

Local Government Auditor's Report 2025

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

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.

Colette Kane
Local Government Auditor

*Northern Ireland Audit Office
11 December 2025*

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List of Abbreviations

AGS	Annual Governance Statement
C&AG	Comptroller and Auditor General
The Department	Department for Communities
FTE	Full Time Equivalent
NICS	Northern Ireland Civil Service
RSG	Rates Support Grant

Preface

Local Government Auditor's Preface

1. 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 March 2021. As Local Government Auditor it is one of my responsibilities to 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.
2. This report provides my perspective on local councils, based upon the findings of the various audits I have conducted across the 2023-24 financial year. My report highlights both the ongoing progress made by councils in returning to normal operations following the impact of Covid-19 and more recent economic pressures that have posed a significant challenge to sustainable service delivery by councils:
 - Part One of my report details the financial performance of councils.
 - Part Two identifies the key governance issues and themes that have emerged from my audit work during 2023-24.
 - Part Three of my report considers procurement and the management of capital projects in councils.
3. Throughout my report, I have made a number of recommendations aimed at supporting improvements arising from my various findings. I encourage council Audit Committees to monitor councils' progress on implementing these recommendations.
4. This is my final report as Local Government Auditor as I approach retirement. I have audited local government bodies since 2015 and became Local Government Auditor in March 2021. During my tenure working with local government I have seen much change as the sector developed post reorganisation. In my role as Local Government Auditor I have aimed to support the sector and as this is my final report I wish to reflect on this in the following paragraphs.
5. My time as Local Government Auditor commenced with a new Code of Audit Practice (the Code) which was issued in March 2021. I note that the revision of the Code is underway to be published for commencement from 1st April 2026.
6. This is my fourth report as Local Government Auditor and reflects the changing landscape of local government. I note that during my time as Local Government Auditor I commended councils for providing essential support to local communities during the pandemic. The impact of the pandemic on councils, both financially and operationally, continued as a theme in my reports in the years during and since then.
7. I have complied with the legislation which requires me to publish Annual Improvement Reports for each council detailing my assessment of council's compliance with Part 12 of the Local Government Act (Northern Ireland) 2014.

8. I have also published two reports jointly with the Comptroller and Auditor General (C&AG) reflecting the important relationship between central and local government. The first of these was published in February 2022, Planning in Northern Ireland. This report reflected the performance of planning activity in Northern Ireland and was used as a basis for a number of evidence sessions by the Public Accounts Committee (the Committee) of the Northern Ireland Assembly. The Committee produced its own report which included a number of recommendations which continue to be implemented by local and central government working together. The second report published jointly with the C&AG in July 2024 was 'Public Bodies Response to Misrepresented Soil Analysis'. This report examined the response by public bodies (both councils and central government bodies) to the discovery of misrepresented soil analysis results submitted in support of agricultural planning applications. The report included a number of recommendations – some for central government and some for councils and some for both. The key message from this report is the need to collaborate effectively and ensure timely action is taken particularly when alerted to potential fraud.
9. In November 2020 the Minister for Communities directed the Local Government Auditor to undertake an extraordinary audit of Causeway Coast and Glens Borough Council concentrating on land disposals and easements and related asset management policies and procedures. I published the audit report in July 2022. The report included eight recommendations to be taken forward mostly by Causeway Coast and Glens Borough Council and overseen by the Department for Communities. Although this report focussed on one council I note that many other councils have reflected on the findings and considered the controls in this area.
10. Finally I was pleased to have published two Good Practice Guides in the last 4 years. The first of these was published in conjunction with the Strategic Investment Board. This guide was published in October 2021 'A Strategic Approach to the Use of Public Sector Assets: A good practice guide for Local Government in Northern Ireland'. Then in March 2023 another good practice guide 'Planning Fraud Risk' was published. This guide aimed to support planning authorities (both councils and central government) in preventing planning fraud. Both these Good Practice Guides were well received and have continued to provide valuable advice to local government.
11. As I depart my role as Local Government Auditor I wish to thank the sector for the co-operation I have received in fulfilling my responsibilities. I would also like to wish the sector every success in the future in supporting local communities. Finally I would like to express my best wishes to my successor.

Colette Kane

Local Government Auditor

"As I depart my role as Local Government Auditor I wish to thank the sector for the co-operation I have received in fulfilling my responsibilities."

Colette Kane

Local Government Auditor

Part One:

Financial Performance

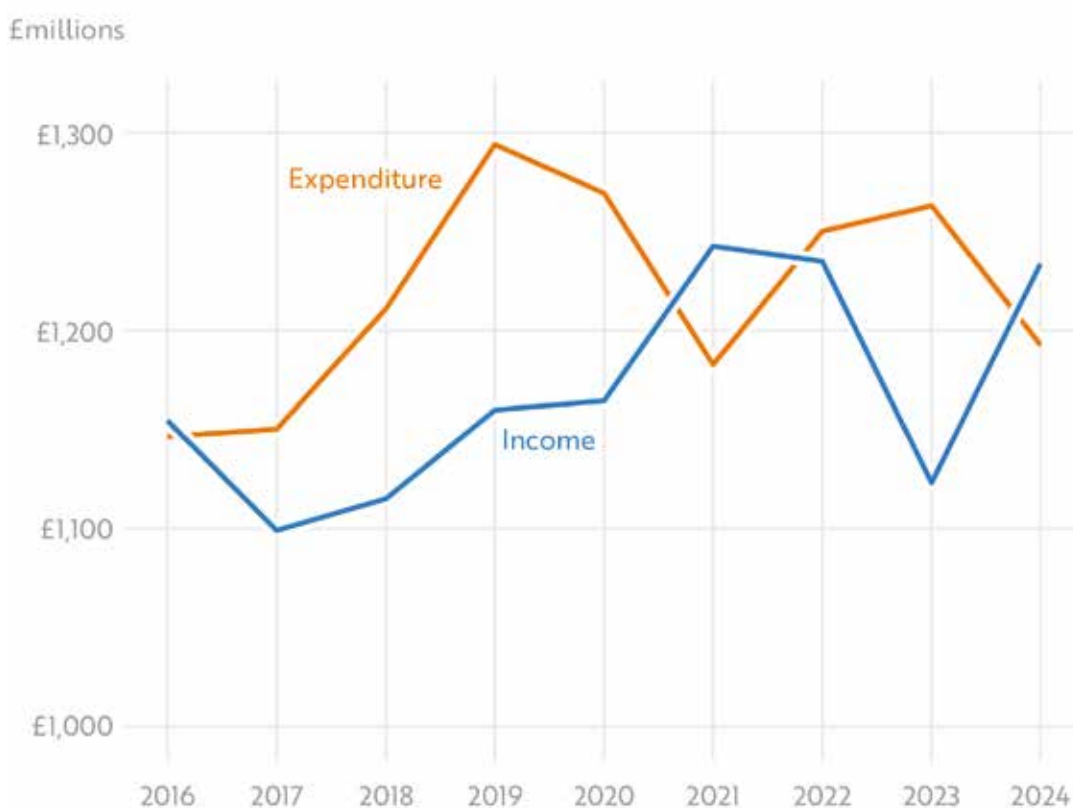
Financial Performance

- 1.1** This section of my report provides an overview of the financial position of local government in 2023-24.

