

Report to:	Audit Committee
Date of Meeting:	3 July 2019
Subject:	Performance Improvement Plan 2019-20
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Confirm how this Report should be treated by placing an x in either:-

For decision	For noting only	<input checked="" type="checkbox"/> X
1.0	Purpose and Background	
1.1	The purpose of this report is to outline the final version of the Performance Improvement Plan 2019-20. This plan is supported by the Consultation and Engagement Report 2019-20 and Delivery Plans which have been developed for each Performance Improvement Objective 2019-20.	
1.2	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 required to set performance improvement objectives for the services they provide. The guidance states that performance improvement is more than 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.	
1.3	The Performance Improvement Plan is a key strategic document which drives all improvement activity across the organisation. It features within the Business Planning and Performance Management Framework and is directly aligned to the Community Plan, Corporate Plan and Directorate Business Plans. Managing performance effectively will also underpin the development of the Council's business transformation programme, Target Operating Model and Efficiency Plan during 2019-20.	
2.0	Key issues	
	Performance Improvement Plan 2019-20	
2.1	In accordance with statutory requirements, the Council is required to publish the Performance Improvement Plan by 30 June 2019. The Performance Improvement Plan 2019-20 is attached at Appendix 1 , and includes the following information: <ul style="list-style-type: none"> • Performance improvement objectives 2019-20 • Statutory performance indicators and standards for economic development, planning and waste management • Self imposed performance indicators, as outlined in the Corporate Plan 2015-19 	

Public Consultation and Engagement 2019-20	
2.2	<p>In December 2018, the Senior Management Team and Strategy, Policy and Resources Committee agreed to proceed with a public consultation around the proposed five performance improvement objectives 2019-20.</p> <p>This twelve week consultation and engagement process took place between 14 January – 5 April 2019, and in line with good practice, was integrated with the consultation and engagement on the Corporate Plan 2019-23. The overall consultation and engagement process consisted of the following elements:</p> <ul style="list-style-type: none"> • 74 responses to the survey on the draft performance improvement objectives • 764 responses to the Residents Survey • Engagement with 370 stakeholders through the DEA Fora, Business Sector, Youth Council, Older Persons Forums and staff events <p>Feedback from the consultation and engagement process revealed widespread support for the proposed themes identified within the performance improvement objectives, as well as the objectives themselves. However, following the consultation and ongoing work in refining the performance improvement objectives, a proposal was put forward to amend objective 4 as follows, so that it becomes more focused on delivering tangible outcomes for local communities.</p> <p>'Increase the rate of recycling, reduce the amount of waste going to landfill and improve the level of cleanliness across the District'</p> <p>However, on the proposal of the Strategy, Policy and Resources Committee, the original performance improvement objective 4 has been retained as follows:</p> <p>'Create a cleaner, greener, more attractive District'</p> <p>The five performance improvement objectives have therefore been carried forward from 2017-18 and 2018-19, and have not been subject to amendment. An analysis of the consultation and engagement feedback, including the proposed amendments to the Performance Improvement Plan 2019-20, is outlined in Appendix 2.</p>
Objective Delivery Plans 2019-20	
2.3	<p>Delivery plans for each performance improvement objective have been developed, as outlined in Appendix 3. They seek to demonstrate how the Council will manage the effective delivery of each objective, in terms of resources, risk management and governance arrangements. These plans are a 'work in progress' and will be reviewed and updated on a continuous basis to support the delivery of each performance improvement objective.</p> <p>Through the 2018-19 Performance Audit and Assessment, the NI Audit Office proposed that there is scope to extend the level of challenge and scrutiny by the Strategy, Policy and Resources Committee to a project level, including associated performance management arrangements and risk assessments. The Strategy, Policy and Resources Committee therefore considered the Objective Delivery Plans alongside the Performance Improvement Plan 2019-20 in June 2019, followed by the Audit Committee in July 2019.</p>

3.0	Recommendations
3.1	<p>To note:</p> <ul style="list-style-type: none"> • The 2019-20 Performance Improvement Plan, Consultation and Engagement Report and Objective Delivery Plans
4.0	Resource implications
4.1	The development and publication of the Performance Improvement Plan 2019-20 will be delivered within existing resources.
5.0	Equality and good relations implications
5.1	The Performance Improvement Plan 2019-20 has been equality screened and it is recommended that it is not subject to an equality impact assessment (with no mitigating measures required).
6.0	Rural Proofing implications
6.1	A Rural Needs Impact Assessment of the Performance Improvement Plan 2019-20 has been carried out and there are no rural proofing implications contained within this report.
7.0	Appendices
	<ul style="list-style-type: none"> • Appendix 1 – Performance Improvement Plan 2019-20 • Appendix 2 – Consultation and Engagement Report 2019-20 • Appendix 3 – Objective Delivery Plans 2019-20
8.0	Background Documents
	<ul style="list-style-type: none"> • Performance Improvement Plans 2017-18 and 2018-19

Newry, Mourne and Down District Council

Performance Improvement Plan

2019-20



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Foreword

When we look back on what the Council has delivered in the past year, we can be proud of our achievements. We have continued to deliver our performance improvement objectives, and have seen positive change across a number of key areas including health and well-being, tourism, economic development, regeneration, environment and community engagement.

One of our flagship achievements was the opening of Down Leisure Centre in November 2018, a £15.5m centre which is already transforming the way we provide sporting, wellbeing and exercise opportunities to our citizens. This new facility will also boost the 'Be Active' campaign which encourages people to undertake more activity in their daily lives.

We have also made great strides in improving the local economy and promoting the District as a premier tourist destination. The monies we have secured, as part of the Belfast Region City Deal, will enable us to progress key infrastructure, regeneration and tourism projects, such as the Southern Relief Road and visitor attractions in the Mourne Mountains. Our five Giant Adventure Festivals remain hugely successful and the restoration of Warrenpoint's Edwardian municipal park, which re-opened in August 2018, will bring significant benefits the local area and local communities.

We have continued to deliver essential services to all our residents and have made strenuous efforts to improve the performance of everything we do. Between 2016-17 and 2017-18, the Council reported the greatest level of improvement across Northern Ireland for processing local planning applications, which currently stands at 15.8 weeks, just above the statutory standard of 15 weeks. The amount of waste going to landfill has also reduced whilst the rate of recycling across the district continues to increase, particularly the amount of food waste placed in brown bins.

However, the first term of the new Council has now come to an end and we know we can do more. With a strong track record for innovation and partnership working, we remain confident that the Council will continue to deliver positive outcomes and improve the quality of life for all our local communities through this year's performance improvement objectives.



Cllr Charlie Casey - Chairperson



Liam Hannaway - Chief Executive

Introduction and Context

Part 12 of the Local Government Act (NI) 2014 sets out a General Duty of Improvement for local government, whereby all district councils must put in place arrangements to secure continuous improvement in the exercise of their functions. The Council is required to set annual improvement objectives for the services it provides and to also have in place arrangements to achieve these objectives. The Council recognises 'improvement' to mean activity that enhances the sustainable quality of life and environment for ratepayers and communities.

The performance improvement objectives do not describe every improvement the Council plans to make during 2019-20. Alternatively, they provide an overview of where the Council will focus its efforts to address the issues which matter most to local communities. The Performance Improvement Plan outlines the Council's priorities for improvement, how performance will be measured and what positive outcomes stakeholders can expect as a result of improvement activity. It represents the Council's commitment to achieving continuous improvement in the delivery of key services.

Performance Improvement Objectives 2019-20

Newry, Mourne and Down District Council has identified five performance improvement objectives for 2019-20:

- 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 and initiatives**

These objectives have been carried forward from previous years, and developed within the context of the Business Planning and Performance Management Framework. They are:

Linked to the Community Plan, Corporate Plan and Directorate Business Plans	✓
Based on existing performance information and stakeholder consultation	✓
Aligned to the seven strategic aspects of improvement	✓

Our District, Our Organisation, Our Performance

Constituted Council
an Íománaí agus an Dúin
Newry, Mourne and Down
County Council

District



Population: 178,966

Households: 66,164

7 District Electoral Areas

41 Elected Members

1,000+ employees

87% of residents are satisfied with the Council

Community



Life expectancy:
Male: 78.9 years / Female: 82.6 years

Age Profile: 0-15 years: 22% / 65+ years: 15%

72% of residents agree that their local area is a place where people from different backgrounds get on well together

94% of residents feel safe during the day,

87% of residents feel safe after dark

175 Neighbourhood Watch Schemes

Economy

Employment rate: 65.5%

8,520 VAT Registered Businesses

Average weekly earnings:
£483 (full time)

22.1% of the population have no qualifications

105 jobs promoted through 'Business start up' activity since 2015



Tourism



Since 2015:

45% increase in visitor numbers to 889,533

88% increase in visitor spend to £90m

Three Areas of Outstanding Natural Beauty



Health and Wellbeing



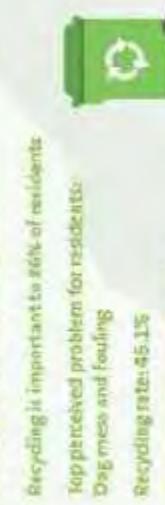
70% of residents feel they are in very good or good health

78% of residents are physically active at least once a week for 30mins

73% of customers are satisfied with the Council's six leisure facilities

Increased attendances at Council leisure facilities:

Environment



Recycling is important to 86% of residents

Top perceived problem for residents: Dog mess and Fouling

Recycling rate: 45.1%

Between 2016-17 and 2017-18,
24% reduction in black bin waste
67% increase in brown bin waste

Performance Improvement Objective 1

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

Senior Responsible Officer: Director, Active and Healthy Communities

Why this matters

Good health is one of the most valued aspects of our lives. It influences many dimensions of well-being, such as employment, income, social connections, participation in community life and educational attainment. Newry, Mourne and Down District Council plays a key role in helping local communities to live long and healthy lives. The Council remains committed to collaborating with community planning partners, promoting physical, mental and emotional well-being and encouraging 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 on the way these services are delivered in the future. With the population of the District projected to grow by 3% by 2022, including an 18% increase in residents aged 65 years and above, the overall health and wellbeing needs of local communities are set to change and evolve. Whilst the majority of residents are currently in good health, with no long term health problems, 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.

As life expectancy rises, health inequalities remain a key issue within our most deprived communities. Newry, Mourne and Down currently has the third highest number of neighbourhoods within the top 100 most deprived across Northern Ireland, and these neighbourhoods are more likely to experience health inequalities in terms of obesity rates, drug and alcohol related conditions and self harm.

Your views

Our performance improvement objectives are based on the issues that matter most to you. Over the past three years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective, and 'parks and open spaces' and 'leisure and recreation' are generally amongst the top priority areas for improvement.



These findings have been reinforced by the results of our **Residents Survey** which reveal that:

- Whilst 'accessible leisure centres' is amongst the lesser priorities for improvement, 'improving people's health and wellbeing (and reducing health inequalities)' and 'improving our parks and green spaces and protecting our natural and built environment' are amongst the top priorities for improvement

- 96% of residents feel it is important to invest in improving health and wellbeing (eg. leisure centres)
- 78% of residents are physically active once a week for 30 minutes

Looking Back

Our Performance since April 2017

Newry and Down Leisure Centres open and 'Be Active' campaign launched	
Increase in the total number of attendances across six leisure facilities	
Average satisfaction rating of 73.5% across the six leisure facilities	
3 new play parks open, 1 park transformed and 13 parks upgraded	
Review of leisure facilities complete	
1,872 children took part in the Community Play initiatives*	
Options to progress the development of a park in Newry City being considered	
Multi-stakeholder Activity, Promotion and Development Plan launched	

*Between April 2017 – September 2018.

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2019-20 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

Going Forward

Supporting actions

- Provide and operate high quality leisure facilities through the implementation of the Indoor Leisure Business Plan:
 - Improve the customer experience at all leisure facilities by rolling out the 'Be Active' campaign and mobile technology solutions
 - Undertake Customer Satisfaction Surveys across selected leisure facilities by Q4 2019-20
- Upgrade and improve existing sports facilities through the implementation of year three of the Sports Facility Strategy
- Provide and improve fixed and non-fixed play opportunities for children and young people through the continued implementation of the Play Strategy
- Engage children and young people in Community Play and other health and wellbeing initiatives across the District
- Provide opportunities for women, girls, people with a disability and people from areas of high social need to participate in physical activity programmes

- Consider options to progress the development of a park at the Albert Basin, Newry

Measures of success

- 14% increase in attendances at indoor leisure facilities
- 72% increase in attendances at Down Leisure Centre
- Level of customer satisfaction with indoor leisure facilities
- Number of children and young people engaged in Community Play and other health and wellbeing initiatives
- Number of participants from targeted groups involved in physical activity programmes

Outcomes for local communities and stakeholders

- Improved and accessible provision of indoor and outdoor sport, leisure and recreational facilities and activities
- Improved awareness and increase in the number of residents making healthy lifestyle choices by using sport, leisure and recreational activities
- Improved customer satisfaction with indoor leisure facilities
- Improved levels of health and wellbeing

Corporate Plan Priority	Support 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 the 7 aspects of improvement	Strategic effectiveness / Service quality / Service availability / Fairness / Sustainability / Efficiency / Innovation

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: Director, Enterprise, Regeneration and Tourism

Why this matters

A thriving economy is central to the quality of life in Newry, Mourne and Down. Located on the economic corridor between Belfast and Dublin, our District has a real opportunity to compete, by driving growth in the existing business base, increasing productivity and attracting new businesses. We will continue to work with partners to create a climate for innovation and competitiveness by

progressing the strategic projects which form part of the Belfast Region City Deal, including the Southern Relief Road and visitor attractions in the Mourne Mountains.

The challenges and opportunities presented through Brexit will have an impact on the communities we serve, and the Council has taken a proactive role in lobbying and advocating for the needs of the region. Deprivation also remains a growing issue across the District. Three neighbourhoods are now ranked as the top three most deprived in terms of income across Northern Ireland and a further 34 fall within the 25% most deprived in terms of 'employment' and 'education skills and training'. The median gross annual salary of £20,093 falls below the regional average of £22,016, and the number of residents aged 16-64 years who are economically active has declined from 75.7% in 2016 to 68.4% in 2017, which is below the current regional average of 72.3%.

Worth £90m to the local economy in 2017, tourism is also a critical driver for economic growth in Newry, Mourne and Down. As a popular destination for domestic tourists, the District is rich with tourism assets and scenic beauty, which contributed to a 3.2% increase in the number of visitors and a 48% increase in visitor spend between 2016 and 2017. The continued implementation of the Tourism Strategy and the emerging Arts, Culture and Heritage Strategy will help 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.

Your views

Our performance improvement objectives are based on the issues that matter most to you. Over the past three years, almost all respondents to consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'economic development and tourism' and 'arts, culture and events' as priority areas for improvement. The consultations also highlighted the importance of investing in coastal areas and tourist attractions, bridging the skills gap between education and employment and recognising the positive contribution a thriving arts and culture scene can have on community life, all of which the Council will continue to focus on during 2019-20.



These findings have been reinforced by the results of our **Residents Survey** which reveal that:

- 'Supporting local businesses, attracting investment and jobs' and 'improving skills, employability and job prospects' are amongst the top priorities for improvement
- 48% of residents believe that investment to grow the economy, create jobs and attract tourists is the most important type of investment for the area
- 15% of residents have participated in or attended an Arts, Heritage and Culture activity or event in the past 12 months

Looking Back Our Performance since April 2017

371 new business starts and 352 jobs promoted through business start up activity	
City Deal for the Belfast Region secured	
Carlingford Lough Greenway between the Weir and Victoria Lock complete	
Development of an Arts, Culture and Heritage Strategy underway	
Destination Experience Development Plan for the Mourne and Ring of Gullion and the Mourne Coast launched	
The Giant Adventure Festivals attracted over 252,650 visitors and generated an estimated £7m for the local economy*	

*Adverse weather conditions had an impact on two festivals in 2018.

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2019-20 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

Going Forward Supporting Actions

Improve economic growth by:

- Promoting new jobs and supporting new business starts through the NI 'Go For It' programme
- Supporting the growth of the existing business and social enterprise base by delivering the Social Economy and NMD Growth programmes
- Supporting the establishment and growth of small and micro businesses and the creation of new jobs in rural areas through the Rural Business Investment Scheme (Priority 6 of the Rural Development Programme)
- Supporting the establishment of new jobs and businesses in the fishing dependent communities of Kilkeel, Annalong and Ardglass (Priority 4 of the European Maritime and Fisheries Fund (SEAFLAG 2))
- Addressing the skills gap between education and employment in traditional and key growth sectors through the Skills Forum
- Progressing the Belfast Region City Deal by developing Outline Business Cases for the Regeneration of Newry City, visitor attractions in the Mourne Mountains and 'skills and employability' and 'digital connectivity' initiatives

Become a premier tourism destination by:

- Submitting a revised application to the UK National Commission for UNESCO for Global Geopark status for the Mourne and Ring of Gullion by November 2019
- Completing phase 2 of the Carlingford Lough Greenway, from Victoria Lock to Omeath, by Q1 2020-21

- Developing and delivering further Visitor Experience Plans
- Launching the Arts, Culture and Heritage Strategy to increase participation in cultural activities
- Organising five Giant Adventure Festivals across the District:
 - Footsteps in the Forest (Slieve Gullion)
 - Skiffie Festival (Strangford Lough)
 - Wake the Giant Festival (Warrenpoint)
 - Festival of Flight (Newcastle)
 - City of Merchants Festival (Newry)

Measures of success

- 301 business plans approved, 205 new business starts and 155 new jobs promoted
- 8 new social enterprise starts, 12 new jobs created and 30 new volunteers recruited
- 40 community groups and organisations provided with business planning, start-up and business development support
- 190 businesses supported through NMD Growth
- 55 new micro and small rural businesses created by March 2020
- 30 micro and small businesses in rural areas supported by March 2020
- 97 new jobs created in rural areas by March 2020
- 55 new jobs created in fishing dependent communities by 2022 (includes Portavogie)
- 22 new businesses created in fishing dependent communities by 2022 (includes Portavogie)
- 130 new qualifications and skills achieved in fishing dependent communities, through SEAFLAG 2, by 2022 (includes Portavogie)
- Overall growth rate of 6% per annum in overnight expenditure in Newry, Mourne and Down
- Level of footfall on the Great Eastern Greenway
- Number of visitors to the Giant Adventure festivals
- Total estimated spend associated with the Giant Adventure festivals, including direct spend
- Level of visitor satisfaction with Giant Adventure festivals

Outcomes for local communities and stakeholders

- The local economy benefits from an increase in business starts, the growth of local businesses and support for social enterprises
- The rural economy and coastal areas benefit 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 economically active and prosperous District
- There is an improved level of tourism and an increase in 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
- Newry, Mourne and Down is recognised as a premier domestic and international tourist destination

Corporate Plan Priorities	Attract investment and support 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 the 7 aspects of improvement	Strategic effectiveness / Service quality / Service availability / 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: Director, Enterprise, Regeneration and Tourism

Why this matters

Newry, Mourne and Down is a predominantly rural District with a number of urban settlements around Newry, Downpatrick, Ballynahinch, Kilkeel, Warrenpoint, Crossmaglen and Newcastle. The heritage and landscape of our District is 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.

The Council's ambition is for Newry, Mourne and Down to be a vibrant, attractive and better place to live. We are working closely with our partners in government, the EU and across the island of Ireland to renew our city, towns and villages, transforming them into places where people want to live, work and invest in. As a 'place shaper', the Council has ambitious plans for Ballynahinch, Downpatrick, Newry, Warrenpoint and Kilkeel, which are set to benefit from improved transport links, street lighting, pavements, signage and shop fronts.

Road, transport and digital connectivity are instrumental in supporting access to services, tackling social isolation and ensuring the District can compete locally, nationally and internationally. The Council has identified a number of projects to improve road and transport connections, and will continue to address the challenge of improving digital connectivity, so that rural communities can participate fully in all aspects of civic, community and business life. Advancing the production of the Local Development Plan will also support the economic and social needs of the district in line with regional strategies and policies, whilst providing for the delivery of sustainable development.

Your views

Our performance improvement objectives are based on the issues that matter most to you. Over the past three years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'planning' and 'urban and rural regeneration' as priority areas for improvement. The consultation also highlighted the importance of investing in the physical and digital infrastructure in rural areas, which is being progressed through Village Plans and the Rural Development Programme.



These findings have been reinforced by the results of our **Residents Survey** which reveal that:

- Whilst 'regenerating the local area' is amongst the lesser priorities for improvement, 'improving our parks and green spaces and protecting our natural and built environment' and 'improving our roads infrastructure' are amongst the top priorities for improvement
- 13% of residents in urban areas identify derelict properties as a problem in their local area

Looking Back

Our Performance since April 2017

Warrenpoint Municipal Park restored and re-opened	
Forkhill Greenspace Pathway Project complete	
Late night bus service from Newry to Crossmaglen and Kilkeel piloted	
Environmental improvement scheme in Downpatrick delayed	
Revitalisation schemes in Newry and Warrenpoint complete	
25 Village Plans updated and 20 new Village Plans created	

Multiple initiatives launched to improve digital connectivity	
Consultation on the Preferred Options Paper for the Local Development Plan complete	
Improved processing time for local planning applications	
Increased processing time for major planning applications	

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2019-20 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

Given the long term nature of the regeneration initiatives in Warrenpoint, Ballynahinch, Newry and Downpatrick, this supporting action has been included in the Enterprise, Regeneration and Tourism Directorate Business Plan, and will not be progressed in the Performance Improvement Plan 2019-20. Progress will be reported through the Assessment of Performance 2018-19 and future reviews of Directorate Business Plan.

Going Forward

Supporting actions

- Manage and promote the heritage of Warrenpoint Municipal Park by:
 - Obtaining the Green Flag award for environmental sustainability by Q1 2019-20
 - Carrying out Visitor Surveys in Q2 2019-20
 - Creating opportunities for people to volunteer and engage with the heritage of the park
- Implement the Areas of Outstanding Natural Beauty (AONB) Action Plans for the Ring of Gullion and Strangford and Lecale
- Work with the Department for Communities to commence phase III of the Newry Hill Street environmental improvement scheme, to include new street lighting, paving and tree planting (subject to planning permission)
- Work with partners to explore options to complete the final phases of the Forkhill Masterplan, to include an on-site mixed use development
- Undertake the delivery of 16 gateway signs and 7 environmental improvement schemes identified in the Village Plans, to include new street lighting, paving and street furniture (subject to planning permission)
- Commence the delivery of the capital works at the Derrymore Demesne, to include a play area, trail development and other infrastructure projects
- Work in partnership with the relevant Departments to improve digital connectivity across the District
- Progress the production of the Local Development Plan
- Improve the processing times of major and local planning applications and planning enforcement cases

Measures of success

- 34% increase in the number of visitors to Warrenpoint Municipal Park, reaching 27,900 per annum by Q2 2019-20
- 6% increase in visitor satisfaction with Warrenpoint Municipal Park, reaching 74% by Q2 2019-20
- 9% increase in the number of people who believe Warrenpoint Municipal Park enhances their quality of life, reaching 40.5% by Q2 2019-20
- Improved business/visitor perception and reduced/sustained vacant properties by 2020-21, following the completion of the Downpatrick, Newry and Warrenpoint environmental improvement and revitalisation schemes
- Percentage of planning enforcement cases that are processed within 39 weeks
- Average processing time of major planning applications
- Average processing time of local planning applications

Outcomes for local communities and stakeholders

- Warrenpoint Municipal Park and the AONB's enhance the quality of life in the local and surrounding areas
- Enhanced built and natural environment in urban and rural areas, with improved appearance and sense of place
- 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
- Regeneration and renewal of selected villages across the District
- Improved digital connectivity across the District
- The Council provides a more efficient and effective Planning Service

Corporate Plan Priorities	Lead the regeneration of our urban and rural areas Become one of the premier tourist destinations on the island of Ireland Attract investment and support the creation of new jobs Protect our natural and built environment Advocate on your behalf specifically in relation to those issues which really matter to you Transform and modernise the Council, providing accessible as well as value for money services
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 are an innovative and creative society, where people can fulfil their potential 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 the 7 aspects of improvement	Strategic effectiveness / Service quality / Service availability / Fairness / Sustainability / Innovation

Performance Improvement Objective 4

Create a cleaner, greener, more attractive District

Senior Responsible Officer: Director, Neighbourhood Services

Why this matters

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 wellbeing of those who live, work and visit an area. The Council has a key role to play in working with local communities to protect the environment and ensure that streets, parks and open spaces are kept clean and tidy, so that Newry, Mourne and Down is a District we can all be proud of. Through the Neighbourhood Services Transformation Project, the Council is exploring ways to modernise service provision and make it easier for customers to report environmental issues around refuse collection, street cleansing, graffiti and fly tipping.

Managing municipal waste is also a key responsibility of local government and Newry, Mourne and Down District Council has made significant progress in reducing the amount of waste going to landfill and increasing the rate of recycling. In order to meet the recycling target of 50% by 2020, the Council has introduced a range of schemes which have been instrumental in reducing the amount of black bin waste whilst increasing the amount of blue and brown bin waste.

Your views

Our performance improvement objectives are also based on those things that matter most to you. Over the past three years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'waste collection and recycling' and 'street cleansing' as priority areas for improvement.



This has been reinforced by the results of our Residents Survey which reveal that:

- 'Improving our parks and green spaces and protecting our natural and built environment' is amongst the top priority for improvement
- Dog mess and dog fouling is the top perceived problem for residents
- 86% of residents state it is important to them to recycle

- 47% of residents would like to use the website to report a problem (eg. littering)

Looking Back Our Performance since April 2017

Neighbourhood Services Working Group established	
Decrease in black bin waste and increase in blue and brown bin waste	
Reduction in the amount of biodegradable municipal waste sent to landfill	
Increase in the amount of household waste that is recycled	
Over £52k awarded to 25 environmental improvement projects through 'Down Your Street – Live Here, Love Here'	
Reduction in the street cleanliness score across the District	
Downpatrick Household Waste Recycling Centre delayed	

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2019-20 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

Given the long term nature of the Neighbourhood Services Transformation initiative, this supporting action has been included in the Neighbourhood Services Directorate Business Plan, and will not be progressed in the Performance Improvement Plan 2019-20. Progress will be reported through the Assessment of Performance 2018-19 and future reviews of Directorate Business Plan.

Going Forward Supporting actions

- Increase and support public participation in local clean up campaigns and initiatives such as 'Live Here, Love Here' and 'Cleaner, Greener Communities'
- Address issues around dog fouling, littering and illegal dumping through the development of the Enforcement Improvement Plan and implementation of the Dog Fouling Strategy
- Undertake targeted awareness raising to communicate the detrimental impact of environmental crime and the importance of recycling
- Standardise how glass is collected across the District
- Open the Downpatrick Household Recycling Centre by Q2 2019-20
- Review Household Recycling Centres across the District, in relation to opening hours, entrance and usage, receipt of waste and license conditions

Measures of success

- 50% of household waste collected by the Council that is sent for recycling by 2020 (including waste prepared for reuse)
- Reduction in the amount of biodegradable Local Authority collected municipal waste that is landfilled to <20,954 tonnes
- Amount of Local Authority Collected Municipal Waste Arisings
- Reduction in black bin waste and increase in blue and brown bin waste
- Amount of general waste arisings at Household Recycling Centres
- Refuse collection completion rate
- Level of street cleanliness across the District

Improvements 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 environment
- Improved civic and community pride in the District

Corporate Plan Priorities	Protect our natural and built environment Transform and modernise the Council, providing accessible as well as value for money services
Community Plan Outcome	All people in Newry, Mourne and Down benefit from a clean, quality and sustainable environment
Programme for Government Outcome	We live and work sustainably – protecting the environment
Alignment with the 7 aspects of improvement	Strategic effectiveness / Service quality / Service availability / Sustainability / Efficiency / Innovation

Performance Improvement Objective 5

Encourage and empower local communities to participate in Council engagement structures and initiatives

Senior Responsible Officer: Director, Active and Healthy Communities

Why this matters

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 and building their capacity to participate in shaping the services which have an impact on their quality of life. Through the DEA Fora, Policing and Community Safety Partnership, Neighbourhood Renewal Partnerships, PEACE IV Partnership and the Strategic Stakeholder Forum, the Council is empowering local people to have a voice in shaping their future and their District. The success of the 'participatory budgeting'

programme also represents new and innovative ways to empower local people to address issues in their locality.

Community safety remains a key issue across the District, as the number of residents taking responsibility for their personal safety through our 'Neighbourhood Watch', 'Home Secure' and 'Good Morning Good Neighbour' Schemes continues to grow. Home to many different communities, the Council also recognises the significant and diverse role the voluntary and community sector plays in connecting communities and facilitating a sense of belonging to the area. The Council remains committed to building community capacity and supporting local voluntary groups through the annual Financial Assistance Scheme.

Your views

Our performance improvement objectives are also based on the issues that matter most to you. Over the past three years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'community services' as a priority area for improvement. The consultation also reinforced the need for effective engagement with young people and targeted support for the most vulnerable groups within society, both of which will be addressed going forward.



These findings have been reinforced by the results of the Residents Survey which reveal that:

- 'Improving community relations (Good Relations) and safety, reducing crime and anti-social behavior' and 'supporting our older and most vulnerable residents' are amongst the top priorities for improvement
- 95% of residents feel it is important to invest in creating shared spaces to bring communities together
- 69% of residents feel they have a say on things happening or how services are run in the local area
- 72% of residents agree that their local area is a place where people from different backgrounds get on well together
- 94% of residents feel safe during the day and 87% feel safe after dark

Looking Back

Our Performance since April 2017

Corporate Consultation and Engagement Strategy adopted	
Community and voluntary sectors occupy 52% of places on community engagement structures	
Almost £3m awarded through Financial Assistance Scheme	
1,500 visits to the Ethnic Minority Support Centre in Newry*	

£10.5k awarded to community groups through 'participatory budgeting' programmes	
Age Friendly status achieved from the World Health Organisation	
Youth Council engaged in the development of strategic plans	

*Between March-September 2018.

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2019-20, and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made and the key improvement activities planned for the coming year.

Going Forward

Supporting actions

- Strengthen the level of engagement and participation in the following structures:
 - Policing and Community Safety Partnership
 - Neighbourhood Renewal Partnerships
 - DEA Fora
 - Peace IV Partnership
 - Community and Voluntary Sector Strategic Stakeholder Forum
- Reduce the risk of being burgled and address the fear of crime by encouraging residents to access the following schemes:
 - 'Neighbourhood Watch' Scheme
 - 'Good Morning, Good Neighbour' Scheme
 - 'Home Secure' Scheme
- Through the Financial Assistance Scheme, support local community and voluntary groups to deliver projects across key areas including festivals, sports development, community engagement, good relations, community development, community safety and Irish Language
- Positively engage local groups in Council initiatives, including young people, older people and black and minority ethnic communities
- Explore opportunities to strengthen community engagement in local decision-making through 'participatory budgeting'

Measures of success

- Number of meetings, events and capacity building programmes, including attendance levels and participation evaluation
- The effectiveness of Council run community engagement structures in facilitating stakeholder participation
- Number of Neighbourhood Watch Schemes
- Number of beneficiaries of the 'Good Morning, Good Neighbour' and 'Home Secure' Schemes
- Number and percentage of financial assistance projects funded and successfully delivered
- Number of visits to the Ethnic Minority Support Centre

- Number of participants aged 0-24 years who complete approved PEACE IV programmes to develop soft skills and respect for diversity by 2020

Outcomes for local communities and stakeholders

- More informed decision-making, policy development and service provision
- Local communities and stakeholders are actively engaged in supporting the work of the Council and its partners
- Decrease in the number of people reporting to live in fear and a 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, community relations, good relations, community engagement, community development, Christmas illuminations and capital projects
- Newry Mourne and Down is a more inclusive, cohesive and vibrant District, with confident and empowered communities

Corporate Plan Priority	Empower and improve 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 aspects of improvement	Strategic effectiveness / Service quality / Service availability / Fairness / Innovation

Statutory Performance Indicators and Standards

Section 89 of the Local Government Act (NI) 2014 requires the Council to publish the results of the performance indicators and standards that are set by central government around economic development, planning and waste management.

The seven statutory performance indicators and standards, as outlined in the Local Government Performance Indicators and Standards Order (2015), are set out below:

Ref	Statutory Performance Indicator	Annual Standard
Economic Development		
ED1	The number of jobs promoted through business start-up activity	>155
Planning		
P1	The average processing time of major planning applications	<30 weeks
P2	The average processing time of local planning applications	<15 weeks
P3	The percentage of enforcement cases processed within 39 weeks	70%
Waste Management		
W1	The percentage of household waste collected by District Councils that is sent for recycling (including waste prepared for reuse)	50% by 2020
W2	The amount (tonnage) of biodegradable Local Authority Collected Municipal Waste that is landfilled	<20,954 tonnes
W3	The amount (tonnage) of Local Authority Collected Municipal Waste arisings	85,500 tonnes

The Council has put in place the following arrangements to monitor progress against the standards set for the statutory performance and indicators:

- Inclusion within the Performance Improvement Plan, with progress being monitored on a bi-annual basis by the Strategy, Policy and Resources Committee and Audit Committee.
- Inclusion within Directorate Business Plans, with progress being monitored on a bi-annual basis to the relevant Council Committee.
- Data submissions to Government Departments, with reports being issued to monitor the performance of each Council, outlining regional trends and comparisons.

Self Imposed Performance Indicators

The Council has identified the following self imposed performance indicators to measure progress in delivering the Corporate Plan 2015-19.

