April 26th, 2017

Notice Of Meeting

You are invited to attend the Audit Committee Meeting to be held on **Thursday, 27th April 2017** at **2:00 pm** in the **Mourne Room Downshire Estate Downpatrick.**

Councillor P Brown

Councillor C Casey

Councillor L Devlin

Councillor C Enright

Councillor T Hearty

Councillor M Murnin

Councillor P Ó'Gríbín

Councillor G Sharvin

Councillor J Trainor

Councillor M Ruane

Agenda

Audit Committee Pre Meeting

Please note the **Audit Committee Pre Meeting** will commence at:

12.45pm - Mourne Room - Downshire Civic Centre - Downpatrick

(Lunch will be provided)

1) Apologies and Chairpersons remarks.

2) Declarations of Interest.

3) Action Sheet - Audit Committee Meeting - Thursday 8 December 2016. (Copy enclosed)

Item 3 AC Action Sheet December 2016.pdf ***Page 1***

NIAO (OPEN SESSION)

4) NIAO - Annual Audit Letter NMDDC 2015-16. (Copy enclosed)

Item 4 Letter NIAO re Annual Audit Letter.pdf ***Page 4***

Item 4 NIAO Annual Audit Letter.pdf ***Page 5***

5) NIAO Audit Strategy. (Copy enclosed)

Item 5 - NIAO Audit Strategy.pdf ***Page 14***

Corporate (OPEN SESSION)

6) Timetable for Year End Accounts. (Copy enclosed)

Item 6 Rpt re Timetable for Accounts.pdf ***Page 30***

7) Prompt Payments. (Copy enclosed)

Item 7 Rpt re Prompt Payment.pdf ***Page 32***

8) Direct Award Contract Register. (Copy enclosed)

Item 8 Rpt re Direct Award.pdf ***Page 34***

9) Corporate Risk Register. (Copy enclosed)

Item 9 Rpt re Corporate Risk Register.pdf — ***Page 36***

10) Fraud & Whistleblowing Policy. (Copy enclosed)

Item 10 Rpt re Fraud and Whistleblowing.pdf — ***Page 57***

11) Follow up of Legacy Recommendations. (Copy enclosed)

Item 11 Internal Audit Legacy Recommendations.pdf — ***Page 62***

12) Performance Improvement Plan. (Copy enclosed)

Item 12 Performance Improvement Objectives 2017 - 18.pdf — ***Page 65***

Circulars

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13) Circular LG 02/17 Template for Councillor Allowances return 2016/2017. (Copy enclosed)

Item 13 -LG-circular-02-2017 re Template for Councillors Allowances.pdf — ***Page 98***

14) Circular LG 03/17 Consolidated Councillor Allowances - updated February 2017. (Copy enclosed)

Item 14 - LG -circular-03-2017 - Consolidated Cllrs Allowances.pdf — ***Page 100***

15) Circular LG 10/17 Accounts Direction for District Councils 2016/2017. (Copy enclosed)

Item 15 - LG 10-17-circular Accounts Direction for District Councils.pdf — ***Page 104***

Audit Services Section - ASM (CLOSED SESSION)

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16) Internal Audit Summary Report. (Copy enclosed)

This item is deemed restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - Information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 16 ASM Summary report - April 17.pdf — ***Not included***

17) Report from Internal Audit re: Fleet Management. (Copy

enclosed)

This item is deemed restricted by virtue of Paragarph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - Information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 17 ASM re Fleet Management - final report.pdf ***Not included***

18) Report from Internal Audit re: Accounts Payable. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - Information relating to the financial or business affairs of any particular person (including the Council holding that information), and the public, may, by resolution, be excluded during this item of business.

Item 18 ASM Rpt re Accounts Payable.pdf ***Not included***

19) Report from Internal Audit re: Risk Management. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 19 ASM Rpt re Risk Management.pdf ***Not included***

20) Report from Internal Audit re: Cash Handling. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 20 ASM re Cash Handling report 201617.pdf ***Not included***

21) Report from Internal Audit re: Community Centres. (Copy enclosed)

This item is deemed restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 21 ASM Rpt re Community Centres.pdf ***Not included***

22) Report from Internal Audit re: Follow up Review. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6of the Local Government Act (Northern Ireland) 2014 - Information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public, may by resolution, be excluded during this item of business.

Item 22 ASM Rpt re Follow up review.pdf ***Not included***

23) Report from Internal Audit re: Big Screen Review. (Report will be presented at the meeting)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

24) Internal Audit - Draft Annual Assurance Report. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 24 Internal Audit - Draft Annual Assurance Report.pdf ***Not included***

25) Draft Internal Audit Plan 2017/18. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 25 ASM re Draft 201718 NMDDC Internal Audit Plan.pdf ***Not included***

Corporate (CLOSED SESSION)

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26) Assurance Statements. (Copy to follow)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

27) Draft Governance Statement. (Copy to follow)

This item is deemed to be restricted by virtue Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

28) Renewal of Internal Audit Contract. (Copy enclosed)

This item is deemed to be restricted by virtue of Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (Northern Ireland) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business.

Item 28 Rpt re Internal Audit Contract.pdf ***Not included***

Invitees

Cllr Terry Andrews	terry.andrews@nmandd.org
Cllr Naomi Bailie	naomi.bailie@nmandd.org
Cllr Patrick Brown	patrick.brown@nmandd.org
Cllr Robert Burgess	robert.burgess@nmandd.org
Cllr Stephen Burns	stephen.burns@nmandd.org
Cllr Pete Byrne	pete.byrne@nmandd.org
Mr Gerard Byrne	gerard.byrne@nmandd.org
Mr Joe Campbell	josephb.campbell@outlook.com
Cllr Michael Carr	michael.carr@nmandd.org
Mrs Dorinnia Carville	dorinnia.carville@nmandd.org
Cllr charlie casey	charlie.casey@nmandd.org
Cllr William Clarke	william.clarke@nmandd.org
Cllr Garth Craig	garth.craig@nmandd.org
Cllr Dermot Curran	dermot.curran@nmandd.org
Cllr Laura Devlin	laura.devlin@nmandd.org
Ms Louise Dillon	louise.dillon@nmandd.org
Cllr Sean Doran	sean.doran@nmandd.org
Cllr Cadogan Enright	cadogan.enright@nmandd.org
Cllr Gillian Fitzpatrick	gillian.fitzpatrick@nmandd.org
Cllr Glyn Hanna	glyn.hanna@nmandd.org
Mr Liam Hannaway	liam.hannaway@nmandd.org
Cllr Valerie Harte	valerie.harte@nmandd.org
Cllr Harry Harvey	harry.harvey@nmandd.org
Cllr Terry Hearty	terry.hearty@nmandd.org
Cllr David Hyland	david.hyland@nmandd.org
Ms Colette Kane	colette.kane@niauditoffice.gov.uk
Mrs Sheila Kieran	sheila.kieran@nmandd.org
Cllr Liz Kimmins	liz.kimmins@nmandd.org
Cllr Mickey Larkin	micky.larkin@nmandd.org
Mr Michael Lipsett	michael.lipsett@nmandd.org
Cllr Kate Loughran	kate.loughran@nmandd.org
Cllr Jill Macauley	jill.macauley@nmandd.org
Cllr Kevin Mc Ateer	kevin.mcateer@nmandd.org
Colette McAteer	colette.mcateer@nmandd.org
Cllr Declan McAteer	declan.mcateer@nmandd.org
Cllr Oksana McMahon	oksana.mcmahon@nmandd.org
Cllr Andrew McMurray	andrew.mcmurray@nmandd.org
Eileen McParland	eileen.mcparland@nmandd.org
Cllr Roisin Mulgrew	roisin.mulgrew@nmandd.org
Cllr Mark Murnin	mark.murnin@nmandd.org
Mrs Aisling Murray	aisling.murray@nmandd.org

Cllr Barra O Muiri	barra.omuiri@nmandd.org
Cllr Pol O'Gribin	pol.ogribin@nmandd.org
Mr Canice O'Rourke	canice.orourke@downdc.gov.uk
Cllr Brian Quinn	brian.quinn@nmandd.org
Cllr Henry Reilly	henry.reilly@nmandd.org
Cllr Michael Ruane	michael.ruane@nmandd.org
Cllr Gareth Sharvin	gareth.sharvin@nmandd.org
Cllr Gary Stokes	gary.stokes@nmandd.org
Sarah Taggart	sarah-louise.taggart@nmandd.org
Cllr David Taylor	david.taylor@nmandd.org
Caroline Taylor	Caroline.Taylor@downdc.gov.uk
Cllr Jarlath Tinnelly	jarlath.tinnelly@nmandd.org
Cllr John Trainor	john.trainor@nmandd.org
Cllr William Walker	william.walker@nmandd.org
Mrs Marie Ward	marie.ward@nmandd.org

ACTION SHEET – AUDIT COMMITTEE MEETING

THURSDAY 8 DECEMBER 2016

Minute Ref	Subject	Decision	Lead Officer	Actions taken/ Progress to date	Remove from Action Sheet Y/N
AC/94/2016	Audit Committee Self Assessment Checklist	**Agreed to approve the Audit Committee Self Assessment Checklist and recommendations contained therein.**	J. Campbell	Agreed	Y.
AC/95/2016	Corporate Risk Register	**Ms D Carville to obtain the relevant details from Councillor Murnin regarding an issue raised where there may be potential risk to Council when Council Officers make recommendations following inspections of business premises which then subsequently change, and follow this up with the relevant Directorate and update Cllr Murnin in due course.**	D. Carville	Completed. Cllr. Murnin contacted and matter to be followed up by AHC Director	Y.
AC/97/2016	Prompt Payments	**Agreed a report on Prompt Payments by tabled at Audit**	K. Montgomery	Completed – Agenda item.	Y.

Minute Ref	Subject	Decision	Lead Officer	Actions taken/ Progress to date	Remove from Action Sheet Y/N
		Committee Meetings as a standing item.			
		Ms D Carville to discuss with Cllr T Hearty, matters regarding payment to a community group.	D. Carville	Completed – Cllr. Hearty contacted and matter followed up by ERT directorate	Y.
AC/100/2016	Internal Audit Contract	** **Closed Session Item** ** **Agreed to extend the contract with ASM Limited for the provision of the Council's internal audit services, for a further one year period, via Direct Award Contract, subject to satisfactory completion of annual work. This extension will allow for the completion of 4 Year Internal Audit Plan.**	G. Byrne	Completed	Y
AC/101/2016	Governance Investigation – Media Screen Newry	** **Closed Session Item** ** **Agreed to refer the Terms of Reference for a governance investigation into the Media Screen Newry, to the Strategy Policy & Resources Committee Meeting in January 2017 for consideration and the findings of the governance**	DSO	Completed. Terms of Reference by SP&R in January 2017. Agenda item.	Y.

Minute Ref	Subject	Decision	Lead Officer	Actions taken/ Progress to date	Remove from Action Sheet Y/N
		investigation to be tabled at the Audit Committee In April 2016.			
AC/103/2016	Fleet Management	**Agreed Internal Audit Report on Fleet Management will be tabled at Audit Committee Meeting April 2017.**	ASM	Completed – agenda item.	Y.
AC/106/2016	Performance Improvement Plan	**Agreed Members of the Audit Committee be invited to Strategy Policy & Resources Committee Meetings for discussion on the NIAO Audit and Assessment Report 2016-17.**	DSO	Completed.	Y.
END					

N I A O

Louise Mason FCA
Local Government Auditor

Northern Ireland Audit Office

106 University Street
Belfast
BT7 1EU
Direct Line : (028) 9025 1048
Fax : (028) 9025 1051
E-mail : louise.mason@niauditoffice.gov.uk
webaddress : www.niauditoffice.gov.uk

Mr Liam Hannaway
Chief Executive
Newry, Mourne and Down District Council
Monaghan Row
Newry
BT35 8DJ

21 December 2016

Dear Liam

Annual Audit Letter: Newry, Mourne and Down District Council 2015-16

Please find enclosed the Annual Audit Letter issued under Regulation 17 of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015.

Regulation 17 requires a Local Government Body to:

a) publish (as a minimum on the local government body's website) the letter;
b) notify the local government auditor of the date of publication; and
c) make copies available for purchase by any person on payment of a reasonable sum.

I would be grateful if you would arrange to include this on the agenda of the next meeting of the Audit Committee.

I would like to take this opportunity to thank you and your staff for the assistance and co-operation received throughout the audit.

Yours sincerely

Louise Mason

LOUISE MASON
Local Government Auditor

NIAO
Northern Ireland Audit Office

Annual Audit Letter

Newry, Mourne and Down District Council 2015-16

Louise Mason
Local Government Auditor
Northern Ireland Audit Office

Contents

Key Messages

Audit of Financial Statements

- The 2015-16 financial statements were certified without qualification, as outlined in my audit report.
- Appropriate balances were brought forward from the legacy councils.

Audit work on economy, efficiency and effectiveness

- The Council has in place proper arrangements to secure economy, efficiency and effectiveness in the use of its resources.

Governance

- The governance statement reflects compliance with relevant guidance and government standards.

Other areas of audit interest

- The Whole of Government Accounts annual return was submitted for HM Treasury's consolidation process.
- The latest National Fraud Initiative report has been published (July 2016).
- The audit work was completed within the estimated fee quoted.

Introduction

1. The results of my statutory responsibilities for 2015-16 are summarised in this report. The legislative role for the Local Government Auditor is contained in the Local Government (Northern Ireland) Order 2005 and the Local Government (Northern Ireland) Act 2014. In addition, the Code of Audit Practice published in March 2016 prescribes the way in which audit functions under the legislation are to be carried out. The Code of Audit practice is supported further by a Statement of Responsibilities of Local Government Auditors and Local Government Bodies. Both of these documents are published on the NIAO website.

2. Management have specific responsibilities regarding the production of financial statements. They are also expected to have effective governance arrangements in place to deliver the corporate objectives. The publication of the financial statements is an essential means to account for the stewardship and use of public money each year.

3. As external auditor, it is my responsibility to form an opinion on whether:

   - the financial statements give a true and fair view of the financial position of the Council and its expenditure and income for the year;
   - the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction;
   - other information published together with the audited financial statements is consistent with the financial statements; and
   - the part of the remuneration report to be audited has been properly prepared in accordance with the Department for Communities' (formerly Department of the Environment) directions.

4. There is a range of various matters which can be reported by exception and they are outlined in the Code of Audit Practice. One of these items relates to the information published with the audited financial statements, such as the governance statement. I report if the governance statement is not consistent with the information gathered during the audit including that gained from carrying out audit work on the Council's arrangements for securing economy, efficiency and effectiveness of resources and performance improvement.

5. This report is solely based upon those matters that have come to my attention as a result of normal audit procedures. Consequently, our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Audit of Financial Statements

Statement of Accounts

1. The accounts should be prepared in accordance with International Financial Accounting Standards as interpreted for Local Government in the 'The Code of Practice on Local Authority Accounting in the United Kingdom'.

2. The financial statements were signed by the Chief Financial Officer and submitted for audit before the statutory deadline of 30 June 2016. Following the audit, the accounts were certified by me on 30 September 2016 and published on the website of the Council.

3. On conclusion of the audit, the 2005 Order requires me to issue a certificate stating that the audit is complete and to give an opinion on the Statement of the Accounts. The audit certificate and opinion are contained within the Statement of Accounts.

Audit Opinion

4. For the year ended 31 March 2016 I gave the following unqualified opinion on the financial statements:

   In my opinion:

   - the financial statements give a true and fair view, in accordance with relevant legal and statutory requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16, of the financial position of the Council as at 31 March 2016 and its income and expenditure for the year then ended; and
   - the financial statements have been properly prepared in accordance with the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and the Department for Communities directions issued thereunder.

5. At the end of the audit I issue a Report to those charged with Governance, addressed to the Chief Executive of Council, on the results of the audit, noting the most significant issues, making recommendations and seeking comments. That report is presented separately to the Audit Committee.

Audit work on economy, efficiency and effectiveness

Proper Arrangements

1. The Local Government (Northern Ireland) Order 2005 requires me to be satisfied that the Council has proper arrangements in place for securing economy, efficiency and effectiveness in the use of its resources.

2. Councils are required to maintain an effective system of internal control that supports the achievement of their policies, aims and objectives, while safeguarding and securing value for money from the public funds and other resources at their disposal.

3. My review of the Council's arrangements for securing value for money covered a wide range of areas including:

    - Strategic priorities and financial strategies and policies;
    - Financial reporting systems and sound financial internal controls;
    - Procurement strategies and policies to deliver sustainable outcomes and value for money;
    - Promoting a good governance environment including managing risks and systems of internal control;
    - Asset management strategies and policies to safe guard assets, deliver objectives and generate value for money; and
    - A framework in place to manage the work force to effectively support the achievement of strategic priorities.

4. On the basis of my review this year, I am satisfied the Council has in place proper arrangements to securing economy, efficiency and effectiveness in the use of its resources. However issues in respect of risk management and IT controls have been raised in the Report to those charged with governance.

Performance Improvement

5. 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. Councils are now required to gather information to assess improvements in the services it provides and to issue a report annually on its performance against indicators set themselves or that have been set by the Department for Communities.

6. It is my responsibility under statute to review the performance improvement plans, and the arrangements made to deliver on those plans, for each financial year.

7. As the 2015-16 financial year was the first cycle of this process, there were limited requirements for Councils and the audit process was aligned accordingly. However, from the next financial year, the results of performance improvement audit work will be published on the NIAO website.

Governance

Key Principles

1. The Good Governance Standard for Public Services sets out the key principles of good governance which:

   - focus on the organisation's purpose and on outcomes for citizens and service users;
   - perform effectively in clearly defined functions and roles;
   - promote values for the whole organisation and demonstrate the values of good governance through behaviour;
   - take informed, transparent decisions and manage risk;
   - develop the capacity and capability of the governing body to be effective; and
   - engage stakeholders and make accountability real.