Local government income exceeded expenditure for the first time since the pandemic

- 1.2** With the exception of 2020-21, when additional funding was provided as a result of the Covid pandemic, this was the first year since the reorganisation of local government that income exceeded expenditure. **(Figure 1).**
- 1.3** Total income generated across the 11 councils was over 9 per cent higher than the previous year and 5.6 per cent higher than expenditure in 2023-24. However, more than half (£60.4 million) of the increase in income was due to the recognition in 2023-24 of a historic VAT claim by eight of the eleven councils.

Figure 1: Local Government income increased in 2023-24



Note: Income and expenditure figures restated at 2023-24 values using HMT deflators at September 2025

Source: Councils' audited financial statements

Income increased as a result of a one off VAT repayment

- 1.4** Councils generate income from three main sources: district rates; service fees and charges; and grants from central government. The proportion of income generated by councils from these sources is usually consistent. **District rates** typically account for around two thirds of council income, with around one quarter being generated from **service fees and charges**. The remaining ten per cent of council income relates to **grants received from central government departments**. However, an additional source of income in 2023-24 related to a one off VAT repayment from HMRC relating to a special legal regime for leisure sporting activities.
- 1.5** I note there has been some volatility in these patterns in recent years. The level of grants paid to councils by central government was significantly higher than usual in 2020-21 and 2021-22, as councils received additional support to help them manage the immediate economic pressures they faced, initially due to the Covid-19 pandemic, and subsequently as a result of inflationary increases in costs. Whilst not at the levels in 2020-21 and 2021-22 there was a significant increase in Central Government Grants in 2023-24 of almost 27 per cent or £20.7 million. In 2023-24 a larger proportion of these grants came from the then Department of Housing, Communities and Local Government in Great Britain.
- 1.6** The overall increase in council income recorded in 2023-24 has been primarily driven by a 5.2 per cent increase in charges and a 26.8 per cent increase in fees, charges and other service income; and central government grants. All 11 councils in Northern Ireland initiated legal proceedings against HMRC under a special legal regime for leisure sporting activities. As a result, eight councils received associated repayments of VAT amounts previously overdeclared in 2023-24. At March 2024, three councils were still in discussions and unable to quantify the associated financial impact. The repayment received led to additional increase in income of £60.4 million in real terms with the largest repayment recorded by Lisburn City and Castlereagh Council at £16.5m (**Figure 2**).

Figure 2: Council income by source

CATEGORY	Real terms income (£'000)				Change vs previous year		
	2020-21	2021-22	2022-23	2023-24	2021-22	2022-23	2023-24
Rates	790,893	801,212	782,638	791,989	1.3%	-2.3%	1.2%
Fee and Other Income	290,755	293,235	267,284	283,150	0.9%	-8.9%	5.9%
Central Government	161,585	140,232	72,879	98,127	-13.2%	-48.0%	34.6%
Historic VAT claim	0	0	0	60,413	NA	NA	NA
Total	1,243,233	1,234,679	1,122,801	1,233,678	-0.7%	-9.1%	9.9%

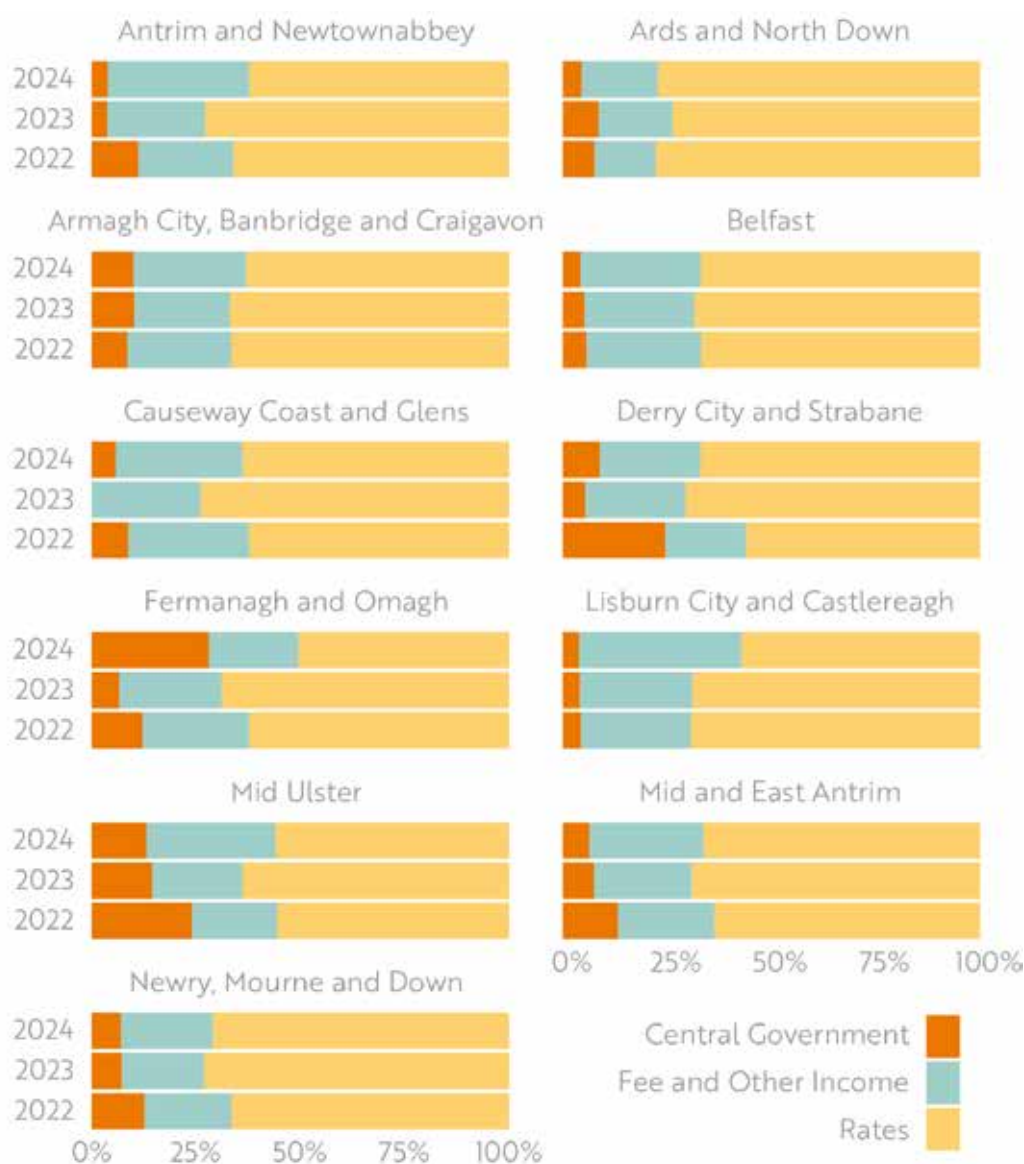
Note: Income figures restated at 2023-24 values using HMT deflators at September 2025