Corporate Priority	Measure of Success
Become one of the premier tourist destinations on the island of Ireland	Increased number of visitors Increased dwell time of visitors Increased visitor spend
Attract investment and support the creation of new jobs	Increased number of new businesses started Increased levels of employment Major planning applications processed within 30 weeks
Support improved health and wellbeing outcomes	Two leisure centres constructed and operational Increase in the number of people using Council leisure facilities
Protect our natural and built environment	Level of waste to landfill – zero waste to landfill across the District Completion of flood defences at Camlough Lake 70% of planning enforcement cases processed within 39 weeks
Lead the regeneration of urban and rural areas	Increased number of new jobs and businesses created in rural areas
Advocate on your behalf, specifically in relation to those issues that really matter to you	Increased broadband and mobile coverage Improved roads infrastructure
Empower and improve the capacity of our communities	Community Plan completed and published by mid 2016 7 Community Fora established across the entire District with associated action plans
Transform and modernise the Council, providing accessible as well as value for money services	Increased citizen satisfaction Increased employee satisfaction Reduced absenteeism IIP/CSE accreditation Annual Improvement Plan validated by the Local Government Auditor

The Council has put in place the following arrangements to monitor progress against the self imposed performance indicators:

- Inclusion within the Performance Improvement Plan, with progress being monitored by the Strategy, Policy and Resources Committee and Audit Committee through the annual Assessment of Performance.

- Some performance indicators are included within Directorate Business Plans, with progress being monitored on a regular basis by the relevant Council Committee.

As the Council's performance management arrangements continue to strengthen and embed, the current suite of self imposed performance indicators will be reviewed as part of the development of the Corporate Plan 2019-23, and aligned to community planning outcomes. This will ensure the Council continues to address the needs and aspirations of local communities and deliver sustainable outcomes for all, now and in the future.

Appendix 1

Identifying the Performance Improvement Objectives

In 2017-18, Newry, Mourne and Down District Council set performance improvement objectives which covered a number of years and have therefore been carried forward to 2018-19 and 2019-20. Each objective is underpinned by a suite of 'supporting actions' and 'measures of success', with annual milestones included where appropriate.

The performance improvement objectives have been developed in close liaison with elected members and staff across the organisation. Each objective is clearly aligned to the district's community planning outcomes and corporate priorities, as well as other regional and local plans. These plans are outlined below and have been developed using a robust and reliable evidence base, as well as consultation and engagement feedback from key stakeholders. They influence and guide the overall direction of travel for the organisation.

- Programme for Government
- Community Plan for Newry, Mourne and Down 2017-2030, Thematic Delivery Plans and District Electoral Area (DEA) Action Plans
- Newry, Mourne and Down District Council Corporate Plan 2015-2019
- Thematic plans and strategies, including the Tourism Strategy, Economic Regeneration and Investment Strategy and Play Strategy
- Annual Directorate Business Plans

The Council has also taken into consideration performance information from the following sources to support the development of the performance improvement objectives:

- The Northern Ireland Audit Office Audit and Assessment Reports and the 'proposals for improvement', which are currently being progressed
- The Assessment of Performance 2017-18, including progress against corporate priorities, performance improvement objectives and statutory performance indicators and standards for economic development, planning and waste management
- The Mid Year Progress Report for the Performance Improvement Plan 2018-19

Community Planning Outcomes

The Community Plan for Newry, Mourne and Down provides a framework for collaborative working to deliver positive change for our communities. It sets out the following long term overarching vision and five positive outcomes 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'.

Our Outcomes

These are the positive outcomes we all wish to see in our community.



Corporate Priorities

The Corporate Plan 2015-19 sets out the Council's vision for the district. It ties together a number of plans and strategies that will enable the Council to deliver the following mission and eight priorities. The Corporate Plan will contribute to achieving the overarching vision and outcomes within the Community Plan.

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

By 2019, we will have:

1 Become one of the premier tourism destinations on the island of Ireland.	2 Attracted investment and supported the creation of new jobs.	3 Supported improved health and wellbeing outcomes.	4 Protected our natural and built environment.
5 Led the regeneration of our urban and rural areas.	6 Advocated on your behalf specifically in relation to those issues which really matter to you.	7 Empowered and improved the capacity of our communities.	8 Transformed and modernised the Council, providing accessible as well as value for money services.

The Council is currently in the process of developing the Corporate Plan 2019-23. This new plan will provide the strategic context for reviewing the current performance improvement objectives, so that they continue to have a positive impact on the sustainable quality of life and environment for local communities across the District.

Alignment with the Strategic Aspects of Improvement

In accordance with the Local Government Act (NI) 2014, each performance improvement objective seeks to bring about improvement in at least one of the following aspects:

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

The table below provides an overview of how Newry, Mourne and Down District Council's performance improvement objectives 2019-20 are aligned with the seven specified aspects of improvement:

Performance Improvement Objective	Seven Aspects of Improvement						
	Strategic Effectiveness	Service Quality	Service Availability	Fairness	Sustainability	Efficiency	Innovation
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 and initiatives	✓	✓	✓	✓			✓

The Council has also assessed the performance improvement objectives against the following criteria, and considers them to be:

- Legitimate
- Clear
- Robust
- Deliverable
- Demonstrable

Equality Screening and Rural Needs Impact Assessment

In accordance with the Section 75 requirements of the Northern Ireland Act (1998), whereby the Council must carry out its functions having due regard to the need to promote equality of opportunity and regard for the desirability to promote good relations, the Performance Improvement Plan has been subject to an equality screening. The outcome of the equality screening process determined that the Performance Improvement Plan 2019-20 is not subject to an equality impact assessment, with no mitigating measures required.

In accordance with the Rural Needs Act Northern Ireland (2016), the Council has given due regard to rural needs by carrying out a Rural Needs Impact Assessment of the Performance Improvement Plan 2019-20.

Consultation and Engagement

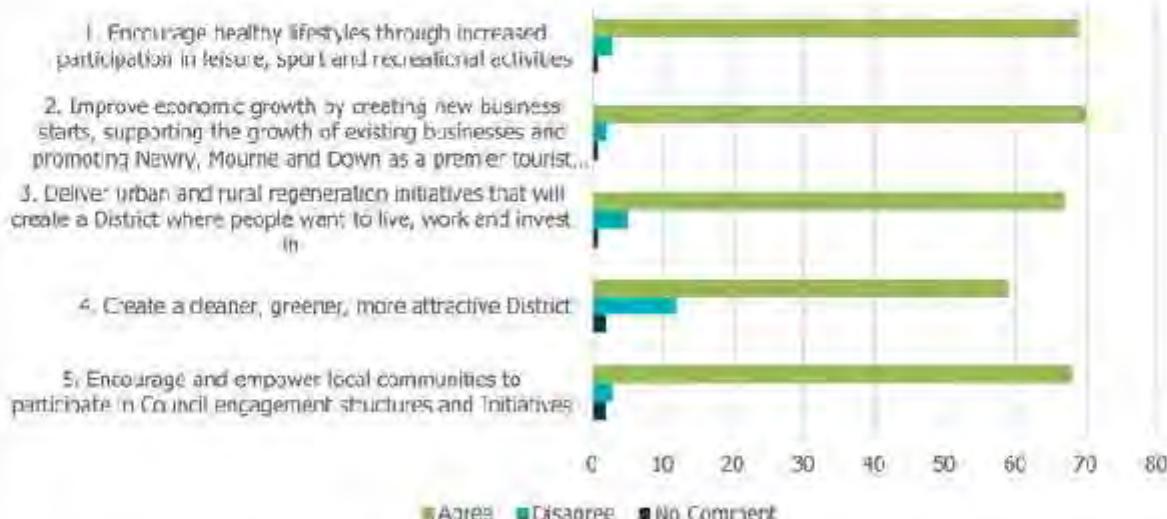
The Council is committed to listening to local people and taking on board their views. Over the past three years, the Council carried out extensive consultation and engagement, inviting key stakeholders, including elected members, residents, local businesses and community planning partners to put forward their views on the proposed performance improvement objectives.

This year, the Council consulted on the performance improvement objectives and corporate priorities at the same time, in order to understand the key issues across our District and ensure the organisation is working towards common goals. This integrated consultation and engagement process was made up of the following elements which resulted in a total of 838 completed surveys, in addition to engagement with around 370 stakeholders.

Electronic documentation and survey on the proposed performance improvement objectives 2019-20 on the Council's website and social media channels, and at public reception areas in Newry and Downpatrick	74 respondents
Independent Residents Survey for those aged 16+ with quotas applied for age, gender, social class and District Electoral Area	764 respondents
Engagement with the: <ul style="list-style-type: none"> • District Electoral Area (DEA) Fora, which are made up of Elected Members and independent members representing the voluntary, business and community sectors • Section 75 groups, including Youth Councils, Older Person's Forum and Ethnic Minority Support Centre • Business sector, elected members and employees, including the Senior Management Team and Corporate Management Team 	370 Consultees

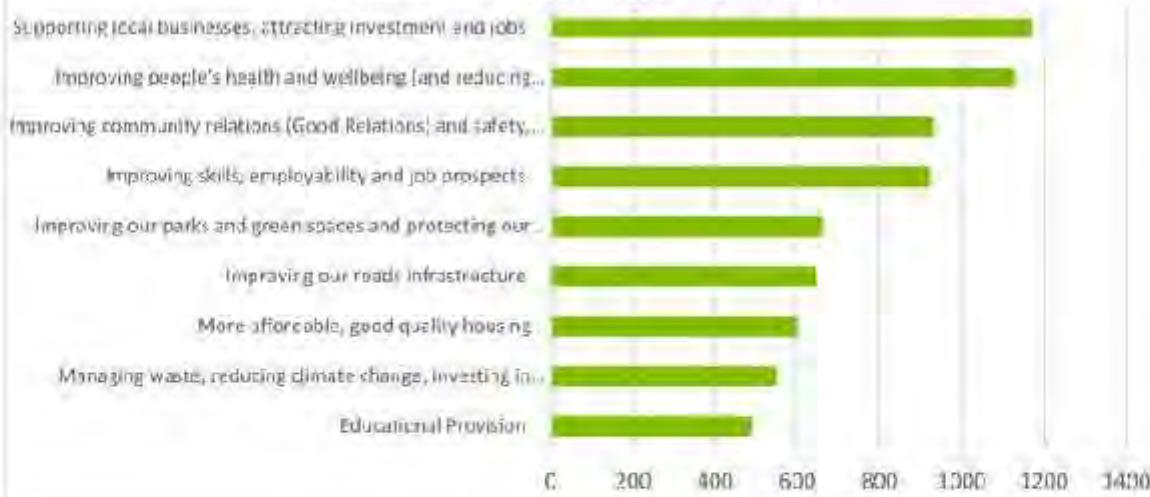
Over the past three years, the consultation and engagement process revealed widespread support for the proposed performance improvement objectives, with almost all respondents agreeing with each of the five objectives.

Performance Improvement Objectives 2019-20

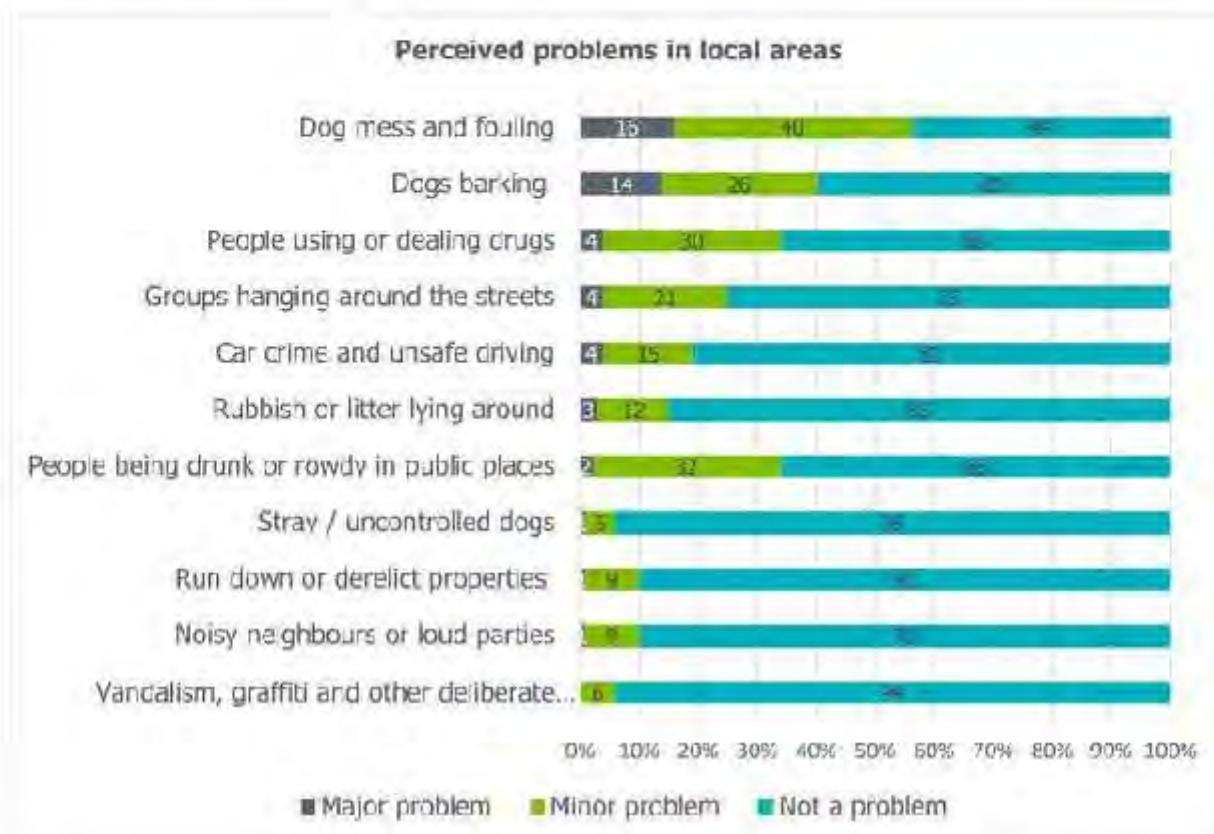


These findings have been reinforced by the results of the Residents Survey which confirm that the top priorities for improvement are the local economy, health and wellbeing, community relations, good relations, community safety, skills and employability, protecting the environment and managing waste.

Priorities for improving the local area



These findings are further reinforced by residents, who identify dog mess as the top perceived problem in the local area.



The priority areas for improvement and issues raised through both consultation and engagement processes are clearly aligned to the five performance improvement objectives 2019-20, and will be addressed through the Performance Improvement Plan, and as part of the Council's business planning process.

Appendix 2

Achieving Continuous Improvement

Transforming and improving how the Council delivers services and how it is organised is a key priority within the Corporate Plan. Newry, Mourne and Down District Council is committed to developing a 'can do' culture, where managing performance and achieving improvement is everyone's responsibility. In pursuing the corporate vision and priorities, the Council has adopted five core values which are fundamental to everything it does.

We will be:	What this means:
Citizen focused	The Council will actively encourage citizen and community engagement, as well as be a listening and responsive Council
Accountable	The Council will make decisions based on an objective assessment of need and operate in a transparent way as well as openly reporting on our performance
Collaborative	The Council will actively encourage and pursue working in partnership at all levels to deliver for our District
Sustainable	The Council will take into account the social, economic and environmental impacts of our decisions on current and future generations
Fair	The Council will proactively target actions at those which are marginalised in our community

The Council has put in place a number of frameworks and systems to drive forward continuous improvement and facilitate a performance improvement culture. These include the Business Planning and Performance Management Framework, Policy Development Framework, Equality Scheme, Governance Framework and Risk Management Policy.

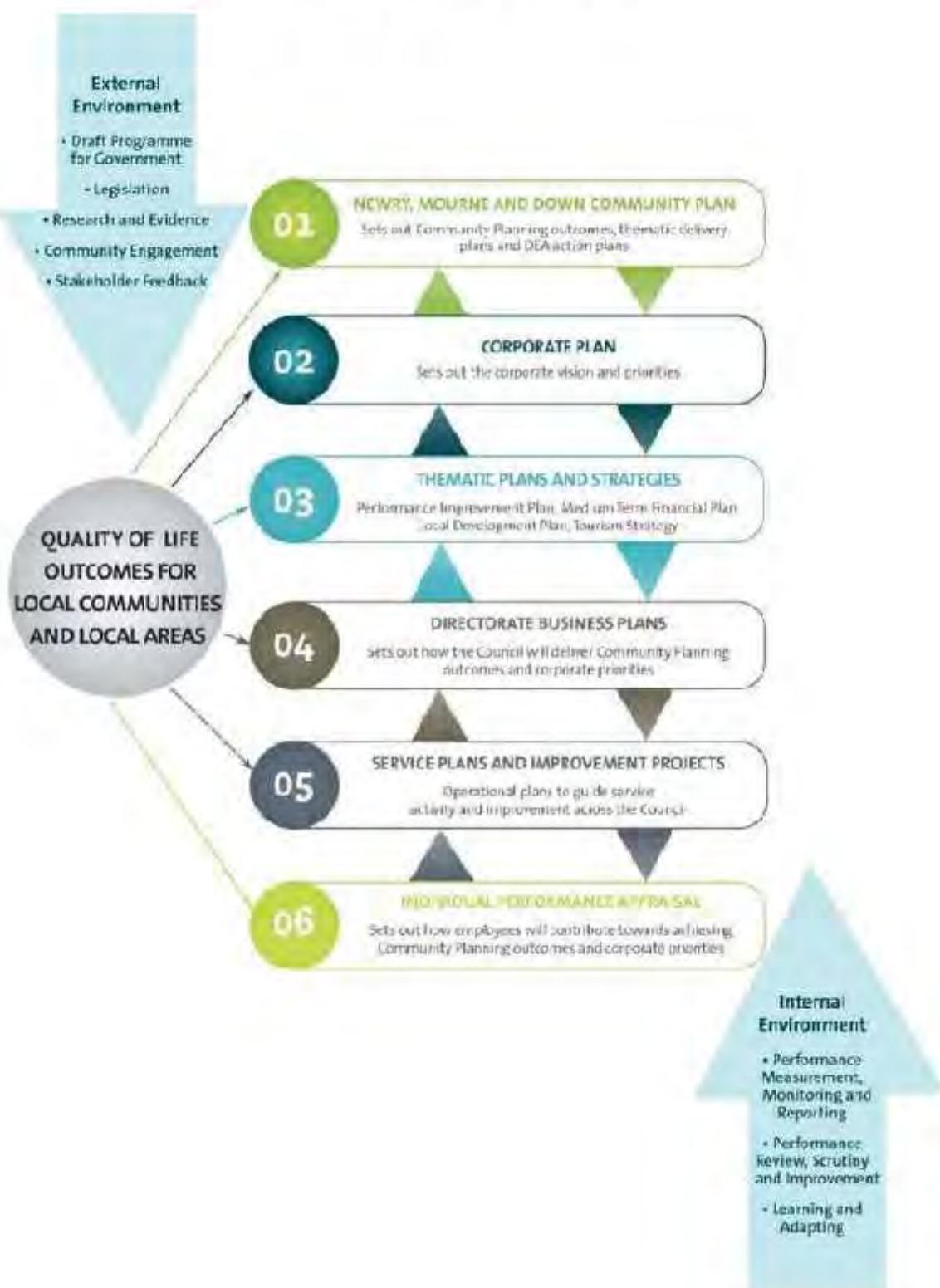
The Council also assesses how performance compares with other Councils. Newry, Mourne and Down District Council is working with the Association of Public Service Excellence to benchmark performance against the performance of Councils across Northern Ireland and other jurisdictions. This information is being used to collate a robust and reliable evidence base, in order to identify and address future areas for improvement.

The Performance Improvement Plan underpins the Council's overall approach to effective performance management. It supports the Council in identifying more efficient and effective ways of working to facilitate the achievement of community planning outcomes, corporate priorities and Directorate objectives, which together support the implementation of the Business Planning and Performance Management Framework.

Appendix 3

Business Planning and Performance Management Framework

The Council's Business Planning and Performance Management Framework drives and provides assurance that community planning outcomes, corporate priorities and performance improvement objectives are being delivered.



The Community Plan and Corporate Plan sit within a hierarchy of plans that informs the Council's overall direction of travel and guides all activity within the organisation. Community planning outcomes and corporate priorities are cascaded across the organisation through thematic plans and strategies and Directorate Business Plans. Performance indicators are also being developed at all levels across the Business Planning and Performance Management Framework, in order to ensure performance is measured, monitored and evaluated on a continuous basis. The Council remains committed to developing and progressing Service Plans and Individual Performance Appraisals which will demonstrate how employees contribute to the achievement of community planning outcomes and corporate priorities.

Through the Business Planning and Performance Management Framework, the Council will manage performance at all levels across the organisation, in order to ensure the necessary steps are taken to secure continuous improvement in the exercise of functions. Each level of the Business Planning and Performance Management Framework is, and will be, accompanied by a relevant set of performance indicators to monitor and assess the Council's progress in improving the quality of life for local communities.

The table below provides a description of the various plans and strategies that form part of the Council's Business Planning and Performance Management Framework.

Community Plan	The Community Plan for Newry, Mourne and Down sets out the long term vision for Improving the economic, social and environmental wellbeing of the District. Developed in collaboration with partners across the statutory, business and voluntary sectors, the Community Plan is supported by four Thematic Delivery Plans and seven DEA Action Plans, which seek to deliver the five community planning outcomes at a local level. Progress in implementing the Community Plan is reviewed on a biennial basis.
Corporate Plan	The Corporate Plan 2015-19 sets out the vision, values and corporate priorities for the Council. Each corporate priority is underpinned by 'supporting actions' and 'measures of success'. Progress in delivering the Corporate Plan is reported annually through the NMD Connect Newsletter and Assessment of Performance.
Thematic Plans and Strategies	The Council has put in place a number of Thematic Plans and Strategies to support the implementation of the Community Plan and Corporate Plan, including the Performance Improvement Plan, Medium Term Financial Plan, Tourism Strategy and Play Strategy. These plans provide the strategic context for multiple programmes of work across the organisation.
Directorate Business Plans	Business Plans are developed annually and seek to demonstrate how Directorates contribute to the achievement of community

	planning outcomes, corporate priorities and performance improvement objectives. Directorate Business Plans include suites of key performance indicators to measure progress and drive continuous improvement, with performance being monitored and reviewed annually and bi-annually by the relevant Committee.
Service Plans and Improvement Projects	Service Plans and Improvement Projects are operational and will set the direction for service areas across the Council. They will outline how each service supports the delivery of community planning outcomes, corporate priorities and performance improvement objectives, and will include key performance indicators. Service Plans will provide a mechanism to manage performance consistently across the organisation and identify operational improvement projects on a continuous basis.
Individual Performance Appraisal	The Council recognises the significant role employees play in contributing to the achievement of the Community Plan, Corporate Plan, Thematic Plans and Strategies and Directorate Business Plans. The Council remains committed to progressing Individual Performance Appraisal further, in order to demonstrate the crucial link between the work of employees and the outcomes experienced by local communities and other key stakeholders.

Appendix 4

Governance Arrangements

Reviewing performance and reporting progress to elected members and other key stakeholders is very important, as it facilitates transparency, accountability and improvement in everything the Council does. The governance arrangements to develop, monitor, report and review the Council's progress in implementing the Performance Improvement Plan 2019-20 are outlined below:

Full Council

- Approval of the annual Performance Improvement Plan
- Mid year progress report
- Annual performance assessment

Strategy, Policy and Resources Committee

- Scrutiny, challenge and approval of the annual Performance Improvement Plan
- Mid year progress report
- Annual performance assessment

Audit Committee

- Provide assurance that performance management arrangements are robust and effective
- Mid year progress report
- Annual performance assessment

Senior Management Team

- Lead the development of the annual Performance Improvement Plan
- Mid year progress report
- Annual performance assessment

The Council must publish an Assessment of Performance by 30 September 2019. This assessment will provide an overview of how the Council has performed during 2018-19, against its performance improvement objectives, statutory performance indicators and standards for economic development, planning and waste management and self imposed performance indicators. The Assessment of Performance will be published on the Council's website and is supplemented by the Mid Year Progress Report for the Performance Improvement Plan 2018-19.

The arrangements the Council has put in place to secure continuous improvement are subject to an annual audit and assessment by the Northern Ireland Audit Office. The outcome of the Performance Audit and Assessment is expected in November 2019. Subject to the General Duty of Improvement being met, the Northern Ireland Audit Office will issue a Letter of Assurance to both the Council and Department for Communities.

How to Propose New Performance Improvement Objectives

Newry, Mourne and Down District Council welcomes your ongoing feedback on the performance improvement objectives 2019-20, as well as any suggestions you may have on how services can be improved in the future.

The Council can be contacted in the following ways:

In writing: Kate Bingham

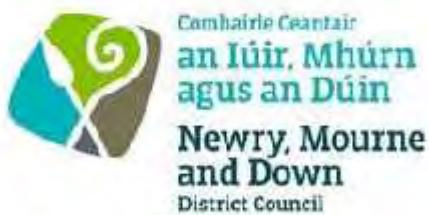
Head of Performance and Improvement
Newry, Mourne and Down District Council
O'Hagan House
Monaghan Row
Newry
Co Down
BT35 8DJ

Telephone: 0300 013 2233

Email: kate.bingham@nmandd.org

Newry, Mourne and Down District Council

Consultation and Engagement Report on
the Performance Improvement Objectives
2019-20



Introduction

The Local Government Act (NI) 2014 sets out a General Duty of Improvement, whereby all District Councils must put in place arrangements to secure continuous improvement in the exercise of their functions and set performance improvement objectives for each financial year. Each Council also has a statutory duty to consult key stakeholders on the proposed performance improvement objectives.

Prior to, and as part of the 2019-20 consultation and engagement process, it was proposed that the five existing performance improvement objectives were carried forward from 2017-18 and 2018-19, as approved by the Strategy, Policy and Resources Committee in December 2018 and Audit Committee in January 2019. This was followed by consultation and engagement activity which encouraged key stakeholders, including residents and Elected Members to have their say on the proposed performance improvement objectives.

In line with good practice, and to avoid duplication and consultation fatigue amongst key stakeholders, the consultation and engagement process was further supplemented by, and integrated with, the consultation and engagement on the development of the Corporate Plan 2019-23. In recognition of the close alignment between the Corporate Plan and Performance Improvement Plan, the Council has used the results from both consultations to inform and finalise the performance improvement objectives 2019-20.

This report provides an overview of the consultation and engagement methodology and an analysis of the responses which were received.

Consultation and Engagement Activity

Between 14 January 2019 – 5 April 2019, Newry, Mourne and Down District Council carried out a twelve week consultation and engagement process with key stakeholders on the draft performance improvement objectives 2019-20, through the following mechanisms:

- Electronic documentation and survey on the Council's website and social media channels
- Hard copies of the documentation and survey at the Council's public receptions in Monaghan Row (Newry), Downshire Civic Centre (Downpatrick) and the Ethnic Minority Support Centre (Town Hall, Newry)
- Public Notices in local newspapers
- Feedback from the 'mock' Council meeting with the Newry and Mourne Youth Council (held on 27 June 2018)

This process was further supplemented by the consultation and engagement on the Corporate Plan 2019-23, which involved:

- Residents Survey (carried out in September 2018)

- Engagement sessions between February-April 2019 with the following stakeholders:
 - Elected Members
 - Seven District Electoral Area Forums
 - Business Sector
 - Strategic Stakeholder Forum
 - Older Persons Forums in Newry and Downpatrick
 - Newry and Mourne Youth Council
 - Senior Management Team, Corporate Management Team and staff

Analysis Methodology

A total of 74 completed surveys were received in response to the consultation and engagement on the Council's draft performance improvement objectives 2019-20. Respondents were asked whether they agreed or disagreed with the draft performance improvement objectives, if they had any comments to make regarding each objective, and to put forward their suggested priorities for future improvement.

In carrying out the consultation and engagement, a structured process was used to capture responses around each of the five draft performance improvement objectives 2019-20. This process was supplemented by the results of the Residents Survey, which reported a total of 764 respondents, as well as a range of engagement sessions with 370 stakeholders.

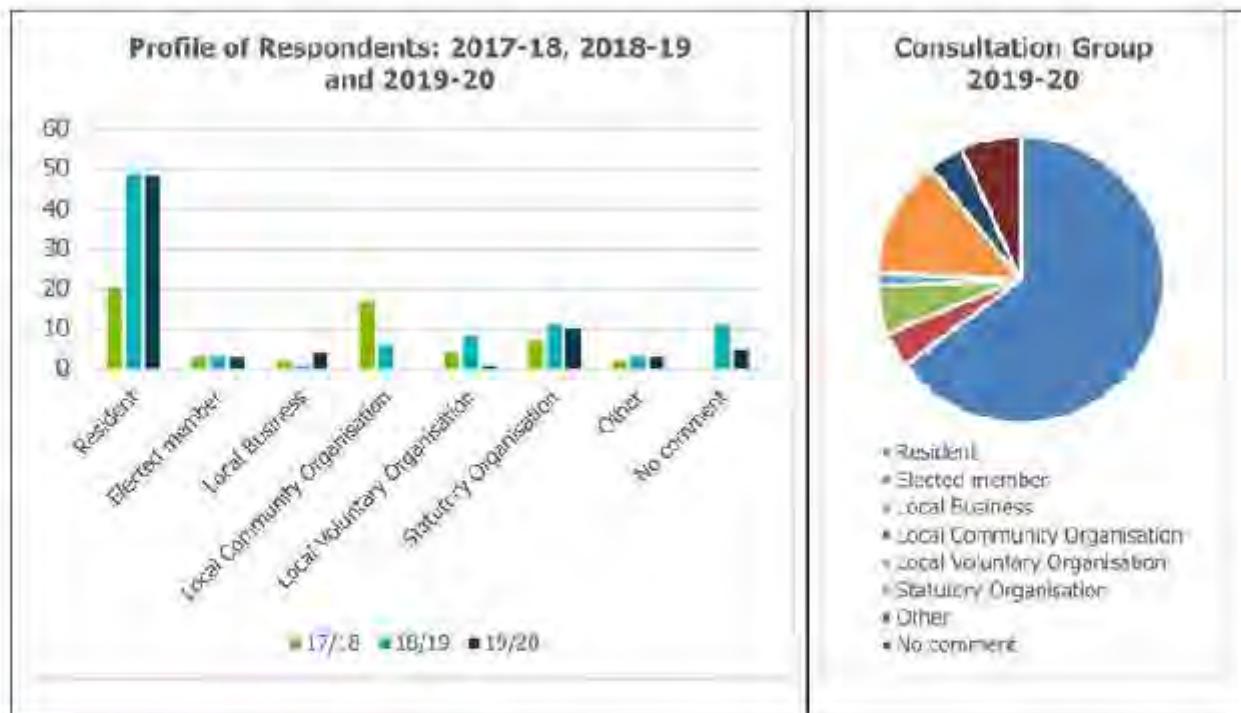
Feedback from the consultation and engagement process has been considered and circulated to the Strategy, Policy and Resources Committee, Senior Management Team, Corporate Management Team and community planning partners for their consideration as part of the business planning process.

Consultation and Engagement Findings

Profile of Respondents

Performance Improvement Objectives 2019-20

Over the past three years, responses to the draft performance improvement objectives have been received from a range of key stakeholders, with the highest number of responses submitted by residents, local community and voluntary organisations and statutory partners, as outlined in the following chart. In 2019-20, residents were the largest consultation group to respond, and survey responses were also submitted on behalf of the Newry and Mourne Youth Council and Keep It Green.