Annual Governance Statement

2. The Council is required to conduct a review at least once in a financial year of the effectiveness of its governance framework (including its system of internal control) and to then approve an Annual Governance Statement.

3. I am required to report if the Annual Governance Statement:

   - does not reflect compliance with the Code of Practice on Local Authority Accounting in the United Kingdom 2015-16;
   - does not comply with proper practices specified by the Department for Communities; or
   - is misleading or inconsistent with other information I am aware of from my audit.

4. My review did not highlight any inconsistencies however the Council has noted the following issues in its Annual Governance Statement:

   - Four internal audit reviews conducted in 2015-16 received a limited assurance rating. These were in relation to planning, programme management, procurement and contract management, and off-street parking;
   - Transferred Functions – the challenges of successfully integrating new functions such as planning, off-street car parking and community planning continued in the period;
   - Delivery of Capital Programme (particularly Leisure Centres) and the long term financial sustainability of the Council continue to be economically challenging;
   - Information Technology – ensuring IT systems and IT security are sufficiently robust and meet the needs of the organisation; and
   - Other Governance Arrangements – developing and embedding robust risk management arrangements including ensuring the organisation has effective systems and procedures in place over key strategic priorities and areas of statutory responsibility.

Governance

Internal Audit

5. The Local Government (Accounts and Audit) Regulations (NI) 2015 requires councils to undertake an adequate and effective internal audit of its accounting records and of its system of risk management, internal control and governance processes using current internal auditing standards. The Council has an out sourced Internal Audit function that conducted a review on the effectiveness of the system of internal control during 2015-16. The findings of the review, which resulted in a limited assurance rating for the year, were considered by the Council's Audit Committee.

Audit Committee

6. It is essential that Members exercise effective scrutiny of the internal control processes and procedures in place within the Council. One way that Members carry out this function is through the Audit Committee.

7. The Audit Committee is also invited to review my audit reports and my staff attend meetings to present audit findings.

Other areas of audit interest

WGA

1. Whole of Government Accounts (WGA) are consolidated financial statements for the whole of the UK public sector. The National Audit Office audits these accounts and sets the overall audit approach. The Council is within the band of organisations in 2015-16 where additional audit procedures were not required.

2. The Whole of Government Accounts annual return has been submitted for HM Treasury's consolidation process.

NFI

3. The Council participates in the National Fraud Initiative, a UK wide data matching exercise designed to highlight savings for the public sector as a whole.

4. The latest report was published in July 2016 and is available on the NIAO website.

Absenteeism

5. For the twelve months to the end of March 2016, the average number of day's sick absence in the Council was 15.94 days per full time employee.

Audit Fee

6. The estimated audit fee is disclosed in note 4 of the financial statements. The final audit cost is in line with the estimate.

Outlook

7. This financial year has been particularly challenging for Councils and it is the first reporting period in the new eleven council configuration. In addition to restructuring, Councils have taken on several functions from central government, such as new planning powers, off-street car parking, local economic development and heritage responsibilities.

8. It was also envisaged that Councils would have urban regeneration and community development powers from 2016-17. However, the mechanisms to enable this transfer have not been put in place and Northern Ireland Executive approval will be required.

NIAO

Northern Ireland Audit Office

Our purpose ...

Promoting better use of public money, through independent professional scrutiny, underpinned by our commitment to:

- Integrity
- Equality
- Openness
- Innovation

To make a difference for the people of Northern Ireland.

The Local Government (Northern Ireland) Order 2005 (the Order) provides that the Department for Communities (DfC) may, with the consent of the Comptroller and Auditor General, designate persons who are members of staff of the Northern Ireland Audit Office (NIAO) as Local Government Auditors. Once designated, auditors carry out their statutory and other responsibilities, and exercise their professional judgement, independently of DfC and the Comptroller and Auditor General.

Louise Mason, Assistant Auditor General is the designated Local Government Auditor.

For further information please contact:

Colette Kane
Director
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

Tel: 028 90251064
Email: colette.kane@niauditoffice.gsi.gov.uk

NEWRY, MOURNE AND DOWN DISTRICT COUNCIL

AUDIT OF THE STATEMENT OF ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

AUDIT STRATEGY

Contents

1 Introduction

1.1. The Local Government Auditor is the independent external auditor of the financial statements of the Newry, Mourne and Down District Council (the Council) under the Local Government (Northern Ireland) Order 2005 (the Order). Our audit is designed to allow the Local Government Auditor to give an opinion on whether:

- the financial statements are 'true and fair', in accordance with relevant legal and regulatory requirements and the Code of Practice on Local Authority Accounting (the Code);
- the information given in certain sections of the Statement of Accounts is consistent with the financial statements; and
- a number of further matters on which she reports by exception, including whether or not adequate accounting records have been maintained or if the Annual Governance Statement does not reflect Department for Communities guidance or compliance with the Code.

1.2. The purpose of this document is to highlight to the Chief Financial Officer and Audit Committee of the Council:

- how we plan to audit the financial statements for the year ending 31 March 2017, including how we will be addressing significant risks of material misstatement to transactions and balances;
- matters of interest and developments in financial reporting and legislation;
- the planned timetable, fees and audit team; and
- matters which we are required to communicate to you under International Standards on Auditing (UK and Ireland) (ISAs), including the scope of the audit, our respective responsibilities, and how we maintain independence and objectivity (**Annex 1**).

Actions for those charged with governance

1.3. Those charged with governance are invited to consider and discuss:

- whether our assessment of the potential risks of material misstatement to the financial statements is complete;
- whether management's responses to these risks are adequate;
- our proposed audit plan to address these risks; and
- whether the financial statements could be materially misstated due to fraud and communicate any areas of concern to management and the audit team.

1.4. Those charged with governance, in order to comply with best practice, should also review the accounting policies adopted by the organisation and consider whether they remain appropriate to the organisation's circumstances and comply with the Code and relevant guidance issued by Department for Communities.

2 Audit approach

2.1. Our approach to the audit of financial statements uses a range of techniques to obtain audit evidence and assurance and is based on a thorough understanding of the business.

2.2. This understanding allows us to develop an audit strategy which focuses on addressing specific risks whilst providing an acceptable level of assurance across the financial statements as a whole.

Outline of our general audit approach

2.3. The NIAO audit approach is risk-based, informed by a good understanding of the operations of the Council and an assessment of the risks associated with the financial statements.

2.4. Our initial assessment of the Council's operations and control environment has not identified areas of significant risk which require a specific audit response.

2.5. For all significant audit areas, we will use a variety of audit techniques, including analytical procedures and sampling of transactions.

2.6. We will review other accounting systems and management controls operated by the Council only to the extent we consider necessary for the effective performance of the audit. As a result, our review may not detect all weaknesses that exist or all improvements that could be made. Where we do uncover any significant deficiency weaknesses we will report these to you, with our recommendations for improvements.

Using the work of others

2.7. We continue to liaise closely with Internal Audit and seek to take assurance from their work where their objectives cover areas of joint interest.

2.8. We will rely on the work of Land and Property Services in respect of the valuations for land and buildings.

2.9. We will rely on the work of AON Hewitt in respect of the information disclosed concerning assets, liabilities, income and expenditure relating to the Northern Ireland Local Government Officers' Superannuation Committee Scheme.

2.10. We will rely on independent expert's reports on landfill closure and aftercare costs.

Materiality

2.11. The concept of materiality recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

2.12. For the purposes of determining whether the financial statements are free from material misstatement or illegality we consider whether the following would influence the users of the accounts:

- the magnitude of misstatement; or
- the nature and cause of misstatements (e.g. because of the sensitivity of specific disclosure or legality requirements).

2.13. In line with generally accepted practice, we have set our quantitative materiality threshold as approximately 2% of expenditure, which equates to £1.4 million (based on the prior year Statement of Accounts).

2.14. Other elements of the financial statements that we consider to be more sensitive to users of the accounts will be assessed using a lower qualitative materiality threshold. These elements include such things as the remuneration report disclosures; expenditure incurred using the general power of competence note; our audit fee etc.

2.15. We apply the concept of materiality in planning and performing our audit and in evaluating the effect of misstatements on our audit and on the financial statements. As the audit progresses our assessment of both quantitative and qualitative materiality may change.

Error Reporting Threshold

2.16. For reporting purposes, we will treat any misstatements below £25,000 as "trivial" and therefore not requiring consideration by the Audit Committee.

2.17. Please note that this is a separate threshold to our consideration of materiality as described above. It is materiality, not the error reporting threshold, which is used in forming our audit opinion.

Proper Arrangements

2.18. In addition to the audit of the financial statements, the Local Government Auditor has a duty under the 2005 Order to be satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of its resources.

2.19. For 2016-17 we plan to update the Questionnaire that we issued, and Councils completed, in 2016. We will review the questionnaire responses and, if necessary, perform some additional work in areas considered to be higher risk. The main financial audit work will also feed into the risk assessment and conclusions of arrangements in place.

2.20. Conclusions regarding proper arrangements will be noted in the Annual Audit Letter and any recommendations for improvement will be included in the Report to those charged with Governance.

3 Significant Risks

Risks of material misstatement in the financial statements

3.1. Following risk assessment procedures and discussions with management during the planning of the audit, we have not identified any significant risks of material misstatement. A significant risk is an identified and assessed risk of material misstatement that, in the auditor's judgement, requires special audit consideration.

Presumed Risks

3.2. Under ISA 240, there is a presumed significant risk of material misstatement owing to fraud arising from management override of controls. We will address this risk through our testing of journals, estimates and through a review of any significant or unusual transactions in the year.

3.3. There is also a presumed risk of fraud in revenue recognition, albeit rebuttable. We do not believe the risk of fraud in revenue recognition is material to the financial statements however we will review areas where we consider there is a potential risk of fraud in revenue recognition. This will include identifying which income streams are received in the form of cash, the controls in place over cash and cyclical audit testing of the main cash income areas

Risks to Proper Arrangements in place to secure economy, efficiency and effectiveness

3.4 Under the Code of Audit Practice we are also required to perform an initial assessment of significant risks to the conclusion on proper arrangements in place to secure economy efficiency and effectiveness in the use of its resources. Our initial assessment has not identified any significant risks however issues we noted in 2015-16 included risk management and IT controls, which we reported upon in both our Report to those charged with Governance and our Annual Audit Letter. As these issues attracted a priority '1' rating we will report on management's implementation of our recommendations in our 2016-17 Report to those charged with Governance.

Other risk factors

3.5 We have identified three risk factors, the first two relate to part of two priority '1' management letter points coming forward from the 2015/16 audit. We do not consider these to represent a significant risk of material misstatement in the financial statements but are matters which we will continue to monitor and respond to as appropriate throughout the audit. While we understand that management are in the process of taking steps / have taken steps to address these issues, we will form a view on the rectification of these issues, during the final audit process:-

- **Year End accounts process** - delays in the timeliness and sufficiency of responses to audit queries including those on these accounts, can lead to audit inefficiencies and delays in finalising our audit.
- **Fixed Assets** - controls over fixed assets were not considered sufficiently robust in 2015-16. We have been advised that the Council is putting a new system in place for recording fixed assets to address some of the weaknesses identified and we will undertake a review of this, and other fixed asset controls, as part of our audit.
- **Principal and Agency transactions** - this issue is highlighted in the Accounts Direction. Council should separately review all transaction streams whereby council is largely

acting as a conveyor for monies e.g. certain grants / public realm / social investment funds. Once reviewed council should formally record its decision as to how these monies should be reflected in its accounts e.g. disclosure only if acting as an agent or as income and expenditure if acting as a principal.

3.5. We do not consider the risk factors above to represent a significant risk of material misstatement in the financial statements at this stage but are matters which we will continue to monitor and respond to as appropriate throughout the audit.

Review of risks of material misstatement in the financial statements or arrangements in place

3.6. New risks may arise during the audit that could affect our audit opinion or our conclusions on proper arrangements in place to secure economy efficiency and effectiveness in the use of resources. Therefore we will continue to keep our risk assessment and audit approach under review and we will report any significant changes to the audit work planned to those charged with governance.

4 Further matters of interest

4.1. The paragraphs below identify some areas impacted by new guidance, or other important matters, that Councils should note for the preparation of the financial statements and facilitating the completion of the audit.

Remuneration Report

4.2. The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 requires large local government bodies to produce a Remuneration Report. Guidance on the format of this report has been issued by the Department in a circular (LG 30/15).

4.3. The Remuneration Report contains a link on Councils' websites to information on members' allowances and expenses. The data on members' allowances and expenses should be audited alongside the main Remuneration Report. Therefore the information that is intended to be published on members' allowances and expenses should be submitted to the Local Government Auditor at the same time as the Statement of Accounts.

Statement of Accounts Publication Deadline

4.4. The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 prescribes the statement of accounts timetable and gives a deadline as no later than 30 September for signing, approval and publication of the statement of accounts with the report by the Local Government Auditor. The signed and approved statement of accounts should be sent as soon as possible to NIAO. Once received by NIAO, there are final audit procedures required before they can be presented to the Local Government Auditor for certification. This should be taken into consideration when setting dates for the meetings to consider and approve the statements of accounts.

Where an audit of accounts has not been concluded before the 30 September the Council must publish (which must include publication on the Council's website) as soon as reasonably practicable on or after that date a notice stating that it has not been able to approve the accounts and its reasons for this.

Performance Improvement

4.5 The Local Government (Northern Ireland) Act 2014 prescribes responsibilities for the Local Government Auditor regarding the audit and assessment of performance improvement arrangements in Councils. The scope of this work is communicated to Councils separately in line with the timetable set out in legislation.

Changes to the Code of Practice on Local Authority Accounting

4.6 There is a new requirement to include an Expenditure and Funding Analysis (EFA) in the Narrative Report following the 'Telling the Story' review of the presentation of local authority financial statements. This new analysis compares a council's performance on the basis of expenditure measured under proper accounting practices with statutory defined charges to the General Fund. It aims to distinguish expenditure funded from the collection of rates.

4.7 There is also a new reporting format for the Comprehensive Income and Expenditure Statement and the Movement in Reserves outlined in the Code. However, the EFA and new reporting format will not be adopted in Northern Ireland until 2017-18.

4.8 We note there is no statutory requirement in respect of the format of the Narrative Report for Northern Ireland Councils although the Department can make directions in this respect. However, we recommend as a matter of good practice that councils consider adopting the approach outlined in the Code for English local authorities and follow the principles in the Financial Reporting Council's (FRC) "Guidance on the Strategic Report". One of the objectives of the guidance is to encourage narrative information in annual reports to be presented in a way that enables bodies to best 'tell their story' while remaining within statutory requirements.

4.9 The FRC guidance includes elements prescribed by the Companies Act 2006 for a Strategic Report. This includes a description of the entity's strategy, objectives and business model; an explanation of the main trends and factors affecting the entity; a description of its principal risks and uncertainties; an analysis of the development and performance of the business; and an analysis using key performance indicators. Disclosures about the environment, employees, social, community and human rights issues are also recommended when material.

5 Audit timetable, staffing and fees

Timetable and fees

5.1. The Council is required to comply with the legislative timetable for producing and publishing audited financial statements.

5.2. Key target dates are:

Event	Date Agreed/ (Target Date)
The Council provides an interim trial balance / general ledger for period 1 April 2016 to 31 December 2016.	15 February 2017
NIAO to commence interim audit testing.	20 February 2017
The Council's Audit Committee meets to consider the 2016-17 financial statements.	29 June 2017
2016-17 Statement of Accounts sent to DfC by the Council.	30 June 2017
The Council provides a copy of the 2016-17 financial statements to NIAO for audit, together with all necessary documentation to support the disclosures in these financial statements.	3 July 2017
NIAO to commence final audit testing.	3 July 2017
Appointed Date for exercise of rights under Article 17 and 18 of the Order	30 August 2017 (see Annex 1 paragraph 5)
Provisional Report to those charged with Governance (with draft audit opinion) issued for management responses.	20 September 2017
NIAO clearance on draft financial statements, subject to completion of post accounting period review.	25 September 2017
The Council's Audit Committee meets to approve the 2016-17 financial statements.	26 September 2017
The Council provides signed Financial Statements and Letter of Representation to the Local Government Auditor.	27 September 2017
Financial Statements certified by the Local Government Auditor.	29 September 2017
Final Report to those charged with Governance issued.	20 October 2017
Annual Audit Letter issued.	27 October 2017

5.3. The estimated audit fee for the 2016-17 Statement of Accounts is £63,000.

5.4. Completion of our audit in line with the timetable and fee is dependent upon:

- The Council delivering on 3 July 2017 a complete Statement of Accounts of sufficient quality that have been subject to appropriate internal review.
- The Council delivering good quality supporting documentation and evidence, within the agreed timetable; and
- Appropriate client staff being available during the audit.

Staffing

5.5. The following NIAO staff will be involved in the audit:

TITLE	NAME	RESPONSIBILITIES
Assignment Director	Colette Kane ☎ 028 90251064	Overall responsibility for the audit.
Assignment Manager	Stephen Knox ☎ 028 90254322	Day to day management of the audit and the audit team.
Lead Auditor	Anthony King ☎ 028 90254307	Detailed planning, conduct and supervision of the audit testing.
Team members	Nuala Higgins ☎ 028 90251066 Anthony Stockdale ☎ 028 90251082 John Heron ☎ 028 90254305	Audit testing.