Source: Councils' audited financial statements

District rates represent the largest source of income for all councils

- 1.7** District rates income represents the largest source of income for all councils. However, there remains significant variation across councils (**Figure 3**). Reliance on district rates as a proportion of total income ranged from 23 to 49 per cent across councils in 2023-24. In 2022-23, district rates as a proportion of total income ranged from 26 to 36 per cent.

Figure 3: Revenue streams by council and year



- 1.8** It is notable that in real terms the income generated by councils through charges and service fees, which fell over both of the previous two financial years, increased by 6.8 per cent in 2023-24. Given the volatility of council income and expenditure over recent years, councils should consider exercising caution in allocating 2023-24 surpluses, prioritising long-term financial resilience over short-term spending (**Figure 1**).

Overall council expenditure has decreased

- 1.9** Overall council expenditure has decreased by more than 6 per cent in real terms between 2022-23 and 2023-24 to £1,170 million.
- 1.10** Meaningful comparison can be challenging. Councils are not required to manage and report their expenditure within a prescriptive or consistent framework. Instead, each council has freedom to tailor its financial reporting arrangements to its own particular circumstances. A disadvantage of this arrangement is that it is difficult to undertake any form of comparative analysis of this information between councils, or even at a more detailed level within individual councils.
- 1.11** In the absence of comparable data published by councils, I have included central analysis undertaken by the Department for Communities, which profiles local government expenditure against high-level common service areas (**Figure 4**).

Figure 4: Council expenditure by expenditure category

CATEGORY	Real terms expenditure (£ millions)			Change vs previous year	
	2021-22	2022-23	2023-24	2022-23	2023-24
Miscellaneous Services	383	392	361	2.4%	-7.9%
Recreation & Sport	212	224	233	5.6%	3.9%
Waste Collection	138	142	142	2.5%	0.4%
Waste Disposal	85	85	85	-0.3%	0.3%
Economic Development	79	71	67	-9.9%	-5.7%
Environmental Health	59	60	54	0.9%	-10.1%
Other Cleaning	54	57	55	4.7%	-2.5%
Culture & Hertiage	51	53	51	2.4%	-2.1%
Community Services	51	49	51	-4.2%	3.7%
Tourism	42	42	45	0.2%	6.8%
Cemetry	15	15	16	1.5%	7.2%
Public Conveniences	7	6	6	-7.3%	-1.6%
Licensing	3	3	3	-7.3%	3.5%
Total	1,180	1,198	1,170	1.6%	-2.4%

Staff costs in local councils have remained consistent

- 1.12** During 2023-24, total staff costs across councils amounted to around £475 million. These costs represented around 42 per cent of councils' operational expenditure in 2023-24, which is in line with the proportion of operational expenditure consumed by staff costs in previous years.
- 1.13** However, there are notable differences between councils in the proportion of staff costs spent on agency staff (**Figure 5**). The impact of public health measures on a range of council functions meant that most councils spent significantly less on agency staff in 2020-21 than they had done in previous years. However, since then this expenditure has recovered to pre-pandemic levels. I have also noted that two councils, Causeway Coast and Glens and Glens and Mid and East Antrim, have remained particularly reliant on agency staff, with these accounting for 26 per cent and 22.5 per cent of their respective total staffing costs in 2023-24. I consider it important that all councils, and particularly those spending a high proportion of staff costs on agency staff to support service delivery, continually review their requirements for agency staff and that they have appropriate oversight in place to ensure that these arrangements represent good value for ratepayers.

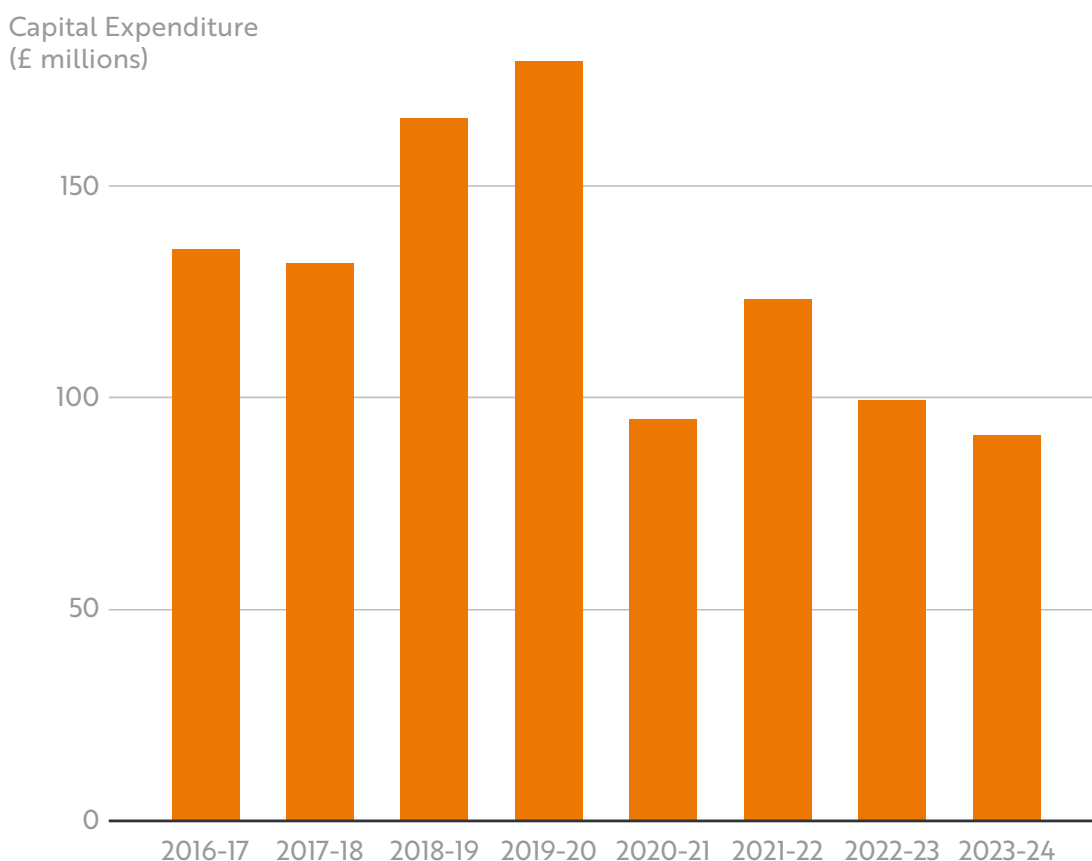
Figure 5: Agency costs as a percentage of staff costs