Corporate Plan 2019-23

The Council engaged a further 1,134 stakeholders in the development of the Corporate Plan, as outlined below:

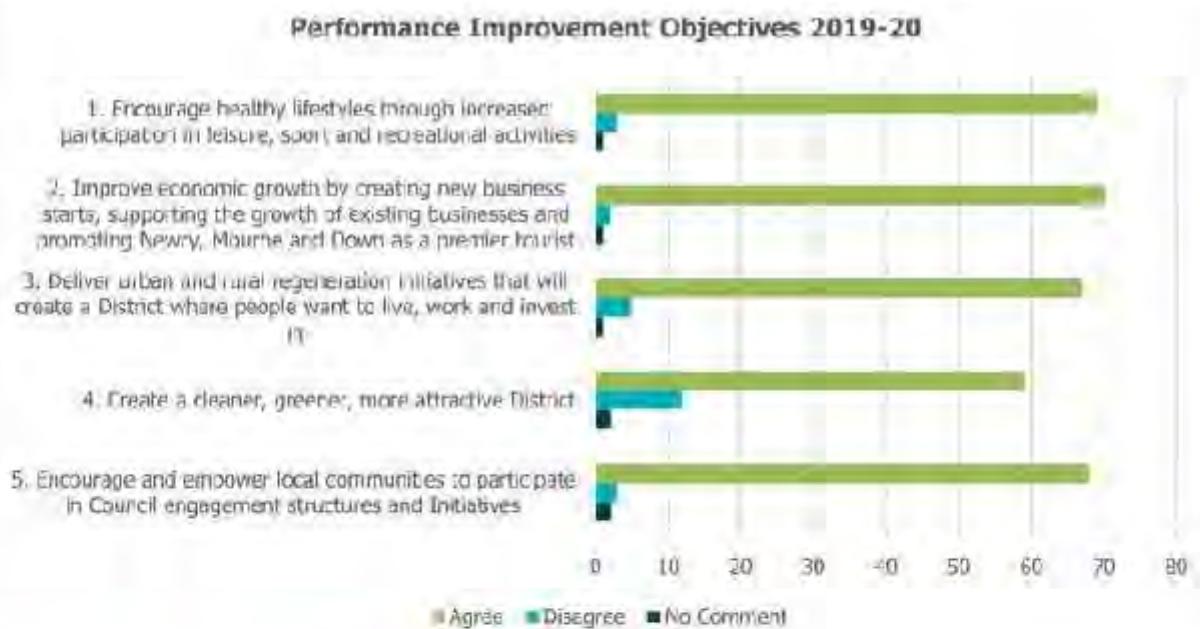
Residents Survey	764 residents aged 16+ with quotas applied for age, gender, social class and District Electoral Area
Slieve Gullion DEA Forum	19 February 2019, Newtownhamilton Community Centre
Elected Members	25 February 2019, Downshire Civic Centre
Older Person's Forum	26 February 2019, Newry Leisure Centre
Rowallane DEA Forum	27 February 2019, The Hub, Saintfield
Strategic Stakeholder Forum	4 March 2019, Cabra Community Centre
Mournes DEA Forum	12 March 2019, Kilkeel
Crotlieve DEA Forum	12 March 2019, Warrenpoint Town Hall
Down Senior Forum	20 March 2019, Ballymote Centre, Downpatrick
Newry DEA Forum	21 March 2019, The Museum, Newry
Slieve Croob DEA Forum	25 March 2019, The Lodge, Castlewellan
Downpatrick DEA Forum	25 March 2019, Downshire Civic Centre
Youth Council	4 April 2019, Boardroom, Monaghan Row, Newry

Staff Events	3 April 2019, Strangford Road Depot / Downshire Civic Centre / Newry Leisure Centre 4 April 2019, Greenbank / Boardroom, Monaghan Row 9 April 2019, Down Leisure Centre / Newcastle Centre
Senior and Corporate Management Teams	9 April 2019, Boardroom, Monaghan Row
Business Representatives	11 April 2019, Newry Leisure Centre

Analysis of Findings

Performance Improvement Objectives 2019-20

For the past three years, there has been a positive response to the five proposed performance improvement objectives, with almost all respondents agreeing with each objective. However, feedback from the 2019-20 consultation and engagement process suggests that an increasing number of respondents 'disagree' with performance improvement objective 4.

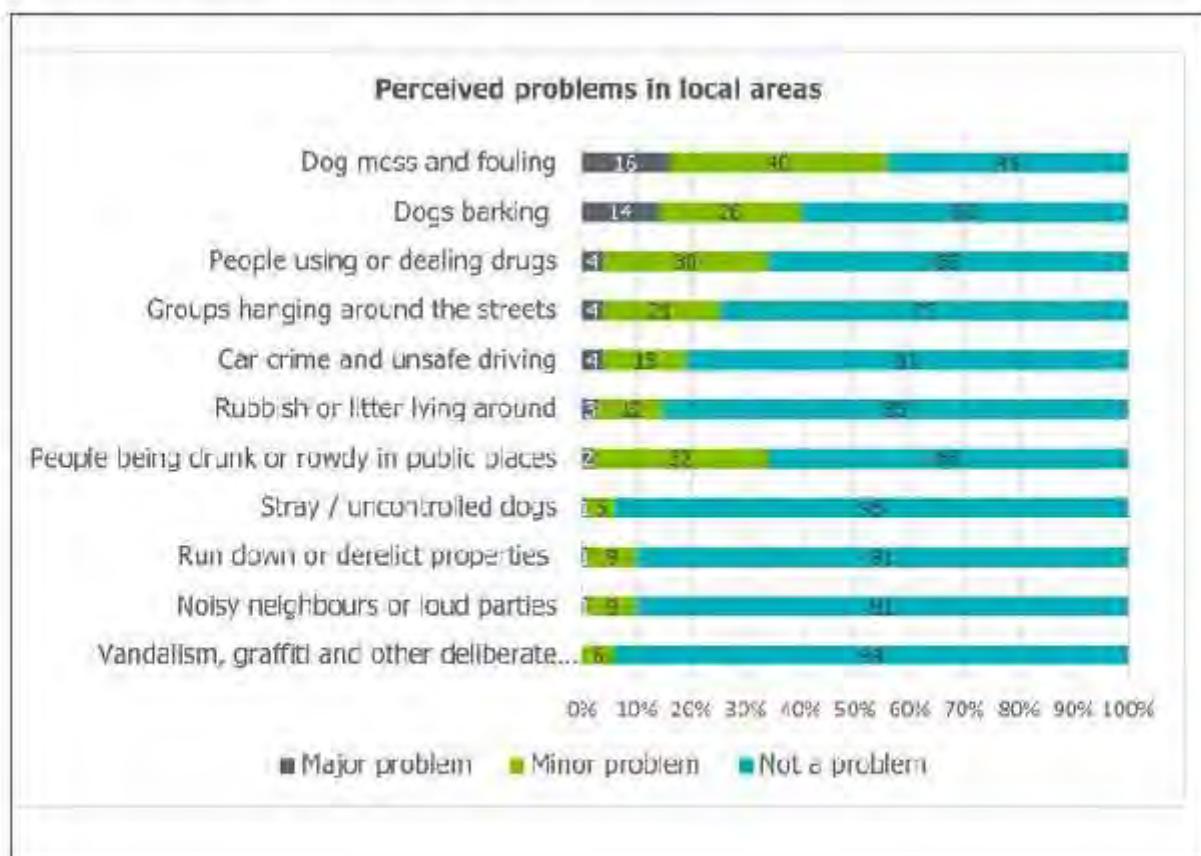


Corporate Plan 2019-23

These findings are further endorsed by the results of the Residents Survey which indicate that the performance improvement objectives broadly address the top priorities for improvement which were identified by residents.



These findings are further reinforced by the fact that residents identify dog mess as the top perceived problem in the local area.



You Said, We Did - Overview of Consultation Feedback

Performance Improvement Objectives

An analysis of the results of all consultation and engagement processes indicates that many of the issues raised will continue to be addressed through the proposed 2019-20 performance improvement objectives, 'supporting actions' and 'measures of success', or as part of the Council's business planning process.

Based on the consultation and engagement feedback, and ongoing work in developing and refining the performance improvement objectives, it was proposed that objective 4 was amended as follows, so that it is more focused on delivering tangible outcomes for local communities:

'Increase the rate of recycling, reduce the amount of waste going to landfill and improve the level of cleanliness across the District'

However, on the proposal of the Strategy, Policy and Resources Committee, performance improvement objective 4 has been retained as follows.

'Create a cleaner, greener, more attractive District'

The five performance improvement objectives have therefore been carried forward from 2017-18 and 2018-19, and are not subject to amendment.

Supporting Actions and Measures of Success

Over the past three years, the consultation and engagement process highlighted the following key issues:

- The need to encourage healthy lifestyles
- The City Park in Newry
- More investment in coastal areas
- Preserving the history and heritage of Bessbrook
- More use of outdoor areas for recreational activities
- The need to address littering and dog fouling
- More community clean ups to improve towns and villages, and encourage civic pride
- Promote environmental issues in schools from an early age
- Improve community engagement and opportunities to engage young people

These issues will continue to be addressed through some of the 'supporting actions' within the Performance Improvement Plan 2019-20, as outlined below:

- Consider options to progress the development of a Park at the Albert Basin, Newry

- Support the establishment of new jobs and businesses in the fishing dependent communities of Kilkeel, Annalong and Ardglass
- Address the skills gap between education and employment in traditional and key growth sectors through the Skills Forum
- Commence the delivery of the capital works at the Derrymore demesne, to include a play area, trail development and other infrastructure projects
- Address issues around dog fouling, littering and illegal dumping through the development of the Enforcement Improvement Plan and implementation of the Dog Fouling Strategy
- Increase and support public participation in local clean up campaigns and initiatives such as 'Live Here-Love Here' and 'Cleaner, Greener Communities'
- Positively engage minority groups in Council initiatives, including young people, older people and people from black and minority ethnic communities

However, based on the consultation and engagement feedback and ongoing work in developing and refining the performance improvement objectives, some 'supporting actions' and 'measures of success' have been amended.

Performance Improvement Objective 2

- Supporting the growth of the existing business and social enterprise base by delivering the *Social Economy and NMD Growth programmes* (NMD Procurement omitted and measure of success on the number of businesses supported through NMD Growth included)
- *Supporting the establishment of new jobs and businesses* in the fishing dependent communities of Kilkeel, Annalong and Ardglass (*Priority 4 of the European Maritime and Fisheries Fund (SEAFLAG 2)*) – Measures of success have also been amended to include Portavogie with a timescale of 2022
- *Progressing the Belfast Region City Deal* by developing Outline Business Cases for the Regeneration of Newry City, visitor attractions in the Mourne Mountains and 'skills and employability' and 'digital connectivity' initiatives
- Completing phase 2 of the Carlingford Lough Greenway, from Victoria Lough to Omeath, by Q1 2020-21
- *Developing and delivering further Visitor Experience Plans*
- *Launching the Arts, Culture and Heritage Strategy* to increase participation in cultural activities
- 97 new jobs created in rural areas by March 2020
- *Level of footfall on the Great Eastern Greenway* (measure of success included)

The following 'supporting action', which was included in the consultation documentation on the draft performance improvement objectives 2019-20, has been removed, and will be monitored through future activity in the Enterprise, Regeneration and Tourism Directorate.

- Exploring options to invest in and improve the facilities at Carnlough Lake

Performance Improvement Objective 3

The following ‘supporting actions’, which were included in either the consultation documentation on the draft performance improvement objectives 2019-20 or the Performance Improvement Plan 2018-19 have been removed and will be monitored through the Enterprise, Regeneration and Tourism Business Plan 2019-20 and related Action Plans:

- Creation of new jobs and protection of the intangible cultural heritage through the transnational Atlantic CultureScapes project
- Delivery of heritage projects through the 10 year legacy phase of the Ring of Gullion Landscape Partnership Scheme
- Protection of upland landscape through the transnational ASCENT project
- Develop a programme of future regeneration initiatives, incorporating Warrenpoint Baths, Lisburn Street carparks in Ballynahinch, Newry Civic Centre and the former police station and adjacent lands in Downpatrick

Performance Improvement Objective 4

- Increase and support public participation in local clean up campaigns and initiatives such as ‘Live Here-Love Here’ and ‘Cleaner, Greener Communities’
- *Address issues around dog fouling, littering and illegal dumping through the development of the Enforcement Improvement Plan and implementation of the Dog Fouling Strategy*
- Open the Downpatrick Household Recycling Centre by Q2 2019-20 (delayed and carried forward)

The following ‘supporting action’, which was included in the Performance Improvement Plan 2018-19, has been omitted and will be monitored through the Neighbourhood Services Directorate Business Plan 2019-20:

- Develop the Neighbourhood Services initiative, including the launch of a dedicated telephone number and online channels to report issues around street cleanliness, refuse collection and environmental crime

Corporate Plan 2019-23

The performance improvement objectives, ‘supporting actions’ and ‘measures of success’ have been further endorsed through the engagement sessions on the Corporate Plan. Some of the key points raised are outlined below:

- Projects around mental health are important and accessibility to leisure facilities and green spaces should be improved
- The Council should support schools in developing local skills for future employment
- There should be more emphasis on starting small businesses and supporting existing businesses
- Broadband should be improved in rural areas

- Street cleanliness should be improved and dog fouling should be lifted from play parks, pitches and rights of way
- Litter education programmes should be delivered through schools and there should be more litter Enforcement Officers
- Community groups require assistance and support to access funding

Suggested Areas for Improvement

As part of the survey, respondents were also asked to put forward their suggested areas for improvement for 2019-20.

The suggested areas which most need improving are:

- Parks and Open Spaces
- Arts, Culture and Events
- Economic Development and Tourism
- Leisure and Recreation
- Waste Collection and Recycling

The suggested areas which least need improving are:

- Registration
- Building Control and Licensing

Suggested Areas of Improvement - 2017-18 / 2018-19 / 2019-20



Next Steps

Whilst the five performance improvement objectives have not been subject to amendment, this report includes recommendations to amend, expand and omit

some of the 'supporting actions' and 'measures of success' which underpin each objective. These recommendations are based on the feedback obtained through the consultation and engagement process, as well as the ongoing developmental work around each performance improvement objective 2019-20.

Summary of Consultation and Engagement Feedback

Performance Improvement Objective 1

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

- Encourage more use of community centres and promote fitness for all ages.
- There are lots of sports facilities in the area, fitness equipment in parks and places to walk in the District.
- There are a wide range of sports facilities and outstanding parks for walking in.
- There are no recreational activities in Warrenpoint.
- Families on low income cannot afford gyms.
- How can you encourage healthy lifestyles when it is cheaper to buy takeaway foods than fruit and vegetables?
- Healthy lifestyles can improve health status and help relieve stress on the health service in the future.
- There is an inadequate number of leisure facilities in South Down.
- There is no information/activity in rural areas to ensure leisure activities are inclusive.
- Minority groups should be encouraged to take part in recreational activities.

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

- More tourism information should be publicised on the NMDCC website.
- Lots of initiatives take place, but more could be done to promote the District.
- There should be more exposure on the internet regarding tourism activities.
- Business rates in Newry City Centre act as a barrier for local businesses. The Council should try to ensure rates are affordable for businesses to grow and be sustainable. This will provide the young generation with secure employment in the future.
- There should be more information regarding the Belfast Region City Deal and further clarification regarding the SEAFLAG project.
- There should be more advertising on what support is in place for business start ups.
- Rostrevor should be treated as a Gateway to the Mournes, similar to Newcastle.
- Reference should be made to the People's Park / Albert Basin.
- The port is a huge economic benefit.

Performance Improvement Objective 3

Deliver urban and rural regeneration Initiatives that will create a District where people want to live, work and invest in

- There should be more use of outdoor areas for recreational activities.
- The Council should engage more with the public and seek ideas at Community Forums.
- There is a need for more housing in the area.
- There are very few jobs that would encourage young people to invest in at the present time.
- The NI Housing Executive needs to build more homes throughout the District and deliver more Neighbourhood Schemes.
- Litter bins and rural streets need to be improved.
- Civic pride, community clean-ups and partnership working with relevant agencies will improve our villages, towns and city, and make them more attractive. This will help ensure that individuals and businesses will come and settle in our District.
- Wildlife and indigenous trees need protection.
- Planning should be proactive – keeping the area sustainable by complementing the needs of the community, and inward investment.
- Planning should be introduced as a strategic objective, focusing on sustainability.

Performance Improvement Objective 4

Create a cleaner, greener, more attractive District

- Provide more bins in urban areas, produce a dog litter strategy and programmes to tackle the issue.
- Ensure more dog fouling bins and bags are provided, especially along the towpath and public parks.
- Provide more dog litter bins in parks e.g. Derrymore Woodand and the Egyptian Arch have no bins / and it would be useful to have more bins along the main Camlough Road and Derramore Road.
- More recycling bins should be made available to the public and dog litter bins should be placed in more areas, including rural areas.
- Start promoting environmental issues in schools from an early age.
- More needs to be done to clean up our district. Wardens should be on patrol to stop illegal dumping and issue fines to those who are guilty.
- More needs to be done to address the amount of rubbish that is being dumped throughout this district.
- Encourage local businesses to use biodegradable bags and packaging.
- The issues of litter and dog fouling need to be addressed.
- There should be greater reference to the key services of the Council, particularly street cleansing and bin collections.
- Community clean-ups and encouraging civic pride should be improved.
- Reduce and eliminate single use plastics.
- Green transport and promoting the accessibility of charging points is an issue.

- Many housing estates and Council houses require investment.
- A clean environment will help promote investment from outside businesses.
- The Council should collect extra items at no charge, along with bin collections.
- There are issues in relation to trade/commercial waste / landfill / fly-tipping.
- Initiatives such as Ulster in bloom, Britain in bloom, NI best kept awards and green flag awards are horticultural, environmental and community based incentives which assist the Council in improving the local area.

Performance Improvement Objective 5

Encourage and empower local communities to participate in Council engagement structures and initiatives

- There is a lot of support the local community can offer in this field.
- The Council should try to get younger people involved, as this is where they will hopefully live and work in the future.
- More information on Council activities should be publicised, possibly on the internet.
- Further information should be provided, outlining what the Council plans to do for some segments of the population, particularly older people.
- The Council should widely advertise public DEA Forum meetings.
- There should be better door to door engagement with people living in our district, online surveys and community surveys.
- People feel they can't get involved and that their opinions aren't heard (hence people protesting).
- Promote cross community involvement in community based activities.
- There should be better communication systems and policies between the Council and the public.

Objective Delivery Plans 2019-20

Delivery Plans have been developed to demonstrate the arrangements which have been put in place to support the effective implementation of each performance improvement objective. They provide an overview of:

- Responsible Officers
- Alignment with the Community Plan and Corporate Plan
- Rationale for selecting the objective
- Outcomes for local communities and stakeholders
- Governance arrangements for the Performance Improvement Plan
- Meeting the seven legislative criteria
- 'Supporting actions' and 'measures of success'
- Links to existing plans and strategies
- Timescale
- Resources
- Governance arrangements

In recognition of the dynamic nature of the information included within the Objective Delivery Plans, they should be considered as a 'work in progress', subject to change to a continuous basis.

Performance Improvement Objective 1

Encourage healthy lifestyles through Increased participation in leisure, sport and recreational activities				
Senior Responsible Officer	Link to Community Plan	Link to Corporate Plan	Support improved health and wellbeing outcomes	
Why this objective was selected	<ul style="list-style-type: none"> • Health and wellbeing is a priority for the Council and the Community Planning Partnership. • There is a direct correlation between the general health and well-being of local communities and physical activity. • In recognition of the diverse and evolving needs of our growing population, the Council aims to increase the number of attendances at indoor leisure facilities, improve outdoor facilities and engage targeted groups in active recreation. • For the past three years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'parks and open spaces' and 'leisure and recreation' as priority areas for improvement. • The Residents Survey confirms that improving people's health and wellbeing and improving parks and open spaces are amongst the top priorities for improvement. 			
Outcomes for local communities and stakeholders	<ul style="list-style-type: none"> • Improved and accessible provision of indoor and outdoor sport, leisure and recreational facilities and activities • Improved awareness and increase in the number of residents making healthy lifestyle choices by using sport, leisure and recreational activities • Improved customer satisfaction with indoor leisure facilities • Improved levels of health and wellbeing 			
Governance: Performance Improvement Plan 2019-20	<ul style="list-style-type: none"> • Mid Year Progress Report of the Performance Improvement Plan 2019-20 to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee. • Annual Assessment of Performance to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee. 			
Meeting the legislative criteria	<p>Strategic Effectiveness: Aligned to community planning outcomes and corporate priorities, and will deliver real benefits and outcomes for local communities and other key stakeholders.</p> <p>Service Quality: The quality of services will continue to improve through the capital programme of works for indoor and outdoor leisure facilities, as well as improved and modernised ways for citizens to access and receive information about leisure services.</p> <p>Service Availability: The continued roll-out of the 'Be Active' brand and mobile technology solutions will improve the availability and accessibility of leisure services for citizens.</p>			

Fairness: Includes specific actions to engage children, young people, girls, women, people with a disability and people from areas of high social need in physical activity programmes.

Sustainability: The capital works programme for indoor and outdoor leisure facilities provides a platform for sustainable service provision in the future.

Efficiency: Implicit within the Indoor Leisure Business Plan, Sports Facility Strategy and Pay Strategy is the drive for efficiency and effectiveness in the way leisure services are delivered, now and in the future.

Innovation: Innovative ways to promote physical activity will continue to be rolled out through the 'Be Active' campaign, online booking and joining facilities and mobile apps to track wellness.

Supporting Action	Link to existing Plan/Strategy	Timescale	Measures of Success	Resources	Governance Arrangements	Responsible Officer
Provide and operate high quality leisure facilities through the implementation of the Indoor Leisure Business Plan:	Indoor Leisure Business Plan Active and Healthy Communities Directorate Business Plan 2019-20	2016-2021	14% increase in attendances at indoor leisure facilities by 2019-20	Customer Satisfaction Surveys – within existing subscription to APSF Performance Networks	Annual and bi-annual review of the Active and Healthy Communities Directorate Business Plan 2019-20	Assistant Director: Sport and Leisure Head of Indoor Leisure
Improve the customer experience at all leisure facilities by rolling out the 'Be Active' campaign and mobile technology solutions	Centre by 2019-20	72% increase in attendances at Down Leisure	'Be Active' campaign is within existing resources	Levels of customer satisfaction with indoor leisure facilities	Periodic progress reports on the implementation of the Indoor Leisure Business Plan to the Active and Healthy Communities Committee	
Undertake Customer Satisfaction Surveys across selected leisure facilities	Q4 2019-20					

Upgrade and improve existing sports facilities through the implementation of year three of the Sports Facility Strategy	Sports Facility Strategy Active and Healthy Communities Directorate Business Plan 2019-20	2017-22	Implementation of year three of the Sports Facility Strategy	£3.975m over 4 years / 2017/18 - £2,185m / 2018/19 - £730k / 2019/20 - £660k / 2020/21 - £400k)	Annual and bi-annual review of the Active and Healthy Communities Directorate Business Plan	Assistant Director: Sport and Leisure Head of Outdoor Leisure
Provide and improve fixed and non fixed play opportunities for children and young people through the continued implementation of the Play Strategy	Play Strategy Active and Healthy Communities Directorate Business Plan 2019-20	2017-22	Implementation of year's one, two and three of the Play Strategy	£500k pa for 4 years / £2.5m capital works over 5 years The Rural Development Programme provided funding towards play parks across the District.	Periodic progress reports on the implementation of the Sports Facility Strategy and Play Strategy to the Active and Healthy Communities Committee	
Engage children and young people in Community Play and other health and wellbeing Initiatives across the District	Play Strategy Active and Healthy Communities Directorate Business Plan 2019-20	2017-22	Number of children and young people engaged in Community Play and other health and wellbeing Initiatives	£576,737, including £144,184 for year 4 (2019-20)	Quarterly reporting of EBA 2020 to Sport NI Annual report issued by Sport NI	Assistant Director: Sport and Leisure
Provide opportunities for women, girls, people with a disability and people from areas of high social need to participate in physical activity programmes	Everybody Active 2020 Active and Healthy Communities Directorate Business Plan 2019-20	2019-20	Number of participants from targeted groups involved in physical activity programmes	£90k in 2019-20	Periodic progress reports to the Strategy, Policy	
Consider options to progress the development of a park	Active and Healthy Communities	2019-20	Options for a City Park being			

at the Albert Basin, Newry	Directorate Business Plan 2019-20	Identified and considered	and Resources Committee	Head of Outdoor Leisure
Risk Management Risks	Actions to Mitigate Risks			
The leisure centres do not achieve projected participant numbers.	Targeted promotional and publicity campaigns will be carried out across the District			
The customer experience at indoor leisure centres does not improve.	Plans in place to improve facilities through capital build and investment. Marketing campaigns and mobile technology solutions have also been launched across the District.			
The Sports Facility Strategy and Play Strategy are not implemented and progressed.	The Sports Facility Strategy and Play Strategy have been approved and adopted by the Council, each with indicative timetables for delivery. The Council has put in place the human and financial resources to deliver both strategies.			
Children and young people do not engage in community play initiatives, which may be seen as 'risky'.	Targeted promotional campaigns will take place. NMDDC will pay regard to the 'Managing Risk in Play Promotion' Guide and commit to adopting a 'risk benefit' approach to play promotion.			
Targeted groups do not engage in physical activity programmes.	Programmes are managed, monitored and publicised effectively across the District.			
Options in relation to the Albert Basin Park are not considered or progressed.	The Stakeholder Group has been established, governance arrangements are in place and resources have been allocated to progress options around the Albert Basin Park.			

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	Director, Enterprise, Regeneration and Tourism	Link to Corporate Plan	Link to Corporate Plan
Link to Community Plan	All people in Newry, Mourne and Down benefit from prosperous communities	Become one of the premier tourist destinations on the island of Ireland	Attract investment and supported the creation of new jobs
Why this objective was selected	<ul style="list-style-type: none"> • Prosperous communities, economic growth and tourism are priorities for the Council and the Community Planning Partnership. • A strong and vibrant economy has a positive impact on the overall quality of life for the District. • There is an opportunity to capitalise on the geographic location of the District to drive growth and attract inward investment. 		

	<ul style="list-style-type: none"> Through a range of programmes, including the NI Go For It Programme, Rural Development Programme, SEAFLAG 2 and Belfast Region City Deal, the Council will create more employment opportunities and stimulate economic growth. Capitalising on the District's tourism assets will support economic growth and diversification. For the past three years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'arts, culture and events' as a priority area for improvement. The Residents Survey reveals that 'supporting local businesses, attracting investment and jobs' is the top priority for improvement. 	
Outcomes for local communities and stakeholders	<ul style="list-style-type: none"> The local economy benefits from an increase in business start ups, the growth of local businesses and support for social enterprises The rural economy and coastal areas benefit 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 economically active and prosperous District There is an improved level of tourism and an increase in 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 Newry, Mourne and Down is recognised as a premier domestic and international tourist destination 	
Governance: Performance Improvement Plan 2019-20	<ul style="list-style-type: none"> Mid Year Progress Report of the Performance Improvement Plan 2019-20 to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee. Annual Assessment of Performance to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee. 	
Meeting the legislative criteria	<ul style="list-style-type: none"> Strategic Effectiveness: Aligned to community planning outcomes and corporate priorities, and will deliver real benefits to citizens, visitors, businesses and social enterprises. Service Quality: The quality of services will improve through the various programmes, including the NI Go For It, Social Economy Programme, Rural Development Programme and SEAFLAG 2. The quality of tourism will also improve as a result of continued investment in festivals, tourism activities and programmes of work. Service Availability: The continued roll-out of programmes to businesses, social enterprises, fishing dependent communities and rural communities will improve access to and availability of key services, as well as the overall quality of life in the District. Innovation: Implicit within this objective are innovative ways to promote new jobs, support businesses and social enterprises, improve tourism and increase visitor numbers and spend across the District. 	What we are going to do 6

Supporting Action	Link to Thematic Plan/Strategy	Timescale	Measures of Success	Resources	Governance Arrangements	Responsible Officers
Improve economic growth by: Promoting new jobs and supporting new business starts through the NI 'Go For It' programme	NI Go For It Programme Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2019-20	301 business plans approved 205 new business starts and 155 new jobs promoted through business start up activity	NI DDC contribution: 2018-19: £69,689.80 / 2019-20: £69,689 / 2020-21: £67,333 / 2021-22: £36,507	Monthly meetings of the Regional Management Team to monitor and review programme performance	Assistant Director – Enterprise, Employment and Regeneration Head of Regeneration and Business Development
Supporting the growth of the existing business and social enterprise base by delivering the Social Economy and NMD Growth programmes	Social Enterprise Programme 2019-20 Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2019-20	8 new social enterprise start ups, 12 new jobs created and 30 new volunteers recruited	Social Enterprise Programme Phase II – £50,956	Quarterly meetings with Newry Enterprise Agency to monitor and review performance of the Social Economy Programme	Assistant Director – Enterprise, Employment and Regeneration Head of Regeneration and Business Development

				the Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	
Supporting the establishment and growth of small and micro businesses and the creation new jobs in rural areas through the Rural Business Investment Scheme (Priority 6 Rural Development Programme)	Rural Development (Interim) Strategy 2015-20 Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2015-20 55 new micro and small rural businesses created by March 2020 30 micro and small businesses in rural areas supported by March 2020 97 new jobs created in rural areas by March 2020	2019-20: £1,207,828.01	The Mourne, Gullion and Lecale Local Action Group (LAG) produce bimonthly project development and expenditure reports, supplemented by annual reports for submission to DAERA	Assistant Director – Enterprise, Employment and Regeneration Rural Development Programme Manager
Supporting the establishment of new jobs and businesses in the fishing dependent communities of Kilkeel, Annalong and Ardglass (Priority 4 European Maritime and Fisheries Fund (SEAFLAG 2))	NI FLAG Strategy 2018-20 Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2018-22 55 new jobs created in fishing dependent communities by 2022 22 new businesses created in fishing dependent communities by 2022 130 new qualifications and skills achieved in fishing dependent communities, through SEAFLAG 2, by 2022 (includes Portavogie)	£2.3m investment between 2018-22	Monitoring will be carried out throughout the lifetime of the project to ensure that Priority 4 of the SEA-EMFF are invested fairly, sustainably and successfully.	Assistant Director – Enterprise, Employment and Regeneration SEAFLAG Development Manager
Addressing the skills gap between	Enterprise, Regeneration and	2019-20 Bi-annual meetings of the Skills Forum	Within existing resources	Skills Forum meetings, which	Assistant Director – Enterprise,

education and employment in traditional and key growth sectors through the Skills Forum	Tourism Directorate Business Plan 2019-20 Skills Forum / Community Planning structures		include representatives from the business and education sectors, take place bi-annually.	Employment and Regeneration
Progressing the Belfast Region City Deal by developing Outline Business Cases for the Regeneration of Newry City, Newcastle Gateway to the Mourne and 'skills and employability' and 'digital connectivity' initiatives	Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	'Heads of Terms' agreed and Outline Business Cases developed	Within existing resources	Chief Executive Director: Enterprise, Regeneration and Tourism Directorate Head of Regeneration and Business Development
Become a premier tourist destination by:	Tourism Strategy	2019-20	Overall growth rate of 6% per annum in overnight expenditure in Newry, Mourne and Down	Quarterly meetings of the Geopark Steering Group
Submitting a revised application to the UK National Commission for UNESCO for Global Geopark status for the Mourne and Ring of Gullion by November 2019	Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20			Assistant Director – Tourism, Culture and Events Head of Tourism
Completing phase 2 of the Carlingford Lough Greenway, from Victoria Lock	Greenway Business Case	2019-20	Level of footfall on the Great Eastern Greenway	Monthly Steering Group meetings between partners and funders,
			Great Eastern Greenway – 3.4m euro secured through EU	Assistant Director – Enterprise, Employment and Regeneration

to Omeara, by Q1 2020-21	Greenway Economic Appraisal		INTERREG VA Programme, managed by SEUPB, for the delivery of phase 2 from the Weir to Omeara and Carlingford Marina to Carlingford	Including SEUPB and East Border Region	Project Manager (ERT)
Developing and delivering further Visitor Experience Plans	Tourism Strategy Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2019-20	Plans developed and delivered	Within existing resources	Bi-monthly meetings of the Visitor Destination Cluster Groups to monitor and review performance
Launching the Arts, Culture and Heritage Strategy to Increase participation in cultural activities	Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2019-20	Plan developed and launched	Within existing resources	To be developed and agreed as part of the Strategy
Organising five Giant Adventure festivals across the District: - Footsteps in the Forest (Sieve Gullion) - Skiffies Festival (Strangford Lough)	Tourism Strategy Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20	2019-20	Number of visitors to Giant Adventure festivals	Giant Adventure Festivals and overall Events Tourism Programme: £1.2m	Periodic reports to the Enterprise, Regeneration and Tourism Committee Total estimated spend associated with Giant Adventure festivals, including direct spend Level of visitor satisfaction with Giant Adventure festivals

Risks	Risk Management Actions and Controls to Mitigate Against Risks
<ul style="list-style-type: none"> - Wake the Giant Festival (Warrenpoint) - Festival of Flight (Newcastle) - City of Merchants Festival (Newry) 	<p>Economic Development and Investment Strategy in place. The Skills Forum has been established.</p> <p>N1 Go For It, Rural Development Programme, SEAFLAG 2, Social Economy Programme and NMD Growth are in place.</p> <p>Ongoing engagement with central Government and other stakeholders. Joint working arrangements in place to drive forward the Belfast Region City Deal. Council continues to monitor the implications of Brexit and is proactively lobbying and advocating for the needs of the border region.</p>
<p>Failure to implement an economic development programme to regenerate the District and attract inward investment</p> <p>Brexit, the impact of Brexit on external funding and the subsequent economic uncertainties for the District, alongside the nature of the Irish border</p> <p>Lack of applications to programmes, ineligible applications to programmes, eligible applicants get low scores, lack of match funding for projects</p>	<p>Promotional awareness programme and staff support to potential applicants.</p> <p>Promotional material with eligibility criteria and workshops for applicants.</p> <p>Workshops for applicants and staff support.</p> <p>Applicants signposted to other sources of funding</p> <p>Staff work closely with the Planning Department</p> <p>Staff capacity and experience. Go for It Project Collaboration Agreement. The Social Economy Programme, Rural Development Programme, SEA FLAG 2 and NMD Growth are in place, with stringent project management and monitoring arrangements.</p> <p>Promotional and project management arrangements integrated into each festival.</p> <p>Continuous monitoring and learning from visitor feedback.</p>
<p>Delays in planning permission for capital projects</p> <p>Capacity to deliver projects and meet targets on time and within budget</p> <p>Visitor numbers and experience at festivals do not improve</p>	

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	Link to Community Plan	Link to Corporate Plan	Lead the regeneration of our urban and rural areas
Director, Enterprise, Regeneration and Tourism	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	Link to Corporate Plan	Become one of the premier tourist destinations on the island of Ireland Attract investment and supported the creation of new jobs Protect our natural and built environment Advocate on your behalf specifically in relation to those issues which really matter to you
Why this objective was selected			<ul style="list-style-type: none"> • The heritage and landscape of the District is unique and protecting the local environment is a key priority for the Council, Community Planning Partnership and local communities. • As a 'place shaper', the Council has a key role to play in attracting inward investment to improve towns and villages and deliver a range of regeneration projects. • Access to broadband is a key issue for residents of rural areas and the Council is committed to working with partner organisations to improve digital connectivity across the District. • For the past three years, the majority of respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'planning' and 'urban and rural regeneration' as key priority areas for improvement.
Outcomes for local communities and stakeholders			<ul style="list-style-type: none"> • Warrenpoint Municipal Park and the Areas of Outstanding Natural Beauty enhance the quality of life in the local and surrounding areas • Enhanced built and natural environment in urban and rural areas, with improved appearance and sense of place • 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 • Regeneration and renewal of selected villages across the District • Improved digital connectivity across the District • The Council provides a more efficient and effective Planning Service

Governance: Performance Improvement Plan 2019-20

- Mid Year Progress Report of the Performance Improvement Plan 2019-20 to the Senior Management Team, Strategy, Policy and Resources Committee
- Annual Assessment of Performance to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee

Meeting the legislative criteria

Strategic Effectiveness: Aligned to community planning outcomes and corporate priorities, and will deliver real benefits and outcomes to citizens.