Annex 1: Scope of the audit, respective responsibilities and other matters

Scope of the audit

1. Our audit of the financial statements will be carried out in accordance with International Standards on Auditing (UK & Ireland) (ISAs) issued by the Auditing Practices Board (APB), taking into account the UK Auditing Practice Board's Practice Note 10 (Revised): *Audit of Financial Statements in Public Sector Bodies in the United Kingdom (Revised)*. These standards represent best practice in auditing and aim to promote uniformity of practice throughout the world, thereby increasing public confidence in the audit process.
2. Our audit procedures are designed primarily to provide an opinion on whether the financial statements provide a true and fair view of the position at 31 March 2017 and the activities reported for the year then ended.
3. In addition we have a professional responsibility to report if the financial statements do not comply in any material respect with the Code and the Accounts Direction and other relevant guidance issued by the Department for Communities. We therefore review the quality, effectiveness and transparency of the accounting practices and financial reporting. This includes consideration of the appropriateness of accounting policies, accounting estimates and judgements and the adequacy of disclosures affected by unusual or non-recurring transactions recognised during the period.
4. As part of our audit we will review the information contained in the Narrative Report. Certain information given in the Narrative Report and parts of the Remuneration Report are subject to our audit opinion. Other information in the Narrative Report is reviewed only to the extent that we confirm that it is consistent with the financial statements and our understanding of the business. We also review the overall balance and clarity of information contained in the Narrative Report.
5. The Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 requires the Council to give notice, by publication on its website, of the date from which the accounts and other documents are available for public inspection and the date from which the exercise of rights under Article 17 and 18 of the Order may be exercised. We will hear and carefully consider representations by, and objections from, interested parties concerning the Council's accounts. In conducting our audit, when appropriate, we will consider the lawfulness of items of account, the conduct of members and officers, instances where it appears a loss may have arisen and our other statutory duties as Local Government Auditor.
6. The Code of Audit Practice issued by the Local Government Auditor extends to not only the audit of financial statements but also to aspects of financial and corporate arrangements to secure the economic, efficient and effective use of resources. The Code can be viewed on the NIAO website (www.niauditoffice.gov.uk).
7. We will provide the Council with a Report to those Charged with Governance containing observations and recommendations on significant matters that have arisen in the course of the audit. After the completion of the audit we will issue an Annual Audit Letter to the Council.

Annual Governance Statement

8. We will also review the Annual Governance Statement to ensure it complies with the Code and Department for Communities guidance and that the statement fairly reflects our understanding of the state of internal control systems within the entity during the year.

Respective Responsibilities in the preparation of the financial statements

9. In line with Auditing Standards we are required to agree the respective responsibilities of the Local Government Auditor, the Council's Chief Financial Officer and the NIAO. These responsibilities are set out in the Statement of Responsibilities of Local Government Auditors

and Local Government Bodies issued by the Local Government Auditor. The Statement of Responsibilities can be viewed on the NIAO website (www.niauditoffice.gov.uk).

10. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Preparation of the financial statements

11. The primary responsibility for the preparation of the financial statements and the legality of transactions lies with the Council.

12. The financial statements should be prepared in accordance with the Code of Practice for Local Authority Accounting 2016-17 and the directions issued by the Department for Communities.

Legal requirements under Accounts and Audit Regulations

13. The main requirements under the Local Government (Accounts and Audit) Regulations (NI) 2015 are included in Guidance issued by the Department for Communities in LG 30/15.

Supporting Records

14. All relevant general ledger transactions should be processed to allow trial balances to be made available for audit purposes along with the draft financial statements. Amendments made to trial balances after the books are closed and the accounts are submitted for audit should be discussed with NIAO staff and be supported by approvals and other underlying documentation. Further adjustments may be required as a result of our audit findings.

15. We will require access to schedules and documentation which support the figures and disclosures within the financial statements. We expect the draft accounts to have been subject to a thorough review by management before they are submitted for audit.

16. On receipt of the financial statements we will review them and the supporting schedules to ensure they are of sufficient quality for the audit to proceed per the timetable agreed. NIAO produce some checklists for this purpose and recommend it as a useful reference point for management's own review.

Fraud

17. The primary responsibility for the detection of fraud rests with management. Their role in the detection of fraud is an extension of their role in preventing fraudulent activity. The Chief Financial Officer is responsible for establishing a sound system of internal control designed to support the achievement of the Council policies, aims and objectives and to manage the risks facing the organisation; this includes the risk of fraud.

18. Our audit is designed to provide reasonable assurance that the financial statements (as a whole) are free from material misstatement, whether caused by fraud or error. We are not responsible for preventing fraud or corruption, although our audit may serve to act as a deterrent.

19. We are required to make inquiries of those charged with governance in respect of their oversight responsibility for:

- Management's assessment of the risk that the financial statements may be materially misstated owing to fraud, including the nature, extent and frequency of such assessments;
- Management's process for identifying and responding to the risks of fraud, including any specific risks of fraud that management has identified or that has been brought to its attention;
- Management's communication to the Audit Committee (and others charged with governance) on its processes for identifying and responding to the risks of fraud;

- Management's communication, if any, to its employees on its views about business practices and ethical behaviour; and
- Whether management has any knowledge of any actual, suspected or alleged fraud.

Communication of audit matters

20. ISA 260: *Communication with those charged with governance* provides guidance for communication during the audit cycle.

21. The principles of this ISA are embodied in the NIAO audit approach. These include the provision of this strategy document, wash-up meetings, after audit visits to communicate findings, and the provision of a Report to those Charged with Governance at the completion of the audit setting out observations and recommendations on significant matters which have arisen during the course of the audit.

22. In addition, the ISA states that '*the auditor shall communicate with those charged with governance significant difficulties, if any, encountered during the audit*'. Significant difficulties would include delays in management providing required information, the unavailability of expected information and restrictions imposed on the auditor by management. We will consider if any issues we have in performing our audit represents significant difficulties. If we encounter significant difficulties we must report these to those charged with governance, documenting how they have been resolved.

23. ISA 265: *Communicating deficiencies in internal control to those charged with governance and management* places a responsibility on the auditor to communicate appropriately to those charged with governance and management deficiencies in internal control that the auditor has identified in an audit of financial statements. We will report significant deficiencies in writing to those charged with governance and management.

Whole of Government Accounts

24. The Council has been designated for inclusion in the Whole of Government Accounts (WGA) by DoF under section 15(1) of the Government Resources and Accounts Act (Northern Ireland) 2001. As such, the Council is required to provide a WGA return to DoF as directed.

25. The Council is deemed by DoF to be a 'WGA Minor Body' and as such has limited reporting requirements and does not require an audit of the WGA returns. Minor Body status is subject to review each year.

Personal Data

26. The processing of personal data for audit purposes will be completed in accordance with the requirements of the Data Protection Act 1998. We have procedures in place to ensure that the security of personal data is safeguarded at all stages of the audit process. We will notify you in the Executive Summary of the Report to those charged with Governance of action taken to return, retain or destroy any personal data processed for audit purposes.

Assembly of certified audit files

27. International Standard on Quality Control (UK and Ireland) 1 (ISQC1): *Quality control for firms that perform audits* provides guidance on the assembly of completed audit files. We are dedicated to achieving quality throughout our audit process. ISQC1 suggests that 60 days is sufficient time to assemble the files and also states that firms should have "policies and procedures designed to maintain the confidentiality, safe custody, integrity, accessibility and retrievability of engagement documentation".

28. As part of our office procedures we operate a structured approach to storing the completed audit files within 60 days of certification thereby demonstrating compliance with ISQC1 requirements (which are echoed in ISA 230: *Audit documentation*). Therefore we will

request that management responses to our Report to those charged with Governance are agreed within 60 days of certification.

Independence

29. The NIAO complies with relevant ethical requirements regarding independence and has developed important safeguards and procedures in order to ensure our independence and objectivity. These are set out in **Annex 2** below: *NIAO quality standards and independence*. We will reconfirm our independence and objectivity for the year ended 31 March 2017 in our Report to those charged with Governance.

Annex 2: NIAO quality standards and independence

Audit quality

1. Auditing Standards require that we communicate at least annually with each body we audit on how we maintain our audit quality and our independence.

2. Quality is strongly embedded in the NIAO culture and manifests itself through:

   - Continued Professional Development (CPD) – all professional staff are expected to maintain a level of CPD each year across the range of professional, management and personal effectiveness training and development; and

   - specialist skills – our audit team can call as necessary on the NIAO in-house Audit Policy Branch.

3. We have well established review procedures to ensure that appropriate audit work is undertaken efficiently and in accordance with International Standards on Auditing:

   - all planning decisions and fieldwork are reviewed by NIAO management and directorate;

   - all significant matters are dealt with promptly and will be raised with the Council management as necessary; and

   - progress on the audit is monitored on a continuous basis to ensure that the work is completed efficiently, effectively, to time and within budget. We have well established review procedures to ensure that appropriate audit work is undertaken efficiently and in accordance with International Standards on Auditing.

4. In addition, the NIAO has additional procedures for high risk audits, which include the review of key judgements by an NIAO Director who is fully independent of the audit team.

5. Each year the NIAO executes a programme of post-certification internal Quality Control Reviews. The objective of these reviews is to establish whether sufficient and appropriate evidence has been collected and evaluated and whether the NIAO's financial audits comply with professional standards and internal policies.

6. To seek an external view, the other UK public audit agencies conduct external Quality Control Reviews on a sample of our post-certified audit files. The results of the Quality Control Reviews are regularly brought to the attention of all staff.

Independence policies and safeguards

7. The NIAO is independent of government and differs from other professional audit bodies in that it has additional public service responsibilities.

8. All public sector bodies are required to observe high standards of probity in the management of their affairs, and the Committee on Standards in Public Life has identified seven key principles which should be followed: selflessness; integrity; objectivity; accountability; openness; honesty; and leadership. The combination of professional ethics and public sector principles therefore places the NIAO in a unique position.

9. These principles underpin the work of the NIAO, in particular:

   - Accountability - everything done by those who work in the NIAO must be able to stand the test of assembly scrutiny, public judgements on propriety, and professional codes of conduct;

   - Probity - there should be an absolute standard of honesty and integrity in handling NIAO work and resources; and

- Objectivity and Impartiality - The Local Government Auditor a member of the NIAO staff. The head of NIAO is the Comptroller and Auditor General and his independence is secured in statute. This underlines the need for all NIAO staff to be objective and impartial in our work, including accurate, fair and balanced reporting.

10. We need to apply these values to retain our credibility with the Assembly, local government bodies and other stakeholders in our work and therefore a code of conduct is issued annually for all staff to complete a return confirming that they have complied with its provisions.

Report to:	Audit Committee
Date of Meeting:	27th April 2017
Subject:	**Timetable for Completion of the Financial Statements for the year ended 31st March 2017**
Reporting Officer (Including Job Title):	Ken Montgomery
Contact Officer (Including Job Title):	Ken Montgomery

Decisions required:	
For noting by Members	
1.0	**Purpose and Background:**
1.1	One of the key Audit Findings in the Report to those Charged with Governance considered the quality of accounts presented for audit and suggested recommendations for the forthcoming year. These included establishing clear lines of responsibility for the accounts process together with a clear plan/timetable allocating responsibility for the completion of the key tasks.
2.0	**Key issues:**
2.1	The key issues are detailed in the attached Timetable.
3.0	**Recommendations:**
3.1	For noting by the Audit Committee
4.0	**Resource implications**
4.1	None
5.0	**Equality and good relations implications:**
5.1	None
6.0	**Appendices**
	Timetable for Accounts Preparation 2017

Timetable for Accounts Preparation 2017

No.	Action	Officer	Review Date	Completion Date
1	Attend TASS Training and Technical Update February	DC, KM, BP, MM, DR & GB		2nd February
2	Attend TASS Event Re Accounts Closedown	KM, BP, MM & DR		14th March
3	Complete Proforma with Comparative Figures	KM, BP DR &MM	KM 5th April	7th April
4	Draft Governance Statement	GB	DC 14/4 SMT 6/5 AC 29/6	21st April
5	Draft Remuneration Report	DH	DC 14/4 SMT 6/5 AC 29/6	28th April
6	First run on calculating depreciation on RAM	MM		28th March
7	Consider requirement for Revaluation Reports	AR		31st April
8	MRP Audit Trail	KM		7th April
9	Landfill Provision Review	DC, CO'R, JP & KM		28th April
10	Gas Income Streams from Both Landfill Sites	CO'R & JP		28th April
11	Assessment on whether Group Accounts are required	DC		31st March
12	Review of Accounting Policies	KM		31st March
13	Financial Regulations to SP&R	DC		28th April
14	General Power of Competence	DC		31st March
15	MRP Calculation	KM		28th April
16	Finance Leases	MM		28th April
17	Additions and Disposals	MM		28th April
18	Completion of Management Accounts	BP		12th May
19	Input Trial Balance to Proforma	BP		19th May
20	Completion of Notes	BP,MM, DR & KM		24th May
21	Management Accounts	DC	DC 13/6 SMT 16/6	16th June
23	Draft subject to audit to Audit Committee	DC	AC 29/6	29th June

Report to:	Audit Committee
Date of Meeting:	27th April 2017
Subject:	**Prompt Payment Statistics**
Reporting Officer (Including Job Title):	Ken Montgomery
Contact Officer (Including Job Title):	Ken Montgomery

Decisions required:

For noting by Members

1.0 Purpose and Background:

1.1 'Prompt payment' is the payment of valid supplier invoices within 10 working days by public bodies, as set in government targets.

This dataset contains:

- total amount paid by each Northern Ireland council to suppliers
- total number of invoices
- number of invoices paid within 10 working days
- number of invoices paid within 30 calendar days
- number of invoices paid outside 30 calendar days

The Stormont Executive's Prompt Payment Policy recommends that government departments should, "aim to pay 90% of valid invoices within 10 working days", with councils encouraged to match that.

Adherence to the policy is not mandatory for councils, but in a letter issued to council chief executives in October 2013, the Department of Environment's Local Government Policy Division said that: "District councils are encouraged to pay suppliers as promptly as possible and to endeavour to meet the 10 day prompt payment commitment made by Northern Ireland Executive in response to the current economic position.

2.0 Key issues:

2.1

1 January 2017 to 31 March 2017

	Paid within 10 Days	Paid within 30 Days	Paid outside payment period	Total Invoices
Number of Invoices	687	4,994	719	5,713
Percentage	12%	87%	13%	100%
Value	£2,780,257	£13,059,399	£939,799	£13,999,199

3.0	**Recommendations:**
3.1	For noting by the Audit Committee
4.0	**Resource implications**
4.1	None
5.0	**Equality and good relations implications:**
5.1	None
6.0	**Appendices**
	None

Report to:	Audit Committee
Date of Meeting:	27 April 2017
Subject:	**Direct Award Contract (DAC) Register**
Reporting Officer (Including Job Title):	Ken Montgomery, Assistant Director of Finance
Contact Officer (Including Job Title):	David Barter, Purchasing Section

Decisions required:	
For Consideration and noting	
1.0	**Purpose and Background:**
1.1	• Direct Award Contracts (DAC's) or Single Tender Actions (STA's) occur when any partly or fully funded contract over £5k is awarded to a contractor/supplier without a competition, or where there is a material change to an existing contract. • It is considered good practice to bring Direct Award Contracts to the attention of the Audit Committee.
2.0	**Key issues:**
2.1	In the 2016-17 financial year, the Council awarded 15 contracts by way of Direct Award. The total value of these contracts was approximately £350,000.
3.0	**Recommendations:**
3.1	For noting by the Audit Committee
4.0	**Resource implications**
4.1	None
5.0	**Equality and good relations implications:**
5.1	None
6.0	**Appendices**
	Appendix 1: DAC Report 1 April 2016 to 31 March 2017.