COUNCIL	Agency costs as % of staff costs			
	2021	2022	2023	2024
Causeway Coast and Glens	21.3%	25.6%	28.6%	26.0%
Mid and East Antrim	13.6%	17.7%	21.4%	22.5%
Lisburn & Castlereagh	7.6%	8.7%	8.7%	8.0%
Newry Mourne and Down	3.7%	5.7%	6.3%	7.8%
Belfast	5.5%	7.3%	8.2%	7.2%
Ards & North Down	4.8%	6.6%	6.4%	6.0%
Antrim and Newtownabbey	4.2%	6.5%	6.1%	5.7%
Derry & Strabane	0.5%	1.2%	1.9%	0.8%
Armagh, Banbridge and Craigavon	1.3%	1.5%	0.5%	0.5%
Mid Ulster	0.6%	0.4%	0.4%	0.3%
Fermanagh & Omagh	0.0%	0.0%	0.0%	0.0%

Capital expenditure decreased in 2023-24

- 1.14** Capital expenditure is money which is used to purchase, construct, or improve assets that are used by councils to support the delivery of services over a number of years. Given that such expenditure often relates to large-scale one-off projects, capital expenditure levels can fluctuate considerably between individual financial years. Identifying meaningful trends over time can therefore be difficult, with any given year not necessarily being comparable to preceding periods.
- 1.15** A significant decrease in overall capital expenditure levels was noted across local government over the last four years compared to pre-pandemic levels (**Figure 6**). This can be expected given the substantial economic pressures and uncertainty that have impacted councils during this period. In most recent years, capital expenditure has reduced significantly at four of the eleven councils. These councils were Belfast (from £23.1 million to £16.4 million), Causeway Coast and Glens (from £8.5 million to £6.5 million), Armagh City, Banbridge and Craigavon (from £5.9 million to £4 million) and Derry City and Strabane (from £10.8 million to £9.4 million).
- 1.16** In contrast to the main trend, capital expenditure has increased over this period at five councils. There have been notable increases at Fermanagh and Omagh (from £4.2 million to £6.7 million), Lisburn City and Castlereagh (from £2.1 million to £4.3 million), Mid and East Antrim (from £5.4 million to £7.4 million), Newry, Mourne and Down (from £10.5 million to £12 million) and Ards and North Down (from 4.5 million to £6 million) reinforcing how expenditure trends can fluctuate due to the ongoing delivery and timing of major projects.

Figure 6: Capital expenditure in councils has declined in recent years

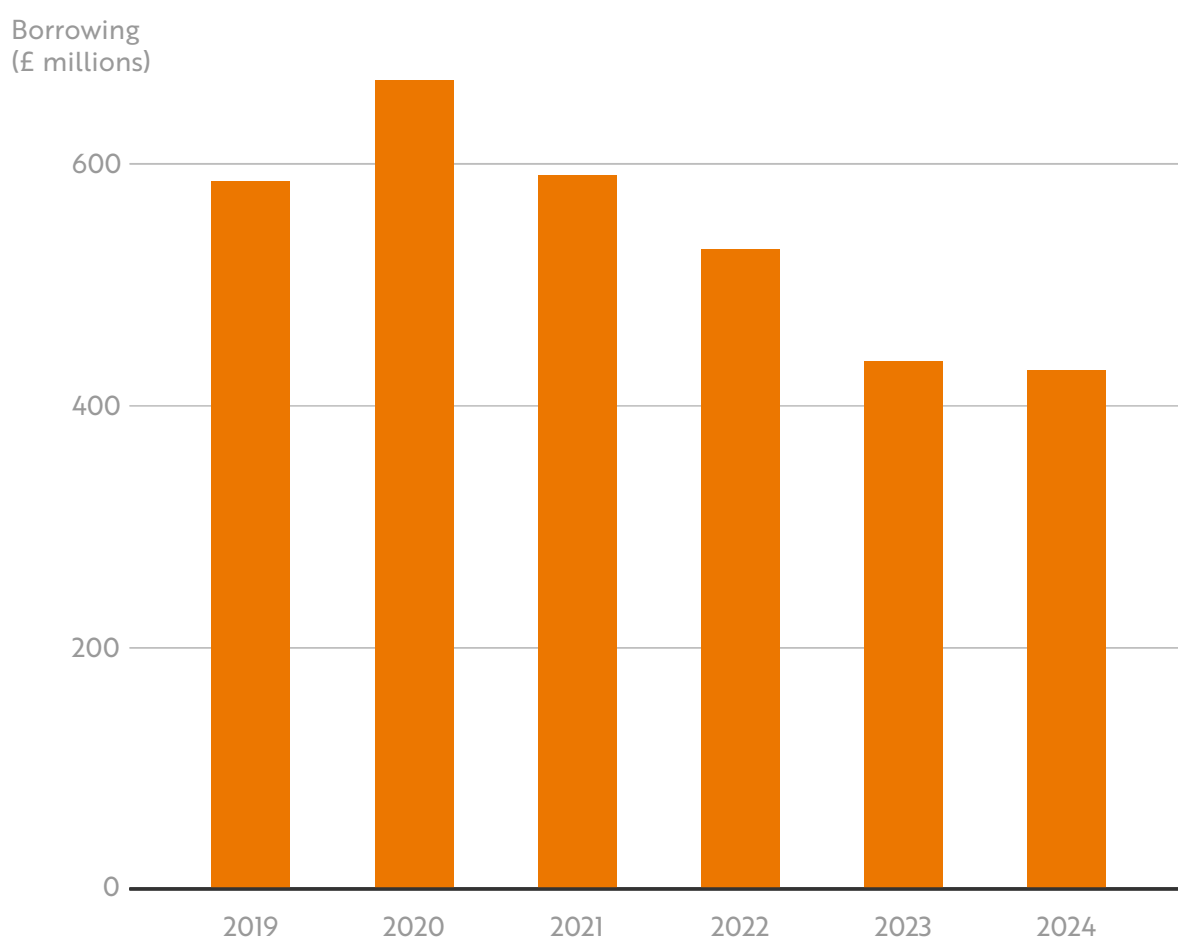


Council borrowing decreased slightly in 2023-24

1.17

The majority of borrowing undertaken by councils relates to loans intended to finance capital expenditure investments. As such, a strong relationship exists between capital investment levels and borrowing trends. In line with the reduction in capital expenditure, borrowing by councils has also recently fallen. In recent years the value of repayments made by councils against existing debt has been higher than the extent of any new borrowing. As a result, the total level of outstanding longer-term debt (loans payable in more than one year) across councils has fallen 4 per cent over the last two years, from £397 million to £381 million (**Figure 7**).