Service Quality: The quality of the local area will improve through Warrenpoint Municipal Park, Forkhill Masterplan and Derrymore Demesne, as well as the delivery of the AONB Action Plans. The quality of the Planning Service will continue to improve through reduced processing times and the production of the Local Development Plan.

Service Availability: The continued delivery of regeneration schemes will ensure that all local communities will benefit from a better, more attractive local area.

Fairness: Includes specific actions to address existing variances in service provision between urban and rural communities and improve the quality of the local environment through the delivery of the Environmental Improvement Schemes identified in the Village Plans.

Sustainability: The continued delivery of regeneration schemes will support the creation of a better, more attractive and sustainable District.

Innovation: New and innovative approaches have been introduced to deliver urban and rural regeneration initiatives, such as the Rural Development Programme Cooperation Scheme between Derrymore Demesne and Moorehill, Co Mayo, coupled with the establishment of a NI wide consortium to address digital connectivity issues across the District demonstrates innovation.

Supporting Action	Link to Thematic Plan/Strategy	Timescale	Measure of Success	Resources	Governance Arrangements	Responsible Officers
Managing and promoting the heritage of Warrenpoint Municipal Park by:	Warrenpoint Municipal Park: Project Plan / Activity Plan / Project Management Structure / Master Risk Analysis / HLF Letter of Offer	2017-21	34% increase in the number of visitors to Warrenpoint Municipal Park, reaching 27,900 per annum by Q2 2019-20	£1.489m (HLF contribution: £850k / Council: £639k)	Monthly Steering Committee Meetings	Assistant Director – Enterprise, Employment and Regeneration
Obtaining the Green Flag award for environmental sustainability by Q1 2019-20	Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20		6% increase in visitor satisfaction with Warrenpoint Municipal park, reaching 74% by Q2 2019-20	Quarterly claims to Heritage Lottery Funding (HLF)	Head of Regeneration and Business Development	Monthly / bi-monthly reports

Project	Development Officer HLF	to the Enterprise, Regeneration and Tourism Committee	Project Development Officer HLF
Creating opportunities for people to volunteer and engage with the heritage of the park	9% increase in the number of people who believe Warrenpoint Municipal park enhances their quality of life, reaching 40.5% by Q2 2019-20	AONB Action Plans are considered and approved by the Enterprise, Regeneration and Tourism Committee and are subject to ongoing monitoring by the funder	Ring of Gullion / Strangford and Lecale AONB Action Plans 2019-20: £294,860 (50% funded by NMDDC and 50% funded by the NI Environment Agency)
Implement the Areas of Outstanding Natural Beauty (AONB) Action Plans for the Ring of Gullion and Strangford and Lecale	Ongoing	AONB Action Plans are considered and approved by the Enterprise, Regeneration and Tourism Committee and are subject to ongoing monitoring by the funder	Bi-monthly meetings and progress reports to both partnerships
Work with the Department for Communities to commence phase III of the Newry Hill Street public realm scheme, to induce new street lighting, paving and tree planting (subject to planning permission)	2019-20	Improved business/visitor perception and reduced/sustained vacant properties by 2020-21, following the completion of the Downpatrick, Newry and Warrenpoint environmental improvement and revitalisation schemes (Retained from 2018-	Regular progress reports to the Enterprise, Regeneration and Tourism Committee

			19 'supporting actions')	for funding towards the project..	
Work with partners to explore options to complete the final phases of the Forkhill Masterplan, to include an on-site mixed use development	Forkhill Masterplan	2019-20	Progression of the final phase of the Forkhill Masterplan	Forkhill Masterplan - £70k allocated towards the Play Park and £120k allocated through the Rural Development Programme.	Forkhill Steering Committee meetings, including Elected Members, community representatives and Government Departments Project Manager (ERT)
Undertake the delivery of 16 gateway signs and 7 environmental improvement schemes identified through the Village Plans, to include new street lighting, paving and street furniture (subject to planning permission)	Interim Rural Development Strategy 2015-20	2016-20	Funding secured to deliver physical and environmental improvement projects identified through the Village Plans	Rural Development Programme Village Renewal - £3.1m (includes Village Plan improvements, play parks – to be informed by the completion of the Rural Development Programme funded Village Plans)	Project Steering Group, with representatives from funders, Council and the Design Team established. Quarterly reports will be considered by the Enterprise, Regeneration and Tourism Committee and community representatives.

<p>Commence the delivery of the capital works at the Derrymore demesne, to include a play area, trail development and other infrastructure projects</p> <p>Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20</p>	<p>Interim Rural Development Strategy 2015-20</p> <p>Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20</p>	<p>2019-20</p> <p>Technical design complete and contractor appointed</p>	<p>E300k funding allocated by Council. Council to source match funding of circa £520k</p>	<p>Steering Group meetings, led by the Council with representation from the National Trust, local community and the consultancy teams.</p>	<p>Assistant Director – Enterprise, Employment and Regeneration Head of Regeneration and Business Development</p>
<p>Work in partnership with the relevant Departments to improve digital connectivity across the District</p> <p>Economic, Regeneration and Investment Strategy 2015-20</p>	<p>2018 - ongoing</p> <p>Secure funding from DCMS and roll out digital Infrastructure investment programme through FFNL (Full Fibre NI) Consortium</p>	<p>Existing resources allocated to lead the NI consortium and deliver £15m investment secured through DCMS.</p>	<p>Periodic progress reports considered by the Enterprise, Regeneration and Tourism Committee</p>	<p>Assistant Director – Enterprise, Employment and Regeneration Business Intelligence Officer</p>	<p>Head of Planning</p>
<p>Progress the production of the Local Development Plan</p> <p>Improve the processing time of major and local planning applications, and planning enforcement cases</p>	<p>Enterprise, Regeneration and Tourism Directorate Business Plan 2019-20</p>	<p>2019-20</p>	<p>Percentage of planning enforcement cases that are processed within 39 weeks</p> <p>Average processing time of major planning applications</p> <p>Average processing time of local planning applications</p>	<p>Within existing resources</p> <p>Quarterly and annual reports from DfI</p>	<p>Monthly performance reports to the Planning Committee</p> <p>Annual and bi-annual review of the Enterprise, Regeneration and Tourism</p>

Risk Management	Risks	Actions to Mitigate Against Risks
	Lack of applications/negligible applications)/low scoring applicants to the Rural Development Programme	Promotional material with eligibility criteria, staff support and workshops for potential applicants. A full marketing campaign and promotional plan is also in place.
	Lack of match funding for projects	Applicants signposted to other sources of funding.
	Delays in planning permission	Staff will work closely with the Planning Department as part of the same Directorate and actions are being implemented to improve the processing time of planning applications.
	Capacity to deliver projects on time and within budget	Staff capacity and experience. Adhere to procurement, tendering and stringent financial management processes. Assess the quality of the finished work. Set realistic and achievable objectives with careful project management and monitoring processes.
	Engaging relevant stakeholders in identified projects / lack of interest	Targeted promotional campaigns and engagement. Staff will promote stakeholder engagement in projects.
	Disruption due to construction works	Regular information updates in local areas regarding forthcoming disruptions.
	Projected visitor numbers not realised following the completion of projects	PR and Activity Plan will be implemented. Engagement and promotion through 'Friends' groups and schools to raise awareness.
	Failure to achieve Green Flag status for Warrenpoint Municipal Park	Requirements built into the design of the park and liaison with Green Flag team well underway.
	ADNB Action Plans are not delivered	The human and financial resources are in place to deliver the plans and implementation is underway.
	The performance of the Planning Service does not improve	An Improvement Plan has been developed and improved processing times for local planning applications and enforcement cases have been achieved.
	Digital connectivity across the District does not improve	The Council is mapping digital connectivity and progressing a number of schemes to improve broadband availability.
	Delay in funding being issued from Government	Ongoing dialogue and two way communication between the Department for Communities and local government.

Performance Improvement Objective 4

Create a cleaner, greener, more attractive District			
Senior Responsible Officer	Director, Neighbourhood Services	Link to Corporate Plan	Protect our natural and built environment; Transform and modernise the Council, providing accessible as well as value for money services
Why this objective was selected	<ul style="list-style-type: none"> The local environment is a priority for the Council and the Community Planning Partnership. Local communities continue to highlight concerns around a number of issues, including littering, dog fouling and fly tipping. Increasing recycling and reducing the amount of waste going to landfill are key priorities for the Council and key stakeholders. For the past three years, almost all respondents to the consultation on the performance improvement objectives agreed with the inclusion of this objective and many identified 'street cleansing' and 'waste collection and recycling' as priority areas for improvement. The Residents Survey reveals that dog mess and dog fouling is the top perceived problem for residents. 		
Outcomes for local communities and stakeholders	<ul style="list-style-type: none"> 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 civic and community pride in the District 		
Governance: Performance Improvement Plan 2019-20	<ul style="list-style-type: none"> Mid Year Progress Report of the Performance Improvement Plan 2019-20 to the Senior Management Team, Strategy, Policy and Resources Committee Annual Assessment of Performance to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee 		
Meeting the legislative criteria	<p>Strategic Effectiveness: Aligned to community planning outcomes and corporate priorities, and will deliver real benefits and outcomes to citizens.</p> <p>Service Quality: The quality of services to all local communities will improve through the development of the Enforcement Improvement Plan and implementation of the Dog Fouling Strategy.</p> <p>Service Availability: The availability of and access to services will improve through the opening of the Downpatrick Household Recycling Centre, the review of the Household Recycling Centres and improved access to Council funding and support for community led environments initiatives, through 'Live Here Love Here' and 'Cleaner, Greener Communities'.</p>		

Sustainability: The review of the Household Recycling Centres and initiatives to encourage public participation in clean up campaigns will support the delivery of a more sustainable service in the future.

Efficiency: The review of the Household Recycling Centres and standardisation of how glass is collected will contribute to the provision of more efficient and effective services in the future.

Innovation: Innovative ways to improve the way core frontline services are delivered underpins this objective, as evidenced through the recycling publicity campaigns, dog fouling campaign and initiatives to encourage more groups and individuals to support the Council in making the District a cleaner, greener place to live.

Supporting Action	Link to Thematic Plan/Strategy	Timescale	Measure of Success	Resources	Governance Arrangements	Responsible Officers
Increase and support public participation in clear up campaigns and initiatives such as 'Live Here- love Here' and 'Cleaner, Greener Communities'	Neighbourhood Services / Active and Healthy Communities Directorate Business Plans 2019-20	2019-20	Amount of funding awarded to applicants	Circa £30-£40k awarded to applicants towards the regional 'Live Here- love Here' media campaign and projects	NMDDC represented on the 'Live Here-Love Here' Steering Group and involved in the assessment of local applications	Assistant Director – Health and Wellbeing Head of Sustainability
Address issues around dog fouling, littering and illegal camping through the development of the Enforcement Improvement Plan and implementation of the Dog Fouling Strategy	Neighbourhood Services Directorate Business Plan 2019-20	2019-20	Level of street cleanliness across the District	Within existing resources	Annual and bi-annual review of the Neighbourhood Services Directorate Business Plan 2019-20	Assistant Director – Waste Management Head of Waste Processing
Undertake targeted awareness raising to communicate the	Neighbourhood Services / Active and	2019-20	Number of educational programmes delivered	Within existing resources	Annual and bi-annual review of the Neighbourhood	Assistant Director – Health and Wellbeing

<p>detrimental impact of environmental crime and the importance of recycling</p> <p>Healthy Communities Directorate Business Plans 2019-20</p>	<p>to schools and community groups</p> <p>Number of schools visits / schools involved in annual Calenda - competition to promote recycling</p>	<p>Services Directorate Business Plan 2019-20</p>	<p>Head of Sustainability Head of Waste Processing</p>
<p>Standardise how glass is collected across the District</p> <p>Neighbourhood Services Directorate Business Plan 2019-20</p>	<p>2019-20</p> <p>50% of household waste collected by the Council is sent for recycling by 2020 (including waste prepared for reuse)</p>	<p>Within existing resources</p>	<p>Annual and bi-annual review of the Neighbourhood Services Directorate Business Plan 2019-20</p> <p>Assistant Director – Waste Management Head of Waste Processing</p>
<p>Open the Downpatrick Household Recycling Centre by Q2 2019-20</p> <p>Neighbourhood Services Directorate Business Plan 2019-20</p>	<p>2019-20</p> <p>Reduction in the amount of biodegradable Local Authority collected municipal waste that is landfilled to <20,954 tonnes</p>	<p>Within existing resources</p>	<p>Regular reports to the Senior Management Team</p> <p>Annual and bi-annual review of the Neighbourhood Services Directorate Business Plan 2019-20</p> <p>Assistant Director – Waste Management Head of Waste Processing</p>
<p>Review Household Recycling Centres, in relation to opening hours, entrance and usage, receipt of waste and license conditions</p> <p>Entrance and Usage Policies for Household Recycling Centres</p>	<p>2019-20</p> <p>Reduction in black bin waste and increase in blue and brown bin waste</p>	<p>Within existing resources</p>	<p>Annual and bi-annual review of the Neighbourhood Services Directorate Business Plan 2019-20</p> <p>Assistant Director – Waste Management Head of Waste Processing</p>

		Household Recycling Centres	Risk Management
Risks	Actions to Mitigate Against Risks		
The public do not get involved in clean up campaigns and apply for 'Live Here-Love Here' and 'Cleaner, Greener Communities'	DEA Action Plans and the Financial Assistance Scheme include the promotion of and support towards environmental clean ups. All initiatives are also promoted on the Council's website and social media platforms.		
Targets for the statutory performance indicators and standards around waste management are not achieved	Plans around recycling, domestic food waste and promotional campaigns are in place to ensure targets are met.		
The level of street cleanliness does not improve	Plans and actions are in place around dog fouling, awareness raising and promoting public participation in street cleanliness campaigns.		

Performance Improvement Objective 5

Encourage and empower local communities to participate in Council engagement structures and initiatives				
Senior Responsible Officer	Link to Community Plan	Director, Active and Healthy Communities	Link to Corporate Plan	Empower and improve the capacity of our communities
Why this objective was selected	<p>Living in a cohesive, inclusive and empowered community is a key priority for the Council and the Community Planning Partnership.</p> <ul style="list-style-type: none"> The Council has put in place community engagement structures to empower local communities to have a voice in shaping the future of their area and their future. The District benefits from a significant number of volunteers and the Council is committed to supporting the community and voluntary sector through its financial assistance scheme. The Council is committed to addressing the fear of crime amongst local communities. For the past three years, the majority of respondents to the consultations on the performance improvement objectives 2018-19 agreed with the inclusion of this objective and many identified 'community services' as a priority area for improvement. The consultation also reinforced the need for effective engagement with marginalised and vulnerable groups. 			

	<ul style="list-style-type: none"> The Residents Survey reveals that improving community relations, good relations and community safety is a top priority for improvement.
Outcomes for local communities	<ul style="list-style-type: none"> 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 Decrease in the number of people reporting to live in fear and a 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, community development, sports, events, Christmas illuminations and capital projects Newry, Mourne and Down becomes a more inclusive, cohesive and vibrant District, with confident and empowered communities
Governance: Performance Improvement Plan 2019-20	<ul style="list-style-type: none"> Mid Year Progress Report of the Performance Improvement Plan 2019-20 to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee Annual Assessment of Performance to the Senior Management Team, Strategy, Policy and Resources Committee and Audit Committee
Meeting the legislative criteria	<p>Strategic Effectiveness: Aligned to community planning outcomes and corporate priorities, and will deliver real benefits to citizens.</p> <p>Service Quality: The quality of services will improve through the various engagement structures and initiatives which the Council has put in place.</p> <p>Service Availability: The availability of, and access to, Council services will improve through the continued roll out of initiatives offered through the DEA Fora, PCSP, Neighbourhood Renewal, PEACE IV programmes, Ethnic Minority Support Centre, Age Friendly initiatives, 'Participatory Budgeting' initiative and the Financial Assistance Scheme.</p> <p>Fairness: This objective includes specific actions to engage young people, older people, black and minority ethnic communities, as well as representatives from the community, voluntary and business sectors in Council initiatives.</p> <p>Innovation: Innovative ways to engage all sections of the local community in Council initiatives and the Council's decision-making processes underpin this objective, such as the support offered through the DEA Fora and ongoing work around 'participatory budgeting'.</p>

Supporting Action	Link to Thematic Plan/Strategy	Timescale	What we are going to do	Measure of Success	Resources	Governance Arrangements	Responsible Officers
<p>Strengthen the level of engagement and participation in the following structures:</p> <ul style="list-style-type: none"> - Policing and Community Safety Partnership - Neighbourhood Renewal Partnerships <ul style="list-style-type: none"> - DEA Fora - Peace IV Partnership - Strategic Stakeholder Forum 	<p>PCSP Action Plan 2019-20 Neighbourhood Renewal Action Plans 2019-20 DEA Action Plans 2019-20 PEACE IV Action Plan Community Plan Active and Healthy Communities Directorate Business Plan 2019-20</p>	2019-20	<p>Number of meetings, events and capacity building programmes, including attendance levels and participation evaluation</p> <p>The effectiveness of Council run community engagement structures in facilitating stakeholder participation</p>	<p>District Council Good Relations Programme: Total: £415,693.28 / Including Thematic Groups Programme for Fora: £6,500</p> <p>PEACE IV Local Action Plan: £4.75m</p>	<p>Good Relations Programme: Quarterly and annual reports to The Executive Office</p> <p>PEACE IV Plan: Monthly reports to PEACE IV Partnership and quarterly reports to SEUPB.</p> <p>Minutes of meetings sent to the Active and Healthy Communities Committee for notifg.</p>	<p>Assistant Director – Community Engagement</p> <p>Head of Engagement</p> <p>Head of Community Planning</p> <p>Head of Programmes</p>	<p>DEA Forums: Bi-monthly Forum meetings and action sheets, and monthly reports to the Active and Healthy Communities Committee,</p>

			costs, including good relations contribution of £35,750)	for consideration and approval	Strategic Stakeholder Forum: Regular reports to the Community Planning Partnership	Assistant Director – Community Engagement
Reduce the risk of being burgled and address the fear of crime by encouraging residents to access the 'Neighbourhood Watch', 'Good Morning, Good Neighbour' and 'Home Secure' Schemes	PCSP Action Plan 2019-20 Active and Healthy Communities Directorate Business Plan 2019-20	2019-20	Number of Neighbourhood Watch Schemes Number of beneficiaries of the 'Good Morning, Good Neighbour' and 'Home Secure' schemes	PCSP Action Plan: Total: £262,930 (progr-amme spend), / £7,500: Partnership Structure and Development / £57,000k: Burglary and Fear of Crime (subject to final letter of offer 2019-20)	PCSP Action Plan: Quarterly and annual reports to the Department of Justice and PCSP. Minutes of PCSP meetings sent to the Active and Healthy Communities Committee for noting.	Head of Engagement
Through the financial assistance scheme, support local community and voluntary groups in delivering projects across key areas including festivals, sports development, good relations, community safety and Irish language	Active and Healthy Communities Directorate Business Plan 2019-20 Other Directorate Business Plans 2019-20 (where appropriate)	2019-20	Number and percentage of financial assistance projects funded and successfully delivered	Financial Assistance Programme 2019-20 - approx. £1.2k (calls 1 and 2) / Call 3 to be determined	Financial Assistance Programme: Reports and approval by the Active and Healthy Communities Committee and full Council	Assistant Director – Community Engagement
Positively engage minority groups in Council initiatives, including young people, older	Good Relations Action Plan 2019-20	2019-20	Number of visits to the	EMSC: Good Relations Programme:	Good Relations Programme: Quarterly	Assistant Director – Community Engagement

people and minority ethnic communities	Age Friendly Strategy Active and Healthy Communities Directorate Business Plan 2019-20	Ethnic Minority Support Centre		£14,000 (£10,500 from TEO and £3,500 from Council) / additional £10,000 from Council	and annual reports to The Executive Office	Age Friendly Strategic Alliance: Bi-annual Older Persons Strategic Alliance meetings, monthly meetings of the Older Persons Fora and quarterly meetings with the Public Health Agency	Head of Programmes Age Friendly Co-ordinator
		Number of participants aged 0-24 years who complete approved PEACE IV programmes to develop soft skills and respect for diversity by 2020	Age Friendly Strategic Alliance / Older Persons Forum: £10,000 plus salary costs, 100% funded by the Public Health Agency. This includes the provision of co-ordination support for the Newry and Mourne Older Persons Forum and Down Senior Forum				
		Community Plan / Thematic Group Delivery Plans	2019-20	Participatory budgeting resources and programmes identified	To be identified	Periodic progress reports to the Community Planning Partnership Board	Head of Community Planning
Explore opportunities to strengthen community engagement in local decision-making through 'participatory budgeting'		Risks		Actions to Mitigate the Risks			
		Level of funding awarded through the Good Relations Programme, PCSP and Neighbourhood Renewal Programme.		Continued and successful monitoring and delivery of previous programmes, with robust and sustainable partnership arrangements with Government Departments.			
		Lack of applications/ineligible applications/low scoring applicants to the Financial Assistance Programme. Inadequate levels of satisfaction with the process.		Promotional material with eligibility criteria, staff support and workshops for potential applicants delivered across the District. Applicant satisfaction with process subject to ongoing monitoring.			

Capacity to deliver projects on time and within budget.	Staff capacity and experience. Adhere to procurement, tendering and financial management processes. Set realistic and achievable objectives with careful project management and monitoring processes.
Successfully engaging relevant stakeholders and local groups in identified projects.	Targeted promotional campaigns and engagement with specific stakeholders.
Stakeholders not involved in Council engagement structures.	Ongoing engagement with key stakeholders on a geographic and thematic basis.
Resources for participatory budgeting programme not identified or awarded	Robust monitoring of pilot programme and partner 'buy-in' to the process has been achieved.

Report to:	Audit Committee
Date of Meeting:	3 July 2019
Subject:	Performance Audit and Assessments - Proposals for Improvement Progress Report 2018-19
Reporting Officer (Including Job Title):	Jonathan McGilly – Assistant Director: Community Planning and Performance (Acting)
Contact Officer (Including Job Title):	Kate Bingham – Head of Performance and Improvement

Confirm how this Report should be treated by placing an x in either:-

For decision	For noting only	<input checked="" type="checkbox"/>
1.0	Purpose and Background	
1.1	The purpose of this report is to provide an overview of progress to date in relation to the 'proposals for improvement' which were put forward by the Northern Ireland Audit Office (NIAO) as part of the 2018-19 Performance Audit and Assessment. The Performance Audit and Assessment underpins the general duty to make arrangements to secure continuous improvement in the exercise of functions, which has been placed in Councils through the Local Government (NI) Act 2014. A copy of the report is attached at Appendix 1 .	
1.2	The purpose of the 'proposals for improvement' is to assist the Council in meeting its performance improvement responsibilities in future years. Whilst these are not formal recommendations, future Performance Audit and Assessments will take into account the Council's progress in implementing the 'proposals for improvement'.	
1.3	In 2018-19, the Council produced an action plan of key activities to be undertaken to support the implementation of the 'proposals for improvement'. An overview of progress, in relation to the status of each action to date, is also included in the report.	
2.0	Key issues	
2.1	<p>For the past three years, the Local Government Auditor certified that the Council has discharged its performance improvement and reporting duties under Part 12 of the Act, and has acted in accordance with the guidance issued by the Department for Communities. During this time, the Council has strengthened its arrangements to secure continuous improvement in the exercise of functions, as outlined below:</p> <ul style="list-style-type: none"> • Performance improvement objectives are outcome focused and aligned to community planning outcomes and corporate priorities. • The Business Planning and Performance Management Framework demonstrates how employees contribute to the achievement of community planning outcomes, corporate priorities and performance improvement objectives, and has been included within the Performance Improvement Plan and Directorate Business Plans. 	

	<ul style="list-style-type: none"> The Council continues to develop and monitor suites of performance measures at all levels of the Business Planning and Performance Management Framework, to evaluate the overall health of the organisation. Performance is monitored, reviewed and reported to Elected Members and other key stakeholders on a regular basis. The Council met its statutory duty to consult on the performance improvement objectives, and the process was effective, robust and inclusive. The Council raised the profile of performance on the website, improving overall accessibility to performance information.
2.2	<p>However, whilst progress has been made, further work is required in relation to a number of 'proposals for improvement', some of which are medium term in nature and will be implemented over a number of years. Over the next few years, the organisation will focus on the following key improvements:</p> <ul style="list-style-type: none"> Further embedding the Business Planning and Performance Management Framework at all levels across the organisation, particularly in relation to Service Plans and Individual Performance Appraisal. Developing an electronic performance management system. Supporting Elected Members in discharging their performance improvement responsibilities. Using baseline performance data to identify and deliver improvements. Working with other Councils and the Department for Communities to progress benchmarking arrangements.
2.3	<p>Some 'proposals for improvement' are medium term in nature and will take a number of years to implement. An action plan was therefore developed and agreed in December 2018, outlining the key activity the Council will undertake over the next few years to implement the 'proposals for improvement'.</p>
3.0	Recommendations
3.1	<p>To note the:</p> <ul style="list-style-type: none"> Performance Audit and Assessments – Proposals for Improvement Progress Report 2018-19 The key areas for improvement over the next few years are: <ul style="list-style-type: none"> Further embedding the Business Planning and Performance Management Framework at all levels across the organisation, particularly in relation to Service Plans and Individual Performance Appraisal. Developing an electronic performance management system. Supporting Elected Members in discharging their performance improvement responsibilities. Using baseline performance data to identify and deliver improvements. Working with other Councils and the Department for Communities to progress benchmarking arrangements.
4.0	Resource implications
4.1	<p>There are no resource implications contained within this report. However, progressing some 'proposals for improvement' may result in additional resource implications for the Council. Examples include the implementation of an electronic</p>

	performance management system and delivery of performance improvement training, both of which should be integrated into future programmes of work for the Council.
5.0	Equality and good relations implications
5.1	It is not anticipated that the content of this report will have an adverse impact on equality of opportunity or good relations.
6.0	Rural Proofing implications
6.1	This report does not fall within the scope of the Rural Needs Act (NI) 2016 and no rural needs impact assessment was carried out.
7.0	Appendices Appendix 1 – Performance Audit and Assessments – Proposals for Improvement Progress Report 2018-19
8.0	Background Documents <ul style="list-style-type: none">• NIAO Performance Audit and Assessment Report 2018-19• Proposals for Improvement Progress Report 2017-18

Newry, Mourne and Down District Council Performance Audit and Assessments 2016-17 / 2017-18 / 2018-19 Proposals for Improvement - Progress Report

Following the Performance Audit and Assessments which were carried out by the Northern Ireland Audit Office in 2016-17, 2017-18 and 2018-19, a number of 'proposals for improvement' were put forward by the Local Government Auditor. The purpose of the 'proposals for improvement' is to support the Council in putting in place arrangements to secure continuous improvement in the exercise of functions. The 'proposals for improvement' are categorised under the seven themes outlined below. This report provides an overview of progress to date, using the following legend, in relation to:

- Implementing the 'proposals for improvement'
- Progressing the action plan which was developed in 2018-19 to support the implementation of the 'proposals for improvement'

Themes:

1. General duty to improve
2. Governance arrangements
3. Improvement objectives
4. Consultation
5. Improvement Plan
6. Arrangements to improve
7. Collection, use and publication of performance information

Legend	
Proposal implemented / on track to be implemented	Green
Proposal partially implemented / likely to be implemented	Yellow
Proposal not implemented	Red

Theme, Proposal and Progress to Date	2016-17	2017-18	2018-19
THEME: General duty to improve			
PROPOSAL: Expand upon the Council's interim performance management framework and cascading the framework to include the development of a Performance Improvement Policy. The purpose of this will define the Council's own interpretation of the new duty.	?	Green	Green

The Council's Business Planning and Performance Management Framework demonstrates the alignment between the Community Plan, Corporate Plan, Thematic Plans and Strategies, Service Plans and Improvement Projects and Individual Performance Appraisal. It has been

included in the Performance Improvement Plan and Directorate Business Plans in order to highlight how employees contribute to the achievement of community planning outcomes, corporate priorities and performance improvement objectives. The framework has been supplemented by an additional diagram in each Directorate Business Plan 2019-20, which reinforces the 'line of sight' between the work of employees and how they contribute to the delivery of specific performance improvement objectives, corporate priorities and community planning outcomes.

The Council approved the Performance Improvement Policy in November 2013, which is available on the Shared Drive. The policy provides the context for mainstreaming the Business Planning and Performance Management Framework and was considered by the Senior Management Team, Corporate Management Team, Local Joint Consultative Forum, prior to being approved by the Strategy, Policy and Resources Committee and ratified by full Council.

PROPOSAL: The Council should prioritise the development of its performance management system to enable the performance of all its functions and services to be measured, to support the identification of those areas which would benefit most from improvement.				
<p>A project mandate for an electronic performance management system has been developed and considered by the IT Projects Group and Senior Management Team. The mandate will be considered further in the future, as part of a broader Corporate Business Intelligence System. In line with the implementation of the IT Strategy. However, in the absence of a formal electronic system, the Council continues to use an interim excel based system which maps, measures and monitors progress against existing performance indicators at all levels of the Business Planning and Performance Management Framework. At present, the system provides an overview of performance in relation to approximately 150 performance measures within the Corporate Plan, Performance Improvement Plan, Directorate Business Plans, statutory performance indicators and standards and APSE performance indicators. Further work will be undertaken in future years to ascertain whether existing performance indicators remain balanced in terms of cost, quality and customer satisfaction, ensuring they provide a meaningful overview of the overall health and performance of the organisation.</p>	n/a			

The Council continues to use the performance information within the current excel based system to identify year on year trends, comparisons with other local authorities, areas of 'good' and 'under' performance in order to develop initiatives to drive improvement. This is evidenced through the:

- Continued roll out of campaigns which have increased the amount of blue/brown bin waste, ensuring the Council is on track to meet the statutory recycling target of 50%.
- Development of the Dog Fouling Strategy and media campaign to address increased levels of dog fouling, which has been identified as a key issue in the Cleaner Neighbourhoods Report and the top perceived problem through the Residents Survey.
- Continued implementation of the NI Business Start Programme in order to meet statutory targets around the number of new business starts and jobs promoted.

- Continued implementation of the Planning Service Improvement Plan which has facilitated a reduction in the backlog of legacy planning applications, improved the processing time of local planning applications and the percentage of planning enforcement cases which are processed within 39 weeks.
- Continued capacity building for community groups to access the Financial Assistance Scheme, and improve the quality and quantity of applications, as well as the overall success rate.

Further work will be undertaken during 2019-20 to build upon existing baseline data and strengthen the use performance information in identifying and delivering improvements at all levels of the organisation.

PROPOSAL: The Council should take steps to further develop, establish and embed all elements which underpin its Business Planning and Performance Management Framework more fully across the organisation and each of its Directorates. This should ensure that corporate priorities and performance improvement objectives are effectively cascaded to all employees.

The Council developed an integrated cycle of activity to facilitate the review of the Community Plan, as well as the development of the Corporate Plan, Performance Improvement Plan and Directorate Business Plans. Through this cycle, the Council has co-ordinated the development of the Corporate Plan, Performance Improvement Plan and Directorate Business Plans, thereby strengthening the alignment across the Business Planning and Performance Management Framework. The Business Planning and Performance Management Framework features within all Directorate Business Plans, demonstrating alignment between the work of employees within each Directorate and how they contribute to the achievement of community planning outcomes, corporate priorities and performance improvement objectives. Over the next few years, further work will take place around the development of Service Plans and Individual Performance Appraisal, within the context of the new Corporate Plan 2019-23, which will strengthen the effective cascade of strategic priorities to departments and employees.

The monitoring, reporting and review arrangements at each level of the Business Planning and Performance Management Framework continue to strengthen across the organisation. A standard template has been developed to ensure a consistent and straightforward approach to performance reporting, using the red/amber/green status. Performance reports are available to a range of stakeholders through the Council's website and Committee Reporting arrangements, as outlined below:

- The Corporate Plan 2015-19 is measured, monitored and reported through the annual Assessment of Performance.
- The Performance Improvement Plan is measured, monitored and reported through the Mid Year Progress Report and annual Assessment of Performance.
- Directorate Business Plans are measured, monitored and reported through the Mid Year Progress Reports and annual Review of Business Plans.

- 'NMD Connect' and 'Our Performance, Looking Back, Going Forward' provide an overview of progress in delivering the Corporate Plan and Performance Improvement Plan in user friendly, accessible formats, and are available at public receptions and through the Council's website.