AWC -DAC-STA 2016

Appendix 1

STA Form	Requirement	Company	Value (est)	Reasoning Provided	Approval details	Date	Approved by	PO Ref:	Del Date	Item	Project	Capital
No	Camlough Lake Dam	NI Water Limited	£ 125,000.00				Gerard McGivern	100152		8025	9161	8003
No	Burren - Specialist SS Sign	Alpha Sign Nameplate & Decal Co. Ltd.	£ 12,540.00	Sort manual prices but OEM undercut as had CAD and design already done	Director		Canice O'Rourke	110895	27-Jul-16	9025	9091	8001
No	Newcastle Christmas Tree - Maintenance	AJC Electrical	£ 4,000.00	OEM supplier	Director	08-Dec-16	Canice O'Rourke	113418	13-Dec-16	1048	Z	2288
No	Transformation Planning Support (STA through NEPRO)	Acuity via NEPRO	£ 19,000.00	Made direct award from a Framework following a VFM exercise	SMT & EWT 30/11/16 SPR15/12/16		Eddy Curtis	115459	06-Feb-17	1171	Z	3120
No	Bridge Centre, Killyleagh - CCTV	VIS Security Solutions Ltd	£ 28,975.00	Historical supplier via NIO	SPR 16 Feb 2017		Liam Hannaway	116903	29-Mar-17	1500	8223	3256
No	Puppet for a Festival	Francis Morgan	£ 45,000.00	Only one supplier capable	ERT/68/2016	16-May-16	Marie Ward	109152	21-Aug-16	1154	Z	3350
Yes	Puppet to attend Tourism Event at Slieve Donard	Lumiere Productions Ltd.	£ 5,500.00	Only capable supplier available	Director	22-Mar-17	Marie Ward	116706	24-Mar-17	1171	Z	3350
Yes	Leisure Software Consolidation	Gladstone Health & Leisure	£ 9,739.00	OEM required to update their software	Director		Dorinnia Carville	114917	18-Jan-17	9028	9185	8009
Yes	Migration of Domino Environment	Time Technology	£ 15,000.00	OEM required to update their software	Director	27-Feb-17	Dorinnia Carville	116177	02-Mar-17	9025	9185	8009
Yes	Bridge Street Playground Equip	Wicksteed	£ 22,864.00	Existing equip supplier, needs to match same fixings	Director	13-Mar-16	Michael Lipsett	116450		9025	9162	8001
Yes	Removal of Sand from Newcastle Harbour	Elvis Kirk Contracts	£ 8,150.00	Named supplier on Licence	Director		Marie Ward	116705	22-Mar-17	1171	Z	3421
Yes	Audit Extension Award	ASM Ltd	£ 34,500.00	Audit contract was 3yrs instead of 4	Audit Committee		Dorinnia Carville	116794	24-Mar-17	1175	Z	2086
Yes	Publicity Campaign - Where is your child tonight	DPM Solutions	£ 5,000.00	Contribution (NIHE 10K) as DPM hold Copyright	Director		Michael Lipsett	117129	31-Mar-17	1171	G299	3248
Yes	Gullion Heritage Project Support	Traditional Arts Partnership	£ 4,650.00	Most cost effective route	Director		Marie Ward	117281	27-Mar-17	1048	Z	2077
Yes	Children's event at Slieve Gullion	ROGHA	£ 5,040.00	Most cost effective route	Director							
		Total of Purchase Orders issued:	£ 344,958.00									

Report to:	Audit Committee
Date of Meeting:	27 April 2017
Subject:	**Corporate Risk Register**
Reporting Officer (Including Job Title):	Dorinnia Carville, Director of Corporate Services
Contact Officer (Including Job Title):	Dorinnia Carville, Director of Corporate Services

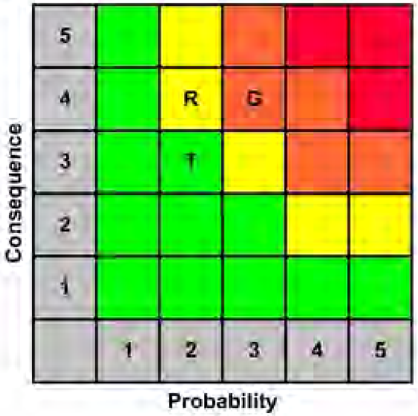
Decisions required:	
For consideration and noting.	
1.0	**Purpose and Background:**
1.1	**Corporate Risk Register:** During 2016-17 the SMT reviewed the Corporate Risk Register on a bi-monthly basis, with the last review in April 2017. SMT had a morning workshop to consider the Corporate Risk Register in some detail on the 14 April 2017. Following this review, a number of changes were made to reflect the changing risk environment, as well as updating any actions taken to date in the period. Each risk on the Corporate Risk Register was considered. Further consideration was also given to any risks realised in the period, horizon scanning and Directorate Risk Registers were reviewed to determine if any Directorate risks should be escalated to the Corporate Risk Register. Attached is the April 2017 Corporate Risk Register with all changes from the April SMT workshop. This is the first corporate risk register presented in our newly configured GRACE risk management system. **Update on the Development of the Risk Management Framework:** Directorate Risk Registers have now been completed for each Directorate. These are now also live on GRACE. It was agreed at the April SMT risk workshop that each Directorate would invite the Audit Services Manager quarterly to their Directorate meetings to process any amendments to their respective Directorate Risk Registers. Assurance statements for the quarter ended 31 March 2017 have been provided to members at agenda item 26. Members will note these have been in operation for 6 months of the 2016-17 year and form a key part of the corporate risk management framework.
2.0	**Key issues:**
2.1	From the SMT Risk Workshop a number of key changes were made to the CRR: • It was agreed to escalate the fraud , bribery and corruption risk from the Corporate Services Directorate to the Corporate Risk Register.

	• Two Corporate Risks have now been merged into one as they were similar in detail. The risks previously were 'CR02: Failure to implement and manage a capital investment programme for the district' & 'CR09: insufficient funds secured to deliver services and capital projects'. The new risk is 'CR02: Failure to deliver capital investment programme for the district'. • Almost all risks had other updates such as new actions and/or controls. • Due to this being the first Corporate Risk Register being presented on GRACE there are no tracked changes. However there is a review feature on GRACE which will be brought to the next committee to highlight any changes.
3.0	**Recommendations:**
3.1	For consideration by the Audit Committee on a quarterly basis.
4.0	**Resource implications**
4.1	None
5.0	**Equality and good relations implications:**
5.1	None
6.0	**Appendices**
	Appendix I: NMD Corporate Risk Register – April 2017

1. Corporate Risk Register NMDDC

25/04/2017 10:20:00

Risk CR. 01 - Failure to develop and improve our tourism offering



Risk Categories	Business operational/reputational
Risk Description	Insufficient resources to deliver tourism strategy and therefore will not accrue the economic benifits
Potential Root Cause	Failure to engage stakeholders (public & private sector) Lack of central government buy in Lack of cohesive political buy in North & South Failure to identify appropriate market segments lack of key event staff
Consequence	Loss of Civic pride and negative PR Negative economic impact on the borough failure to deliver objectives of the tourism strategy Reduced visitor number and spend
Risk Owners	Marie Ward
Gross/Inherent Risk	Amber 12
Residual Risk	Yellow 8
Target Risk Level	Green 6

Last Review

Next Review 17/02/2017

Objectives

1. Become on of the premier tourism destination on the island of Ireland
2. Attracted Investment and supported the creation of new jobs.
5. Lead the regeneration of our urban and rural area

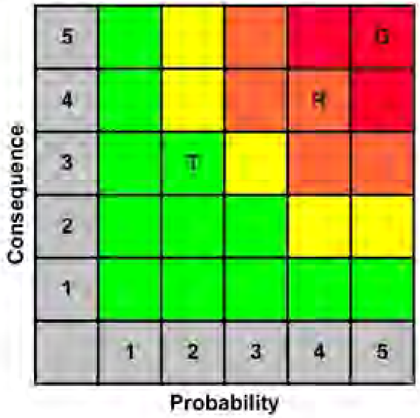
Key Controls Identified

1. Effective engagement and collaboration political backing
2. Dedicated tourism team in place
3. Tourism Elected Members Task and Finish Group in place
4. Regular scrutiny of budget variances by SMT and within Directorates
5. Tourism Strategy Launched

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Recruitment	To Recruit events staff and an Assistant Director of Tourism	In Progress	Marie Ward	30/07/2017	
Tourism Forum	Establishment of a Tourism forum incorporating private and public sector stakeholders	In Progress	Jonathan McGilly	30/09/2017	
Visitor Expeierence	To Develop two visitor experience plans, one for the Mournes and one for Slieve Gullion.	In Progress	Marie Ward	30/09/2017	

Risk CR. 02 - Failure to deliver the capital investment programme for the District



Risk Categories	Buildings / Engineering / Environment Business operational/reputational Financial
Risk Description	Failure to adequately resource the capital programme Failure to effectively manage capital contracts
Potential Root Cause	ineffective capital project management Procurement failures unforeseen events lack of reporting absence of adherence to policies and resources Lack of awareness if staff and managers Fraud and Deliberate Mismanagement Lack of resources -Economic downturn / Recession Insufficient information in the handover of projects
Consequence	Impact on service delivery Financial impact Legal challenge Impact on quality/cost of projects Negative PR
Risk Owners	Dorinnia Carville; michael Lipsett

Gross/Inherent Risk	Red 25	**Last Review**	
Residual Risk	Amber 16	**Next Review**	25/04/2017
Target Risk Level	Green 6		

Objectives

1. Become on of the premier tourism destination on the island of Ireland
2. Attracted Investment and supported the creation of new jobs.
3. Supported improved health and wellbeing outcomes
5. Lead the regeneration of our urban and rural area
8. Transform and modernise the Council, providing accessible as well as value for money services

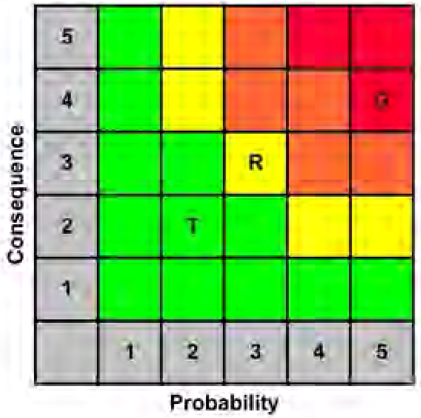
Key Controls Identified

1. Monthly review of spend against budget
2. Dedicated project management teams
3. Professionally qualified and experienced staff
4. monthly site progress meetings which are minuted
5 Project risk register in place for major projects - i.e. new leisure centres
6. Large projects are project managed by external consultants who report to the estates team.
7. Four year capital plan
8. Capital plan Annually approved at Council

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Assistant Director	Assistant Director of Estates and Capital Projects to be appointed	In Progress	Dorinnia Carville	31/07/2017	This post was initially advertised and a number of candidates were interviewed pre Christmas. The post remains vacant due to not finding a suitable candidate. Re advertised recruitment process underway.
Interim Project Review	Carry out an interim project review for both Leisure Centre Builds	Proposed	michael Lipsett	30/06/2017	
Structure and Training	Ensure the Capital / Estates structure is in place with the right number of resources and skill set	Proposed	Dorinnia Carville	31/10/2017	

Risk CR. 03 - Failure to deliver and implement a community plan and to empower and support our comminuty



Risk Categories
Business operational/reputational
Impact on individuals (staff or public)
Quality of Service
Statutory Duty (Legal/Regulatory)

Risk Description
Failure to engage stakeholders (private and public sector)
Failure to build capacity among community groups

Potential Root Cause
Insufficient resources to drive the process from within the Council
Failure to identify the key tasks
Inadequate adherence to legislation and statutory guidance
Failure to identify & engage with key Partners
Lack of buy-in and support from key stakeholders
Lack of Political Support
Lack of Awareness and understanding of programmes
Internal/external delays in confirmation of funding
Lack of Marketing Strategy & Council Website not fit for purpose

Consequence
Failing to meet statutory objective
Dissatisfaction of communities causing reputational damage
Intervention by Central Government
Impact on local development plan

Risk Owners Liam Hannaway; michael Lipsett

Gross/Inherent Risk	Red 20	**Last Review**	
Residual Risk	Yellow 9	**Next Review**	24/02/2017
Target Risk Level	Green 4		

Objectives

6. Advocate on your behalf specifically in relation to those issues which matter to you
7. Empower and improved the capacity of our community
8. Transform and modernise the Council, providing accessible as well as value for money services

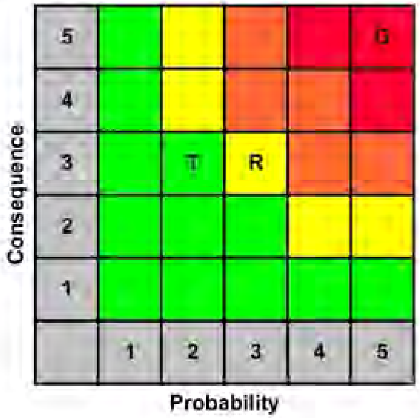
Key Controls Identified

1. Professionally qualified teams in place
2. Community Engagement Strategy developed and presented to AHC committee.
3. Information Sharing protocols established
4. Clear routemap of activity to develop action plans
5. Engagement with DfC / other Councils concerning legislative & statutory guidance requirements
6. Advertisement of certain schemes via different mediums (e.g social media)
7. Engagement programmes delivered in each DEA
8. District wide contacts database

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Data Sharing Agreement	Develop and implement Data Sharing Agreement with all Partner organisations and support data input to 'datahub'	In Progress	Johnny McBride	31/07/2017	
Marketing Plan	Agree and develop marketing plan	In Progress	Janine Hillen	30/06/2017	
Production of actions plans	Develop and agree process for the production of actions plans for 2019-20 onwards	In Progress	Johnny McBride	30/06/2017	
Recruitment	Appointment to vacant posts in CP&P structure	In Progress	Johnny McBride	30/06/2017	

Risk CR. 04 - Non-compliance with legislative requirements



Risk Categories	Business operational/reputational Impact on individuals (staff or public) Statutory Duty (Legal/Regulatory)		
Risk Description	Ineffective corporate Governance leading to poor decision making and lack of compliance with legislation		
Potential Root Cause	Failure to understand legal requirements Lack of resources Untrained staff		
Consequence	Non-compliance leading to prosecution Reputational Damage Reduced trust and public confidence Increased number of complaints and queries		
Risk Owners	Dorinnia Carville; michael Lipsett; Canice O'Rourke		
Gross/Inherent Risk	Red 25	**Last Review**	
Residual Risk	Yellow 9	**Next Review**	24/02/2017
Target Risk Level	Green 6		

Objectives

3. Supported improved health and wellbeing outcomes
4. Protect our natural and built enviorment
8. Transform and modernise the Council, providing accessible as well as value for money services

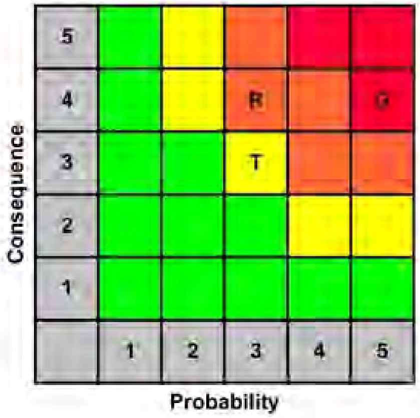
Key Controls Identified

1. Policies and procedures in place
2. Dedicated skilled teams in place for:
-Health and Safety
-Procurement
-HR
-Legal (including information manag
3. Health and Safety Committees in place and ongoing programme of training in place

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
policies and procedures	Review and update policies and procedures	In Progress	Dorinnia Carville	31/10/2017	H&S policies issued HR polices being progressed via LRA laid working group
Training	Staff training in the following areas: -Procurement -Information management	In Progress	Dorinnia Carville	31/10/2017	

Risk CR. 05 - Failure to effectively manage waste



Risk Categories	Buildings / Engineering / Environment Quality of Service Statutory Duty (Legal/Regulatory)		
Risk Description	Failure to effectively manage waste		
Potential Root Cause	Insufficient resources Market forces enable commercial operators to increase prices Failure to plan effectively for future (including financial planning)		
Consequence	Reputational Issues Lower customer satisfaction impact on service delivery and lost productivity		
Risk Owners	Canice O'Rourke		
Gross/Inherent Risk	Red 20	**Last Review**	
Residual Risk	Amber 12	**Next Review**	25/04/2017
Target Risk Level	Yellow 9		

Objectives

1. Become on of the premier tourism destination on the island of Ireland
4. Protect our natural and built enviorment
8. Transform and modernise the Council, providing accessible as well as value for money services

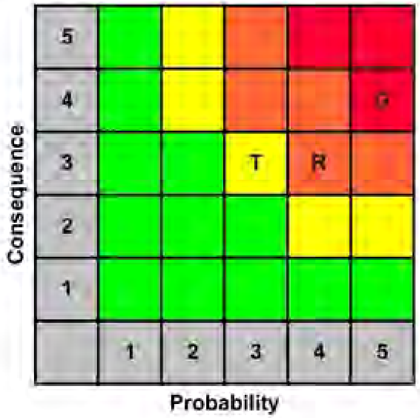
Key Controls Identified

1. Long term waste strategic plan in place
2. Partnership working with key stakeholders
3. Necessary resources in place
4. Strategic waste group meets quarterly. Members include the RTS Director,AD of Waste plus councillors

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Long term strategic plan	Implementation of long term strategic plan	In Progress	Joe Parkes	31/03/2019	The LT strategic plan refers to the Councils 9 point plan. Each of these 9 points has a separate action and target date.

Risk CR. 06 - Failure to provide accurate and timely planning decisions



Risk Categories	Business operational/reputational Financial		
Risk Description	Failure to provide accurate and timely planning decisions		
Potential Root Cause	Ineffective and/or inadequate resources Insufficient capacity building for members Cultural inertia Ineffective technology - EPIC system changes Development plan not in place Lack of agreement with DOE		
Consequence	litigation Reputational issues Lower Customer satisfaction impact on service delivery and lost productivity financial implications resulting in budget constraints		
Risk Owners	Canice O'Rourke		
Gross/Inherent Risk	Red 20	**Last Review**	
Residual Risk	Amber 12	**Next Review**	25/04/2017
Target Risk Level	Yellow 9		

Objectives

1. Become on of the premier tourism destination on the island of Ireland
2. Attracted Investment and supported the creation of new jobs.
4. Protect our natural and built enviorment
5. Lead the regeneration of our urban and rural area
8. Transform and modernise the Council, providing accessible as well as value for money services

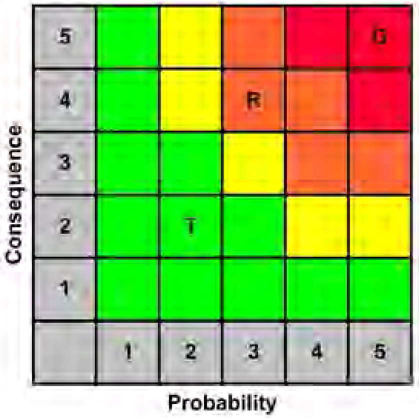
Key Controls Identified

1. Dedicated Planning Committee in operation
2. Programme in place to build officer and member capacity
3. Action plan in place to reduce backlog
4. Ongoing training for officers and members
5. Increase in numbers in the enforcement team

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Backlog cases	Implement action plan to reduce backlog in line with timeframe set	In Progress	Anthony Mckay	31/10/2017	The backlog has reduced from 1600 case to approximately 1000 as at end of march 2017. Dedicated team in place to reduce back log - to be complete by October 2017
Delivery of a new Development Plan	The target is to issue a timetable for a development plan in June 2017. From this point it will be a 40 month programme. Their are 5 dedicated officers including a manager working on the development plan.	In Progress	Anthony Mckay	30/06/2017	
IT	Upgrade of technical IT infrastructure	In Progress	Anthony Mckay	30/09/2018	All Council will be getting their IT infrastructure upgraded at the same time. AD meets other Councils regularly to discuss options/issues.