Figure 7: The value of borrowings held by councils has fallen over recent years



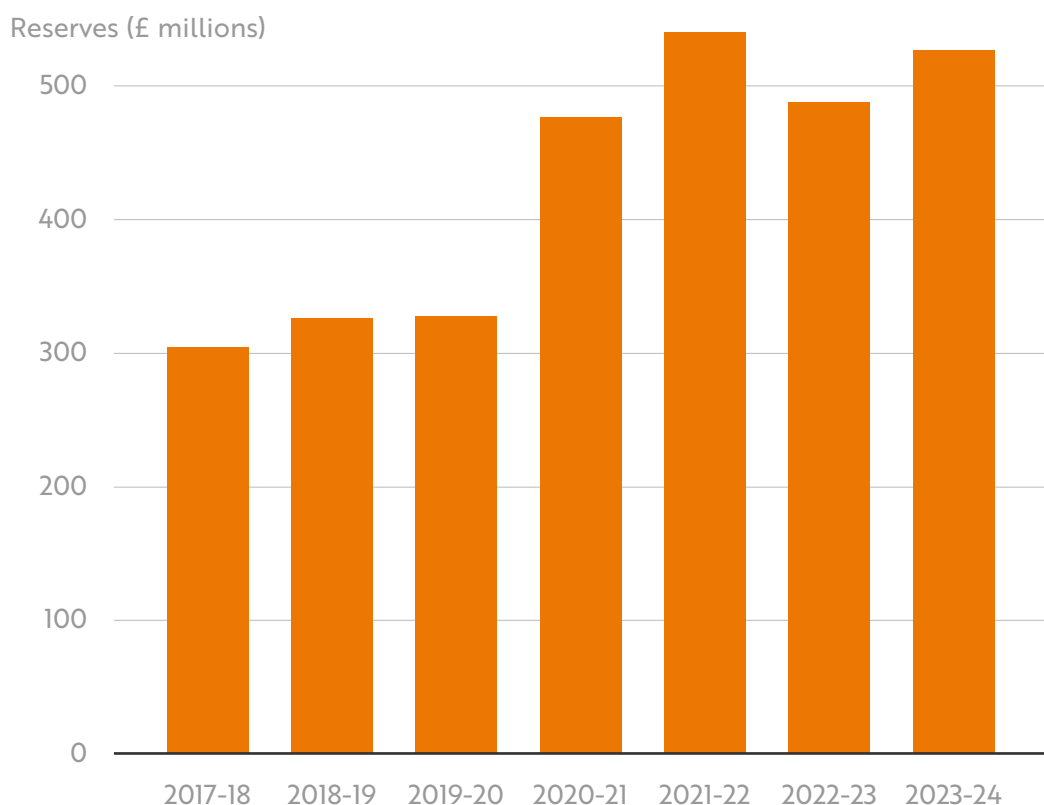
Note: Figures restated at 2023-24 values using HMT deflators at September 2025

Source: *Councils' audited financial statements*

Councils continue to hold higher levels of reserves than before COVID

- 1.18** Councils have two main types of reserves: usable and unusable. Usable reserves are cash balances that councils may hold and can be readily used to fund expenditure or reduce local taxation, subject to a statutory requirement to maintain a prudent level of reserves (although guidance on the level of recommended reserves has not been formally developed since the reform of local government). Unusable reserves are balances held by councils that are not readily available for use. Typically, such balances relate to unrealised accounting gains or losses (for example when the market value of capital assets increase due to indexation or revaluation). Such balances only become usable once the balance is realised (for example, when a revalued asset is sold).
- 1.19** My previous report highlighted how the value of usable reserves held by councils had increased significantly since the Covid-19 pandemic with substantial support received from central government. Whilst total usable reserves decreased in 2022-23, figures this year show an increase in total usable reserves during 2023-24 to £527 million. This is almost 75 per cent more than levels in the 2019-20 year (£328 million).
- 1.20** As previously stated in paragraph 1.5, eight councils received a one-off VAT repayment from HMRC in 2023-24 under a special legal regime for leisure sporting activities. At the same time, expenditure by councils dropped by 7.5 per cent in 2023-24 and reached its lowest level since 2016-17. These factors have contributed to an increase of 10.2 per cent in the overall value of usable reserves held by councils during 2023-24, totaling £527 million compared to £488 million the previous year (**Figure 8**).

Figure 8: The value of usable reserves held by councils continues to be higher than pre-covid years