In December 2018, the Chief Executive held staff briefings at a number of locations across the District to provide an overview of progress to date in implementing corporate priorities and strategic programmes of work. These briefings have been supplemented by various initiatives undertaken by Directorates, such as away days and interactive sessions, to support the development of the 2019-20 Directorate Business Plans and review the 2018-19 Directorate Business Plans. Performance has also been incorporated into the Corporate Induction sessions of new employees, who receive a copy of the summary document 'Our Performance, Looking Back, Going Forward'.

Governance Arrangements	2016-17	2017-18	2018-19
PROPOSAL: The Terms of Reference of the Audit Committee and the Strategy, Policy and Resources Committee should be updated as required to reflect their respective performance improvement responsibilities. This should include a clearly defined separation between the role of the SPR Committee in managing and scrutinising Council performance and the role of the Audit Committee in providing assurance that the Council's arrangements are operating effectively.	●	●	●

The Audit Committee and Strategy, Policy and Resources Committee are routinely provided with information to carry out their respective roles in terms of performance and improvement. The Strategy Policy and Resources Committee has overall responsibility for monitoring, challenging and scrutinising performance information and the Audit Committee is responsible for providing assurance that the performance management arrangements are robust and effective. The Terms of Reference for the Audit Committee were revised and strengthened for the second term of Council, as follows:

- To be advised of the Council's structures, processes, systems and related arrangements for performance management.

Through the Senior Management Team, it has also been proposed that the Terms of Reference for all Standing Committees of Council be amended in the future to include a responsibility around performance management. In doing so, the Council will reinforce the significant role Elected Members can play in driving forward a performance improvement culture across the organisation. In addition, the governance arrangements within the Directorate Business Plans outline the roles and responsibilities of each of the Standing Committees of Council in relation to the development, approval and monitoring of their respective Business Plan. The Council is also in the process of considering the governance arrangements for the emerging Corporate Plan, in order to ensure they are robust and meaningful.

The governance arrangements for the Performance Improvement Plan outline the roles and responsibilities of full Council, Strategy, Policy and Resources Committee, Audit Committee and the Senior Management Team, as highlighted below:

- Full Council – Ratification of the annual Performance Improvement Plan / Mid year progress report on the Performance Improvement Plan / Annual Assessment of Performance.
- Strategy, Policy and Resources Committee – Scrutiny, challenge and approval of the annual Performance Improvement Plan / Mid year progress report on the Performance Improvement Plan / Annual Assessment of Performance.
- Audit Committee – Provide assurance that performance management arrangements are robust and effective around the Performance Improvement Plan / Mid year progress report on the Performance Improvement Plan / Annual Assessment of Performance.
- Senior Management Team – Lead the development and implementation of the annual Performance Improvement Plan / Regular progress reports / Annual Assessment of Performance.

PROPOSAL: Senior Management Team should facilitate members of the Audit Committee and SPR Committee with training and support to discharge their performance improvement responsibilities.

Performance and improvement is a standing item on the agenda of the quarterly Audit Committee meetings and has featured as a regular agenda item at the monthly Strategy, Policy and Resources Committee meetings, as outlined below:

- December 2016, 2017 and 2018 - Strategy, Policy and Resources and Audit Committees considered the NI Audit Office Audit and Assessment Reports, including the 'proposals for improvement'.
- March 2017 and 2018 / December 2018 – Strategy, Policy and Resources Committee considered, scrutinised and approved the draft performance improvement objectives and the proposed process for developing the Performance Improvement Plan.
- April 2017 and 2018 / January 2019 - Audit Committee considered the draft performance improvement objectives and the proposed process for developing the Performance Improvement Plan.
- June 2017 and 2018 - Strategy, Policy and Resources and Audit Committees considered, scrutinised and approved the Performance Improvement Plan, including an analysis of the results from the consultation and engagement process.
- September 2017 and 2018 - Strategy, Policy and Resources Committee and Audit Committees considered, scrutinised and approved the Assessment of Performance.
- November 2017 and 2018 / January 2018 - Strategy, Policy and Resources and Audit Committees considered, scrutinised and approved the mid year progress reports on the Performance Improvement Plan
- All of the above reports were ratified at full Council meetings.

In addition, all Standing Committees of Council consider performance information in relation to their specific functions on an ongoing basis, which is supplemented by mid year and annual reviews of their respective Directorate Business Plan. Elected Members have also been actively engaged in identifying key issues and supporting the development of the Corporate Plan 2019-23 and Performance Improvement Plan 2019-20, through the seven DEA Forums and an Elected Member workshop during Q4 2018-19.

The Council played a central role in developing and delivering a regional masterclass on performance which was organised by the NI Local Government Association (NLGA) in January 2019. Cllr Casey, supported by the Head of Performance and Improvement, developed and delivered a session entitled: 'The Role of a Councillor – Key to Building a High Performing Council', to an audience of Elected Members and Officers from local and central government, including four Elected Members from Newry, Mourne and Down. Following this session, the Council also contributed to the 'Performance and Improvement Section' within the NLGA Councillor Guide 2019. During 2019-20, further training sessions will be organised for Elected Members, particularly members of the Strategy, Policy and Resources Committee and Audit Committee, to supplement the regional capacity building sessions delivered by NLGA.

Improvement Objectives	2016-17 15	2017-18 16	2018-19 17
PROPOSAL: The Council needs to ensure that its Strategy, Policy and Resources Committee is subjecting the Council's priorities, improvement objectives, activities, projects, risks and performance to appropriate scrutiny, challenge and evaluation, and that this is being monitored by the Audit Committee. To this end, officers must provide the relevant Committees with appropriate and timely information in relation to the delivery of improvement objectives.	✓ 1/a	✓ 1/b	✓ 1/c
The Strategy, Policy and Resources Committee considers, scrutinises and challenges the draft performance improvement objectives, including the 'supporting actions' and 'measures of success' before and after the consultation and engagement process. The Strategy, Policy and Resources Committee also scrutinises the delivery of the performance improvement objectives through the mid year progress report and annual self assessment. The Audit Committee also considers all reports in relation to the development and delivery of the performance improvement objectives. These governance arrangements are further outlined in the Performance Improvement Plan 2019-20.			
Each performance improvement objective is underpinned by an Objective Delivery Plan. These plans provide an overview of the rationale for selecting the objectives, 'supporting actions' and 'measures of success', financial and human resources in place to deliver each objective, governance arrangements to monitor progress against each objective, how risks will be managed and mitigated and compliance with the legislative criteria for selecting each objective. The Delivery Plans have been developed with the Senior Responsible Officer and their teams, and have, for the past year, been considered and scrutinised by the Senior Management Team. In June 2019, they will also be considered and scrutinised by the Strategy, Policy and Resources Committee, followed by the Audit Committee in July 2019. These plans are dynamic in nature, and given the level of detail included, remain a 'work in progress', and are subject to continuous monitoring, review and amendment.			
PROPOSAL: The Council should continue to focus on the development and appropriate use of baseline performance data and information within the existing data management system going forward, and set standards for achievement which are both challenging and realistic.	✓ 1/a	✓ 1/b	✓ 1/c

The Council's excel based system maps out the hierarchy of performance indicators at all levels of the Business Planning and Performance Management Framework, including the Corporate Plan, Performance Improvement Plan and Directorate Business Plans, APSE performance indicators. Where possible, the system outlines year on year trends, whether targets have been achieved and comparisons with other local authorities. Through this system, the Council is putting in place arrangements to begin the process of setting challenging and SMART targets for future years, and ensuring the data being collating remains meaningful and relevant in terms of supporting the delivery of corporate priorities and performance improvement objectives.

The Council has been proactive in developing an evidence base to support the development and review of the Community Plan, Corporate Plan and Performance Improvement Plan. During 2018-19, this has involved:

Residents Survey

Commissioning a Residents Survey in 2018, which provided a robust and reliable quantitative evidence base in relation to:

- Priority areas of improvement and perceived problems in the local area
- Usage and satisfaction with Council services
- Levels of satisfaction with the Council and the local area as a place to live

As the Residents Survey will be repeated every 3-4 years, relevant performance indicators are being developed and agreed, in order to monitor and evaluate performance and progress in relation to the key areas identified. These performance indicators are likely to feature in the Corporate Plan 2019-23 and will also inform the review of the Community Plan.

Reports and Performance Scorecards

Analysing key trends and influences within the external environment around the social and economic needs of people in rural areas, health inequalities and multiple deprivation across the District. Performance Report Cards, which examine baseline data in relation to health and wellbeing, education, economy, crime and the environment at a Local Government District (LGD) and DEA level have also been produced to inform the development of the DEA Action Plans 2019-20. Performance Scorecards are also being developed to evaluate key partnership initiatives, including 'Participatory Budgeting' and the 'Housing Conference', for incorporation into the 'Statement of Progress' for the Community Plan, which will be published in November 2019.

The Council has developed 'Performance Profiles' for all Directorates, which collate and present relevant baseline information, in an accessible, meaningful and consistent way, across the following themes:

- Overview of Directorate (infographic)
- Overview of individual Departments, in relation to:
 - Residents Survey (relevant information)
 - Alignment within Council - Community Plan, Corporate Plan and Performance Improvement Plan
 - Year on year performance information (including APSE performance indicators) – finance, customer satisfaction and internal business processes. Where possible, comparisons have been made with the performance of other local authorities.
 - APSE Direction of Travel reports

The purpose of the Performance Profiles is to support the business planning process, considering areas of good and under performance, identifying service improvements and ensuring corporate priorities are effectively cascaded to employees. It is anticipated that this will facilitate a performance led approach to business planning, thereby supporting the development of a performance improvement culture across the organisation. A pilot workshop has taken place within the Environmental Health department, and it is anticipated that additional workshops will be scheduled later this year. The Senior and Corporate Management Teams considered the Performance Profiles in June 2019, and agreed that a corporate, consistent approach to using the Performance Profiles should be rolled out, in order to inform the way services are planned, managed and delivered, and to identify improvements at all levels of the organisation.

Consultation	2016-17 17	2017-18 18	2018-19 19
Whilst there were no proposals for improvement in 2017-18, progress includes:			

- Integrating, where possible, and in line with good practice, the consultation and engagement on the Corporate Plan 2019-23 with the consultation and engagement on the Performance Improvement Plan 2019-20, in order to avoid consultation fatigue and overload with key stakeholders. Through the combined consultation process, the Council engaged 1,208 stakeholders, including Elected Members, community representatives, business sector, young people, older people, staff and senior management in the development of the Corporate Plan and Performance Improvement Plan.
- Streamlining and rationalising the information on the Performance Page of the website, using the 'Looking Back' and 'Going Forward' straplines, in order to ensure performance information is presented in a user friendly, accessible way.
- In line with the Corporate Equality Scheme, holding a 12 week consultation process between January-April 2019 on the draft performance improvement objectives 2019-20. In previous years, the Council ran an 8 week consultation process.

Improvement Plan	2016-17	2017-18	2018-19
Whilst there were no proposals for improvement in 2017-18, progress includes:			
<ul style="list-style-type: none"> • Strengthening the alignment and complementarity between the Corporate Plan and Performance Improvement Plan, using the same evidence base and consultation and engagement process. • Amending performance improvement objective 4, so that it becomes more focused and targeted on delivering key improvements in relation to recycling, waste and cleanliness. • Uplifting and cascading some of the 'supporting actions' and 'measures of success' in the Performance Improvement Plan to the most appropriate level, within either the emerging Corporate Plan or Directorate Business Plan. This process will continue as part of the development of the Corporate Plan, thereby strengthening the alignment across the Business Planning and Performance Management Framework. 	  	 	 

Collection, Use and Publication of Performance Information	2015-16	2016-17	2017-18
PROPOSAL: The Council should continue to develop and embed its performance management framework and establish a performance management system as a priority.			

The Business Planning and Performance Management Framework demonstrates the 'golden thread' between the Community Plan, Corporate Plan, Thematic Plans and Strategies, Service Plans and Improvement Projects and Individual Performance Appraisal. The framework has been included in the Performance Improvement Plan and Directorate Business Plans, demonstrating how employees contribute to the achievement of community planning outcomes, corporate priorities and performance improvement objectives. Going forward, work will continue around Service Plans and Individual Performance Appraisal, in order to expand upon and embed all levels of the 'Business Planning and Performance Management Framework' across the organisation. Embedding the framework is supported by the Performance Improvement Policy, which was adopted in November 2018.

The Assistant Director of Community Planning and Performance, supported by the Head of Performance and Improvement, continue to work with the Senior Management Team, Corporate Management Team, Corporate Plan, Performance Improvement Plan, Directorate Business Plans, thereby strengthening the alignment across the Business Planning and Performance Management Framework. Examples include attendance at workshops to develop the Corporate Plan and Directorate Business Plans as well as ongoing liaison with staff to develop and refine the current suite of performance improvement objectives.

In addition to the statutory performance indicators and standards, the Council has developed and agreed suites of self imposed performance indicators which underpin the Corporate Plan, Performance Improvement Plan and Directorate Business Plans. These plans provide the

strategic and operational context for the work of the organisation, and year on year progress against the indicators is monitored and reported through the annual Assessment of Performance and reviews of the Performance Improvement Plan and Directorate Business Plans.

A project mandate for an electronic performance management system has been developed and considered by the IT Projects Group and Senior Management Team. The mandate will be considered further in the future, as part of a broader Corporate Business Intelligence System, in line with the implementation of the IT Strategy.

PROPOSAL: The Council should continue working with other Councils and the Department to agree a suite of self-imposed indicators and standards. This will enable meaningful comparisons to be made and published in line with its statutory responsibility.

Through the NI Local Government Performance Improvement Working Group and Multi-Stakeholder Group, the Council has been proactive in working with the Department for Communities and the NI Audit Office to consider benchmarking arrangements and review the guidance issued by the Department for Communities in relation to performance improvement.

PROPOSAL: The Council should continue working with other Councils and the Department to agree a suite of self-imposed indicators and standards. This will enable meaningful comparisons to be made and published in line with its statutory responsibility.	n/a		
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The Council also forms part of APSE Performance Networks and has collated benchmarking data across a range of services over the past three years. This information has been analysed and reported to the Senior Management Team and Corporate Management Team, and further work is underway to build upon and strengthen the performance data which is being collated, through the recently developed Performance Profiles. An internal audit of the APSE performance indicators was also carried out by ASM in November 2018, in order to assess the reliability of the existing benchmarking arrangements and validate the accuracy and integrity of selected APSE performance indicators. Whilst the internal audit confirmed that the existing systems in place in relation to the validation of performance indicators are basically sound and can provide satisfactory assurance regarding the effective and efficient achievement of the Council's objectives, a number of recommendations have been agreed to improve the validation of existing performance indicators. These recommendations will be progressed during 2019-20, and the Council will continue to work with APSE to ensure the current suite of performance indicators facilitate meaningful and relevant comparisons across the sector.

Performance Audit and Assessment 2018-19 – Progress on Action Plan

Thematic Area: Duty to Improve	Timescale	Status
• Continue to strengthen alignment between future Performance Improvement Plans, Corporate Plan 2019-23 and Community Plan.	2019-20 2020-21	●
• Continue to use performance information to identify and drive improvements across the organisation	Ongoing	●
• Identify and strengthen the emerging suites of performance indicators at all levels of the Business Planning and Performance Management Framework, particularly within the emerging Corporate Plan and Business Plans.	Ongoing	●
• Continue to mainstream the Business Planning and Performance Management Framework and Performance Improvement Policy across the organisation, in order to ensure employees understand how they contribute to the achievement of strategic outcomes and priorities.	Ongoing	●
• Integrate an overview of performance and improvement into the corporate induction sessions for new employees.	2018-19	●
• Finalise the project mandate for the electronic performance management system for the consideration of the IT Projects Group. Continue to populate and manage the interim excel based system.	2018-19 2019-20	●
• Facilitate staff briefings/roadshows in order to communicate progress in delivering the Corporate Plan and Directorate Business Plans.	2018-19	●

Thematic Area: Governance Arrangements	Timescale	Status
• Review the Terms of Reference for the Audit Committee and Strategy, Policy and Resources Committee during the new term of Council, with a view to strengthening performance improvement responsibilities.	2019-20	●
• Contribute to the development and delivery of a regional training and capacity building programme for Elected Members around performance and improvement. Supplement this programme with local training sessions during the new term of Council.	2018-19 2019-20	●
• Work with the Internal Audit function to validate the accuracy of performance information and adequacy of data collation processes in relation to selected performance indicators.	2018-19	●
• Mid Year Assessments of Directorate Business Plans to be completed and considered by the respective Standing Committees, outlining progress and areas of under performance.	2018-19	●
• Objective Delivery Plans, which underpin each performance improvement objective, to be considered by the Strategy, Policy and Resources Committee and Audit Committee, in order to strengthen the scrutiny and challenge role of both Committees.	2019-20	●

Thematic Area: Improvement Objectives	Timescale	Status
<ul style="list-style-type: none"> Continue to embed the Business Planning and Performance Management Framework in order to ensure community planning outcomes, corporate priorities and performance improvement objectives are effectively cascaded to Directorate Business Plans and future Service Plans. 	2018-19	
<ul style="list-style-type: none"> Continue to identify and collate robust baseline data to facilitate a performance driven approach to strategic planning. Use performance data to identify year on year trends, carry out comparisons with other local authorities, set targets for the future and inform the development of new plans and strategies. 	Ongoing	
<ul style="list-style-type: none"> Continue to work with Departments across the organisation to communicate and enhance awareness around the performance improvement objectives. 	Ongoing	

Thematic Area: Consultation	Timescale	Status
<ul style="list-style-type: none"> Streamline and rationalise the content of the current performance page on the corporate website. 	2018-19	
<ul style="list-style-type: none"> Integrate the consultation on the performance improvement objectives 2019-20 and 2020-21 with the consultation and engagement around the Corporate Plan 2019-23. Circulate 'Our Performance, Looking Back, Going Forward' 2018-19 to key stakeholders, in order to inform discussions around the development of the Corporate Plan 2019-23. 	2018-19	
<ul style="list-style-type: none"> Continue to use innovative, accessible and inclusive mechanisms to engage stakeholders in the development of future performance improvement objectives and areas of improvement. 	2018-19	

Thematic Area: Improvement Plan	Timescale	Status
<ul style="list-style-type: none"> Explore opportunities to strengthen alignment and complementarity between future Performance Improvement Plans and the Corporate Plan 2019-23. 	2018-19 2019-20	

Thematic Area: Collection, use and publication of performance information	Timescale	Status
<ul style="list-style-type: none"> Continue to strengthen the governance arrangements around key plans and strategies, and ensure, where appropriate, performance is reported in a consistent format across the organisation, using the Red/Amber/Green status. 	Ongoing	
<ul style="list-style-type: none"> Focus on the development of Service Plans by commencing the preparation of 'performance scorecards' to facilitate an evidence based approach to service planning. 	2018-19 2019-20	
<ul style="list-style-type: none"> Develop and introduce a rolling programme to validate the accuracy of performance data and the integrity of data collation processes across the organisation. 	Ongoing	

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- Continue to form part of the Multi-Stakeholder Group, which is made up of local government, Department for Communities and the NI Audit Office, to consider the benchmarking within the context of the legislative requirements of Part 12 of the Local Government Act (NI) 2014.

Ongoing



Local Government Auditor's Report – 2019





Northern Ireland Audit Office

Report on the exercise of the Local Government Auditor's functions

In the year to 31 March 2019

The Local Government Auditor has statutory authority to undertake comparative and other studies designed to enable her to make recommendations for improving economy, efficiency and effectiveness in the provision of services by local government bodies and to publish her results and recommendations.

For further information about the work of the Local Government Auditor within the Northern Ireland Audit Office please contact:

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This report has been prepared under Article 4 of the Local Government (Northern Ireland) Order 2005.

Pamela McCready
Local Government Auditor
18 June 2019

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Definitions and Abbreviations

C&AG:	Comptroller and Auditor General
Capital receipts:	Income received when assets (such as land or buildings) are sold. Capital receipts can only be used to buy new or improve existing assets. These assets could be land, buildings or large pieces of equipment such as vehicles.
Capital grants:	Sums of money given to councils by the Government. This money can only be used as capital expenditure, to buy or improve assets of lasting value.
CIPFA:	Chartered Institute of Public Finance and Accountancy
Earmarked reserves:	Money that has been set aside for a particular purpose, such as buying or repairing equipment, or the maintenance of public parks or buildings.
Emphasis of matter:	A paragraph that is included by the Local Government Auditor in her audit report to direct the attention of users of financial statements to a matter that has been discussed appropriately in the financial statements (usually a disclosure). It is a professional judgement that the matter is of such importance that users should know about it in order to completely understand the financial statements.
FTE:	Full Time Equivalent
General fund balance:	This is a contingency fund - money set aside for emergencies or to cover any unexpected costs that may occur during the year, such as unexpected repairs.
NIAO:	Northern Ireland Audit Office
Real-term:	Real-term expresses the historical value of money in the past, at today's value. This is because the value of £1 today is less than it was in previous years.
TUPE:	Transfer of Undertakings (Protection of Employment)
Usable reserves:	This is accumulated, unspent money that each council has set aside from previous years to provide services or buy assets now or in the future.
Unusable reserves:	This relates to accounting treatment balances. The funds cannot be used to provide services. They include balances relating to 'unrealised gains or losses' in respect of assets, such as buildings, whose value changes over time. There may also be commitments linked to these assets such as loans or maintenance needs. The funds held as unusable reserves can only be unlocked and turned into usable money if the assets are sold.

Local Government Auditor's Introduction

As Local Government Auditor, it is my responsibility to audit and provide an opinion on the financial statements of the 11 councils in Northern Ireland. I am also required to prepare an annual report on the exercise of my functions. This is my second annual report and it covers my audit work in the year to 31 March 2019.

The Department for Communities (the Department), with the consent of the Comptroller and Auditor General for Northern Ireland (the C&AG), designated me as the Local Government Auditor in January 2018. I am also the Chief Operating Officer of the Northern Ireland Audit Office (NIAO).

In addition to providing an opinion on the financial statements of the 11 councils, I am responsible for the audit of two joint committees¹, the Local Government Staff Commission and the Northern Ireland Local Government Officers' Superannuation Committee.

In total, audit opinions are issued on 15 sets of financial statements. I am pleased to report that all 15 audit opinions for the 2017-18 financial statements were unqualified. This means that all financial statements were properly prepared and that they gave a true and fair view of the financial position of the body concerned and its income and expenditure for the year.

Councils are independent of central government and are accountable to their citizens. They consider local circumstances in making decisions in the best interests of the communities they serve. All councils have the same basic legislative responsibilities, although each council has the discretion to place a different emphasis on the services delivered.

In providing such a broad range of services, either directly or in partnership with others, councils require substantial resources. In the 2017-18 financial year they spent £936 million on providing services to the public, employed over 10,000 full time equivalent staff and utilised assets worth in excess of £2 billion.

As part of my audit work, I consider whether each council has **proper arrangements** in place to secure economy, efficiency and effectiveness in the use of resources and that public money is properly accounted for. If I consider it appropriate, I can make a report in the public interest on any matter coming to my notice in the course of an audit. No public interest reports were made during the year and my audit findings were issued to each council in their annual audit letter, which is published on councils' websites detailing where any action is required. I expect councils to take these actions forward as appropriate.

In addition to the audit of 2017-18 local government body financial statements, I am responsible for the audit and assessment of the councils' **performance improvement** responsibilities. The work carried out during the year in this area concluded that all councils met their key performance improvement responsibilities, both in relation to improvement planning and the publication of improvement information, and all received the same overall assessment. Although councils are at different stages of development, all strengthened their performance improvement arrangements in year and each council delivered some measurable improvements to services. With sufficient resources, councils' arrangements to deliver improvement should develop further and mature over time. I have provided feedback to each council on how their arrangements could be improved.



Pamela McCready,
Local Government Auditor

¹ A joint committee is made up of two or more participant councils and may be constituted as a body corporate.

Introduction

This was the second year that councils were required to report on their performance against that of other councils in delivering the same or similar functions, where it was reasonably practicable to do so. I found most published comparisons to be limited in content. In my view, this requirement will remain difficult to achieve until it is supported by an agreed framework between councils. While most councils have been working with the Department to consider how to undertake such comparisons, progress to date has been limited.

As the Local Government Auditor, I can also undertake comparative and other studies designed in order to make recommendations for improving economy, efficiency and effectiveness ("3E" studies) in the provision of services by local government bodies and to publish my results and recommendations. No such studies have been undertaken to date on the 11 councils. During the year I consulted with councils, local government representative bodies and other appropriate bodies in preparing a rolling three-year programme of 3E studies.

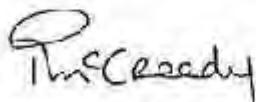
This report provides my perspective on the audits of local councils based on the key messages from audit work completed by 31 March 2019. This includes the audit of the financial statements for 1 April 2017 to 31 March 2018 (the 2017-18 financial year) and the audit of councils' performance improvement plans and outcomes from 1 April 2018 to 31 March 2019 (the 2018-19 financial year).

In my report, I have sought to highlight areas of strength and areas for improvement within local councils. I have also considered several important issues that may affect the councils in the near future. Both councillors and officers should consider this report and review how their council is managing the issues I have highlighted.

In my last report I made a number of recommendations to councils based upon themes arising over the course of my financial audits. I am pleased to report that each council is working to address them.

There will be significant challenges and opportunities in the years ahead. I am confident that local government will respond appropriately, delivering positive outcomes and that the Local Government Audit function will continue to play its part in promoting performance improvement and securing economy, efficiency and effectiveness in the provision of services.

I would like to thank elected members, their Chief Executives and staff of the 11 councils and other local government bodies audited, for the assistance provided to audit staff in completing this year's audits. I also wish to thank those members of the staff of the NIAO who assisted me in the performance of the Local Government Auditor's functions.



Pamela McCreedy

Local Government Auditor

18 June 2019

Council districts



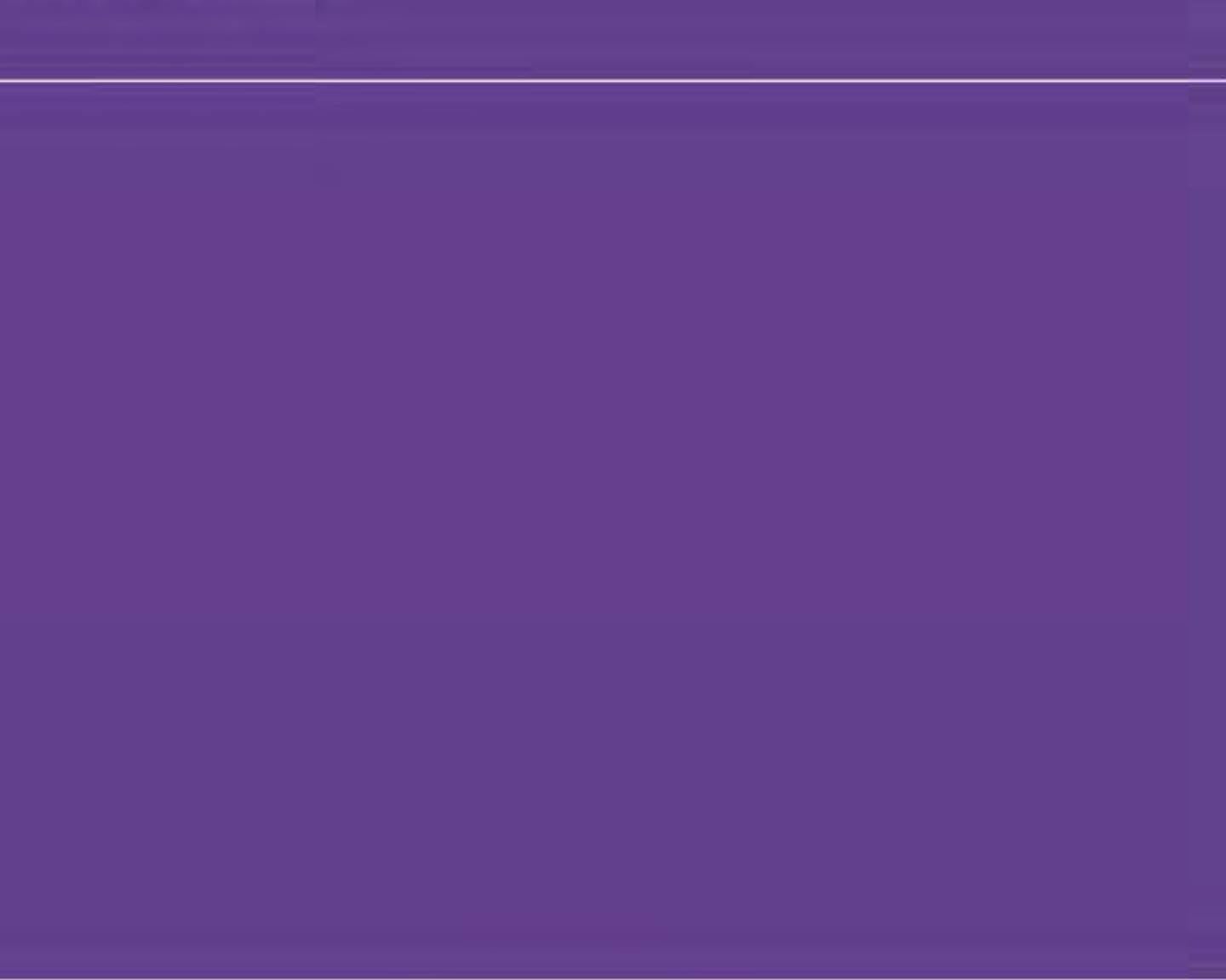
Source: NIAC

Key Facts

In 2017-18:



Part One: Financial Performance



Part One: Financial Performance

1.1 This section provides a summary of the councils' financial performance in the year 2017-18.

Key Messages

- 1 Overall councils are in a financially strong position and managed their finances well in 2017-18. Good strategic financial management arrangements will continue to aid decision making and ensure the most appropriate and efficient use of council resources.
- 2 Some councils continued to be very reliant on agency staff. There is a risk that over-reliance on agency staff, over an extended period of time, does not provide value for money.
- 3 Usable reserve balances have increased since the formation of the new councils. Councils should be clear about the reasons for the level of reserves they hold and what they may be used for.
- 4 Pension liabilities are a cost pressure for all councils and the net pension liability increased by almost 10 per cent to £501 million.

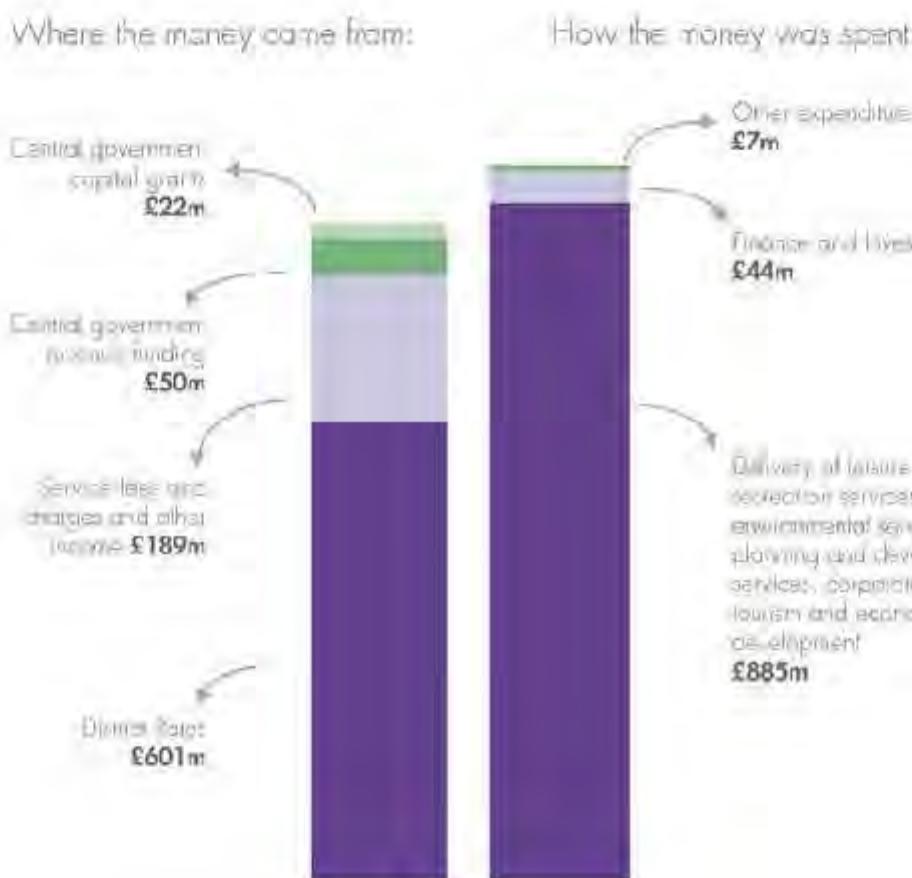
Income and expenditure

Councils received income of £862 million, 70 per cent of which was from district rates

1.2 In 2017-18, councils received income of £862 million (£839 million in 2016-17) from rates, service charges, grants and investment income and spent £936 million (£878 million in 2016-17) (see **Figure 1**). The total income received was made up of £840 million of revenue based income, which was spent on the delivery of council functions and services, and £22 million of capital income, which was spent on acquiring or improving assets, for example a leisure centre. Councils can also spend money from their usable reserves and supplement their income by borrowing money to support capital projects.

Figure 1. Income and Expenditure

In 2017-18 councils received a total income of £862m.
Total expenditure was £936m



Source: Councils' audited financial statements for 2017-18.