Risk CR. 07 - Failure to have necessary staffing structures and resourcing to deliver efficient and effective services



Risk Categories
Business operational/reputational
Impact on individuals (staff or public)
Quality of Service

Risk Description
Failure to have necessary staffing structures and resourcing to deliver efficient and effective services

Potential Root Cause
Due to TUPE protection of the T&C's of transferred employees, a range of T&C's exist which reflect different contractual arrangements -Length of hour contracts, Annual Leave, Public holidays and job roles and descriptions need consistency.
Failure to have an effective working relationship with Trade Unions
Failure to attract and retain employees
Cultural differences between the two legacy Councils and a resistance to change
Restructuring the number of Directorates from five to four - SPP will no longer exist

Consequence
Low staff morale and increase in absenteeism
Industrial Action
Increase in use of overtime and also increase in the use of agency staff
Negative impact on service delivery and lost productivity
Negative PR for the Council
With the restructuring staff unaware who they should be reporting to

Risk Owners Dorinnia Carville

Gross/Inherent Risk Red 25 **Last Review**

Residual Risk Amber 12 **Next Review** 25/04/2017

Target Risk Level Green 4

Objectives

2. Attracted Investment and supported the creation of new jobs.
6. Advocate on your behalf specifically in relation to those issues which matter to you
8. Transform and modernise the Council, providing accessible as well as value for money services

Key Controls Identified

1. Policies and procedures in place
2. Monitoring of absenteeism by SMT
3. Qualified HR, IT & Finance professionals in place
4. Detailed budgeting process in operation
5. Member led efficiency working group
6. Processes in place for specifying and filing posts (Matching, trawling, public advert)
7. Dedicated Learning and Development Policy in place
8. SMT to manage the transition of the restructuring the number of Directorates from five to four

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Organisation Design	Embedding org. design -Commence Tier 4 appointments process -Commence Tier 5 appointments process	In Progress	Catrina Miskelly	31/10/2017	Tier 4 now almost complete - Tier 5 to be commenced by 30 June 2017
Succession Planning	Succession planning to be completed for replacement RTS Director	In Progress	Liam Hannaway	31/10/2017	

Risk CR. 08 - IT Services do not support the Statutory, Strategic or Operational requirements of Council

Consequence					
5					G
4				R	
3			T		
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	1	2	3	4	5

Probability

Risk Categories	Business operational/reputational Impact on individuals (staff or public) Quality of Service
Risk Description	Failure to provide an effective IT Service Failure to respond to and recover from a major incident within, or impacting upon, the Council Failure to predict service requirements
Potential Root Cause	Resistance to change both internally and externally Lack of resources for new IT system / network Lack of staff with specialist expertise
Consequence	Resources not used effectively Poor service delivery IT system becoming obsolete
Risk Owners	Dorinnia Carville
Gross/Inherent Risk	Red 25
Residual Risk	Amber 16
Target Risk Level	Yellow 9

Last Review

Next Review 25/04/2017

Objectives

8. Transform and modernise the Council, providing accessible as well as value for money services

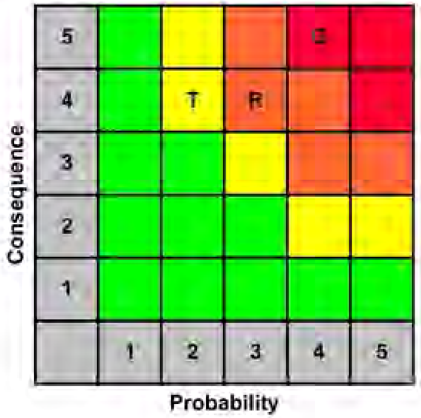
Key Controls Identified

1. IT Strategy now in place
2. Clustered and/or replicated server and storage architecture
3. off site back ups
4. Business Continuity Plans
5. IT project Boards in operation
6. Leisure Services System introduced

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
IT Disaster Recovery/Business Continuity Plans	Identify and address gaps in IT Disaster Recovery/Business Continuity Plans	In Progress	Gavin Ringland	30/09/2017	The reason for the slippage in date being until we get appropriate IT infrastructure in place to allow for adequate business continuity planning and IT resilience
IT Strategy	Implement the Councils IT strategy and review regularly	In Progress	Gavin Ringland	31/03/2020	
IT Strategy Communications	Issue Communications in respect of IT Strategy by 30 June 2017 to the Council to staff and members are aware of the progress being made.	In Progress	Donnnia Carville	30/06/2017	
Resilience of Legacy IT systems	Increase resilience of legacy IT systems until IT Strategy is fully implemented	In Progress	Gavin Ringland	30/09/2017	

Risk CR. 09 - Failure to adequately plan for major incident



Risk Categories	Buildings / Engineering / Environment Business operational/reputational Impact on individuals (staff or public) Statutory Duty (Legal/Regulatory)
Risk Description	In the event of a disaster or an emergency, the Council may not respond in a way which minimises any negative consequences/impact
Potential Root Cause	Natural disasters Camlough Reservoir Localised flooding Harbour disasters Fire Significant IT failure
Consequence	Reputational damage through inadequate civic leadership to provide adequate community emergency support Loss of income Litigation - civil/criminal increased insurance premiums
Risk Owners	Donnnia Carville

Gross/Inherent Risk	Red 20	**Last Review**	
Residual Risk	Amber 12	**Next Review**	25/04/2017
Target Risk Level	Yellow 8		

Objectives

3. Supported improved health and wellbeing outcomes
4. Protect our natural and built enviorment
6. Advocate on your behalf specifically in relation to those issues which matter to you

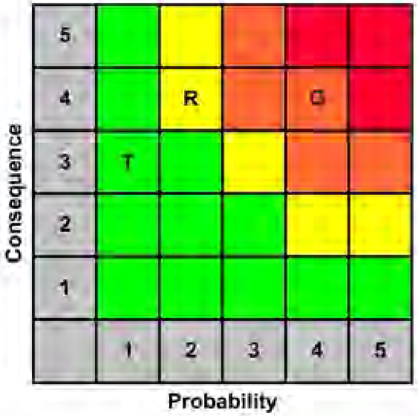
Key Controls Identified

1. Business Continuity Plan in place
2. Emergency planning measures in place, including:
-Flood risk plan
-Inter-agency group
3. Dedicated Emergency Planning team and professionally trained and experienced staff
4. Member of Southern Region Emergency Planning Group
5. Annual Winter resilience plan in place

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Drills/testing of plans	Drills/testing of plans	Proposed	Ian Sands	31/12/2016	Part completed
Staff awareness training	Staff awareness training on Emergency Planning and Business Continuity Plan for Management Staff	In Progress	Ian Sands	31/08/2017	

Risk CR. 10 - Ineffective corporate communications (internal & external) impacts significantly on services and on reputation



Risk Categories	Impact on individuals (staff or public) Quality of Service
Risk Description	Ineffective corporate communications (internal & external) impacts significantly on services and on reputation
Potential Root Cause	Failure to effectively engage media Size of new organisation and geographical split (four main sites and mobile workers) Cultural change means not operating on corporate arrangements Not keeping abreast of growth in communication and technologies
Consequence	Negative PR Not providing a VFM Service
Risk Owners	Dorinnia Carville
Gross/Inherent Risk	Amber 16
Residual Risk	Yellow 8
Target Risk Level	Green 3

Last Review

Next Review 24/02/2017

Objectives

1. Become on of the premier tourism destination on the island of Ireland
2. Attracted Investment and supported the creation of new jobs.
6. Advocate on your behalf specifically in relation to those issues which matter to you
8. Transform and modernise the Council, providing accessible as well as value for money services

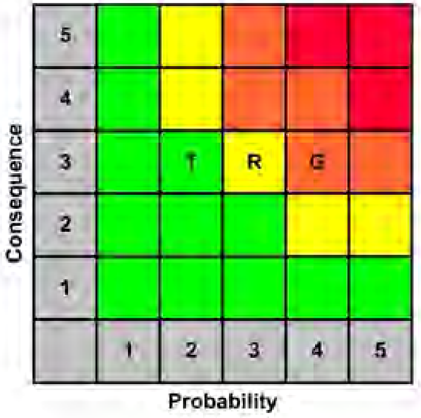
Key Controls Identified

1. Dedicated communications team and professional staff
2. Regular meetings with press
3. Quarterly Corporate newsletter and six monthly staff briefings by Chief Executive
4. Communications/media policies in place
5. Twitter/Facebook presence of NMD
6. LCNF/Joint forum
7. IT strategy in place to improve IT systems

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Internal Staff Communications	Structured , coordinated and consistent approach to internal staff communications.	In Progress	Liam Hannaway	30/06/2017	
PR Capacity	Increase Public Relations capacity in the communications department	In Progress	Dorinnia Carville	30/09/2017	
Structure	Getting Structure in place in the communications departments	In Progress	Regina Mackin	30/09/2017	
Training	Media training for members and staff	In Progress	Regina Mackin	30/09/2017	

Risk CR. 11 - Failure to implement an economic development programme to regenerate the district and attract inward investment



Risk Categories	Impact on individuals (staff or public) Quality of Service
Risk Description	Failure to implement an economic development programme to regenerate the district and attract inward investment
Potential Root Cause	Failure to engage stakeholders (public and private sector) Lack of resources Reduction in rates income Economic downturn and economic uncertainty Impact of Brexit on funding
Consequence	lack of investment and economic activity loss of confidence from the private sector negative PR poor service delivery
Risk Owners	Marie Ward
Gross/Inherent Risk	Amber 12
Residual Risk	Yellow 9
Target Risk Level	Green 6

Last Review

Next Review 24/02/2017

Objectives

2. Attracted Investment and supported the creation of new jobs.
5. Lead the regeneration of our urban and rural area

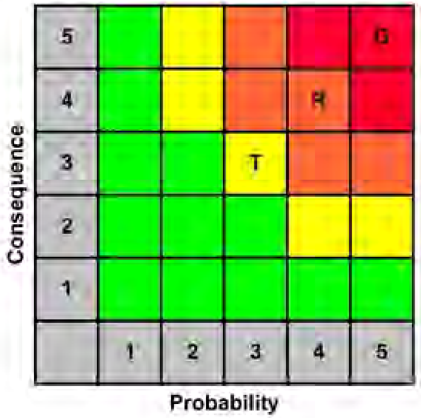
Key Controls Identified

1. Economic development and investment strategy in place
2. Establishment of Economic Forum including public and private sector stakeholder
3. Rural Development Programme in place
4. Engagement with central government

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Brexit	-Continue to closely monitor effects of Brexit on on-going funding	Proposed	Liam Hannaway Jonathan McGilly	31/12/2017	
Economic, Development and Investment Strategy	-Implementation of Economic, Development and Investment Strategy and annual review of same	In Progress	Jonathan McGilly	31/12/2017	

Risk CR. 12 - Legal & Financial uncertaintes caused by the current economic and political climate



Risk Categories
Business operational/reputational
Financial
Quality of Service

Risk Description
The unknown implication of the current economic and political climate and the possible negative effects of Brexit on NMDDC

Potential Root Cause
Article 50 being invoked
Failure to secure European Funding for Council related activities from 2018
Possible change in compliance as EU Directives in areas such as procurement, employment law and environmental regulations may no longer be required
No Agreed budget by NI Executive - DfC unable to issue Rates Support Grant
Political instability prevents the determination of a regional rate for 2017-18, which will lead to a delay in the collection of rates
The fall and continuing weakness in sterling driving inflation expectations higher

Consequence
Possible reduction in staff due to loss of funding and SME's relocating
Negative PR
Legal implications
H&S consequences
Inefficient buildings
Closure of Buildings

Risk Owners Liam Hannaway

Gross/Inherent Risk Red 25 **Last Review**

Residual Risk Amber 16 **Next Review** 25/04/2017

Target Risk Level Yellow 9

Objectives

2. Attracted Investment and supported the creation of new jobs.
5. Lead the regeneration of our urban and rural area
7. Empower and improved the capacity of our community
8. Transform and modernise the Council, providing accessible as well as value for money services

Key Controls Identified

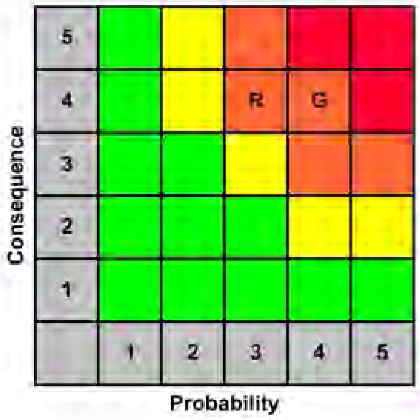
1. Economic development and investment strategy in place
2. Wider Stakeholder engagement ongoing
3. Engagement with other Councils, the NI Executive, NILGA and the private sector through the Chamber of Commerce

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Ongoing Engagement	Ongoing engagement with other public sector bodies on the effect of Brexit	In Progress	Liam Hannaway	31/07/2017	

Risk

CR. 13. The Council may not prevent or detect fraud, bribery &/or corruption leading to financial loss & reputational damage



Risk Categories	
Risk Description	The Council may not prevent or detect fraud, bribery and/or corruption leading to financial loss and reputational damage
Potential Root Cause	Transfer of planning powers gives more opportunity for fraud and bribery Major changes in organisational environment increasing fraud risk Changes in people and procedures resulting in inadequate systems and procedures Inadequate policies and procedures and failure to adhere to policies Lack of control of assets Unauthorised access to software systems and databases
Consequence	Financial loss Reputational damage Opportunity cost Low Staff morale
Risk Owners	Dorinnia Carville; Liam Hannaway

Gross/Inherent Risk	Amber 16	**Last Review**	
Residual Risk	Amber 12	**Next Review**	20/07/2017
Target Risk Level	Green 6		

Objectives

Key Controls Identified

1. Governance arrangements in place including:
2. Dedicated staff member with responsibility for fraud and whistleblowing
3. Members register of interests published online
4. Independent Internal Auditors in place
5. Policies in place
6. NFI

Action Plans

	Action Plan Description	Action Plan Type	Action Plan Owner	Action Plan Action Date	Comments
Asset Tagging	All the Councils tangible assets to be tagged and matched to the asset register	Audit Recommendation	Ken Montgomery Gavin Ringland	31/12/2017	Completed for IT assets. Asset register now in place.
Bribery and Fraud training for members and staff	Bribery and Fraud training for members and staff	In Progress	Gerard Byrne	31/08/2017	Part completed. To be rolled out to staff following new policy introductions.
Policies to be updated	A number of policies are to be updated for the new Council: Purchasing Policy Anti Fraud Policy and Fraud Response plan Whistleblowing Policy Credit Card Policy Gifts and Hospitality Policy	In Progress	Gerard Byrne	31/05/2017	Approved by SP&R April 2017.
Roll out of Declarations of Interest across wider staff	Roll out of Declarations of Interest across wider staff	In Progress	Alison Robb	30/09/2017	Directors and ADs completed. Now at Head of Service level roll out.

Report to:	Audit Committee
Date of Meeting:	27 April 2017
Subject:	**Fraud and Whistleblowing**
Reporting Officer (Including Job Title):	Gerard Byrne, Audit Services Manager
Contact Officer (Including Job Title):	Gerard Byrne, Audit Services Manager

Decisions required: For Noting	
1.0	**Purpose and Background:**
1.1	• To Notify the Audit Committee of any suspected Fraud and Whistleblowing cases since the last meeting until the 21 April 2017. • To Notify the Audit Committee of any developments from previous Fraud and Whistleblowing Cases since the last meeting until 21 April 2017. • National Fraud Initiative Matches report has now been received.Data for the NFI is provided by some 1,300 participating organisations from across the public and private sectors to prevent and detect fraud.By integrating thousands of data sets encompassing hundreds of millions of records, every check is thorough. The NFI data matching plays an important role in protecting the public purse against fraud risks. However, the NFI is only one element of an effective anti-fraud strategy. It must be supported by strong anti-fraud cultures and effective counter-fraud policies and procedures that emphasise that fraud is unacceptable. • Three new Policies were passed through the SP&R committee on the 13 April 2017. The Polices included; Anti-Fraud Policy, The Fraud Response Plan and the Whistleblowing Policy.
2.0	**Key issues:**
2.1	• One new suspected fraud case since the last Committee. See Appendix for more details. • Four new whistleblowing cases since the last Audit Committee. See Appendix for more details. • NFI matches have been received – NMDDC had 306 matches and 26 of these were high priority. All high priority matches will be reviewed and a 10% sample of the remaining matches in line with best practice. The results were in line with other Councils as NFI was discussed at a recent IAPG group. Results of NFI review will be brought back to the next Audit Committee. • Once the Policies mentioned above have been approved by Council we want to ensure that all staff will be briefed on the importance and use of the policies. We are currently Liaising with NIAO on developing a training / briefing session which will be compulsory for all Council Staff to attend. We are hoping that training will be delivered jointly by NIAO and Council. At least one member of SMT will introduce each training session to highlight the importance of openness and accountability with the Council.