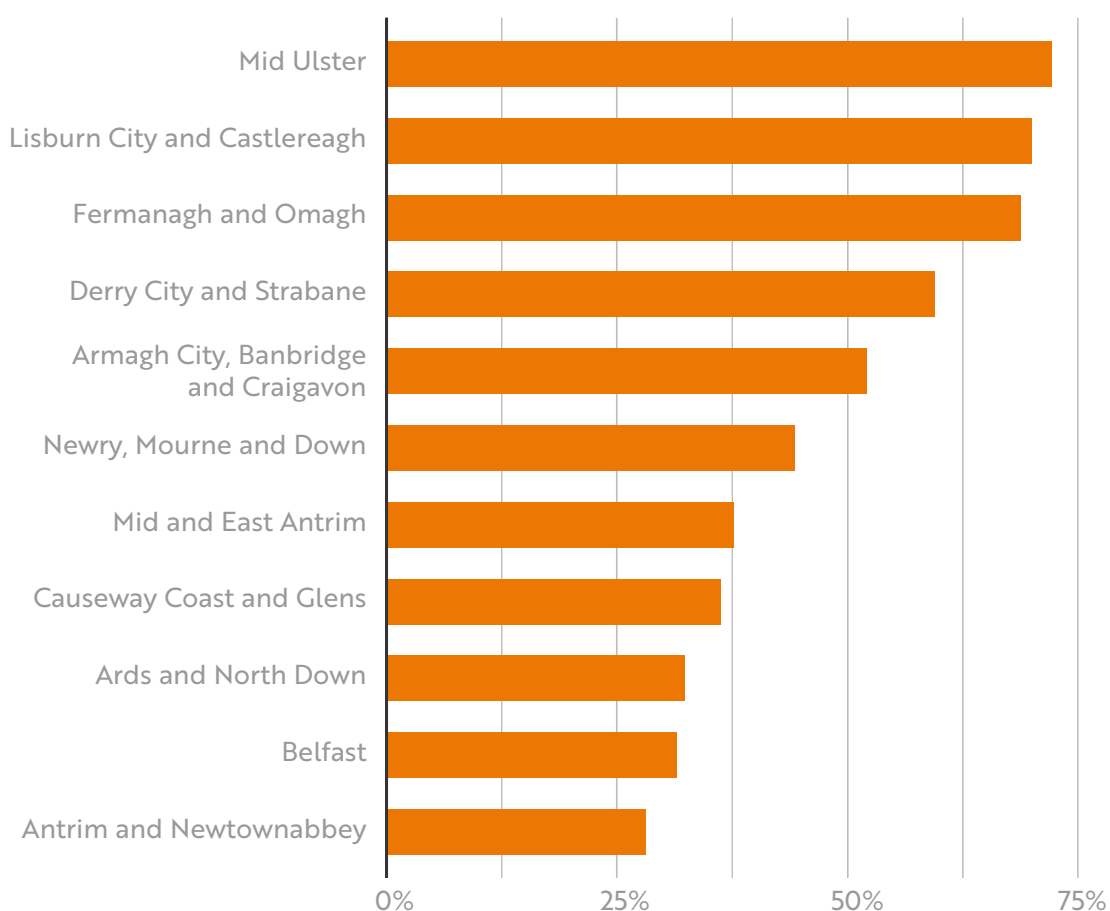
Note: Borrowing figures restated at 2023-24 values using HMT deflators at September 2025

Source: Councils' audited financial statements

1.21 Our review of councils' 2023-24 financial statements has shown that usable reserves held by councils in Northern Ireland fell within a range of 28 to 72 per cent of expenditure (**Figure 9**).

1.22 Managing reserves over the medium-term is one of CIPFA's (Chartered Institute of Public Finance and Accountancy) key pillars of financial resilience in local government. Councils must ensure that they have clear and robust plans in place for managing and using these reserves in a way that delivers maximum value and benefit for ratepayers. While the increase in usable reserves has strengthened councils' financial resilience in the short term, it also raises questions around the need for clear strategies for their future use.

Figure 9: Usable reserves at 31 March 2024 as % of 2023-24 expenditure



Part Two:

Governance Issues

Governance Issues

- 2.1** Over the last year my staff have worked alongside council officers to complete the statutory audits I am responsible for undertaking, as well as specific investigations in respect of emerging high-profile issues. This section of my Report highlights the key issues affecting council performance and governance which I have identified whilst undertaking this work.

Annual Audit Activity

- 2.2** The Local Government (Northern Ireland) Order 2005 requires me to be satisfied each year that local government bodies have appropriate arrangements in place to ensure they achieve economy, efficiency, and effectiveness (value for money) in their use of resources:
- **Economy** – careful management of resources, keeping costs as low as possible whilst meeting appropriate standards and objectives;
 - **Efficiency** – obtaining an optimal relationship between the resources used and the outputs/impacts achieved; and
 - **Effectiveness** – achieving alignment between intended and actual outcomes.
- 2.3** To demonstrate they are meeting these requirements, I require councils to complete an annual questionnaire detailing the arrangements they have in place. Councils are also required to provide me with supporting documentation to evidence their processes and procedures. This questionnaire covers a wide range of key corporate activities, including financial planning and reporting, IT security, procurement policy and procedures, risk management and governance arrangements. This process has helped me identify some areas where councils have not fully implemented adequate arrangements to ensure economy, efficiency and effectiveness.

Review of Financial Statements

- 2.4** I issued unqualified audit opinions for all 11 councils upon completion of my 2023-24 audits of council financial statements. I did, however, identify a range of issues across these audits and made a number of recommendations for improvement. Priority 1 recommendations reflect significant issues for the attention of senior management which may have the potential to result in material weakness in internal control. Priority 2 recommendations are important issues to be addressed by management in their specific areas of responsibility.
- 2.5** In total, I identified 30 priority 1 and priority 2 recommendations across the 11 councils. These spanned various areas, including:
- Weaknesses in the financial control environment;
 - Poor practices around procurement and contract management;
 - Inefficiencies in energy cost management of land and buildings;
 - Large numbers of limited assurance provided in Internal Audit reports; and
 - Weaknesses in financial management processes.

It is important that councils take appropriate action to address these recommendations. I would also highlight that most of these areas have often been the subject of findings within the Comptroller and Auditor General's Report on Financial Audit Findings which is published annually. This highlights how both sectors can face broadly similar issues and challenges and need to continually consider how risks in these areas can be controlled and mitigated.

Review of Annual Governance Statements

- 2.6** My staff audit the financial statements prepared by local councils annually. This work includes review of the Annual Governance Statement (AGS) prepared by each council along with the annual report that accompanies the financial statements.
- 2.7** The AGS is a key document through which local government bodies communicate to ratepayers, elected members and other stakeholders the key risks that the body is exposed to which may impair its ability to deliver on its objectives, as well as actions the body has taken to mitigate these risks.
- 2.8** Each body has autonomy to determine the content of its own AGS with the objective that they use this flexibility to ensure it provides meaningful commentary about their operating environment and the challenges they are facing.
- 2.9** In practice, however, many of the key issues or challenges that local government bodies encounter are common, and a substantial degree of overlap in terms of the risks which are identified and the responses which can be applied by those responsible for managing the bodies is to be expected.
- 2.10** In previous years, AGSs have noted high inflation levels and increasing energy and fuel prices. However, in 2023-24 inflation fell significantly, and the UK Government introduced a utility scheme which provided a cap on energy prices in the year, meaning these two issues were not as prevalent as in the previous year. However, the increased cost of materials and supplies has remained an ongoing challenge for the provision of service operational needs and capital contracts.
- 2.11** The accumulation of these factors resulted in financial pressures being identified as a pervasive risk across local government. A further common issue highlighted by many councils was digital transformation and cyber security which continues to present its challenges, with ten councils highlighting it as an issue in 2023-24, previously noted as eight in 2022-23.