- 1.3 The majority of councils' total income, 70 per cent (69 per cent in 2016-17), was received from district rates. Service fees, charges and other income² accounted for 22 per cent of income (23 per cent in 2016-17) and general revenue funding from central government³ accounted for 6 per cent. Capital grants fluctuate from year to year, depending on investment decisions, and in 2017-18 accounted for almost 3 per cent of total income.

² For example, income from investments and bank interest

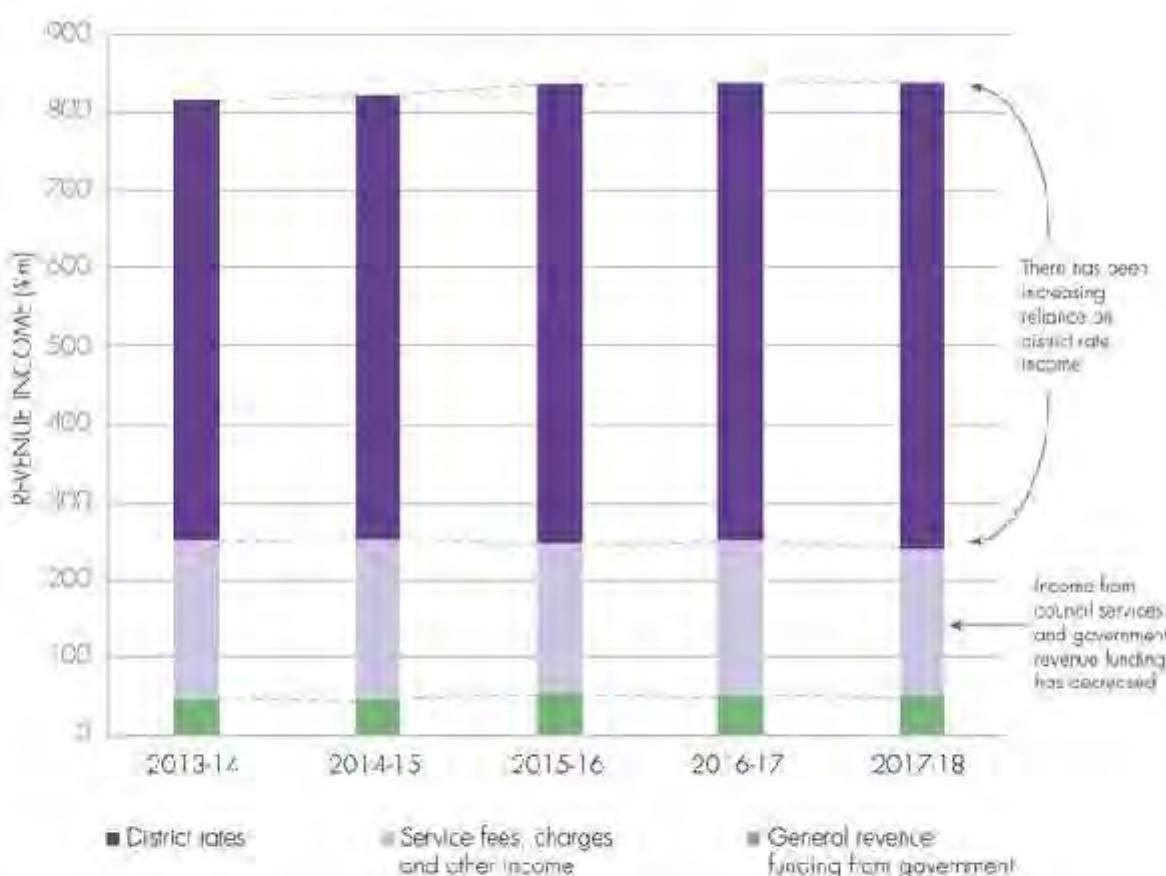
³ General revenue funding, from the Department for Communities, is paid to compensate councils for the statutory derating of certain property, to provide additional resources for those councils whose needs exceed their wealth base and to support councils in emergency planning. It also partly compensates for the cost of new functions transferred in 2015-16. Other government departments pay specific grants to councils which help with the financing of certain revenue and capital

Part One: Financial Performance

- 1.2 Income levels vary considerably across each Council. Whilst overall the sector experienced a real-term increase in revenue based income in the five years to 2017-18 (see **Figure 2**), there was an overall real-term decline in income from service fees, charges and central government revenue funding. This trend indicates that councils are increasingly reliant on income from the district rate.

Figure 2. Councils real-term revenue income

Overall 'real-term' income has increased each year



Source: Councils' audited financial statements (inflated to 2017-18 values)

- 1.5 In 2017-18 seven of the eleven councils were entitled to a Rates Support Grant at varying levels⁴. It is designed to provide additional finance to those councils which have a lower wealth per head of adjusted population, relative to the other councils. Councils in receipt of the grant can vary annually and the additional finance received is determined by the Department, using a statutory formula. The total grant available can vary annually, depending on the Department's spending priorities. As a result of funding pressures in recent years the total

⁴ The seven councils in receipt of the Rates Support Grant were Armagh, Banbridge & Craigavon, Derry City & Strabane, Mid Ulster, Causeway Coast & Glens, Newry, Mourne & Down, Fermanagh & Omagh and Mid & East Antrim.

annual amount allocated to councils (£17.6 million in 2017-18) has been reducing (a 4 per cent reduction from 2016-17). I am aware that the Department was not in a position to notify councils of the allocation of the Rates Support Grant until after they had struck the district rate for the year. This makes financial planning more difficult.

- 1.6 In September 2018 Mid Ulster District Council successfully appealed a High Court ruling relating to how the grant is calculated. This has resulted in a redistribution of the grant between the seven councils from 2018-19, placing additional pressure on those councils which are now receiving a smaller proportion.
- 1.7 Given the increasing funding pressures, it is important that councils continue to explore options to maximise the income generated from its services, including considering the potential for more efficient service delivery such as online facilities and automated processes.

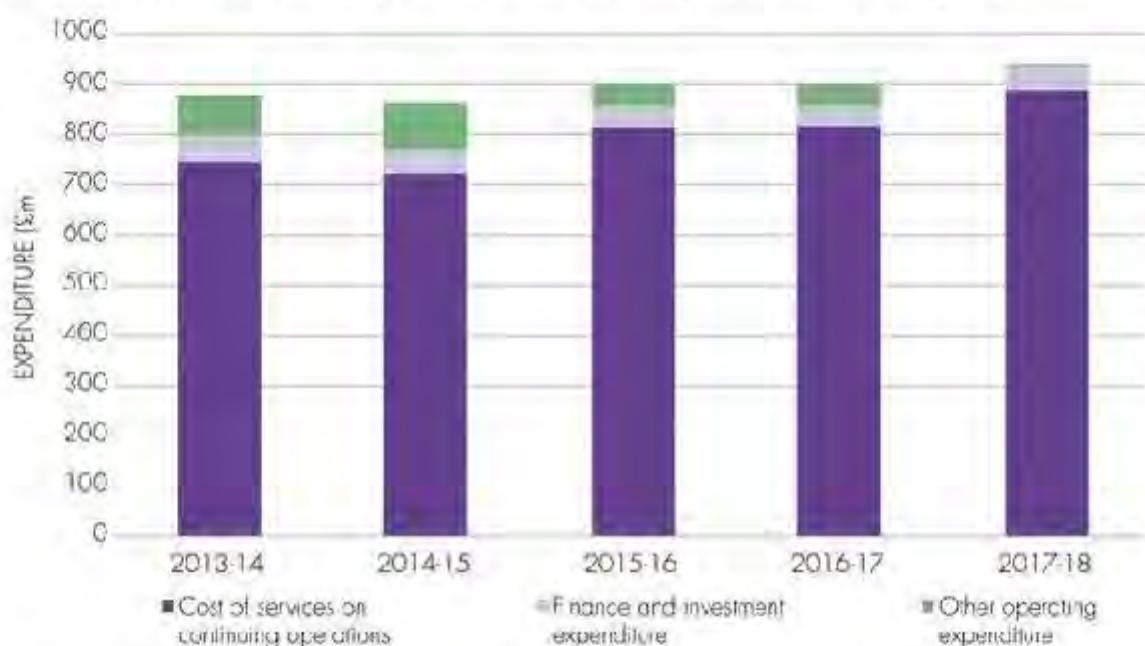
There has been a real-term increase in expenditure, primarily driven by the additional running costs of newer functions

- 1.8 The largest areas of expenditure continued to relate to leisure and recreation services, followed by environmental services and then planning services. In previous years I have reported on how much was spent on these services, however in 2017-18 the councils adopted a new "Telling the Story" format (see **paragraphs 4.1 and 4.2**) and reported expenditure in line with the organisational structure instead of by type of service. As a result of differing council structures, the new classifications do not readily allow for comparison or analysis similar to those reported in previous years.
- 1.9 As with income, expenditure levels varied considerably across each council and overall there has been a real-term increase in expenditure in the five years to 2017-18 (see **Figure 3**). This increase has been primarily driven by the additional running costs of newer functions, such as planning, economic development and tourism.

Part One: Financial Performance

Figure 3. Councils' real-term expenditure

There has been an overall 'real-term' increase in expenditure in recent years



Source: Councils' audited financial statements (inflated to 2017-18 values).

1.10

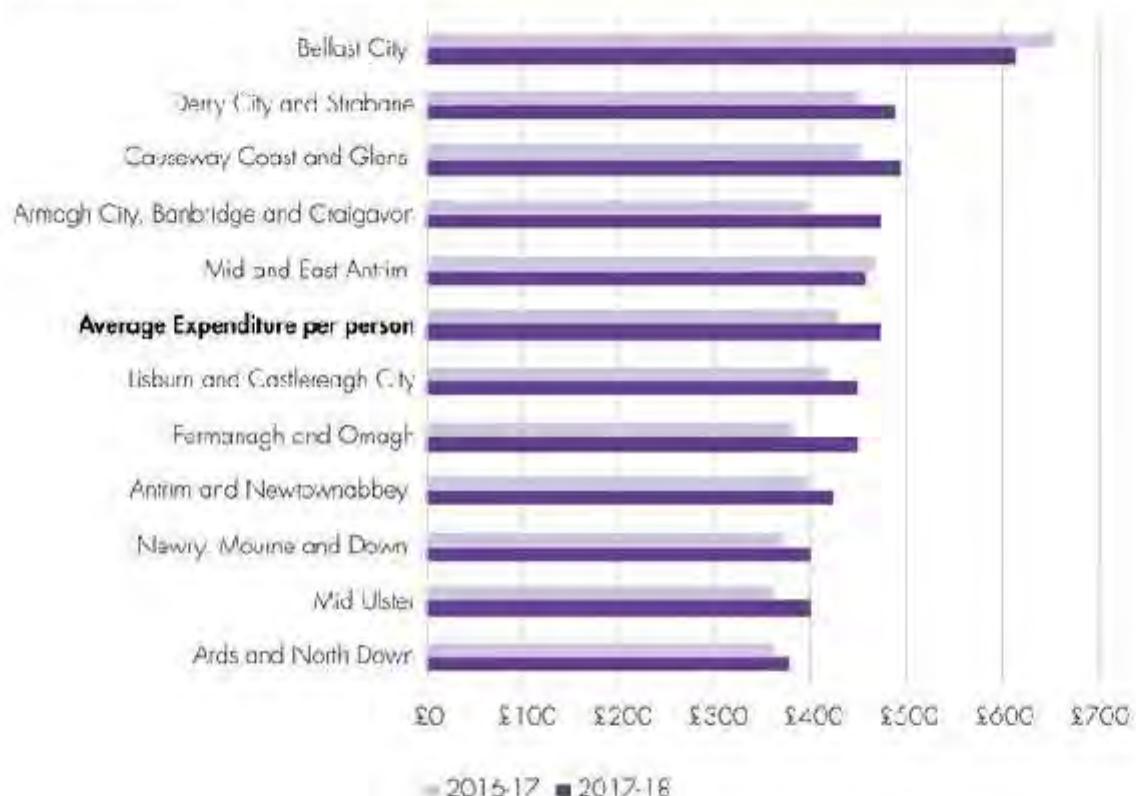
Figure 4 sets out the amount spent by each council per head of population⁵. This ranged from £377 per person in Ards and North Down Borough Council to £615 in Belfast City Council. The average spend by councils was £473 per person (£428 in 2016-17). 2017-18 saw an increase in spend per head of population across most council areas when compared to the previous year. There is a general correlation between councils' spending per head of population and deprivation levels. For example, the majority of the 100 most deprived areas in Northern Ireland⁶ fall within Belfast City Council and spend per person in this council area was the highest.

5 Based on the cost of continuing services in the councils' financial statements.

6 Using multiple deprivation indicators the Northern Ireland Statistical Research Agency has ranked a top 100 (out of the 890 Super Output Areas) in Northern Ireland's most deprived areas.

Figure 4. Council spend per person on delivering services

Spend per person on delivering services varies widely across the region and has increased across most councils



Source: Councils' audited financial statements for 2017-18, 2016-17 and NISRA population statistics

Staffing levels and costs

Some councils continued to be very reliant on agency staff. There is a risk that over-reliance, over an extended period of time, does not provide value for money

- 1.11 Council services across Northern Ireland are primarily delivered by a combination of council employees and, to a lesser extent, agency staff.⁷ Historically, most agency staff have been temporary and seasonal in nature. However, during this period of significant organisational change, there has been an increased dependency within some councils on agency staff to help deliver services, until they finalise their staffing structures and complements.

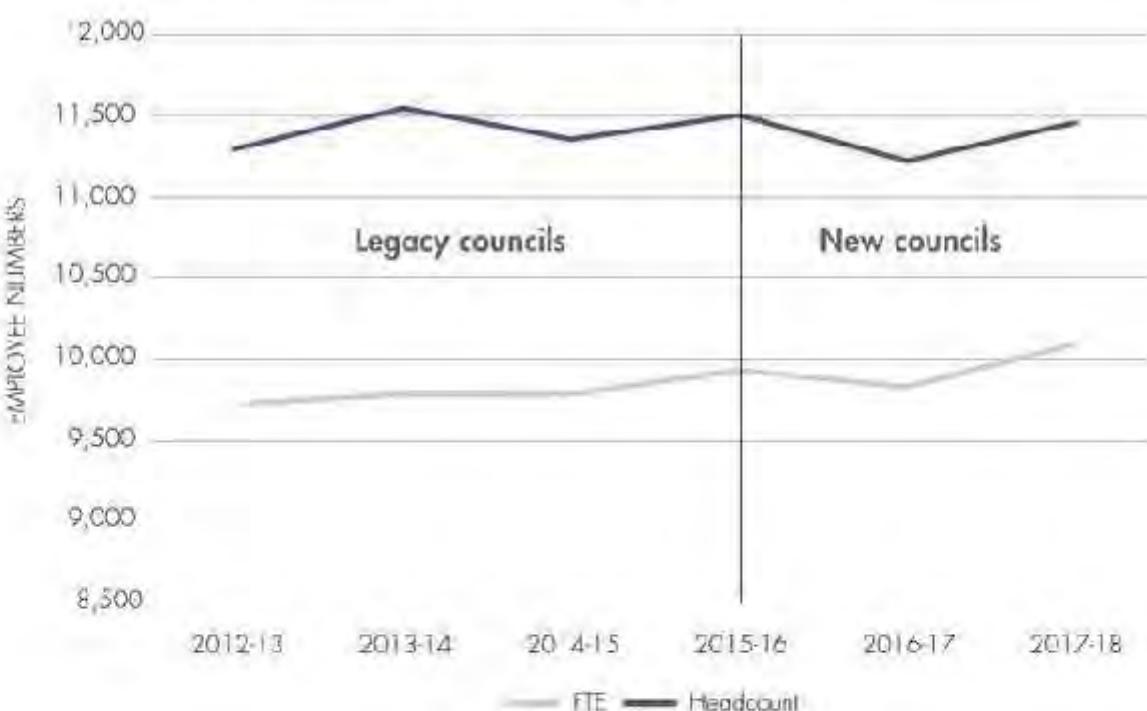
⁷ Some services are contracted to private sector contractors, for example Leisure Centres. This varies by council and therefore staff numbers across councils are not directly comparable.

Part One: Financial Performance

- 1.12 The total number of Full Time Equivalent (FTE) employees increased by 262 during 2017-18. Increases occurred at all but one council, with the most significant increase at Mid Ulster District Council⁸, which accounted for almost one third of the total increase across all councils.
- 1.13 The total number of FTE employees across all councils has increased since their formation in 2015 (see **Figure 5**). This is a result of the net effect of planning staff transfers from central government to councils in 2015 (as well as the transfer of other functions) and recruitment, offset to an extent by council staff leaving on exit packages and natural wastage. As councils are not required to report the average number of agency staff contracted during the year, the actual total workforce at each council is higher than reported.
- 1.14 In 2017-18, total employee costs represented approximately 38 per cent (£355 million) of operating expenditure⁹, with agency staff accounting for a further 3 per cent (£26 million).

Figure 5. Employee numbers in councils

Overall FTE employee numbers in the new councils have increased



Source: Councils' audited financial statements

- 8 Mid Ulster District Council's FTE staffing complement increased by approximately 13 per cent (38 FTE employees) in 2017-18. Just over half (45 FTEs) was attributed to bringing some leisure operators back in house, with employees transferring across through TUPE. Most of the remaining increase was attributed to a reduction in the use of agency staff.
- 9 For the purposes of this report, operating expenditure has been taken as the 'cost of services on continuing operations', as set out in councils' financial statements.

Total staff costs, as a percentage of operating expenditure, were broadly similar across the councils. However, agency staff costs varied significantly (see **Figure 6**). Staff costs are likely to increase further due to the National Living Wage.

Figure 6. Staff costs in councils

Staff costs as a percentage of operating expenditure across all councils were relatively similar however agency staff costs varied widely



Source: Councils' audited financial statements for 2017-18

- 1.15 The overall cost of agency staff has continued to increase year on year (£1.7 million increase in 2017-18). Most of this increase was attributed to Causeway Coast and Glens Borough Council and Lisburn and Castlereagh City Council. Agency costs at seven councils either reduced or remained relatively static, which is an improvement against the prior year, when nine councils experienced increased agency staff costs.

Observation

In 2017-18 some councils continued to be dependent on agency staff to deliver local services. I will continue to keep the costs associated with agency staff under review across all councils, and I will also focus on the types of work they perform and the length of time they have been working in the council. There is a risk that over-reliance on agency staff over an extended period of time does not provide value for money.

Part One: Financial Performance

Exit Packages

The number of exit packages remained higher than prior to reform indicating that staffing and workforce plans had not stabilised

- 1.16 Councils are required to disclose the number and costs of staff exit packages. The costs include compulsory and voluntary redundancy costs, pension contributions and other departure costs. Over the four financial years from 2014-15 to 2017-18¹³ councils have paid a total of £38.8 million in exit packages to staff (see **Figure 7**). In 2017-18, councils agreed 99 exit packages at a cost of £6.7 million. The number and cost of exit packages has fallen significantly since 2015-16. However, in the four years preceding 2014-15, the average number of exit packages was 61, with an average cost of £2.1 million. In this context, the number and cost of exit packages in 2017-18 remained high and is an indication that councils' workforce plans had not stabilised.

Figure 7. Exit Packages paid between 2014-15 and 2017-18

	Number of Exit Packages	Cost of Exit Packages £m	Average cost of each exit package £'000	Number of Packages greater than £100,000
2014-15	172	9.4	54	25
2015-16	268	16.8	61	64
2016-17	92	5.9	65	21
2017-18	99	6.7	68	24
Total	571	38.8	—	134

Source: Councils' audited financial statements

Capital expenditure and financing

Capital expenditure is returning to pre local government reform levels

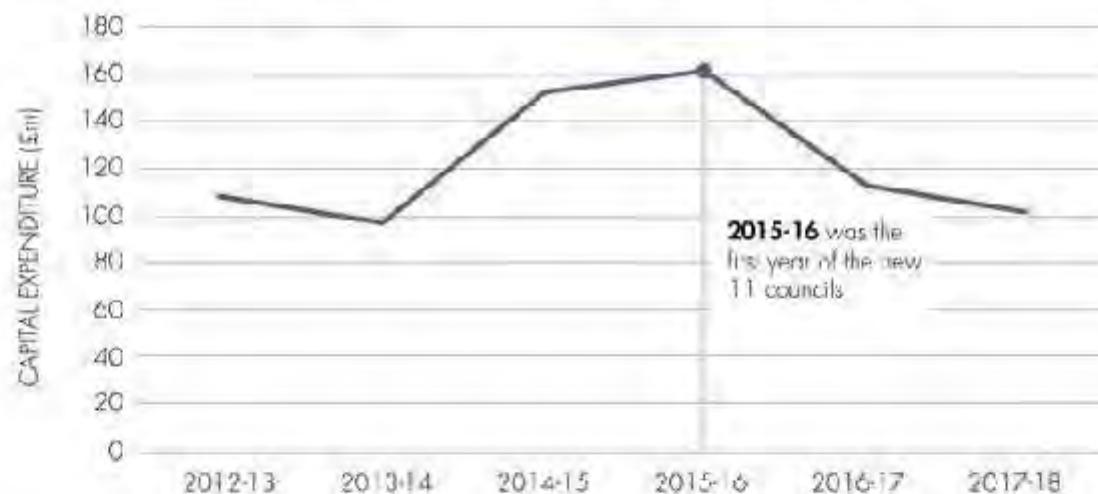
- 1.17 Capital expenditure relates to assets which are purchased, constructed or improved by the councils, to support the delivery of their services. These range from one-off purchases in year to larger projects which can take more than one year to complete. In **Part Four** of this report (see **paragraphs 4.14 to 4.16**) I highlight the importance of good asset management and that it is essential to help deliver sustainable public services.

¹³ Preparations for council mergers and restructuring were commenced by the legacy councils in 2014-15, which was the first year in which the number and cost of exit packages significantly increased.

- 1.18 Councils finance capital expenditure in a number of ways including revenue funding, borrowing (from the government or commercial lenders), capital receipts, grants and other contributions. Councils are required to be prudent and consider the affordability of their capital expenditure programme and its impact on day-to-day running of its services.
- 1.19 Total capital expenditure in 2017-18 amounted to £101 million (£110 million in 2016-17) and **Figure 8** shows how this compared with real-term capital expenditure over the previous five years. It illustrates a significant increase in the year preceding council mergers and a peak in 2015-16, the first year of the new councils. Since then, capital expenditure levels have reduced and are returning to pre-local government reform levels.

Figure 8. Real-term capital expenditure

Overall, real-term capital expenditure is returning to pre-merger levels



Source: Councils' audited financial statements (inflated to 2017-18 values).

- 1.20 Councils are committed to capital programmes or projects selected by legacy councils in the latter years of their existence. As a result, some councils have imposed limits on new capital expenditure until these have been completed.
- 1.21 A number of significant projects have contributed to the level of capital expenditure in 2017-18 including:
- Andersonstown regeneration (Belfast City);
 - Olympia/Windsor regeneration (Belfast City);

Part One: Financial Performance

- Ards Leisure Centre (Ards and North Down);
 - Brandywell Stadium (Derry City and Strabane);
 - Newry City Centre regeneration project (Newry, Mourne and Down); and
 - Downpatrick Leisure Centre (Newry, Mourne and Down).
- 1.22 Councils will require additional funding to complete capital programmes or projects which have been committed to. Forecasting capital requirements is a critical investment decision-making process undertaken by councils and is closely linked to borrowing. At 31 March 2018, councils had committed to ongoing or approved future capital schemes with an estimated cost of over £424 million.
- 1.23 In 2017-18, councils' total 'Capital Financing Requirement' increased by £31.4 million. This amount relates to capital expenditure incurred during the year that has yet to be financed. The financing mix (using council reserves or obtaining loans) will be determined by each individual council, depending on its treasury management strategy and capital investment strategy.

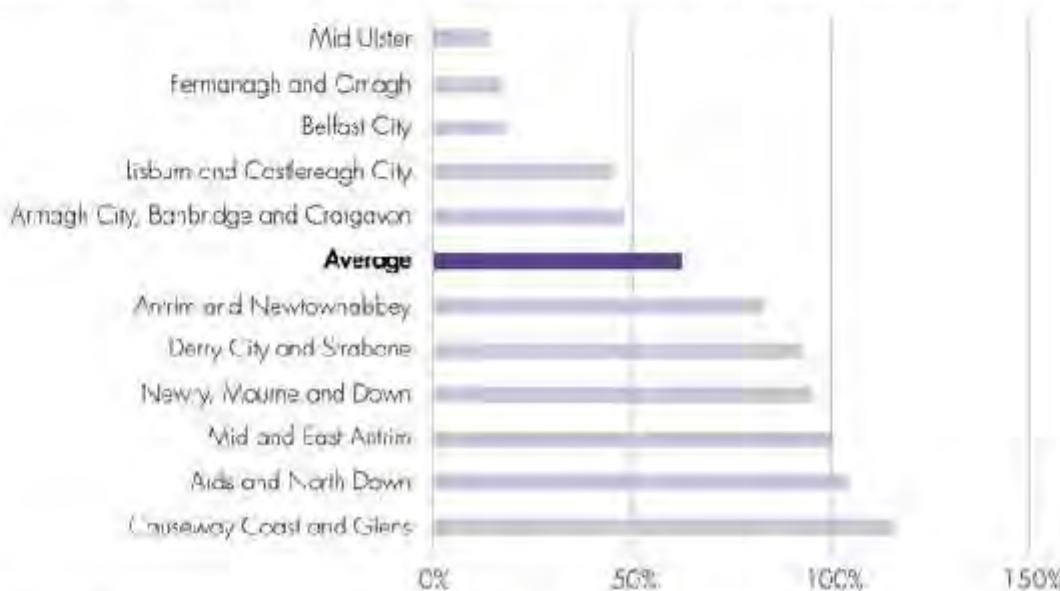
Borrowing

Borrowing levels, and the cost of borrowing, varied widely across councils

- 1.24 Councils decide how much debt is required to deliver services. The costs of servicing the debt (repayment of principal amount and interest charges) should not adversely impact on service delivery.
- 1.25 The majority of debt relates to external borrowing which contributes to the financing of capital expenditure and consists of a mix of short-term and long-term loans, mostly from central government. Councils can also use overdrafts to assist with working capital balances.
- 1.26 Borrowing varies widely across councils and is based upon individual treasury management strategies and local priorities. It also reflects historical decision making, as the level of borrowing includes inherited loan balances from the legacy councils. Each council is required to maintain its long term borrowing balance below the level of its Capital Financing Requirement to ensure that this type of financing is only used for capital expenditure. All councils complied with this requirement in 2017-18.
- 1.27 Loans outstanding at 31 March 2018 totalled £485.3 million, a decrease of £0.1 million from 2016-17. **Figure 9** shows individual council outstanding loan balances as a percentage of revenue income. A higher percentage indicates a greater historical reliance and financial commitment to borrowing.

Figure 9. Outstanding loan balances at 31 March 2018 as a percentage of revenue income

Loan balances as a proportion of revenue income varied across councils



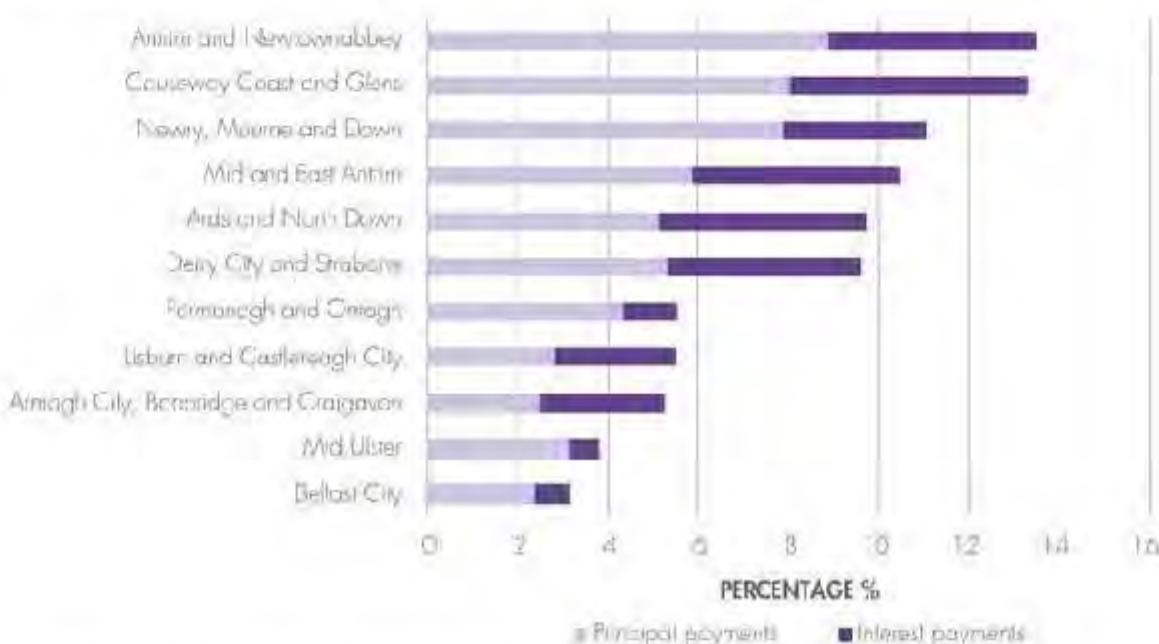
Source: Councils' audited financial statements for 2017-18

- 1.28 There was a reduction in outstanding loans in the three years up to 2017-18, although the overall balance remained marginally higher than the pre-local government reform position. This arose as a result of increased capital commitments by the legacy councils (see **paragraph 1.20**), as well as councils taking advantage of favourable loan interest rates, which assists them in prudently building reserves to manage future risks and/or make investments with a higher return.
- 1.29 The annual costs committed to repaying loans reduces the amount councils have to spend each year on delivering services (see **Figure 10**). The amounts paid during the year, and the extent to which this impacts services, depend on the period over which councils agree to repay their loans, as well as any impact from interest rate fluctuations and future inflation. In 2017-18, councils paid almost £38 million towards the principal outstanding balance and almost £23 million in interest costs.

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Figure 10. Cost of Borrowing 2017-18

Borrowing costs vary across councils as a percentage of revenue income

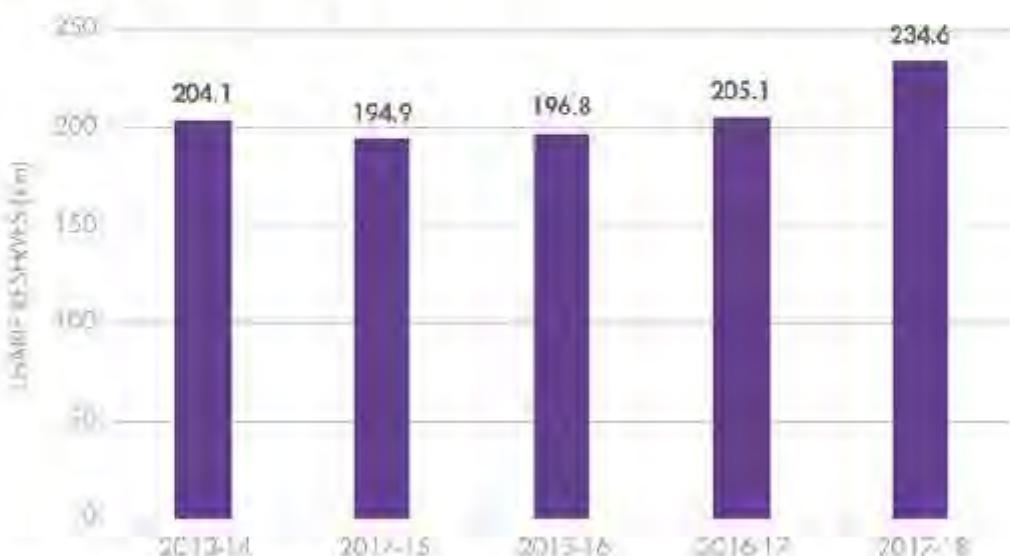


Source: Councils' audited financial statements for 2017-18

Reserves and investments

Usable reserve balances have increased since the formation of the new councils. Councils should be clear about the reasons for the level of reserves they hold and what they may be used for

- 1.30 All councils hold invested funds, the majority of which are liquid cash reserves which generate small amounts of interest based income. Other forms of long-term investment portfolios can include commercial property rental, and investments in associate companies, charities and trust funds. However, these type of investments are uncommon in Northern Ireland and can add additional risks which must be carefully managed.
- 1.31 **Figure 11** shows that the overall level of usable reserves across councils increased significantly by 12.6 per cent, from £205.1 million in 2016-17 to £234.6 million in 2017-18. The total value of usable reserves had remained relatively constant over the previous four years. All but two councils increased their level of usable reserves during 2017-18.