3.0	**Recommendations:**
3.1	Fraud and Whistleblowing cases for consideration by the Audit Committee on a quarterly basis. The results of the NFI review to be brought to the next Audit Committee.
4.0	**Resource implications**
4.1	None
5.0	**Equality and good relations implications:**
5.1	None
6.0	**Appendices**
	Appendix I: Summary fraud and whistleblowing register

Summary Fraud Register – 2016/17 Financial Year

Reference no.	*Directorate*	*Sender / Notifier*	*Brief Summary*	*Latest update*	*Date Audit Services Manager was Informed*	*Date Audit Committee was informed*
F001	SPP	Staff Member from Strategic programmes Unit	A Letter of Offer to the Value of £1,600 was issued to a body in the form of a financial assistance claim. The invoices appeared to be suspect.	Further investigation into the invoices revealed that they were most likely fraudulent. Claimant was asked to provide further information. None was provided so no grant monies were paid out. Case has now been closed.	27 June 2016	4 July 2016
F002	RTS	Director of RTS	Council skip leaving amenity site via a third party (not council cab or driver). It appears the skip had more waste put into it after it left the amenity site before being brought to the Council Processing site.	Third Party Supplier admitted fault. Full Compensation payment made to the Council. Controls strengthened at both the Amenity Sites and also on the supplier's side. There is no evidence that wastes have previously been wrongly placed to Council skips by this supplier. Case closed	28 October 2016	8 December 2016
F003	SPP	Staff Member from Corporate Services	Allegation that a Council Officer was falsifying documentation and not complying with the Councils Retention and Disposal Policy of information.	The Council Internal Auditors are carrying out an independent investigation. Investigation report will then be passed to HR.	22 February 2017	27 April 2017

Summary Whistleblowing Register – 2016/17 Financial Year

Reference no.	*Directorate*	*Sender / Notifier*	*Brief Summary*	*Latest update*	*Date Audit Services Manager was Informed*	*Date Audit Committee was informed*
WB001	ERT	Anonymous ratepayer via Director of ERT	Anonymous phone call to Director of ERT. The issue was around a member of staff who had a role in organising events for the Council. The claim was the staff member had close ties with a number of performers to received funding to participate in Council events.	An initial investigation was carried out. Details were passed to HR. No issues found however the person in question was reminded of declaring any interests he may have which conflict with his Council role. Conflicts of interest declarations are currently being rolled out for all Council staff. Case closed.	3 August 2016	22 September 2016
WB002	RTS	Anonymous ratepayer via the Chief Executive	CEO received a letter from a concerned ratepayer. The ratepayer was concerned about a member of the Waste Collection team driving the vehicle had been smoking an illegal substance and he believed that he had witnessed this regularly.	Fleet manager carried out his own checks of the suspected vehicle on a number of occasions since the alleged incident. There was no evidence to substantiate the claim. No evidence of any ash in the vehicle concerned. The Fleet Manager then contacted the Local PSNI PSP team making them aware of an issue of concern. PSNI are now aware of the allegation and will target the area under suspicion. Fleet manager to undertake additional spot checks. Case closed	18 August 2016	22 September 2016
WB003	Corporate Services	Anonymous - sent in via Councillor Enright	Two pieces of correspondence received anonymously via Councillor Enright. The letters were dated the 1 June 2016 and 25 August 2016. The letters relate to a current member of staff and his position within the Council.	Investigation completed. A proper recruitment process was carried out. The post was trawled internally and with other Councils. Two candidates applied. There is a clear need for the post which is laid out in the job description. The recruitment process was open and transparent and followed the correct procedures and also had an independent assessor to determine the	24 November 2016	8 December 2016

				credentials of the candidate.		
WB004	AHC	Council Employee	Emailed received from Council employee at to report malpractice, abuse and wrongdoing.	The actual case was currently being dealt under grievance procedures. Case is now closed as this is a complaint which relates to the grievance policy and should not be investigated under whistleblowing. Grievance case still on-going.	12 December 2016	27 April 2017
WB005	RTS	Anonymous via a Council Employee	Suggestion was that Civic Site Attendant was receiving goods at a Council Amenity Site and notifying a local second-hand goods shop that they had some items for collection and for which a 'back-hander' was received.	Detailed investigation carried out. Interviews with a number of personnel who had Trade Union in attendance. CCTV footage was reviewed and from the review it was evident that the scavenging policy was not being adhered to. Whistleblowing Investigation complete and case referred to HR for disciplinary which is still ongoing.	30 January 2017	27 April 2017
WB006	AHC	Two separate Councillors via Director of AHC	The Director of AHC was contacted to raise concerns that a member of staff at a Council Community Centre was taking money for bookings which belonged to a local Community Association.	Investigation underway.	5 April 2017	27 April 2017
WB007	CS	Council Employee	The manager of an internal Council income facility raised concerns in relation to money potentially going missing out of the daily income and the income being lower on ah hoc days when a certain member of staff was working.	Investigation underway	27 March 2017	27 April 2017

Report to:	Audit Committee
Date of Meeting:	27 April 2017
Subject:	**Implementation of Internal Audit Recommendations**
Reporting Officer (Including Job Title):	Gerard Byrne, Audit Services Manager
Contact Officer (Including Job Title):	Gerard Byrne, Audit Services Manager

Decisions required:

Members are asked to consider the report and accept the recommendation at 3.1

1.0 Purpose and Background:

1.1 At the Audit Committee meeting of 28 April 2016, ASM presented a summary of findings in respect of internal audit recommendations outstanding from the legacy Councils. These recommendations related to Legacy Newry and Mourne DC and Legacy Down DC reports which had a limited assurance rating or priority one recommendations.

At 28 April 2016, these totalled 61 recommendations. Significant progress has been made in implementing these recommendations since July 2016.

2.0 Key issues:

2.1 The tables below demonstrate a breakdown of the movement on the recommendations since April 2016.

April 2016

	Fully implemented	Partially implemented	Not implemented	N/A	Total
Priority 1	2	4	5	1	12
Priority 2	7	5	23	5	40
Priority 3	5	0	4	0	9
Total	14	9	32	6	61

April 2017

	Fully implemented	Partially implemented	Not implemented	N/A	Total
Priority 1	4	5	2	1	12
Priority 2	20	2	2	16	40
Priority 3	6	0	1	2	9
Total	30	7	5	19	61

	I have included a brief summary of the 12 recommendations which are partially or not implemented: • Four recommendations relate to the implementation of the IT strategy which is an on-going process, the timing of implementation is being prioritised by both risk and business need. • One relates to STA approval in the purchasing policy. STA approval exists within the Council via CE and Directors sign off, and the purchasing policy is in the process of updated which will reflect this. • Two recommendations relate to the central management process to monitor grant aid from all departments. This has not yet been implemented. The Strategic Programmes Unit has also transferred from the SPP to AHC Directorate and a review of controls operating in this area will take place as a result. • Three recommendations relate to the review of Card Payment Data. All of these recommendations have been partially implemented. A new Policy was rolled out by Council in January 2015; however training has not yet been rolled out to all staff. • Two recommendations relate to procedures at Warrenpoint Town hall. The issues relate to Asset Tagging which is a NIAO RTTCWG point which has been logged separately. The other issue relates to the timeliness of income reports. Finance is following this up with the outstation separately. Of the 19 recommendations which are no long applicable the following reasons are applicable: • 16 relate to the fleet management and procurement audits. These audit points have been superseded by recent audit reports by ASM, and will be followed up on in a separate review. • One recommendation is the same as a recommendation in another report. • One recommendation is not yet due for implementation. • The final recommendation relates to debriefing to a member of staff who has since retired and that position has not been filled. Having discussed the progress to date and the current position with our internal auditors ASM, we consider it would be more beneficial to the Council in allocating further audit time following up on internal audit recommendations arising from the recent reviews undertaken within the period of the new NMDDC. The Legacy recommendations are being superseded by current and future audit reports and some will never be implemented as they are no longer applicable.
3.0	**Recommendations:**
3.1	It is proposed that legacy recommendations will continue to be implemented and overseen by the Audit Services Manager. Going forward, it is proposed that the Audit Committee concentrate on monitoring internal audit recommendations which have been made since NMDDC has formed, with the Audit Services Manager bringing a new report detailing progress accordingly
4.0	**Resource implications**
4.1	A number of the recommendations contain significant resource implications, both officer time and, in some cases capital cost.
5.0	**Equality and good relations implications:**
5.1	None
6.0	**Appendices**
	None

Report to:	Audit Committee
Date of Meeting:	27 April 2017
Subject:	Performance Improvement Objectives 2017-18
Reporting Officer:	Johnny McBride - Assistant Director: Community Planning and Performance
Contact Officer:	Kate Bingham – Head of Performance Improvement

Decisions Required:

Members are asked to note the contents of the report, and to give consideration to:

- The draft performance improvement objectives 2017-18, including supporting actions and measures.
- The recommended approach and timetable for publishing the Performance Improvement Plan 2017-18, by 30 June 2017.

1.0 Purpose & Background

1.1 Part 12 of the Local Government (NI) Act 2014 sets out a General Duty of Improvement for local government, whereby all District Councils are required to put in place arrangements to secure continuous improvement in the exercise of their functions. Each financial year, Councils are also required to set performance improvement objectives for the services they provide.

1.2 In 2016-17, the Council selected performance improvement objectives which were aligned to strategic priorities within the Corporate Plan 2015-19, and focused on leisure and recreation facilities, planning services and community planning.

Following an audit and assessment of the Council's performance management arrangements in 2016, the NI Audit Office has issued a certificate of compliance with the Duty of Performance for 2016-17. The audit report outlines a number of proposals for improvement and it is understood that the Local Government Auditor will undertake future assessments against these proposals.

The Audit and Assessment Report concluded that the performance improvement objectives for 2016-17 were foundational in nature, and could form the basis of improvement in future years, as opposed to just the current year. The NI Audit Office has subsequently put forward the following 'proposals for improvement':

- Improvement objectives should focus on outcomes for citizens in relation to improved services and functions, demonstrating how citizens will be 'better off'.
- Improvement should be demonstrated and measured through the use of performance indicators and data collection methods.

In 2017-18 the audit and assessment framework will also change to reflect the introduction of a retrospective assessment, in addition to the current forward-looking assessment. This fundamentally shifts the performance agenda as it will require Councils to demonstrate improvement, via robust performance information, and to benchmark against suitable performance comparisons. The Council is required to publish an assessment and comparison of its performance for 2016-17 by 30 September 2017.

NIAO will conduct an audit and assessment of the Council's performance improvement responsibilities between August-October 2017, with a view to issuing the final report to the Council and the Department for Communities by 30 November 2017.

2.0 <u>Key Issues</u>

Developing and publishing performance improvement objectives 2017-18

2.1 The guidance states that performance improvement is more than just quantifiable gains in service output or efficiency, or in the internal effectiveness of an organisation. Improvement should focus on activity that enhances the sustainable quality of life and environment for communities.

Councils should therefore frame improvement objectives so as to bring about improvement in at least one of the specified aspects of improvement:

- Strategic effectiveness
- Service quality
- Service availability
- Fairness
- Sustainability
- Efficiency
- Innovation

The first aspect of 'strategic effectiveness' seeks to link community planning outcomes with the Council's performance improvement objectives. The Community Plan for Newry, Mourne and Down has been agreed and includes five outcomes, with a range of supporting indicators and measures. The Council's draft performance improvement objectives 2017-18 are clearly aligned to the outcomes within the Community Plan.

2.2 Councils should also determine their objectives for improvement based on critical self analysis, taking account of a wide range of evidence. All improvement objectives should relate to improving the functions and services to communities and citizens, and be:

- Legitimate
- Clear
- Robust
- Deliverable
- Demonstrable

Councils can set objectives which span more than one year, with intermediary

	milestones, which must be reviewed annually.
2.3	The proposed performance improvement objectives for Newry, Mourne and Down District Council are outlined in **Appendix 1**, and are summarised below: • Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities • Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination • Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in • Create a cleaner, greener, more attractive District • Encourage and empower local communities to participate in Council engagement structures These objectives and supporting actions and measures have been developed in collaboration with the SMT and CMT, taking into account existing plans and strategies. The performance improvement objectives were also considered by the Strategy, Policy and Resources Committee on 16 March 2017.
2.4	Councils are required to consult and engage a range of stakeholders, including citizens, businesses and partner organisations on the draft performance improvement objectives. The recommended timetable of activity to consult on the draft performance improvement objectives and publish the Performance Improvement Plan 2017-18 is outlined in **Appendix 2**. Attention is drawn to the intense activity that is required over the next 3 months to ensure that the Performance Improvement Plan is published by 30 June 2017.
3.0	**Recommendations**
	To note and consider the: • Draft performance improvement objectives 2017-18, including supporting actions and measures, outlined in Appendix 1. • The proposed approach and timetable for developing and publishing the performance improvement objectives by 30 June 2017, outlined in Appendix 2.
4.0	**Resource Implications**
4.1	The development and publication of the Performance Improvement Plan 2017-18 will be delivered within existing resources. NIAO has indicated that the performance audit and assessment arrangements for 2017-18 will incur an approximate fee of £20,000.
5.0	**Equality & Good Relations Implications**
5.1	The draft performance improvement objectives 2017-18 have been equality screened and it is recommended that they are not subject to an equality impact assessment

	(with no mitigating measures required). In relation to the proposed eight-week consultation process, whilst the Council's Equality Scheme commits to holding consultation exercises relevant to the statutory duties for a minimum of twelve weeks, it also sets out exceptional circumstances where the twelve weeks may not apply. In this instance, it is proposed that the Council implements an eight-week consultation process in order to ensure the deadline for publishing the Performance Improvement Plan 2017-18 by 30 June 2017 is met. It should also be noted that the performance improvement objectives 2017-18 have been developed based the content of existing strategies, including the Community Plan, Corporate Plan, Tourism Strategy and Play Strategy, which have been informed by a robust and reliable quantitative and qualitative evidence base.
6.0	**Appendices**
	• **Appendix 1 –** Consultation - Draft performance improvement objectives 2017-18 • **Appendix 2 –** Overall approach and timetable for developing and publishing the Performance Improvement Plan 2017-18

Consultation

Draft
Performance Improvement Objectives

2017-18

Comhairle Ceantair
an Iúir, Mhúrn agus an Dúin
Newry, Mourne and Down
District Council

Our Duty of Improvement

Part 12 of The Local Government Act (NI) 2014 sets out a General Duty of Improvement for local government, whereby all District Councils are required to put in place arrangements to secure continuous improvement in the exercise of their functions.

We are required to set improvement objectives for the services we provide on an annual basis, and to have in place arrangements to achieve these objectives. Each performance improvement objective must bring about improvement in at least one of the following aspects of performance:

- Strategic effectiveness
- Service quality
- Service availability
- Fairness
- Sustainability
- Efficiency
- Innovation

Improvement for Councils should focus on enhancing the sustainable quality of life for ratepayers and local communities, and each objective should be clearly linked to the community planning outcomes for the District.

The draft performance improvement objectives 2017-18 for Newry, Mourne and Down District Council are aligned to the following regional and local plans which influence the overall direction of travel of the organisation, and have been developed based on extensive consultation with key stakeholders:

- Draft Programme for Government Framework
- Newry, Mourne and Down Community Plan
- Newry, Mourne and Down District Council Corporate Plan
- Regional strategies and local strategies, including the Tourism Strategy, Economic Regeneration and Investment Strategy, Play Strategy, Sports Facility Strategy, PCSP, Good Relations and DEA Action Plans

Once agreed, the performance improvement objectives 2017-18 will be published in our annual Performance Improvement Plan. This plan will provide more detail about what we want to improve, how we will deliver improvements, how our performance will be measured and what positive outcomes stakeholders will experience as a result of our improvement activity.

Community Planning Outcomes

The Newry, Mourne and Down Community Plan has been developed and agreed by the Community Planning Partnership Board. Entitled 'Living Well Together', the Community Plan provides a framework for collaborative working to deliver positive change for our communities, and sets out the following long term overarching vision for the District:

'Newry, Mourne and Down is a place with strong, safe and vibrant communities where everyone has a good quality of life and access to opportunities, choices and high quality services which are sustainable, accessible and meet people's needs'.

Through the Community Plan, the following five positive outcomes (illustrated at Figure 1) have been identified:

Figure 1

Council Priorities

Through the Corporate Plan, Newry, Mourne and Down District Council has identified a mission and eight priorities (illustrated at Figure 2 below) which will contribute to achieving the overarching outcomes within the Community Plan.

'Lead and serve a District that is prosperous, healthy and sustainable'

Figure 2

Our draft Performance Improvement Objectives for 2017-18

Newry, Mourne and Down District Council has identified the following draft performance improvement objectives for 2017-18, all of which are clearly linked to the Community and Corporate Plans for the District.

1. **Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities**

2. **Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination**

3. **Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in**

4. **Create a cleaner, greener, more attractive District**

5. **Encourage and empower local communities to participate in Council engagement structures**

Your voice, your choice!

Newry, Mourne and Down District Council is inviting you to put forward your views on the draft performance improvement objectives 2017-18. We are keen to ensure that our performance improvement objectives have a positive impact on the quality of life of all stakeholders across the District, including citizens, local businesses, partner organisations in the statutory, voluntary and community sectors, employees and Elected Members.

A questionnaire has been included on page 20 of this document for all stakeholders to complete and return to:

Email: kate.bingham@nmandd.org

Address: Performance Improvement
Newry, Mourne and Down District Council
O'Hagan House
Monaghan Row
Newry
Co Down
N. Ireland
BT35 8DJ

The questionnaire is also available at the following Newry, Mourne and Down District Council public receptions:

- O'Hagan House, Monaghan Row, Newry
- Downshire Civic Centre, Downpatrick
- Ethnic Minority Support Centre, Town Hall, Newry

Alternatively, if you prefer to provide comments in person, please contact us on: 0300 013 2233.

The closing date for responses is 19 May 2017.

Performance Improvement Objective 1

Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities
Senior Responsible Officer: TBC
Why does this matter Good health is one of the most valued aspects of our lives. It influences many other dimensions of well-being, such as employment, income, social connections, participation in community life and educational attainment. Newry, Mourne and Down District Council has a key role to play in helping local communities to live long and healthy lives, and we are committed to collaborating with partners across the statutory and voluntary sectors to address health inequalities and encourage residents to make healthy and informed lifestyle choices. The demographic profile of our community not only has an impact on the services the Council provides, but the way these services will be delivered in the future. With the population of the District projected to grow by 8% over the next decade, including a 74% increase in residents aged 65 years and above by 2039, the overall health and wellbeing needs of local communities are set to change and evolve. The majority of residents are currently in good health, with no long term health problems, whilst over a third of those aged 65 years and above have a long term health problem or disability which limits their day to day activities a lot. Eleven neighbourhoods across the District fall within the 20% most deprived in Northern Ireland, experiencing health inequalities in terms of life expectancy, cancer rates, adult and childhood obesity rates, mental health and drug and alcohol related conditions. Ongoing engagement with local communities has also highlighted a range of health and wellbeing issues around obesity, mental health and isolation. These issues serve to underpin the direct correlation between health, physical activity, diet and nutrition, which influences the health, wellbeing and quality of life of all our local communities. In recognition of the changing needs of our diverse, growing and ageing population, Newry, Mourne and Down District Council has prioritised the provision of high quality, accessible leisure, sport and recreational facilities. Through the Play Strategy and Sports Facility Strategy, the Council is continuing to put in place the infrastructure to encourage healthy lifestyles and improve the overall wellbeing of all local communities.