Performance Improvement

- 2.12** The Local Government Act (NI) 2014 imposes a statutory responsibility on councils to make arrangements for, and to report on, continuous improvement in their functions or services. Such improvement should be more than gains in service output or efficiency, or the internal effectiveness of an organisation, and should enhance the sustainable quality of life and environment for ratepayers and communities. The legislation also places a statutory responsibility on me to conduct an 'improvement audit and assessment' annually and report my findings. This is carried out by reviewing each council's self-assessment reports for the year gone by, and their current year improvement plans. My latest review therefore involved examining self-assessment reports for 2023-24 and improvement plans for 2024-25. I am required to report on 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.
- 2.13** In the course of this annual audit work I will review the performance of each council against the targets it has set itself for that year as well the improvement plan it has set for the next year. Therefore, my most recent review was carried out in respect of actual performance during 2023-24 and the plan set for the 2024-25 year. In subsequent paragraphs this is referred to as my 2024-25 review.
- 2.14** In my latest review, I issued unqualified opinions for all local councils and identified 6 recommendations for improvement, which is unchanged from the number identified in 2023-24. (**Figure 10**).

Figure 10: A number of proposals for improvements have been made to each council as a result of Performance Improvement Audits

COUNCIL	2022-23	2023-24	2024-25
Antrim and Newtownabbey	1	0	1
Ards and North Down	3	1	1
Armagh City, Banbridge and Craigavon	1	1	0
Belfast	1	0	0
Causeway Coast and Glens	1	0	1
Derry City and Strabane	1	2	0
Fermanagh and Omagh	0	0	1
Lisburn and Castlereagh	0	0	0
Mid and East Antrim	1	0	0
Mid Ulster	0	1	1
Newry, Mourne and Down	3	1	1
Total	12	6	6

- 2.15** Performance Improvement legislation also requires me to compare performance improvement information amongst councils so far as is reasonably practicable. To meaningfully undertake this comparison, a consistent and appropriate framework for measuring and reporting performance would need to have been developed across all 11 councils. As limited progress has been made in establishing such a framework, my ability to progress this work has been restricted. Further progress in this area would allow a broader range of functions to be compared, to support councils with their General Duty to Improve in accordance with the legislation.

Reform of Local Government Performance Improvement legislation arrangements

- 2.16** In my 2023 report, I highlighted that the current performance improvement legislation had been in place for seven years and that the overall effectiveness of how these requirements worked in practice, and what impact they previously had, should now be considered.

- 2.17** Progress in reviewing these arrangements had been limited due to the Department's inability to commence a formal review whilst the Assembly and Executive were not functioning as this would have required Ministerial approval. In February 2024 the Assembly and Executive were restored and Ministerial duties resumed. Following this, the Department confirmed that a submission had been sent to the Minister for consideration and, once a decision is made on the way forward for any review of the current legislation, the guidance will be updated to align as such. The current guidance remains aligned with the current legislation. I would reiterate the importance of ensuring that the effectiveness of the current arrangements is assessed and any changes required are made after consultation with stakeholders.

Fraud notifications

- 2.18** Published in November 2015, the NIAO best practice guide 'Managing Fraud Risk in a Changing Environment' was aimed at helping government bodies manage the widely accepted risk that the likelihood of frauds being perpetrated against organisations significantly increases during periods of significant change or crisis. As organisations alter working practices to respond to external changes, their risk management practices may not keep pace with change. This can create new areas of vulnerability whereby frauds that would otherwise have been prevented or detected may evade the systems of control.
- 2.19** The value of suspected frauds reported by councils in recent years has fluctuated significantly. In 2023-24, a value of £8,170 was reported to me (across seven cases). This was a decrease from 2022-23 when a value of £24,080 was reported. Furthermore, as only one of these seven suspected frauds reported included an estimated value (this was unknown or unquantifiable for the other six at the time), the total value for 2023-24 is almost certainly higher.
- 2.20** I would again highlight that it is unclear whether the cases reported to me represent the full extent of attempted frauds perpetrated against councils. Under Managing Public Money NI, all central government bodies are obliged to report any actual, suspected, or attempted frauds to both the C&AG and the Department of Finance. However, there is currently no similar mandatory reporting requirement in relation to local government.
- 2.21** In 2016, councils agreed to voluntarily report frauds to me on the same basis and through the same proforma used by central government bodies. However, I am concerned that compliance with this arrangement may have been inconsistent. Since 2016, some councils have reported very few instances of suspected fraud (two councils have only reported two cases, and another council has only reported three).
- 2.22** Reporting suspected frauds to me is very important in the context of helping to monitor the strength of the control environment in place across local government and assessing the sector's vulnerability to fraud.



Recommendation

I recommend that all councils review their current fraud reporting practices to ensure they are effective, consistent and aligned with best practice. Where suspected or actual cases of fraud arise, these should be reported promptly to me.

I also recommend that all councils report annually to their Audit Committee on their disclosure of suspected fraud cases to me.

Raising Concern Policies

- 2.23** Effective arrangements for raising concerns are an important element of good governance arrangements and 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.
- 2.24** In 2020, the NIAO published a good practice guide on raising concerns. This guide encourages organisations to put in place effective arrangements for raising concerns. The guide outlines the key components of an effective raising concern policy, along with best practices to ensure its successful implementation. This includes practices such as ensuring those raising concerns are supported and protected from any form of detriment or victimisation, providing access to independent advice and ensuring timely and appropriate feedback is provided to the individual raising the concern. The C&AG intends to publish a revised and updated guide in early 2026.
- 2.25** Following a recent review of raising concern policies across all councils, I have identified both areas for improvement and examples of best practice. In terms of improvement, regular policy reviews and approvals have been inconsistent with some policies not updated since 2019. In four councils, the advisory body name and its contact information is outdated, referencing 'Public Concern at Work' rather than 'Protect'. Additionally, I noted that for some councils the policy in place provides limited guidance for a member of the public raising a concern, and in one case the policy was only accessible by request or through an employee portal, making it difficult for the public to access the policy.
- 2.26** My review also noted a number of instances of best practice. A number of councils included route maps within their policies, directing individuals to the right policy or action depending on the type of issue raised (concern, fraud or grievance). Some councils also provided guidance for individuals who were the subject of a concern, outlining what they could expect during the process and guidance for individuals who were in receipt of concerns, outlining their key roles and responsibilities. Moreover, in some cases, councils referred to a designated 'raising concern champion' responsible for promoting awareness of the policy, and in some instances, delivering staff training.
- 2.27** Each year, as a prescribed person under the legislation, I receive a number of concerns about local government bodies that are raised directly with me. In 2023-24 I received 14 cases relating to local government issues.



Recommendation

I recommend that councils review and update their raising concern policies to ensure they align with NIAO guidance and best practice. This will help ensure that both staff and members of the public feel confident in using these policies to raise concerns effectively and appropriately.

