



MEDIA RELEASE

Local Government Auditor's Report 2019

A report published today (Tuesday 18th June 2019) by the Local Government Auditor has found that local Councils are in a financially strong position and are making progress in improving their functions, but challenges remain around absenteeism and a reliance on agency staff.

Financial Performance and Performance Improvement

The report concluded that the financial statements of councils were properly prepared and gave a true and fair view of their financial positions, with all councils receiving an unqualified audit opinion. During 2017-18, Northern Ireland's 11 local councils:

- spent a total £936 million providing services to the public – an average of £473 for every person in Northern Ireland
- councils received income of £862 million, 70% of which was from district rates
- increased usable reserves across councils, from £205.1 million in 2016-17 to £234.6 million in 2017-18, a 12.6% increase.

Commenting on the financial performance of councils, Mrs McCreedy said:

“Overall councils are in a financially strong position and managed their finances well in 2017-18. Reserves have increased since the new councils were formed and it is important councillors are clear about the reasons for the level of reserves being held and what they may be used for.”

All councils were also found to have met their statutory responsibilities in relation to continuous improvement in their functions and services, and that while councils were at different stages of development, some had made measurable improvements. The Local Government Auditor intends to undertake a full assessment of councils' prospects for improvement for the first time in 2019-20.

Agency Staff and Absenteeism

The report also found that, while local councils employed over 10,000 full time equivalent staff in 2017-18, some continue to rely heavily on the use of agency workers. This resulted in a total spend of £25.9 million on agency staff in 2017-18, an increase of £1.7 million from 2016-17. Most of this increased expenditure was incurred by Causeway Coast & Glens Borough Council and Lisburn & Castlereagh City Council.

Absence rates among council staff also remained at their highest since 1990, with an average of 14.89 days lost per employee as a result of sickness during 2017-18. Absenteeism varied significantly between councils, with six councils reporting reduced absence levels from the previous year and five reporting increases. Antrim and Newtownabbey Borough Council recorded the lowest number of days lost (11.9 days per employee) while Newry, Mourne and Down District Council recorded the highest at 17.1 days per employee. Increases in absenteeism continue to be attributed to a rise in long-term sickness absence because of conditions such as severe depression, musculoskeletal problems and stress.

Discussing her report's findings in relation to agency staff and absenteeism, Mrs McCreedy said:

"While I recognise that the use of agency staff is necessary to cover seasonal service demands, the ongoing over-reliance on agency staff, by some councils, to perform work that could be done by employees increases the risk that value for money cannot be delivered.

"The monitoring and management of sickness absence levels continues to very challenging for councils. Staff welfare must be protected, along with the efficient and effective delivery of front-line services to the public. With no indication of overall improvement, I have decided that councils could benefit from a more detailed report in this area and I will work with the Comptroller & Auditor General of the NI Audit Office to commence a study in this area this year."

Whistleblowing

Today's report also notes that, as in previous years, a number of whistleblowing concerns were reported directly to the Local Government Auditor, with an increasing number being raised around the planning process.

Mrs McCreedy commented:

"Planning decisions are often complex with councillors undertaking a challenging role. In order to maintain public confidence in 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. In partnership with the Comptroller & Auditor General of the NIAO, I intend to undertake a study on planning across central and local government in 2020."

ENDS

Notes for Editors

1. The results of work undertaken by the Local Government Auditor are reported to the Members of Local Councils and local government bodies. Her report on each set of accounts is published with the accounts by the audited body. She also provides an Annual Audit Letter to each body, which is also published by the audited body. In addition, a summary of her key findings at each local council in relation to the improvement audits and assessments will be published in her Annual Improvement Reports.

2. In addition to providing an opinion on the financial statements of the 11 councils, Mrs McCreedy is, as Local Government Auditor, responsible for the audit of the Local Government Staff Commission and the Northern Ireland Local Government Officers' Superannuation Committee, as well as two joint committees formed by councils. In total, she issues audit opinions on 15 sets of financial statements.
3. The Local Government Auditor can also undertake comparative and other studies designed in order 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.
4. Background briefing can be obtained from the Audit Office by contacting Colette Kane (028 9025 1064) or Suzanne Murphy (028 9025 1125).