Supporting actions	Measures of success
• Provide and operate high quality indoor leisure facilities through the completion of Newry and Downpatick Leisure Centres • Improve the customer experience at indoor leisure centres through marketing, branding, mobile technology and targeted physical activity programmes • Provide fixed and non fixed play opportunities for children and young people by consolidating and upgrading the play parks in Hilltown, Bessbrook, Backfield, Meigh, Bridge Centre, Mourne Gardens and Oliver Plunkett, and developing a new play park in Mayobridge • Engage more children and young people in community play initiatives across the District • Increase participation in sport, leisure and recreational activities through the co-ordination of a multi-stakeholder Activity, Promotion and Development Plan, which is suitable for all ages and abilities	• Completion of Newry Leisure Centre by Summer 2017 • Completion of Downpatrick Leisure Centre by Spring 2018 • 5% increase in the number participants using all indoor leisure facilities by March 2018, reaching a 34% increase by 2020-21 • 5-6% year on year increase in the number of participants using Newry Leisure Centre • 2% increase in the number of participants using Downpatrick Leisure Centre in 2017-18, followed by a 9% increase in 2018-19 and a 72% increase in 2019-20 • Level of user satisfaction with selected indoor leisure facilities during 2017-18 • 32% increase in the number of members of indoor leisure facilities by 2020-21 • Completion of the 2017-18 Capital Sports Facility and Fixed Play programmes within budget • Number of participants using Council owned outdoor facilities during 2017-18 • Increase in the number of children and young people engaged in Community Play initiatives during 2017-18 • Launch of the multi-stakeholder Activity, Promotion and Development Plan by March 2018

Outcomes for local communities and stakeholders
• All local communities can access opportunities to get involved in indoor and outdoor sport, leisure and recreational activity • Improved provision of indoor and outdoor sport, leisure and recreational facilities • Increase in the number of participants using leisure and recreational facilities • Additional, more efficient and effective channels to access and book indoor leisure facilities and activities • Improved customer satisfaction with indoor leisure facilities

• Improved levels of health and wellbeing for local communities	
Corporate Plan Priority	Supported improved health and wellbeing outcomes
Community Plan Outcome	All people in Newry, Mourne and Down enjoy good health and wellbeing
Programme for Government Outcome	We enjoy long, healthy, active lives
Alignment with 7 statutory aspects of performance	Strategic effectiveness / Service quality / Service availability / Fairness / Innovation / Efficiency

Performance Improvement Objective 2

Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination
Senior Responsible Officer: Marie Ward - Director, Enterprise, Regeneration and Tourism
Why does this matter Jobs, earnings and wealth provide people with an opportunity to fulfil their ambitions, develop new skills and enjoy better levels of health and wellbeing. Located on the economic corridor between Belfast and Dublin, and within the Belfast Metropolitan Catchment Area, the Newry, Mourne and Down District has a real opportunity to compete, by driving growth in the business base, increasing productivity and attracting new businesses. As the District continues to recover from the challenges of the recent recession, the local economy has become increasingly vibrant. 7 of the top 100 performing businesses in Northern Ireland are located in Newry, Mourne and Down, alongside the 7,500 VAT registered small and medium sized enterprises, the majority of which fall within the agriculture, distribution and construction sectors. Whilst 72% of people in Newry, Mourne and Down are economically active, which falls above the Northern Ireland average of 68%, the median gross annual salary is £20,000 which falls below the regional average of £21,345. Newry, Mourne and Down District Council recognises that investment in the local economy will continue to have a positive impact on the wellbeing of local communities and has put in place the building blocks to capitalise on economic strengths and create a climate for innovation,

competitiveness and investment. Through the Regional Start Initiative, the Council accelerated local economic development by supporting 236 new businesses starts and promoting 261 new jobs in 2015-16. This growth will continue as the inward investment secured through NI Business Start Up and Rural Development Programmes will make a significant contribution to improving the local economy and creating more employment opportunities for all.

Tourism is also a critical economic driver in Newry, Mourne and Down, diversifying the local economy, ensuring the viability of small businesses and supporting almost 5,000 jobs. As a popular destination for domestic tourists, the District is rich with tourism assets, scenic beauty and cultural heritage. In 2014, there were 1.5million visits to visitor attractions, with Murlough Nature Reserve being the most popular attraction. In 2016, over 91% of the 128,000 visitors to the Council's four flagship festivals, Footsteps in the Forest, Festival of Flight, Wake the Giant and Skiffie World Festival, rated them as 'good' or 'extremely good'. However, whilst tourism was worth £47.7million to the local economy in 2015, visitor spend in Newry, Mourne and Down declined by 12%, from £55.3million, in 2014. Strengthening tourism is a high priority for the Council and the recently adopted Tourism Strategy seeks to promote Newry, Mourne and Down as a premier, year-round mountain and maritime destination, recognised for its EPIC experiences in outdoor adventure, its rich tapestry of cultural heritage, myths and stories, as well as its authentic local life.

Supporting actions	Measures of success
• Through the NI Business Start Up Programme, support 245 participants and promote 155 new jobs across the District • Support the growth of the existing business base by delivering a targeted programme of activity and developing the social economy • Through the Rural Business Investment Scheme, support the establishment and growth of small and micro businesses, and the creation new jobs in rural areas • Implement the following key projects within the Tourism Strategy: - Prepare a revised application to the UK National Commission for UNESCO for Global Geopark status for the Mournes and Ring of Gullion	• 245 business plan applications approved • 166 New Business Starts • 155 new jobs promoted through business start up activity • The number of businesses supported to increase their turnover, secure new contracts and create new employment opportunities during 2017-18 • The number of social enterprises supported during 2017-18 • The number of micro and small rural businesses supported by March 2020 • The growth of businesses in rural areas by March 2020 • The number of new jobs created in rural areas by March 2020 • Submission of the revised application for Global Geopark

- Continue to develop the concept of the Great Eastern Greenway through building connectivity between the Newry Canal Towpath and the Omeath to Carlingford Trail • Develop two Destination Experience Development Plans to identify and create 'epic' moments for: - Mourne and Ring of Gullion - The Mourne Coast (to include Downpatrick and its linkages with the coast and Lecale through the life and heritage of St Patrick, and other relevant historical accounts) • Organise and promote 5 flagship festivals across the District: - Footsteps in the Forest (Slieve Gullion) - Skiffies World Festival (Strangford Lough) - Wake the Giant Festival (Warrenpoint) - Festival of Flight (Newcastle) - Maritime Festival (Newry)	status for the Mournes and Ring of Gullion by November 2019 • Delivery of phase 2 of the Carlingford Lough Greenway by June 2020, including the completion of the greenway between the Weir and Victoria Lough by December 2017 • The development of two Destination Experience Development Plans by March 2018 • Overall growth rate of 6% per annum in overnight expenditure in Newry, Mourne and Down • Increase in the number of visitors to flagship festivals in 2017 • Average spend per group at flagship festivals in 2017 • Level of satisfaction with flagship festivals in 2017
Outcomes for local communities and stakeholders	
• The local economy benefits from an increase in business start ups, the growth of local businesses and support for social enterprises • The rural economy benefits from significant inward investment and the creation and growth of new businesses and jobs • Local communities, businesses and social enterprises benefit from improved access to job, investment, training and mentoring opportunities • Newry, Mourne and Down becomes a more prosperous District • There is an increase in level of tourism and the number of tourists to the District • The Carlingford Lough Greenway creates a world class, cross border green travel route which improves the local living environment and provides communities and visitors with increased opportunities for leisure and recreational activities • Newry, Mourne and Down is recognised as a domestic and international premier tourist destination	

Corporate Plan Priorities	Attracted investment and supported the creation of new jobs Become one of the premier tourist destinations on the island of Ireland
Community Plan Outcome	All people in Newry, Mourne and Down benefit from prosperous communities
Programme for Government Outcomes	We prosper through a strong, competitive, regionally balanced economy We are an innovative and creative society, where people can fulfil their potential We have more people working in better jobs We are a confident, welcoming, outward looking society We have created a place where people want to live and work, to visit and invest
Alignment with 7 statutory aspects of performance	Strategic effectiveness / Service quality / Service availability / Fairness / Innovation

Performance Improvement Objective 3

Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in
Senior Responsible Officer: Marie Ward - Director, Enterprise, Regeneration and Tourism
Why does this matter Newry, Mourne and Down is a predominantly rural District with a number urban settlements around Newry City, Downpatrick, Ballynahinch, Kilkeel, Warrenpoint, Crossmaglen and Newcastle. The heritage and landscape of our District in unique and diverse, and protecting the natural and built environment is a key priority for the Council and its citizens, as it creates a sense of place and plays an important role in improving the health and wellbeing of all. Significant investment in town centres and villages has delivered new and improved facilities for all those who live, work and visit

the area. This investment is set to increase, as the masterplans for Newry City, Ballynahinch, Downpatrick and the South East Coast gain momentum. The Council has attracted inward investment of over £4million to deliver three urban public realm schemes, as well as the heritage led Warrenpoint Municipal Park and Forkhill Greenspace projects, all of which will result in tangible improvements for local communities and local areas. Through the Rural Development Programme, the Mourne, Gullion and Lecale Partnership has also been awarded £11million, out of the £70million budget for Northern Ireland, to focus on growing rural businesses, facilitating village renewal and improving the rural broadband infrastructure. This significant investment will improve and transform the quality of life for rural communities by 2020.

Road, transport, communications (broadband and mobile) and infrastructure connectivity underpin the development of an area, and are instrumental in supporting access to services and employment, the diversification and expansion of the local economy and tackling social isolation. Whilst the Council has identified a number of projects to improve road, transport and infrastructure connections, access to broadband and mobile networks remain key issues for many rural businesses and communities. It has been recognised that broadband is a basic human right for all citizens, and the Council will continue to advocate on behalf of local communities to address the challenge of improving digital accessibility, so that rural communities can participate fully in all aspects of civic, community and business life.

Supporting actions	Measures of success
• Restore the physical and cultural heritage of Warrenpoint Municipal Park • Invest in high quality infrastructure and public realm schemes in the following urban areas: - Deliver initiatives to improve Newry City Centre, including the Cathedral Corridor shop front scheme, shop local campaign, Newry BID and the purple flag award - Complete the Warrenpoint Public Realm Scheme and deliver initiatives to improve the town centre, including the shop front scheme - Deliver the Downpatrick Public Realm Scheme • Complete the Forkhill Greenspace Project	• The physical re-development of Warrenpoint Municipal Park is completed by May 2018, within budget • Green Flag obtained for environmental sustainability at Warrenpoint Municipal Park by October 2018 • 34% increase in the number of visitors to Warrenpoint Municipal Park, reaching 27,900 per annum by September 2019 • 6% improvement in visitor satisfaction with Warrenpoint Municipal park, reaching 74% by September 2019 • 14% increase in the number of visitors with a good understanding of the heritage value of Warrenpoint Municipal Park, reaching 36% by September 2019 • 9% increase in the number of people who believe the

• Progress the implementation of the Rural Development Programme: - Develop and update 42 Village Plans - Identify a range of physical and environmental regeneration improvement projects in selected villages across the District - Lobby for improved broadband access to meet the needs of rural communities and the rural economy	park enhances their quality of life, reaching 40.5% by September 2019 • The public realm schemes in Newry City, Warrenpoint and Downpatrick are delivered on time and within budget • The creation of a new, 800 meter long village pathway in Forkhill by May 2017 • The completion of 42 Village Plans by March 2018, within budget • The number of village regeneration projects identified and supported by March 2020 • Support towards 3 community broadband schemes in rural areas by March 2020

Outcomes for local communities and stakeholders

- More visitors are attracted to Warrenpoint Municipal Park and are involved in the heritage of the park through a range of engagement and volunteering opportunities
- Enhanced built and natural environment in urban and rural areas, with improved appearance and streetscape
- Urban and rural regeneration projects improve local areas and the quality of life for local communities
- The Rural Development Programme has a positive impact on rural communities and the rural economy
- Significant investment in Village Plans and the regeneration of selected villages across the District
- Improved rural digital connectivity in pilot areas

Corporate Plan Priorities	Led the regeneration of our urban and rural areas Become one of the premier tourist destinations on the island of Ireland Attracted investment and supported the creation of new jobs Protected our natural and built environment Advocated on your behalf specifically in relation to those issues which really matter to you
Community Plan Outcomes	All people in Newry, Mourne and Down benefit from prosperous

	communities All people in Newry, Mourne and Down get a good start in life and fulfil their lifelong potential
Programme for Government Outcomes	We prosper through a strong, competitive, regionally balanced economy We are an innovative and creative society, where people can fulfil their potential We have more people working in better jobs We are a confident, welcoming, outward looking society We connect people and opportunities through our infrastructure We live and work sustainably – protecting the environment We have created a place where people want to live and work, to visit and invest
Alignment with 7 statutory aspects of performance	Strategic effectiveness / Service quality / Service availability / Fairness / Sustainability / Innovation

Performance Improvement Objective 4

Create a cleaner, greener, more attractive District
Senior Responsible Officer: Canice O'Rourke – Director, Regulatory and Technical Services
Why does this matter The environment is one of the three strategic pillars which underpin the process of community planning. Living in a clean, green, quality environment has a direct impact on the general well being of those who live, work and visit an area, and ongoing engagement consistently highlights that littering, dog fouling, fly tipping and pollution are key issues for local communities. The Council has a key role to play in working with local communities to protect and enhance the local environment, ensuring that Newry, Mourne and Down is a District we can all be proud of. Managing municipal waste is also a key responsibility for local government and Newry, Mourne and Down District Council is

working in partnership with other local authorities, the Department of Agriculture, Environment and Rural Affairs, the Strategic Investment Board and Arc 21 to consider and agree a way forward for Northern Ireland to assist in reducing the amount of waste going to landfill and increasing the rate of recycling. Since the merger of the legacy Newry and Mourne and Down District Councils in 2015, there has been a significant reduction in the amount of waste which is landfilled, largely due to the closure of the Aughnagunn Landfill Site and the new contract with REGEN, which sends previously landfilled waste to a Dirty Material Recovery Facility. In order to meet the 2020 recycling target of 50%, the Council is introducing a range of schemes to extend the collection of dry recyclables and food waste, whilst rolling out educational campaigns to promote a cleaner, greener and more attractive District.

Supporting actions	Measures of success
• Increase the recycling rate by: - Introducing blue bin collections for commercial properties in the legacy Down area - Rationalising how glass is collected in the legacy Newry and Mourne area - Progressing the design, build and opening of the Downpatrick Household Waste Recycling Centre - Delivering a domestic food waste service across the District by extending brown bin collections and rolling out a District wide educational campaign - Delivering educational campaigns in targeted neighbourhoods to close the gap in recycling rates with the District average - Progressing the rationalisation and optimisation of refuse collections across the District • Improve the quality and cleanliness of the local environment by: - Progressing the rationalisation and optimisation of street cleansing schedules across the District	• 44% of household waste collected by the Council is sent for recycling (including waste prepared for reuse) by March 2018 • Reduction in the amount (tonnage) of biodegradable Local Authority Collected Municipal Waste that is landfilled by March 2018 (<23,675) • The amount (tonnage) of Local Authority Collected Municipal Waste arisings • All commercial properties in the legacy Down area have a blue bin collection by March 2018 • Rationalisation of glass collection in the legacy Newry and Mourne area by March 2018 • The Downpatrick Household Waste Recycling Centre is delivered by September 2017, within budget • All domestic properties have a brown bin collection by March 2018 • Increase in recycling rates in identified neighbourhoods by March 2018 • Efficiencies identified through the routes and street cleansing rationalisation and optimisation projects by

	March 2018

Outcomes for local communities and stakeholders
• The Council meets landfill and recycling targets • Efficient and effective recycling, composting, bin collection and cleansing services • Local communities benefit from living in a cleaner, greener, quality environment • Improved pride in the District

Corporate Plan Priority	Protected our natural and built environment
Community Plan Outcome	All people in Newry, Mourne and Down benefit from a clean, quality and sustainable environment
Programme for Government Outcomes	We live and work sustainably – protecting the environment
Alignment with 7 statutory aspects of performance	Strategic effectiveness / Service quality / Service availability / Sustainability / Efficiency

Performance Improvement Objective 5

Encourage and empower local communities to participate in Council engagement structures
Senior Responsible Officer: Michael Lipsett – Director, Active and Healthy Communities
Why does this matter Social connections and interactions are fundamental drivers for improving the physical, mental and emotional well-being of local people. Newry, Mourne and Down District Council is committed to investing in communities, building their capacity and empowering them to participate in shaping and designing the policies and services which have an impact on their quality of life. Through our Community Engagement Strategy, we are putting local people at the heart of everything we do, encouraging meaningful two way communication and enabling key stakeholders to influence the development and delivery of community planning outcomes around health and wellbeing, economy, environment and community safety.

The Council has established of range of engagement structures to encourage and empower local communities to participate and have a voice on their future and their area. Through the seven DEA Fora across the District, the Council is consulting, involving, listening and responding to communities, whilst supporting the implementation of the Community Plan at a local level. Made up of Elected Members and representatives from the community and voluntary sector, over the past year, the DEA Fora have held around 20 public meetings, engaged almost 1,500 people on key issues, including community safety and accessing external funding, and assisted over 400 community groups in meeting their objectives.