Figure 11. Total Usable Reserves

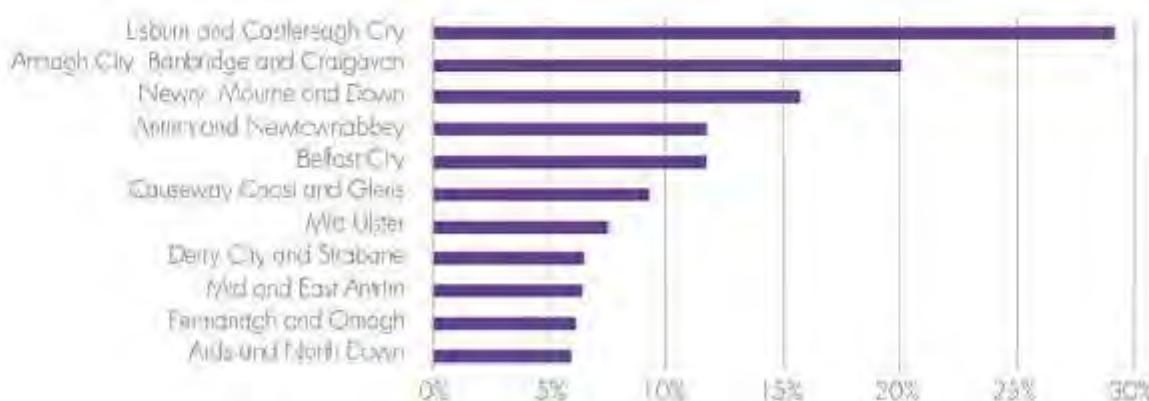
Source: Councils' audited financial statements

- 1.32 The General Fund is the main usable reserve and accounts for almost half of the total usable reserves. Its purpose is to provide for any unexpected expenditure that cannot be managed within existing budgets. Such expenditure would be one off and resulting from an extraordinary event. Each council should set its General Fund at a prudent but not excessive level, as holding high level reserves can impact on resources and performance.
- 1.33 Overall, the total General Fund balance held by all councils increased during 2017-18 by £14.1 million, or 12.2 per cent, to £108.6 million. General Fund balances, as a percentage of operating expenditure vary considerably across councils, from 6 per cent (Ards and North Down Borough Council) to 29 per cent (Lisburn and Castlereagh City Council) (see **Figure 12**). Nine councils increased their General Fund balance during the year.

Part One: Financial Performance

Figure 12. General Fund balances as a percentage of operating expenditure

General Fund balances as a percentage of operating expenditure varied widely between councils



Source: Councils' audited financial statements 2017-18

- 1.34 I previously recommended that councils monitor and build up, as required, the level of their General Fund balance to ensure that they are adequately funded to meet the risk of future liabilities, some of which are difficult to predict. Over the past three years, most councils have been able to achieve this despite increasing financial pressures.

Observation

In the current financial and political environment, it is ever more important for councillors to continue to keep under review their council's reserves policy and ensure sufficient, but not excessive, reserves are retained to meet the challenges ahead. Councils should be clear about the reasons for the level of reserves they hold and what they may be used for.

Pensions

Pension liabilities are a cost pressure for all councils and the net pension liability increased by almost 10 per cent to £501 million

- 1.35 Pension contributions have been a cost pressure for councils in recent years. Every three years an independent review is undertaken to calculate how much each council should contribute. Councils contribute a percentage rate plus deficit recovery contributions. The percentage contribution rate in 2017-18 was 1.8 per cent of employees' gross salary and will

increase by 1 per cent each year until 2021, when a new review will set new contribution rates.

- 1.36 In 2017-18, councils' total net pension liabilities increased by almost 10 per cent, from £456 million in 2016-17 to £501 million in 2017-18. This increase was mainly due to a change in actuarial assumptions used to value future liabilities. The pension liability increased across all councils.
- 1.37 The vast majority of council pension liabilities are the responsibility of the Northern Ireland Local Government Officers Superannuation Committee, which operates a pension scheme fund for the local councils and other similar bodies in Northern Ireland. Over the year to 31 March 2018, the fund's overall return on the total assets invested in it was 5.84 per cent (gross of investment manager fees).

Conclusion

- 1.38 Overall, councils are in a financially strong position and managed their finances well in 2017-18. Good strategic financial management arrangements will continue to aid decision making and ensure the most appropriate and efficient use of their resources.

Part Two: Good Governance

Part Two:

Good Governance

Key messages

1. Councils' governance statements complied with relevant guidance and continued to be comprehensive and of good quality.
2. The majority of Audit and Risk Committees exhibit the key effective characteristics expected from them. Those that do not yet exhibit all of the key effective characteristics are working to achieve this.
3. In managing conflicts of interest, a risk exists where all councillors' declarations are not complete or up-to-date.
4. Whistleblowing concerns continue to be reported directly to the Local Government Auditor and there is an increasing number of concerns being raised around planning processes.

Proper arrangements to secure economy, efficiency and effectiveness

Each council had in place proper arrangements to ensure economy, efficiency and effectiveness in the use of resources, although there will always be opportunities to strengthen these arrangements further

- 2.1 The Local Government (Northern Ireland) Order 2005 requires me to be satisfied each year that proper arrangements have been made for securing economy, efficiency and effectiveness (value for money) in the use of resources. Details of the nature of my work in this area are outlined in Chapter 3 of my Code of Audit Practice 2016.¹¹ In order to assess whether proper arrangements are in place, my staff require councils to complete an annual questionnaire and provide supporting documentation on a wide range of corporate activities including financial planning and reporting, IT security, procurement policy and procedures, risk management and governance arrangements.
- 2.2 As a result of my audit work in this area, I was satisfied that all 11 councils had in place proper arrangements to ensure economy, efficiency and effectiveness in the use of resources for the 2017/18 financial year. No public interest reports were made during the year and my audit findings were issued to each council in their annual audit letter.

¹¹ <https://www.niuditoffice.gov.uk/publication/code-audit-practice-2016>

Governance Statements

Governance statements continued to be comprehensive and of good quality

- 2.3 The annual governance statement accompanies a council's financial statements and explains its governance arrangements and controls for managing the risk of failing to achieve strategic objectives. It is a key statement by which a council demonstrates to its ratepayers, elected members and other external stakeholders that it is complying with the basic tenets of good governance.
- 2.4 The statement explains the process for reviewing the effectiveness of those arrangements, and outlines actions taken to deal with any significant governance issues. What is considered significant will depend on an individual council's governance framework, how effectively it is operating and the extent to which the issue has the potential to prevent a council from achieving its strategic objectives. The number of individual significant issues raised varied considerably between councils, ranging from zero to eight. This may be wholly reasonable, however, councils must be content that this reflects the results of robust management and review of their governance framework.
- 2.5 In both 2016-17 and 2017-18, I have found the governance statements to be comprehensive and of good quality.

There were a number of common significant issues disclosed within governance statements, as well as a number of common issues arising from my audits

- 2.6 Many of the more common significant governance issues identified by councils in 2016-17 governance statements featured again in 2017-18 including: budgetary uncertainty in the absence of a Northern Ireland Executive; waste management; and IT security. Emerging issues included the ongoing uncertainty of leaving the European Union (see **Part Four, paragraphs 4.25 to 4.27**), the implementation of General Data Protection Regulations and the need to address issues identified by Internal Auditors.
- 2.7 During the audit of the 2017-18 financial statements I raised a number of audit issues and made recommendations for improvement. These included weaknesses in completing control reconciliations and procurement issues. I will monitor councils' implementation of these recommendations as part of my next audits.
- 2.8 In my report on Derry City and Strabane District Council, I included an emphasis of matter paragraph drawing attention to disclosures included in the Council's Financial Statement of the potential impact on the carrying value of assets connected with the City of Derry Airport.

Part Two:

Good Governance

The key concern is the uncertainty in respect of sufficient funding for the London airport route. Should these going concern issues crystallise, then there may be a significant impairment on the carrying value of airport assets (£45 million as at 31 March 2018). The Council has told me that it will continue in its significant efforts to secure funding for the London route.

Audit and Risk Committees

The majority of Audit and Risk Committees exhibit the key effective characteristics expected from them. Those that do not yet exhibit all of the key effective characteristics are working to achieve this

- 2.9 The main purpose of an Audit and Risk Committee is to give independent assurance to elected members and the public about the governance, financial reporting and financial management of a council. It also scrutinises the council's financial management and reporting arrangements and provides an independent challenge to the council. All councils have Audit and Risk Committees in place and my staff attend meetings of these committees on a regular basis. In its recently updated audit committee guidance¹², the Chartered Institute of Public Finance and Accountancy (CIPFA) has emphasised the impact that an effective audit committee is able to have.
- 2.10 It is my opinion that the mechanisms and procedures to facilitate the effectiveness of councils' Audit and Risk Committees continued to improve during the year, with all councils having either taken steps to ensure that its Committee demonstrates the key characteristics which reflect good practice, or are in the process of doing so. However, even with all key characteristics in place, the effectiveness of an Audit and Risk Committee is subject to the quality, relevance and timeliness of information and data submitted to it by council staff and Internal Auditors.

Observation

Following the recent local elections, it is important that new members receive timely training on the key characteristics of an effective Audit and Risk Committee and the importance of the oversight, scrutiny and governance role fulfilled by the Committee.

¹² Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition, CIPFA. Guidance includes a helpful Audit Committee Self-assessment Checklist and a Knowledge and Skills Framework document.

Code of Conduct

The NI Local Government Commissioner for Standards continues to investigate and adjudicate on complaints where a councillor has failed to comply with the Code

- 2.11 Councillors are expected to observe the highest standards of behaviour in undertaking their official duties. They are required to comply with the principles and rules of conduct set out in the mandatory NI Code of Conduct for Councillors (the Code), introduced in May 2014.
- 2.12 The Code is based on 12 principles of conduct which are, Public Duty, Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership, Equality, Promoting Good Relations, Respect, and Good Working Relationships.
- 2.13 Each council is required to establish, maintain and make publicly available a register of members' interests. Also, the Code recommends that a register for gifts and hospitality is established and that procedures are in place for dealing with relevant declarations of interests.
- 2.14 The Northern Ireland Public Services Ombudsman (the Ombudsman), in her role as Northern Ireland Local Government Commissioner for Standards (the Commissioner), is responsible for investigating and adjudicating on complaints that a councillor has failed to comply with the Code.
- 2.15 In order to maintain an appropriate separation of the investigative and adjudication functions, the Commissioner has delegated the authority to conduct investigations and report on the outcome of these investigations to the Deputy Commissioner and his staff in the Local Government Ethical Standards Directorate.
- 2.16 In addition to, or as an alternative to investigating a complaint, the Deputy Commissioner can also take alternative action to resolve a complaint, for example by requiring a councillor to apologise for his or her conduct or to attend training on the Code.
- 2.17 If the Commissioner adjudicates on a case and finds that a councillor has failed to comply, she can impose a sanction that, in the most serious cases, can result in disqualification from serving as a councillor for a period of up to 5 years.
- 2.18 In December 2018, the Local Government Auditor signed an updated formal protocol with the Ombudsman which sets out arrangements for cooperating and working together in order to fulfil our statutory responsibilities as fully, effectively and efficiently as possible.

Part Two:

Good Governance

- 2.19 Each year, the Commissioner receives a number of complaints of failure to comply with the Code. The Commissioner's Annual Report¹³ reveals that in 2017-18 a total of 44 complaints were made against councillors, compared to 34 in 2016-17. The majority of complaints related to allegations that a councillor failed to show respect and consideration for others. Where there are any financial implications arising from non-compliance with the Code, I may decide to report this information. I am not aware of any cases which have had financial implications this year.
- 2.20 In her 2017 report, the then Local Government Auditor noted that the Local Government circulars "Consolidated Guidance on Councillors' Allowances" were silent as to whether councillors should still continue to be paid their allowances in the event of being suspended. In my last report, I recommended the Department should update its guidance on allowances as soon as practicable, to ensure fairness and consistency in the approach taken by councils to the payment of allowances in the event of suspensions. In May 2019, the Department issued an addendum to the existing guidance, to include withholding of payments during periods of suspension. I am also aware that some councils had already included, within their scheme of allowances, a requirement to suspend payment of allowances in such circumstances.

Managing Conflicts of Interest

A risk exists where all councillors' declarations of interest are not complete or up-to-date

- 2.21 While no conflicts of interest issues were reported within any council's governance statements in the 2017-18 financial year, during my audit of the financial statements I noted that, despite council staff issuing a number of reminders, declarations of interest were not received from all councillors. Conflicts of interest could go undetected and present a possible reputational risk for the council.
- 2.22 Councils should have in place arrangements to ensure that members and employees are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders, and should ensure that these arrangements operate effectively. Members are also required to observe Code of Conduct requirements on the registration and declaration of relevant interests. In December 2018, the Commissioner ruled on two local government conflict of interest cases and three month suspensions (one partial) were imposed on two councillors.
- 2.23 It is important that members and council staff are aware of their responsibility for managing the risk of a conflict of interest (real or perceived) or, where this is not possible, for ensuring that it is declared and managed properly. Regular training is essential to ensure that the conflicts of interest requirements are understood and applied by members and staff. The NIAO's March 2015 publication "Conflicts of Interest: A Good Practice Guide" provides comprehensive

¹³ <https://npso.org.uk/sites/www-content/uploads/2019/01/NILGCSAnnualReport2017-18.pdf>

guidance on recognising and dealing with conflicts of interest in public life. The Guide is available on the NIAO website¹⁴.

Observation

Following the recent local elections, it is important that new members receive timely training on the importance of identifying and declaring any potential conflicts of interest.

Whistleblowing

Whistleblowing concerns continue to be reported directly to the Local Government Auditor and there are increasing concerns being raised around planning processes

- 2.24 Effective whistleblowing arrangements are an important element of good governance arrangements. Whistleblowers are essential for helping to bring to light matters of concern in an organisation. Where wrongdoing exists, those responsible must be held to account, mistakes must be remedied and lessons must be learnt.
- 2.25 All councils may receive whistleblowing concerns in line with their own policies. Councils must have procedures in place to deal promptly and robustly with concerns raised and must ensure that whistleblowers are supported and protected from any form of detriment or victimisation.
- 2.26 As the Local Government Auditor within the NIAO, I am a prescribed person to whom protected disclosures can be made, under the Public Interest Disclosure (NI) Order 1998, in relation to the proper conduct of public business, fraud and corruption and value for money. In that capacity, I receive whistleblowing concerns relating to local government bodies (see **Figure 13**).

Figure 13. Whistleblowing concerns reported directly to the Local Government Auditor

	2014-15	2015-16	2016-17	2017-18	2018-19
Number of concerns reported directly to the Local Government Auditor	21	12	15	23	23

Source: Northern Ireland Audit Office data

¹⁴ https://www.niauditoffice.gov.uk/sites/niac/files/media-files/conflicts_of_interest_good_practice_guide.pdf

Part Two:

Good Governance

- 2.27 The NIAO website¹⁵ provides contact details for those wishing to raise a concern with the Local Government Auditor. Concerns raised will be evaluated as audit evidence, taking into account a range of factors including:
- professional judgment;
 - audit experience;
 - whether there is a "public interest" element to the issue; and
 - whether the concerns indicate serious impropriety, irregularity or value for money issues.
- 2.28 I consider a number of possible actions when dealing with concerns. These range from discussing the issues with the audited body, to carrying out a full audit investigation and including relevant comments in our audit reports. I am not required to undertake investigations on behalf of individuals.

The Big Screen in Newry, Mourne and Down District Council

The NIAO was contacted by a whistleblower in late 2016 regarding the procurement and erection of the large city centre screen (the Big Screen) in Newry City Centre. The whistleblower had sought and received a large number of documents from the Council and had concerns that proper policies and procedures had not been followed.

The proposal for the purchase and erection of the Big Screen was approved by Newry and Mourne District Council (the legacy council) in July 2014. The former Department for Social Development (DSD) (the responsibilities for this later transferred to the Department for Communities) awarded the Council £23,192.99 towards the purchase of the Big Screen in February 2015. Other parties were also involved in the delivery of this project. Temporary planning permission was granted in March 2015 and the Big Screen was erected in December 2015. The planning decision was the subject of a judicial review where the Council was unsuccessful, and planning was temporarily granted to March 2017 when the Big Screen was removed.

The Council asked its internal auditors, an external accountancy practice, to undertake an independent investigation into the procurement and erection of the Big Screen. This commenced in early 2017 and recently concluded. The key findings of the investigation are summarised as follows:

- Proper processes for approving expenditure were not followed, for example the formal approval by the Council lagged behind commitments made by Council Officers of the legacy council to financially support the erection of the Big Screen.

¹⁵ <https://www.niauditoffice.gov.uk/whistleblowing>

- The relationship with other bodies involved in this project was not clearly established leading to an absence of clear governance and accountability arrangements.
- Conflicts of interest existed between parties involved in the project. There was no evidence that the conflicts were managed.
- An absence of evidence of competitive procurement at any stage of the project.
- The additional recorded cost the Council incurred in respect of the Big Screen (not funded by DSD) was just over £48,000. There were indications that additional costs were incurred but were not clearly identified as Big Screen costs.
- Documentation was falsely created on files in support processes which were expected to be followed. Some of this documentation was also sent in response to Freedom of Information requests. The Council has recently advised all requestors of information affected by this.
- The investigators concluded they were unable to comment positively on the Council's achievement of value for money in respect of the procurement and erection of the Big Screen.

As a consequence of the findings from the investigation, the Department for Communities has sought to clawback the funding provided (£23,192.99).

I am concerned about the catalogue of serious governance and control failures that occurred in this project. The Chief Executive has told me he has taken the necessary steps to ensure lessons are learned from this.

- 2.29 I note that an increasing number of concerns raised with me refer to the planning process. I would urge councils to ensure consistency in the approval, or rejection, of planning applications, as well as the retention of documentation to support the rationale for planning decisions.
- 2.30 Adhering to good practice and ensuring lessons are learned from previous planning processes, as well as from other UK regions, is essential. In partnership with the Comptroller and Auditor General (C&AG) of the NIAC, I intend to commence a study on planning in both central and local government, as set out in our 'Public Reporting Programme 2018-21'⁶.

⁶ <https://www.oiauditoffice.gov.uk/public-reporting-programme-2018-2021>

Part Two: Good Governance

Conclusion

- 2.31 All councils have made positive progress in strengthening their governance arrangements since their formation in 2015, particularly around the adoption of good practice to promote more effective Audit and Risk Committees and the management of conflicts of interest. Opportunities remain for councils to continue to further strengthen their governance arrangements and I would encourage all councils to keep abreast of new developments and lessons learned from across the wider public sector.

Part Three: Performance Improvement

Part Three:

Performance Improvement

Key Messages

1. All councils complied with their basic performance improvement responsibilities. However, there are areas for improvement.
2. The first statement of progress for each Community Plan should be published by each council by November 2019.
3. The first results of the Planning Monitoring Framework are due to be published in July 2019 by the Department for Infrastructure.

Performance Improvement audits and assessments

Councils have a statutory responsibility to make arrangements for, and report on, continuous improvement in their functions or services

- 3.1 The performance improvement framework has been phased in since 2015-16 and became fully operational in 2017-18. It places a statutory responsibility⁷ on councils to make arrangements for, and report on, continuous improvement in their functions or services. Improvement should be more than gains in service output or efficiency, or the internal effectiveness of an organisation. The activity should enhance the sustainable quality of life and environment for ratepayers and communities. The framework also places a statutory responsibility on me to conduct an 'improvement audit and assessment' each year⁸ and report my findings.
- 3.2 Councils are required to select and consult on improvement objectives and then publish these in annual performance improvement plans, along with details of how they plan to achieve them. Underlying this, councils are required to make arrangements to deliver each objective and collect data to enable them to report on the achievement of improvements. Councils had to publish details of this information for 2017-18 in their annual self-assessment report in September 2018. This report considered their performance against the objectives they had set. It also reported performance against planning, waste management and economic development standards and indicators set by central government, and made comparisons with other councils

⁷ Section 93 of the Local Government Act (NI) 2014, together with the supporting statutory guidance issued by the Department for Communities.

⁸ Improvement audits and assessments are performed in year, whilst financial audits are performed retrospectively.

- 3.3 I am required to assess and report whether each council:
- discharged its duties in relation to improvement planning;
 - published the required improvement information;
 - acted in accordance with guidance issued by the Department in relation to those duties; and,
 - was likely to comply with legislative requirements for performance improvement.
- 3.4 My detailed findings in respect of the 2018-19 plans and the 2017-18 performance reports were reported to each council and the Department in November 2018. I subsequently published summaries of my findings for each council on the NIAO website in March 2019.⁹ I did not undertake any special inspections or recommend formal intervention by the Department.

Councils are at different stages of development but all strengthened their performance improvement arrangements in year

- 3.5 All of the councils met their key performance improvement responsibilities and all received the same overall assessment. Although councils are at different stages of development, all strengthened their performance improvement arrangements in year and each council delivered some measurable improvements to functions. With sufficient resources, councils' arrangements to deliver improvement should develop further over time. Until this happens and councils can demonstrate a track record of ongoing improvement, I am unable to determine the extent to which improvements will be made in the future. Councils should however be able to demonstrate a track record of improvement by 2019 to enable me to make an assessment of this.
- 3.6 Councils have a wide degree of discretion on their performance improvement arrangements within the overall statutory framework. As a result, my audit work in 2018-19 continued to focus primarily on compliance with the legislation and guidance and on identifying and sharing emerging good practice. In future years my expectations of councils' performance improvement arrangements will increase. I have provided feedback to each council on how their arrangements could be improved. However, it is a matter for each council to decide the extent to which it accepts my proposals. I reviewed what progress had been made on implementing my previous proposals on performance improvement. Generally councils had resolved many of the issues that I had raised, however in some instances, addressing these issues needs to be given more priority.

⁹ <https://www.niauditoffice.gov.uk/publications/local-government-annual-improvement-reports-2019-20>

Part Three: Performance Improvement

- 3.7 Last year I identified challenges that some councils faced in collecting data to support any claims of improvement. Much progress has been made in establishing management information systems and improving the measurements used to assess improvement, but further work is needed in some instances to fully resolve the issues.
- 3.8 Initially some councils found it challenging to demonstrate that improvements had been achieved. This was either because prior year improvement objectives were strategic in nature, or because they did not clearly set out how improvements would be measured. In my view, the councils' improvement objectives for 2018-19 (and the arrangements to deliver them) are generally more focused, realistic and, potentially, more achievable. Whilst some councils may find it difficult to realise more aspirational objectives, the arrangements made to deliver these objectives may nonetheless result in some demonstrable improvements.
- 3.9 This was the second year that councils were required to report on their performance against that of other councils in delivering the same or similar functions, where it was reasonably practicable to do so. I found most published comparisons to be limited in content. In my view, this requirement will remain difficult to achieve until it is supported by an agreed framework between councils. While most councils have been working with the Department to consider how to undertake such comparisons, progress to date has been limited.
- 3.10 Last year I noted uncertainty within councils on the interpretation of some aspects of the Department's statutory guidance, specifically:
- the 'General Duty' to improve;
 - the selection and reporting of 'self-imposed indicators and standards'; and
 - comparison between councils and the reporting of this information.
- 3.11 Whilst these issues were still evident during the work I conducted in 2018-19, I welcome the progress made on addressing the first two points through the multi-stakeholder group, which includes representatives from the Department and councils. I note that the issue of comparison between councils has been included in the group's forward work programme. I would emphasise the need for progress on this issue to allow further comparisons to be made in the 2018-19 self-assessment reports, due for publication in September 2019.

Community Planning

The first statement of progress for each Community Plan should be published by November 2019

- 3.12 Community planning is a new responsibility for councils, designed to improve the lives and wellbeing of residents throughout the council's area. It involves working with a wide range of partners, including the community and voluntary sector, education, health, Police Service of Northern Ireland and Tourism Northern Ireland. As lead partner of each of the eleven Community Planning Partnerships, each council published its first 'Community Plan' between March and November 2017, setting out community visions, ambitions and goals for each council area, improving the social, economic and environmental well-being of districts and the people who live there.
- 3.13 The Local Government Act (Northern Ireland) 2014 requires councils to publish a statement on outcomes achieved and actions taken within two years of the plan being published. In addition councils must carry out a review of the plan before its fourth anniversary. Community planning partners must provide the council with relevant information to enable them to prepare this statement, which must be published every two years.
- 3.14 In December 2018 the Department issued guidance to Community Planning Partnerships and Statutory Community Planning Partners to provide practical advice on the arrangements for monitoring and reporting on Community Plan progress. It decided that the first statement of progress for each community plan should be published by November 2019.
- 3.15 I welcome the ongoing engagement and support that the Department has with Community Planning Partnerships, and encourage all partners, both statutory and non-statutory, to fully engage in and support this process.
- 3.16 During the year, the Carnegie UK Trust announced three councils (Armagh City, Banbridge and Craigavon Borough Council; Derry City and Strabane District Council; and Lisburn and Castlereagh City Council) as participants in its 'Embedding Wellbeing in Northern Ireland' Project²⁰. These councils will receive financial and in-kind support from the Trust for the next two and a half years to support their Community Planning Partnerships.
- 3.17 I commend all councils for their commitment to community planning to reflect the local needs and aspirations of the communities they serve. Wellbeing is at the heart of every council's Community Plan and through this Project I hope we will see real changes, not just to the work of the three participating councils, but to the everyday lives of each citizen in Northern Ireland, as community planning starts to take shape.

Part Three: Performance Improvement

- 3.18 Although an audit of Community Plans is not required, I assess and report on whether councils' improvement objectives have links to community planning, as part of the improvement audit and assessment. I am pleased to note that all councils were able to demonstrate links between their improvement objectives and their first Community Plan.

Planning: the Planning Monitoring Framework

The first results of the Planning Monitoring Framework is due to be published in July 2019

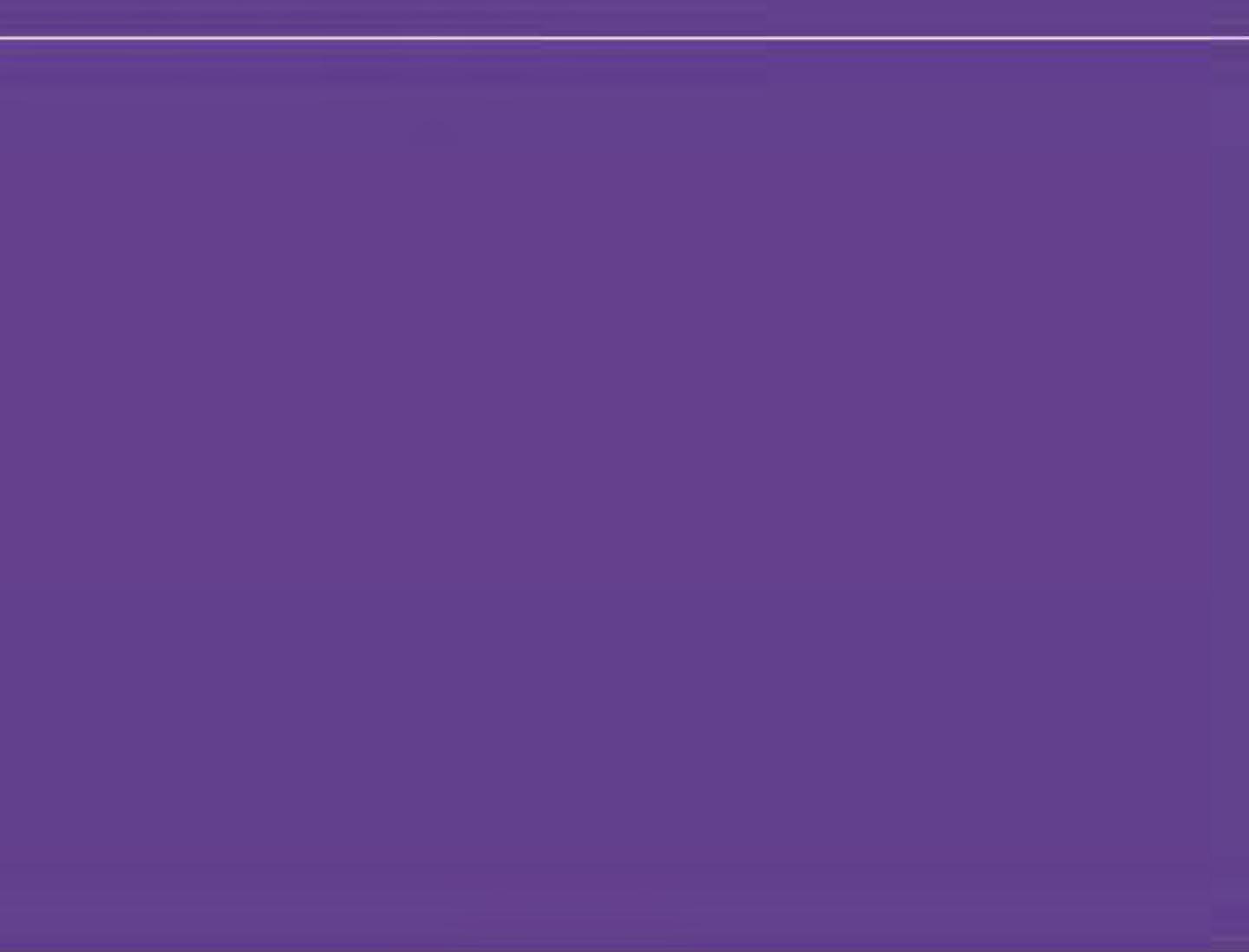
- 3.19 As noted in **paragraph 3.2**, part of my audit and assessment of councils' arrangements for continuous improvement, includes their performance against statutory planning standards and indicators.
- 3.20 Recognising that the standards and indicators relating to planning do not cover all the planning work undertaken by councils, the Department for Infrastructure introduced, from 1 April 2018, a further set of performance monitoring indicators covering wider planning activity. By measuring and reporting on progress against these indicators, councils will be able to evidence and demonstrate their contribution towards the draft Programme for Government²¹ outcomes and their stated purpose of improving wellbeing for all, by tackling disadvantage and driving economic growth. The indicators will also allow councils to report their progress in implementing their Community Plans and the associated Local Development Plans.
- 3.21 Data was collected from 1 April 2018 and the first results are due to be published, along with the Department's 2018-19 official planning statistics, in July 2019.
- 3.22 The Department's initiative has the potential to improve the transparency and accountability of the planning process. I intend to consider the results carefully and to use them to inform my approach to future audit work in this area.

Conclusion

- 3.23 Councils' responsibility for Performance Improvement was introduced as part of the Local Government (Northern Ireland) Act 2014 and these new responsibilities commenced in 2015. After four years I would expect councils' arrangements for delivering improvement to be substantially embedded and councils to be in a position to demonstrate a track record of improvement. As such, I intend to undertake a full assessment of councils' prospects for improvement in the coming year for the first time in 2019.

²¹ <https://www.northernireland.gov.uk/sites/default/files/consultations/rewnigov/pfg-consultation-document.PDF>

Part Four: Challenges and Opportunities



Part Four: Challenges and Opportunities

Key Messages

- 1 The content and readability of councils' financial reports could be improved further.
- 2 The Department for Communities intends to carry out a review of the Local Government Reform Programme.
- 3 In 2017/18 overall staff absenteeism rates remained at their highest since 1990.
- 4 There are significant opportunities for councils to improve their prompt payment of suppliers.
- 5 Good asset management is essential to help deliver sustainable public services. There are opportunities for all councils to improve their asset management capabilities.
- 6 Two City Deals have been formally announced and valuable lessons can be learned from other City Deals across the UK.

Effectiveness of the presentation of councils' financial statements

The content and readability of financial reports could be improved further

- 4.1 In 2017/18, councils prepared their annual financial reports in line with the new "Telling the Story"²² format. The revised format placed much greater emphasis on the analysis of a council's performance, and provides for a new style of user-friendly narrative report that links the financial statements to organisational objectives, resource allocation and performance. The aim is to make the financial statements more understandable to as wide an audience as possible.
- 4.2 I was content that each council met the minimum requirements in respect of the new format. However, to achieve the objective of improving readability and understanding, councils need to focus on the content and clarity of the narrative report and how it links to the core financial statements.

Efficiency Savings

The Department will carry out a review of the Local Government Reform Programme

- 4.3 In my 2018 report, I recommended that the Department should give early consideration to, and clear guidance to councils on, devising an appropriate methodology for measuring efficiency savings and reporting outcomes relating to the reduction in the number of councils in 2015.
- 4.4 The Department has told me that it will carry out a review of the cost benefit analysis of local government reform for the period 1 April 2015 to 31 March 2019, analysing monetary and non-monetary factors. The draft terms of reference for the review were forwarded to the Society of Local Authority Chief Executives (NI) (SOLACE) in May 2019 for consideration. The Department is aiming to commence the review in September 2019 and to complete it during the 2019-20 financial year.
- 4.5 Delays in completing this review should be avoided. I will continue to monitor and engage with the Department as this review progresses and may decide to report on this matter in more detail in the future.

Absenteeism

Overall absence rates remained at their highest since 1990

- 4.6 My predecessors and I have monitored and reported on sickness levels annually since 1990 and last year they peaked at their highest, with very little overall improvement in 2017-18. In 2017-18, the average sickness absence rate for the councils was 14.89 days²³ (14.95 days in 2016-17) representing approximately 6.8 per cent of total working days²⁴ (see **Figure 14**).
- 4.7 The data for 2017-18 continues to show a significant range in the average number of days lost per employee. Antrim and Newtownabbey Borough Council recorded the lowest number of days lost at 11.9 days (14.4 days in 2016-17), while Newry, Mourne and Down District Council recorded the highest rate of 17.1 days (17.3 days in 2016-17). Absence figures for Derry City and Strabane District council show the greatest overall improvement since new boundaries were established in 2015-16, with the formation of the new councils (see **Case Study**). In six councils, absence levels have reduced since the previous year, with increases in the other five.

