported by specific actions, and further supported by a number of “best ideas”. A total of 37 best ideas were identified across the 3 improvement objectives in 2023-24. At year-end, 32 (86%) of these best ideas had a green RAG rating which per the Council’s definition, indicates that these had either been met or were on target to be met within the agreed timeline. The Council also provides a narrative explanation to support the RAG conclusion on all measures. All 3 of the 2023-24 improvement objectives were carried forward to 2024-25, with some minor amendments to the wording of the objective and the associated actions.</p> <p>Statutory Indicators There are seven statutory indicators across three service areas (Economic Development, Planning and Waste Management). Of these:</p> <ul style="list-style-type: none"> • four indicators have been rated as green (P1, P2, P3 and W3); and • three indicators have been rated as red (ED1, W1 and W2). <p>Where a statutory indicator has not been met, the Council has outlined the factors that contributed to this, including regional delays in implementing the “Go Succeed Start” programme and service disruptions to refuse collections. It is noted that the Council also met 4 of the statutory performance indicators during 2022-23.</p>

Thematic area	Observations
	<p>Self-Imposed performance measures</p> <p>The Council identified 24 self-performance measures in 2023-24. Of these:</p> <ul style="list-style-type: none"> • 18 performance measures were met and rated as green (75%); • 4 performance measures were not met and rated as red (17%); and • 2 performance measures were not rated due to data not being available. <p>One of the 2 performance measures, for which data is not available, is "Residents' overall satisfaction". Due to budget constraints, a Residents' Survey was not completed during 2023-24. We also noted that this survey did not take place in either of the 2021-22 or 2022-23 years. The other performance measure for which data is not available is "Tidy NI Cleanliness Index Score". We understand that these results have also not been published for either the 2023-24 or 2022-23 years. The Council should consider whether it remains appropriate to continue including these as two of its self-imposed performance measures, given the difficulties in reporting an outturn.</p> <p>Throughout the Annual Performance Report, the Council includes trend analysis data for all of its performance data (dating back between 3 and 5 years where this is available) and for the Statutory Indicators, provides an overview of how the Council has performed against other Northern Ireland Councils. The use of a graphical format for statutory indicators in particular, is useful in showing progress, and in most cases can demonstrate a trend of ongoing improvement. Where there have been difficulties in meeting a Statutory Indicator, the reasons contributing to this have been documented as well as an additional section titled "We will improve by".</p> <p>The Council has been 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 comparatives. 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>