The Council also recognises the significant role which the voluntary and community sector plays in connecting communities, facilitating a sense of belonging to the area, building trust and tolerance towards others and investing in the capacity of local people. In November 2016, 6,399 volunteers from across the District were registered with Volunteer Now, and the Council continues to support many of these groups through its financial assistance scheme. In 2016-17, Newry, Mourne and Down District Council awarded over £651k to 259 community based projects, enabling voluntary groups to deliver a broad range of initiatives, including summer schemes, Christmas illuminations and capital projects. The Council is committed to encouraging and empowering local communities to have a voice and shape the future of their lives, their District and their future.

Supporting actions	Measures of success
• Develop a corporate Consultation and Engagement Framework to improve the way the Council listens to and takes on board the views of local communities • Level of engagement and participation in the following structures: - Policing and Community Safety Partnership - Neighbourhood Renewal Partnerships - DEA Fora - Peace IV Partnership • Reduce the risk of being burgled and address the fear of crime by promoting and encouraging local communities to access the Neighbourhood Watch, 'Good Morning' and 'Home Secure' Schemes	• Corporate Consultation and Engagement Framework developed and adopted by September 2017 • The number of meetings of the PCSP / Neighbourhood Renewal Partnerships / private DEA Fora / Peace IV Partnership, including attendance levels, during 2017-18 • The number of public meetings and events, including attendance levels, during 2017-18 • The number of capacity building events and programmes, including attendance levels and participant evaluation, during 2017-18 • Facilitation of a focus group, by March 2018, to ascertain the effectiveness of specified community engagement structures and associated capacity building programmes

• Promote and deliver the financial assistance scheme to community and voluntary groups across the District	• Increase in the number of Neighbourhood Watch Schemes by March 2018 • Increase in the number of beneficiaries of the 'Good Morning' and 'Home Secure' schemes by March 2018 • The number of financial assistance projects funded during 2017-18 • The number and profile of participants involved in projects funded through the financial assistance scheme during 2017-18

Outcomes for local communities and stakeholders

- More informed decision-making, policy development and service provision, based on the input of local communities and stakeholders
- Local communities and stakeholders are actively engaged in supporting the work of the Council and its partners
- Confident and empowered local communities
- Decrease in the number of people reporting to live in fear
- Reduction in the incidents of burglary
- Community groups receive financial support towards meeting their objectives and delivering projects across a range of themes, including community safety, good relations, community engagement, sports, events, Christmas illuminations and capital projects
- Newry Mourne and Down becomes a more inclusive, cohesive and vibrant District

Corporate Plan Priority	Empowered and improved the capacity of our communities
Community Plan Outcome	All people in Newry, Mourne and Down live in respectful, safe and vibrant communities
Programme for Government Outcomes	We have a more equal society We have a safe community where we respect the law and each other We are a shared society that respects diversity

Alignment with 7 statutory aspects of performance	Strategic effectiveness / Service quality / Service availability / Fairness / Innovation

Consultation on the draft Performance Improvement Plan and Objectives for 2017-18

I am responding:	as an individual	
	on behalf of an organisation	

Name:	
Job title (if applicable):	
Organisation and address:	
Telephone	
Fax	
E-mail	

Question 1

Which consultation group do you belong to? *Please tick all that apply.*

Resident	
Elected Member	
Local Business	
Local Community Organisation	
Local Voluntary Organisation	
Statutory Organisation	
Other	

If other, please provide further information below.

Question 2

Do you agree that the draft performance improvement objectives and supporting project(s) are appropriate for our District?

Performance Improvement Objective 1	**Agree**	**Disagree**
Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities		
Comments:		
Performance Improvement Objective 2	**Agree**	**Disagree**
Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination		
Comments:		
Performance Improvement Objective 3	**Agree**	**Disagree**
Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in		
Comments:		
Performance Improvement Objective 4	**Agree**	**Disagree**
Create a cleaner, greener, more attractive District		
Comments:		

Performance Improvement Objective 5	Agree	Disagree
Encourage and empower local communities to participate in Council engagement structures		
Comments:		

Question 3

What alternative performance improvement objective(s) and supporting projects would you suggest?

Question 4

Which of the areas outlined below would you like to see Newry, Mourne and Down District Council make improvements to in the future? (please tick)

Area	
Arts, Culture and Events	
Building Control and Licensing	
Community Services	
Registration Services (Births, Deaths, Marriages & Civil Partnerships)	
Economic Development and Tourism	
Environmental Health	
Leisure and Recreation	
Parks and Open Spaces	
Planning	
Urban and Rural Regeneration	
Waste Collection and Recycling	
Street Cleansing	

Please provide details, in the space provided, concerning the specific areas of the Council that you would wish to see improvements made in.

Thank you for taking the time to respond to this questionnaire. Your feedback is important to us and will help inform the development of the performance improvement objectives 2017-18.

Completed questionnaires, comments or further information on the draft performance improvement plan and objectives should be returned by **19 May 2017** to:

In Writing: Kate Bingham
Performance Improvement Section
Newry, Mourne & Down District Council
O'Hagan House
Monaghan Row
Newry
Co Down
BT35 8DJ

Telephone: 0300 013 2233

Email: kate.bingham@nmandd.org

We look forward to hearing from you.

Appendix 2 - Overall approach and timetable to develop and publish the Performance Improvement Plan 2017-18

	Performance Improvement Task	Timetable	Commentary
1	**Developing the Performance Improvement Plan 2017-18**		
1.1	Review progress in delivering the 2016-17 performance improvement objectives.	February/March 2017	The Council will identify progress in delivering the performance improvement objectives outlined in the Performance Improvement Plan 2016-17, for inclusion in the Performance Improvement Plan 2017-18.
1.2	Review baseline evidence to identify performance improvement objectives for 2017-18	February 2017	References include: • Community Plan for Newry, Mourne and Down • Community Planning Feedback Report (May 2015) • Community Planning Baseline Evidence Report (August 2015) • DEA Emerging Issues Report (March 2016) • DEA Action Plans (January 2017) • Thematic Action Plan Workshops (Autumn 2016) • Corporate Plan and other key strategies • NI Audit Office – Audit and Assessment Report
1.3	CMT engaged in the development of the draft performance improvement objectives.	21 February 2017	The Council will engage Assistant Directors and their teams in developing the draft performance improvement objectives 2017-18.
1.4	Develop the draft performance improvement objectives, aligned to the seven relevant criteria outlined in the guidance, as well as the Community Plan, Corporate Plan, DEA Action Plans and other key strategies.	February/March 2017	The draft performance improvement objectives will be aligned to the outcomes of the Community Plan, the seven DEA action plans, as well as the Corporate Plan and other key strategies.
1.5	Equality screen the draft performance	March 2017	Draft performance improvement objectives are equality

Back to Agenda

	improvement objectives.		screened.
1.6	Consider and agree: • The draft performance improvement objectives 2017-18 • The overall approach and proposed timetable for developing and publishing the Performance Improvement Plan 2017-18 by 30 June 2017	March / April 2017	To be considered and agreed by: • SMT on 7 March 2017 • Strategy, Policy and Resources Committee on 16 March 2017 • Full Council on 3 April 2017 • Audit Committee on 27 April 2017
2	**Consultation on the Performance Improvement Plan**		
2.1	The proposed 8 week consultation timetable with key stakeholders will consist of the following elements:		
2.2	Electronic survey on the Council website and social media channels	24 March-19 May	Consultation and engagement feedback will be analysed on an ongoing basis, informing the draft performance improvement objectives within the Performance Improvement Plan. The equality screening of the performance improvement objectives will be updated to reflect any amendments.
2.3	Hard copies of the survey made available at public receptions across the Council, including Monaghan Row, Downshire Civic Centre and the Ethnic Minority Support Centre	24 March-19 May	
2.4	Public Advertisements in Local Newspapers	April-May 2017	

2.5	Consultation and engagement on the draft performance improvement objectives 2017-18 with: • Section 75 groups, including Youth Councils, Older People's Forum and Good Relations Fora • Seven DEA Fora, including the public meeting of the Rowallane DEA Forum • Community Planning Partnership and Stakeholder Forum	April–May 2017	
2.6	Analyse feedback from consultation and engagement activity, and propose amendments to the performance improvement objectives where necessary.	May 2017	
2.7	Commence the design of the draft Performance Improvement Plan 2017-18	June 2017	
3	**Approval of the Performance Improvement Plan**		
3.1	The Performance Improvement Plan 2017-18, with proposed amendments, is considered.	June – July 2017	To be considered by: • SMT on 6 June 2017 • Strategy, Policy and Resources Committee on 15 June 2017 (including a request to publish the Performance Improvement Plan by 30 June 2017) • Audit Committee on 29 June 2017 • Full Council on 3 July 2017
4	**Publication and Implementation of the Performance Improvement Plan**		
4.1	Publish the Performance Improvement Plan, including the agreed performance	30 June 2017	

	improvement objectives and supporting actions and measures, on the Council's website.		
4.2	Circulate electronic/hard copies of the Performance Improvement Plan 2017-18 to consultees and key stakeholders	July 2017	
4.3	Put in place a timetable to monitor the ongoing implementation of performance improvement objectives 2017-18.	30 June 2017	
5	**Performance Improvement Audit**		
5.1	NI Audit Office to carry out an audit and assessment to ascertain if the Council has fulfilled its statutory duty of performance improvement. This will include: • A forward looking assessment of the Councils likelihood to comply with its duty to make arrangements to secure continuous improvement • A retrospective assessment of whether the Council has achieved its planned improvements to inform a view regarding the Councils track record of improvement	July - September 2017	Ensure the NI Audit Office receives the necessary evidence and documentation to support the Performance Improvement Audit.
5.2	Council to publish an assessment and comparison of its performance.	30 September 2017	The Council will report on the statutory performance indicators for Planning, Economic Development and Waste Management, identifying trends in performance between 2015-16 and 2016-17.

5.3	The NI Audit Office will issue a report, outlining the findings of the performance improvement audit for the Council.	November 2017	The anticipated timetable is: • Draft report: November 2017 • Final report: 30 November 2017 • Publication of the Council's Annual Improvement Report: February 2018

Department for
Communities
www.communities-ni.gov.uk

Finance Officer of each District Council

Local Government Policy Division
Finance Branch
Level 4
Causeway Exchange
1-7 Bedford Street
BELFAST
BT2 7EG
Phone: 028 9082 3375
email: jeff.glass@communities-ni.gov.uk

Circular No. LG 02 /17

Our ref: C01-16-9316

25 January 2017

Dear Finance Officer

RECORD OF COUNCILLORS' AND COMMITTEE MEMBERS' ALLOWANCES FUNDED BY COUNCIL 2016/2017

The attached annual return template seeks details of allowances funded by the council under Part 3 of the Local Government Finance Act (Northern Ireland) 2011 and the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012, during the 2016/2017 financial year.

Councils are statutorily obligated, in accordance with the above Regulations, to publish a Scheme of Allowances for the payment of allowances to councillors and committee members. At the end of each financial year councils are also obligated to publish details of the amounts of allowances paid to each councillor and committee member. This return provides a standard format for those details to be recorded thus allowing comparisons of councillor allowances within a council and also between councils.

This return was discussed at the Finance Working Group in December and it was agreed that alternative formats for Table 1 would be included in the return for 2016/2017 as legislatively councils only have to publish details of payments made directly to councillors and committee members. However, for transparency and comparison purposes the Department would encourage councils to complete the comprehensive return in Table 1A which includes costs incurred by councils on councillors and committee members' behalf.

For preparatory purposes the annual return template is being issued in advance of the end of the financial year. **The completed template should be returned as soon as possible after the end of the financial year or by the 30 June 2017 along with the link to the published version.** Guidance to enable completion of the return is provided in tab 1. Please note that only allowances funded under Part 3 of the Act should be included in this return.

If you have any queries on the content of this return please contact Lynne McCann via email lynne.mccann@communities-ni.gov.uk or on 028 9082 3380.

Yours faithfully

JEFF GLASS
Local Government Policy Division

CC. Chief Executive of each District Council
Other Interested Parties

Department for
Communities
www.communities-ni.gov.uk

Local Government Policy Division
Level 4
Causeway Exchange
1-7 Bedford Street
BELFAST
BT2 7EG
Phone: 028 9082 3346
email: Anthony.carleton@communities-ni.gov.uk

Chief Executive of each District Council
Finance Officer of each District Council
Other Interested Parties

Our ref: CO1-16-18342

Circular LG 03/2017

15th February 2017

Dear Sir/Madam

CONSOLIDATED COUNCILLOR ALLOWANCES CIRCULAR – UPDATED FEBRUARY 2017

This Local Government Circular provides a consolidated record of all councillor allowances and supersedes Local Government Circular 14/2016 in respect of the rates payable from 1 April 2017.

This consolidated circular is required to determine and reflect an increase in Dependants' Carers' Allowance and motor cycle rates applicable from 1 April 2017.

All determinations are made by the Department under section 31 of the Local Government Finance Act (Northern Ireland) 2011 and the Local Government (Payments to Councillors) Regulations (Northern Ireland) 2012.

1. Basic Allowance - valid from 1 April 2017

Basic Allowance	Maximum £14,485 per annum ≠

≠ (The basic allowance includes an element for incidental and consumable costs incurred by councillors in their official capacity. In 2015/16 this element was £1,000 and each year this amount is uplifted in line with the increase applied to the basic allowance, therefore from 1 April 2017 this element within the basic allowance is £1,020)

2. Dependants' Carers' Allowances – valid from 1 April 2017

The following table states the maximum rates for dependants' carers' allowance.

Dependants' Carers' Allowance	**Hourly Rate**	**Maximum monthly amount**
Standard	£7.50^	£390
Specialist	£15.00	£780

^(Based on national living wage for age 25+)

3. Travel Allowances – valid from 1 April 2017

The following table states the maximum rates for travel allowances.

Type of Vehicle	**Rate per Mile**
A pedal cycle	20.0p
A motor cycle (all engine capacities)	24.0p
A motor car of cylinder capacity exceeding 450cc but not exceeding 999cc	46.9p *13.7p
A motor car of cylinder capacity exceeding 999cc but not exceeding 1,199cc	52.2p *14.4p

A motor car of cylinder capacity exceeding 1,199cc	65.0p *16.4p
An electric car	45.0p **25.0p
Passenger rate (per passenger)	5.0p

* For mileage above 8,500 miles

**For mileage above 10,000 miles

4. Special Responsibility Allowance – valid from 1 April 2017

The following table states the maximum rate of Special Responsibility Allowance that a council may pay. The maximum rate is based on the size of the council population. Each council's population figures are updated each year by the Northern Ireland Statistics and Research Agency and it is the duty of each council to operate within the total maximum rate appropriate to its population band. For ease the maximum any councillor can receive, within each band, is also provided.

Population of council	Maximum Special Responsibility Allowance £	Maximum (1/5th) for individual councillor £
Less than 120,000	51,005	10,201
120,000 to 199,000	71,407	14,281
200,000 +	110,171	22,034

5. Subsistence Allowances – valid from 1 April 2015

The following table states the maximum rates for subsistence; however, where councils believe it is necessary there is flexibility for councils to increase these rates by applying a suitable measure of price inflation.

PERIOD/MEAL	**RATES £**	
	British Isles	London
Accommodation allowance - An absence involving an overnight stay, away from the normal place of residence. This rate does not include any meal allowance.	100.70	122.45
Breakfast allowance - (more than 4 hours away from the normal place of residence or, where approved by the council, a lesser period before 11 am)	11.50	
Lunch allowance - (more than 4 hours away from the normal place of residence or, where approved by the council, a lesser period including the period between 12 noon and 2pm)	13.50	
Tea allowance - (more than 4 hours away from the normal place of residence or, where approved by the council, a lesser period including the period between 3pm and 6pm)	4.70	
Evening meal allowance - (more than 4 hours away from the normal place of residence or, where approved by the council, a lesser period ending after 7pm)	20.95	

If you have any queries on the content of this circular please contact Jeff Glass on 028 9082 3375 or Lizanne Kennedy on 028 9082 3378 or by email jeff.glass@communities-ni.gov.uk or lizanne.kennedy@communities-ni.gov.uk.

Yours faithfully

ANTHONY CARLETON
Director
Local Government Policy Division

Department for
Communities
www.communities-ni.gov.uk

Local Government Policy Division

Level 4
Causeway Exchange
1-7 Bedford Street
Town Parks
BELFAST
BT2 7EG
Telephone: (028) 9082 3375

Email: Jeff.glass@communities-ni.gov.uk

Clerk and Chief Executive of each District Council

Circular LG 10/17

Your reference:
Our reference:
Date: 13 March 2017

Dear Chief Executive

ACCOUNTS DIRECTION 2016/2017: NORTHERN IRELAND DISTRICT COUNCILS

Following consultation with the Technical Accounting Support Service (TASS) Working and Steering Groups, and the Association of Local Government Finance Officers (ALGFO), the Department has prepared a Direction for the appropriate form and content of the accounts of the district councils in Northern Ireland. I have enclosed the following documents that will help you to prepare the accounts for 2016/17:

Cover letter – as per this document;

Annex A - Circular No LG 10/2017 Accounts Direction to Councils 2016/17;

Annex B - Accounts Direction for 2016/17;

Annex C - Pro forma Accounts for District Councils including Pro forma No. 1 Rates Support Grant Pro Forma;

Annex D - Accounts Direction Schedules;

Annex E - Guidance Notes for Rates Support Grant Pro forma

Annex F – Remuneration Report notes

Yours faithfully

Jeff Glass
Head of Finance
Local Government Policy Division

cc. Louise Mason, Local Government Auditor
Colette Kane, NIAO Director
Finance Officers, District Councils
Deirdre Lundy, Finance, DfC
Andrea Orr, Finance, DfC
Alan Bermingham, CIPFA (NI)
Nicola McAlinden, CIPFA (NI)

Encs.