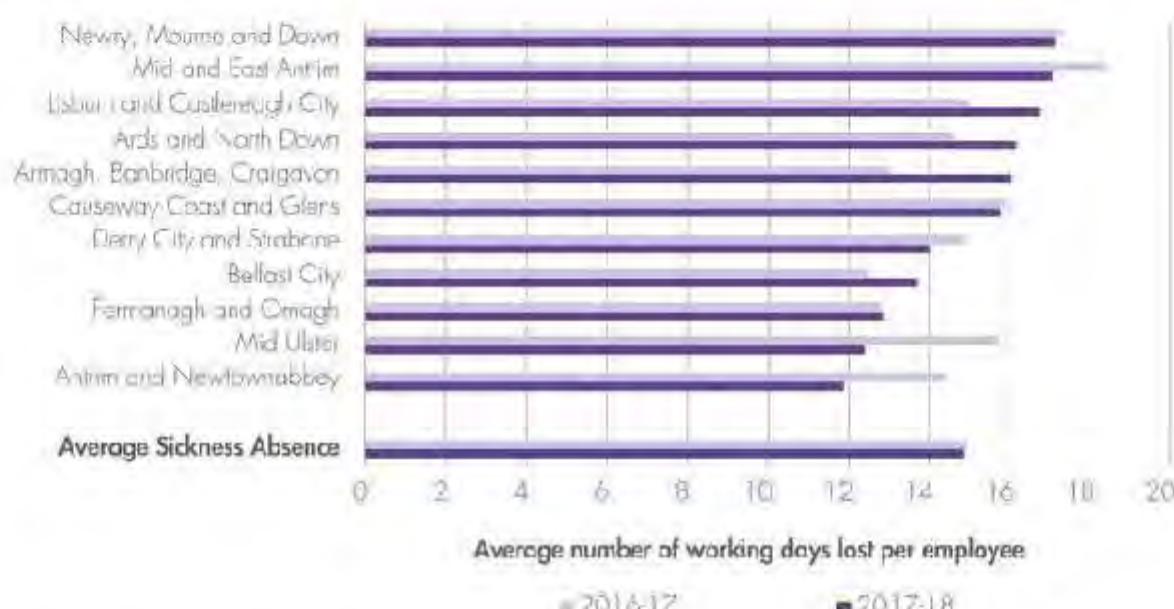
²³ The average absenteeism rate noted in the report is the mean rate for all 10,096 FTE staff in Northern Ireland councils. The median absenteeism rate for the 11 councils is 15.79 days.

²⁴ Based on 220 working days a year.

Part Four: Challenges and Opportunities

Figure 14. Council sickness absence rates for 2016-17 and 2017-18

Data continues to indicate a significant range in the average number of days lost per employee

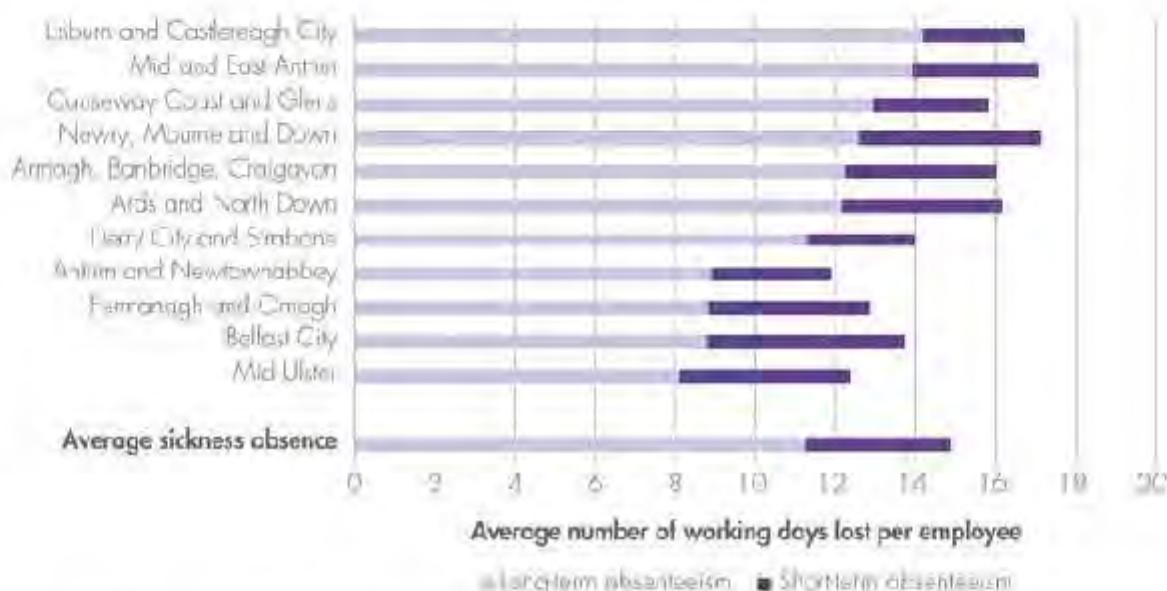


Source: Based on data submitted by Councils

- 4.8 The majority of days lost at each council relate to long-term absenteeism (average of 11.3 days in 2017-18), with conditions such as musculoskeletal problems, stress and depression being key contributors (see **Figure 15**).

Figure 1.5. Council long-term and short-term sickness absence rates for 2017-18

The majority of days lost at each council relate to long-term absenteeism.



Source: Based on data submitted by Councils

- 4.9 My predecessors and I have consistently highlighted the importance of closely monitoring and actively managing sickness absence levels. This is to ensure that staff welfare is protected and that the delivery of front line services is not adversely affected. With overall absence levels at Northern Ireland's councils at their highest in 2017-18 for two consecutive years and consistently ranking as the highest in the United Kingdom, with no indication of improvement, I have decided that councils could benefit from a more detailed report in this area. In partnership with the C&AG of the NAO, a study on 'Absenteeism' will commence in 2019 as set out in our 'Public Reporting Programme 2018-21'²⁵.

²⁵ <https://www.niauditoffice.gov.uk/public-reporting-programme-2018-2021>

Part Four:

Challenges and Opportunities

Case Study – Monitoring and managing sickness absence levels at Derry City and Strabane District Council

Following its formation in 2015, Derry City and Strabane District Council experienced the highest level of absenteeism of the 11 newly formed councils, averaging 17 days per employee in its first financial year. Recognising this as a significant governance issue which required action and disclosure, the Council highlighted its concerns within its annual governance statement. This has remained as a significant governance issue for the Council to date. I understand that the Council has implemented a range of measures to address absenteeism which include the introduction of a new Attendance Policy and training for all line managers and staff. Health and wellbeing is a strategic priority for the Council and this is promoted through the Council's BeWell initiative. The Council continues to work closely with the Trade Unions to address absenteeism.

The cumulative effect of these actions has delivered a reduction in overall levels to an average of 14 days per employee. This is below the overall council average of 14.9 days for 2017-18. I understand that the Council has achieved a further reduction in absenteeism for 2018-2019.

While I still consider this level of absenteeism as high, this is an example of how one council has successfully taken steps to reduce absenteeism levels.

- 4.10 No other council identified high levels of absenteeism as a significant governance issue, despite overall absence levels continuing to be at or all-time high since 1990.

Prompt Payment

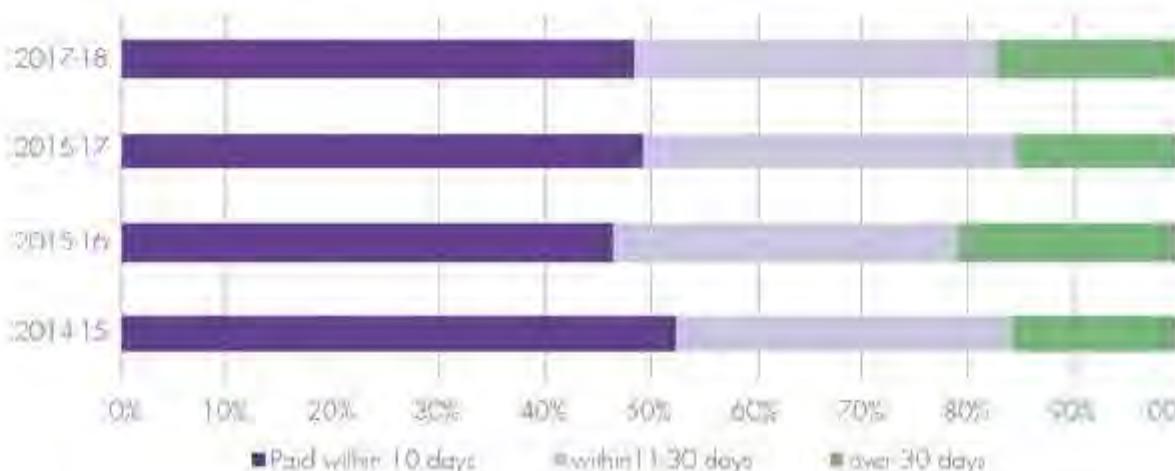
A small number of councils performed consistently well, however, there are significant opportunities for other councils to improve their performance

- 4.11 Councils are encouraged to pay suppliers as promptly as possible and to endeavour to meet the commitment made by the Northern Ireland Executive to pay the majority of valid invoices within 10 days. The average number of days taken to pay a supplier varies considerably across the councils, ranging from approximately 8.5 days in Mid Ulster District Council, to approximately 25.9 days in Armagh, Banbridge and Craigavon District Council.

- 4.12 In 2017-18, five councils paid at least half of their valid invoices within ten days. Whilst this is an improvement on the prior year, when only three councils managed to achieve this, overall performance has marginally slipped since the new councils were formed (see **Figure 16**) and most councils' performance still falls significantly behind central government performance.

Figure 16. Overall prompt payment performance

Overall prompt payment performance has marginally declined since the new councils were formed



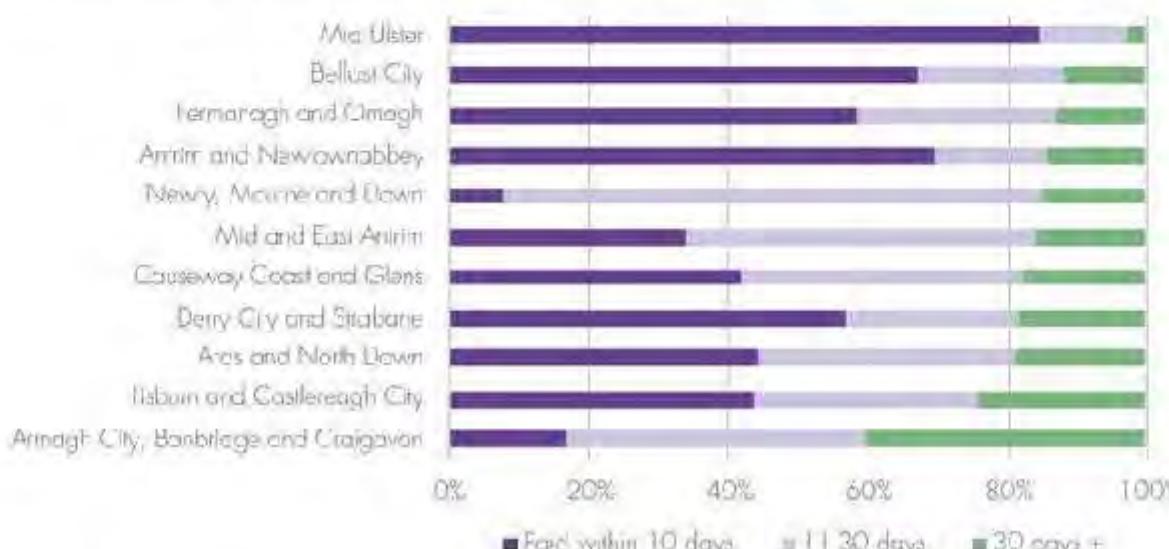
Source: Councils' data

- 4.13 **Figure 17** shows individual council performance for 2017-18, which is relatively consistent with previous years. Only Mid Ulster District Council matched central government performance, but a small number of councils were not far from achieving similar levels of performance.

Part Four: Challenges and Opportunities

Figure 17. Council prompt payment performance 2017-18

Whilst a number of councils are performing consistently well, there are significant opportunities for other councils to improve their performance.



Source: Councils' data

Observation

Prompt payment performance statistics for some councils have indicated significant under-performance for a number of years, with no sign of improvement during 2017-18. It is important that these councils work to improve their performance in this area by learning lessons from the higher performing councils.

Asset management

Good asset management is essential to help deliver sustainable public services

- 4.14 In Part One of this report (paragraphs 1.17 to 1.23) I highlighted the significance of capital expenditure, which relates to the purchase and improvement of council assets. Councils own and manage a significant number and range of public assets which are used to support the delivery of their services. The value of these assets at 31 March 2018 was in excess of £2 billion²⁵, with a small proportion (with an approximate value of £19 million) currently surplus to requirements, or being held for future development.
- 4.15 There is increasing pressure, since the formation of the eleven councils in 2015, to consolidate, replace and maintain ageing public sector assets, as well as manage the risks associated with operating ageing assets. This is set against a backdrop of increasing resource pressures. It is therefore essential that councils ensure their asset management practices are sufficient to help deliver sustainable public services.
- 4.16 As a result of improving asset management practices, land and property assets are no longer treated as passive participants in delivering public services, but rather act as a measurable component within the corporate resource and community planning process. These must be managed in the same efficient and effective way as other organisational resources. As such, the discipline of public sector asset management continues to grow in importance within both central government and local government. The Strategic Investment Board, as advisors on asset management, promotes an approach that encourages all local government bodies to have the following components in place to deliver good asset management:
1. **Asset Register:** a comprehensive asset register will be available to describe all land and property assets owned, leased and occupied by a council. The asset register will be actively maintained and publicly available.
 2. **Asset Management Strategy:** an asset management strategy should be developed and published, describing the way in which council-owned and leased land and property assets will be utilised to support service delivery and the delivery of wider civic outcomes, such as those described in the Council community plans.
 3. **Asset Management Plan:** an Asset Management Plan should be developed and published, describing how the asset management strategy will be implemented across all assets. This should at a minimum describe activities such as investment, divestment, funding, partnering arrangements, income generation, capital programmes and community engagement.

²⁵ Excluding heritage assets, investment properties and intangible assets.

Part Four: Challenges and Opportunities

4. **Asset Management Champion:** a Council Directorate should be identified as holding responsibility for managing and optimising the value derived from a council's land and property assets.
5. **Challenge function:** all asset holdings should be regularly challenged at a senior management and committee level to ensure that they are correctly configured and actively working to support the delivery of public services and civic outcomes.
6. **Risk management:** asset risks should be identified and managed or mitigated in line with the Asset Management Plan.
7. **Multi-disciplinary approach:** asset management draws upon legal, financial and property expertise and the asset management strategy and asset management plan should demonstrate alignment with the corporate plan and the community plan.
8. **Benchmarking:** The functional and economic performance of the asset base should be compared to other comparable portfolios to help determine relative performance and what actions might be appropriate to optimise the portfolio.
9. **Policies:** appropriate operating policies and guidance should be put in place covering matters such as disposals, income generation, supporting social and economic enterprise, risk management etc.

Observation

I encourage all councils to consider these principles of good asset management to ensure that they can evidence and exercise modern public sector asset management practice. I intend to publish a good practice guide on asset management in due course.

City Deals

Two City Deals have been formally announced, the Belfast Region City Deal and the Derry City and Strabane District Area City Deal

- 4.17 A City Deal is an agreement between government and a city. It gives the city and its surrounding area certain powers and freedom to:
- take charge and responsibility of decisions that affect their area;
 - do what they think is best to help businesses grow;
 - create economic growth; and
 - decide how public money should be spent.
- 4.18 In its 2018 Autumn budget²⁷ (the Budget), the UK government committed £350 million of funding toward a deal for the Belfast Region City Deal (BRCD). The Budget also pledged to begin formal talks for a similar proposed deal for the Derry City and Strabane District Council area. In May 2019, the UK Government announced a commitment of £105 million for the Derry City and Strabane District Area Deal.

Belfast Region City Deal

- 4.19 The NI Executive is expected to match the £350 million of UK government funding, with six participating councils²⁸ committing £100 million, and the two Universities will commit £50 million. This makes the deal worth at least £850 million before any funding is attracted from the private sector. The deal is a binding, long term agreement aimed at boosting economic growth led by the city region over 10 years. It is intended that the funding will be used to deliver a programme of infrastructure projects to create up to 20,000 new and better jobs. Regional Further Education colleges will deliver a complementary education, employability and skills programme to ensure that people gain the necessary skills to secure and deliver on the new and better paid jobs that will be created.
- 4.20 Belfast City Council is leading the BRCD, which will require effective collaboration with robust governance and accountability arrangements between councils, central government, public bodies, and the UK government. In March 2019, the Secretary of State, BRCD partners and the Northern Ireland Civil Service signed a Heads of Terms document, enabling full business plans to be prepared for the projects proposed.

27 HM Treasury, Budget 2018, HC 1629, October 2018, pg. 71.

28 The participating six councils include Antrim and Newtownabbey Borough Council, Ards and North Down Borough Council, Belfast City Council, Lisburn and Castlereagh City Council, Mid and East Antrim Borough Council and Newry, Mourne and Down District Council. Queen's University Belfast, the Ulster University, and the four Regional Colleges will also

Part Four: Challenges and Opportunities

Derry City and Strabane District Area Deal

- 4.21 Funding for the Derry and Strabane District Area City Deal was announced on 7 May 2019 and comprises £50 million 'City Deal' and a further £55 million 'Inclusive Future Fund'. It is hoped this will be matched by funding from the Northern Ireland Executive and lever further investments from project partners and other third parties, to eventually lead to an overall investment injection of greater than £300 million. At the core of the bid is education, innovation, job creation and skills development, with a key focus being the advancement of the much sought after expansion and growth of the Magee campus of the Ulster University.

Councils should maximise the opportunities that City Deals bring to Northern Ireland

- 4.22 Devolving large infrastructure projects to deliver economic growth to councils is a new approach for Northern Ireland. Councils will need to strike a balance between maximising opportunities and carefully managing the risks that this new approach brings with it.
- 4.23 It will place resource pressures on all City Deal partners, to deliver each of the goals in a demonstrable way. In addition, it is important that shared performance and outcomes are measurable and reported. This will be key to determining the extent of economic growth and the extent to which value for money has been delivered.
- 4.24 Both the Scottish Parliament and the Wales Audit Office have published findings and recommendations in relation to their City Deals. There are valuable lessons that can be learned from these City Deals and from other City Deals across the UK.

Observation

In light of the future challenges and opportunities presented by the two City Deals, the C&AG and I intend to monitor the City Deals as they progress.

Preparations for leaving the European Union

Councils have been constrained in terms of the practical preparations they can make for leaving the European Union

- 4.25 The lack of clarity so far on the shape of an exit deal and a clear way forward, as well as the absence of additional funding, inevitably means that councils have been limited in terms of the practical preparations they can make.
- 4.26 Exiting the European Union (EU) is a significant risk to local government service delivery, in particular Community Planning, the economy and tourism. Preparations for EU withdrawal across councils vary. Approaches commonly include monitoring and inclusion in risk registers as well as briefings and reports to councillors. Some councils also reflect the risk in corporate and financial plans. Several councils have established working groups or committees²⁹ to focus on this issue.
- 4.27 However, no council is fully ready, in operational terms, for a no deal exit. The outworkings will have most impact on those councils which have a border with the Republic of Ireland. There are also concerns that, whatever the outcome, the capacity of councils to implement any changes necessary may be constrained given the short time available. If the UK Government and EU fail to agree arrangements for the UK's exit from the EU, there will be no transition period and councils will need to respond immediately.

Conclusion

- 4.28 Looking ahead, councils face a wide range of challenges and opportunities. Delivering positive outcomes will require strong leadership, effective governance structures and continued engagement both internally and externally. This can be further enhanced through the development of effective partnership arrangements with other public bodies and local communities. The C&AG has recently published a good practice guide on "Making Partnerships Work"²⁹, which provides practical advice and guidance to encourage open and constructive collaborative working between public sector organisations and with local communities.

²⁹ https://www.auditoffice.gov.uk/sites/niac/files/209675%20NIAO%20Effective%20Partnership%20for%20Outcomes_FINAL%20Combined%28wRes%29_3.pdf

NIAO Reports 2018 and 2019

Title	Date Published
2018	
Continuous improvement arrangements in policing	27 February 2018
Type 2 Diabetes Prevention and Care	06 March 2018
Financial Auditing and Reporting: General Report by the Comptroller and Auditor General for Northern Ireland – 2017	13 March 2018
Speeding up justice: avoidable delay in the criminal justice system	27 March 2018
Performance management for outcomes: A good practice guide for public bodies	15 June 2018
The National Fraud Initiative: Northern Ireland	19 June 2018
Local Government Auditor's Report – 2018	04 September 2018
The Financial Health of Schools	16 October 2018
Firearms Licensing in Northern Ireland (website only)	27 September 2018
The UK Border: How prepared is Northern Ireland for exiting the EU? (website only)	26 October 2018
The Social Investment Fund	08 November 2018
Eradicating Bovine TB in Northern Ireland	27 November 2018
General Report on the Health and Social Care Sector	18 December 2018
2019	
Welfare Reforms in Northern Ireland	17 January 2019
Structural Maintenance of the Road Network	26 March 2019
Follow-up reviews in the Health and Social Care Sector: Locum Doctors and Patient Safety	9th April 2019
Making partnerships work: A good practice guide for public bodies	30th April 2019
Mental Health in the criminal justice system	14 May 2019
Management of the NI Direct Strategic Partner Project – helping to deliver Digital Transformation	14 June 2019

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11 June 2019

Dear Chief Executive

LOCAL GOVERNMENT CIRCULAR 20/2019

Addendum to Local Government Performance Improvement guidance

I enclose a copy of the above guidance for the General Duty to Improve, which enhances current guidance on the operation of Part 12 of the Local Government Act (NI) 2014.

This guidance was developed in collaboration with Local Government and Northern Ireland Audit Office, and is now published as a local government circular.

The outcome of this collaborative work has been to provide clarity for the practical operation of a council's general duty to improve and aid local government's intention to embed continuous improvement in the delivery of its business to citizens.

Yours sincerely

A handwritten signature in black ink, appearing to read "Nichola Creagh".

NICHOLA CREAGH
Local Government & Housing Regulation Division

The Local Government Act (Northern Ireland) 2014 Part 12 - General Duty to Improve

The Statutory Guidance for Local Government Performance Improvement 2016 Onwards provides some guiding principles on the above. This additional guidance provides further advice in relation to the interpretation of the General Duty and its practical operation and compliance.

Section 84(1) of the Act places a general duty on councils to "make arrangements to secure continuous improvement in the exercise of its functions".

- **Continuous improvement:** Councils should seek to continuously ensure that the most effective arrangements are in place for delivering their functions and that they are able to understand and demonstrate the impact for citizens.
- **Functions:** defined in its broadest sense, whereby an individual Council exercises its general responsibilities and delivers services (statutory or discretionary) in accordance with its agreed strategic ambitions and priorities.
- **Making arrangements to improve:** This requires a Council to put in place arrangements which enable it to effectively understand local needs and priorities, to make best use of its resources and capacity to meet them, as well as to evaluate the impact of its actions. 'Arrangements' can be interpreted as, an "*improvement framework*"¹, which itself may also include other supporting strategies, plans, frameworks, policies and processes.

¹ This may not necessarily be a single, physical resource (i.e. document)

It is important to note that “functions” are not merely confined to a collection of individual services. Improvement must be considered within an overall strategic context and should take account of the wider political, civic leadership and consultative roles of a Council alongside the operation of specific responsibilities and services.

Section 84(2) then states that a Council in discharging its duty under section 84(1) must have regard to the seven aspects of performance improvement when exercising its arrangements.

This means a Council must have in place arrangements that assess the effectiveness of its functions and services, including clear and appropriate arrangements for political and managerial scrutiny and accountability.

*This is not the same as section 85(3), which states that the annual **improvement objectives** set by a Council must be framed to improve the function to which they relate, in terms of at least one of the seven aspects of improvement. The identification and selection of improvement objectives may be defined by the outcomes a Council wishes to achieve; this may inform functional improvement as part of the overall continuous improvement duty.*

Figure 1 provides a schematic overview of an improvement framework and the relationships that exist between different elements of the arrangements.

Figure 2 provides a definition for each tier of the framework. It is important to note the framework is not prescriptive and individual Councils may apply all, some or none of the framework depending upon their own strategic policy requirements.

Self-Imposed Performance Indicators

Self-Imposed performance indicators are:

1. Those performance indicators which are established for the improvement objectives as set in a Council’s Performance Improvement Plan; and
2. Those performance indicators which are established in support of a Council’s continuous improvement activity.

A Council will set self-imposed indicators for the improvement objectives it has decided to include in its improvement plan. However, neither these objectives nor statutory performance indicators are fully comprehensive of Council business and cannot measure delivery of the wider local policies, priorities or projects of a council.

For most Councils, continuous improvement activity, and the subsequent use of self-imposed indicators, is framed within the context of their own agreed corporate strategy.

Self-imposed indicators, alongside Statutory indicators, also enable a Council to compare and benchmark its own performance year on year and, so far as reasonably practicable, compare as well as benchmark performance with other Councils in the exercising of similar functions, as required under section 91 of the Act.

Publication Requirements

Improvement Plan and General Duty

Section 92(4) of the Act requires a Council to publish a description of how it will discharge its duty under section 84(1) as part of its annual improvement plan.

An outline of a Council's 'improvement framework' shall meet the requirement to publish a description of how a Council shall discharge its duty under section 84(1).

Each year the improvement plan should include a general description of a Council's continuous improvement arrangements, evidenced by examples of self-imposed indicators and standards identified as part of those arrangements.

Annual Assessment Report and General Duty

Section 92(2)(a)(i) also requires a Council to publish an assessment of its performance in discharging its duties under section 84.

The report should include an assessment of the effectiveness of the continuous improvement arrangements, giving details of any issues identified through its

monitoring and review, as well as references to any planned / implemented improvements.

This may refer to examples of:

- (1) improvements made to the specific supporting strategies, plans, frameworks, policies and processes adopted by a Council, as well as
- (2) actual service improvement arising from the application of the improvement framework.

These can be evidenced² through, for example:

- (i) Development / reviews of strategic plans and associated strategic outcomes / priorities, e.g., reviews of Community Plan, Corporate Plan etc.;
- (ii) Policy reviews to take account of changing strategic or legislative landscapes; or as a result of identified operational issues;
- (iii) Action taken as a result of the identification of issues arising from application of the improvement framework i.e. identified through reviews of annual business plans; internal audit processes; risk management processes; complaints procedures; consultation and engagement;
- (iv) Service reviews arising from a Council's transformation or improvement processes etc; and
- (v) Action taken as the result of recommendations and/or proposals made in the course of the political process.

Benchmarking

Section 92(2)(b)(i)&(ii) of the Act requires a Council to publish an assessment of its performance as compared with previous financial years; and so far as is reasonably practicable, the performance during that and previous financial years of other Councils.

² These examples are purely illustrative.

This shall include a description of the benchmarking activities that a Council has undertaken and where possible the description shall include a comparison with the Council's previous performance (i.e. to help demonstrate trends).

Descriptions of benchmarking may also include a narrative outlining change in practice, process or activity that reflects learning from other organisations.

Interpretation:

Continuous Improvement Arrangements: the various arrangements or overarching "improvement framework" adopted by an individual Council to support its General Duty to Improve

Corporate Strategy: the approach developed by an individual Council for supporting the achievement of its strategic ambitions or priorities. It may be a fully defined, documented strategy or simply an agreed way of working.

Performance Indicator: is a factor by reference to which performance can be measured. Normally associated with quantifying the achievement of an outcome.

Performance Standard: is the measurement that has been decided to meet to determine (a target) the extent of success of a performance indicator.

Self-imposed Performance Indicators and Standards: are non-statutory indicators and standards a Council has decided to measure in the context of the outcomes it wishes to achieve.

Statutory Performance Indicators and Standards: Indicators and standards that have been established by central government departments, following consultation with Local Government, specified by order in accordance with section 89(1)³.

³ currently The Local Government (Performance Indicators & Standards) Order 2015

Figure 1: Improvement framework

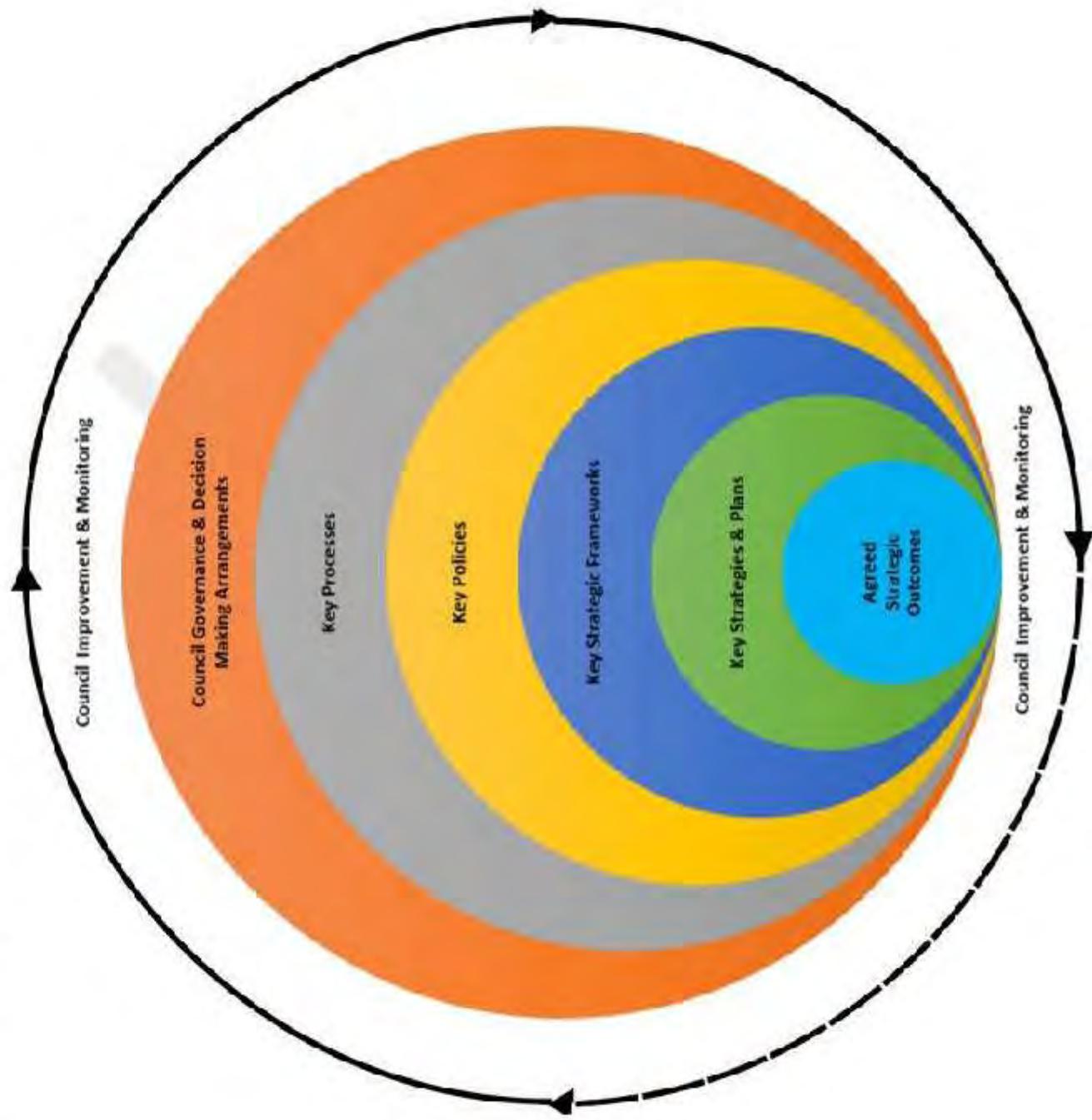


Figure 2 Assessing the effectiveness of continuous improvement arrangements

- i. **Agreed Strategic Outcomes** – these are the *primary outcomes* at either a Community Planning or corporate level that an individual Council has agreed to work towards achieving. Sometimes referred to as “strategic ambitions or priorities”; these outcomes will include a determination, by each individual Council, of how they contribute towards their achievement. This latter determination is sometimes known as ‘corporate strategy’, which in itself may be tangible (i.e. a specific project or budget) or intangible (i.e. policy support) or both.
- ii. **Key Strategies & Plans** – these are the *secondary strategies* and plans developed by an individual Council in support of the primary outcomes. Examples could include economic development strategy, IT strategy, annual performance improvement plan etc.
- iii. **Key Strategic Frameworks** – these are the various strategic frameworks developed by individual Councils to enable the key strategies and plans. Examples could include business planning & performance management; information governance; programme & project management; policy development; and decision-making frameworks etc. Their purpose is to bring consistency to the management process across a Council.
- iv. **Key Policies** – these various corporate policies exist in an individual Council to underpin the application of these frameworks. An example could include a Council’s equality policy, which is a key element of a Council’s policy development framework.
- v. **Key Processes** – these are the key corporate processes and procedures used by an individual Council to support the implementation of the key policies / frameworks / plans etc. They may or may not be documented. Using the equality policy as an example, one of the key processes or procedures would be the equality screening process of all policies before Council ratification.
- vi. **Council Governance & Decision Making Arrangements** – The process that monitors and documents both the successes and shortcomings of the council’s business management initiatives, ensuring that the council does the right thing, in the right way, in a timely, inclusive, transparent and accountable manner.
- vii. **Council Improvement & Monitoring** – the continual monitoring and evaluation of all aspects of this “improvement framework”, at a holistic or individual level, support a Council’s General Duty to Improve.