Effective Audit Committees

- 2.28** In March 2025, the C&AG published a good practice guide on 'Effective Audit and Risk Assurance Committees'. All the principles of the guide are applicable to local government. The guide also contains a specific section that focuses on best practice in local government. I recommend that all local government bodies ensure that they are fully compliant with the principles that are contained within this guide.

Managing sickness absence

- 2.29** Staff sickness absence rates across the public sector were significantly impacted by the global pandemic. In all eleven councils, absence levels reduced during the early stages of the pandemic in 2020-21 to their lowest over the previous five years. However, as the pandemic ended and restrictions eased, this trend has reversed. In overall terms, the average 17.1 days absence per council staff member in 2023-24 is higher than the 16.9 days in 2022-23. This upward trend is also apparent across the vast majority of the eleven councils. (**Figure 11** and **Appendix 8**).

Figure 11: Number of days lost to sickness absence per year

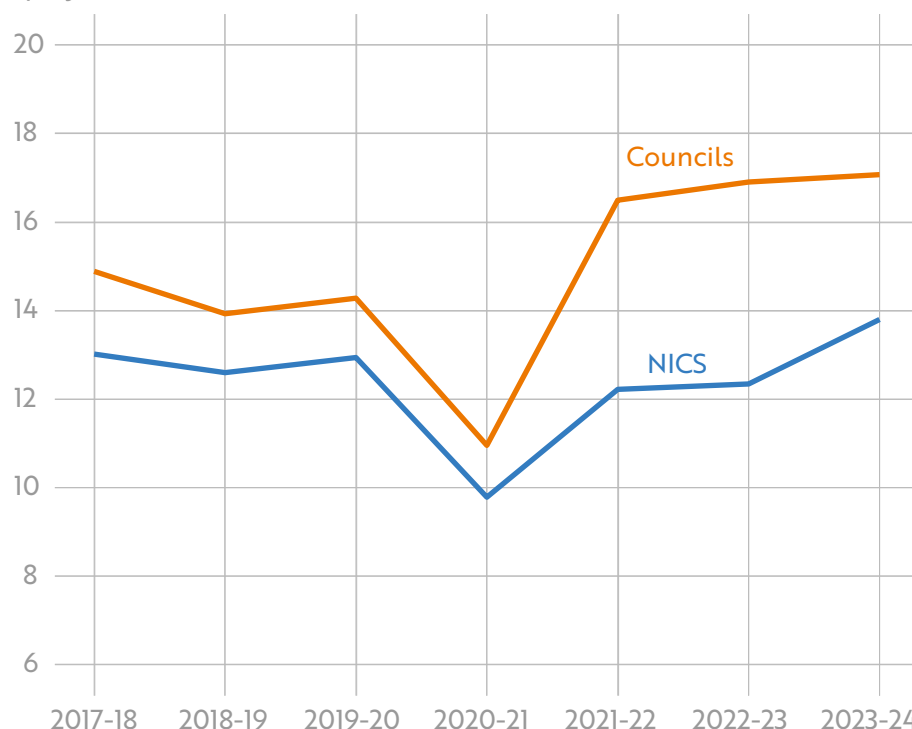
COUNCIL	Days lost to sickness			Change vs previous year	
	2021-22	2022-23	2023-24	2022-23	2023-24
Antrim and Newtownabbey	19.7	17.7	13.6	-2.0	-4.1
Ards and North Down	14.2	15.7	16.3	1.5	0.6
Armagh City, Banbridge and Craigavon	20.5	19.9	18.8	-0.6	-1.1
Belfast	16.3	17.1	17.0	0.8	-0.1
Causeway Coast and Glens	19.2	17.0	18.1	-2.2	1.1
Derry City and Strabane	16.8	16.5	18.7	-0.3	2.2
Fermanagh and Omagh	13.1	11.9	12.8	-1.2	0.9
Lisburn City and Castlereagh	13.6	15.8	18.4	2.2	2.6
Mid and East Antrim	15.2	17.9	17.0	2.7	-0.9
Mid Ulster	12.1	13.1	13.2	1.0	0.1
Newry, Mourne and Down	20.7	23.3	23.9	2.6	0.6
Average	16.5	16.9	17.1	0.4	0.2

2.30

Overall absence levels have continued to rise in 2023-24. It is a concern that there is a continuing pattern of local government having notably higher sickness absence levels compared to central government. Prior to the pandemic the average number of days lost per employee to sickness absence (in 2018-19) was 9 per cent higher in local government in comparison to central government (**Figure 12** and **Appendix 8**). This had previously increased to 37 per cent in 2022-23 but fell in 2023-24 to 24 per cent. Although this figure has reduced this year, it is still significantly higher than in previous years and I continue to emphasise the importance of closely monitoring and actively managing sickness absence levels to achieve improved operational efficiency and reduce the considerable productivity losses.

Figure 12: Absence rates in local government are notably higher than in central government

Average days lost
per employee



Recommendation

I recommend that all councils review their recent sickness absence trends to identify key problem areas and consider whether best practice management approaches could be applied to try and improve operational productivity and reduce lost productivity.

Review of council restructuring

2.31

In the 2018 LGA report, my predecessor recommended that the Department should give early consideration 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 local councils which had taken effect in 2015. This reflected the importance of assessing the impact of the largest ever reform of local government in Northern Ireland.

- 2.32** The Department intended to complete a cost benefit analysis of local government reform during 2019-20, but this was initially delayed until 2020-21, with the outbreak of the Covid-19 pandemic resulting in this being further postponed until 2021-22. It was further delayed in 2022-23 and eventually, on 7th November 2024, DfC published a report called "Impact of local government reform on service delivery and cost effectiveness". I have considered the Department's report and note that it concluded that it was too early in the process to conclude if local government reform has been cost effective or not due to the lack of supporting data and limited scope for councils to fully realise benefits. I along with my successor will consider the Department's report further to see if a review of the impact the reform has had on local government is required.

Rates Support Grant

- 2.33** The Local Government (Rates Support Grant) Regulations (Northern Ireland) 2011 enables the Department to pay an annual Rates Support Grant (RSG) to those local councils assessed as having needs that exceed their wealth relative to other councils in Northern Ireland. The RSG support is statutory, but is discretionary in terms of an amount.
- 2.34** Seven of the eleven local councils (Armagh City Banbridge and Craigavon, Causeway Coast and Glens, Derry City and Strabane, Fermanagh and Omagh, Mid and East Antrim, Mid Ulster, and Newry Mourne and Down) have consistently received discretionary assistance annually in accordance with the legislation. None of the other four councils have met the criteria for support in any year. This legislation includes a formula to help the Department calculate the share of funding eligible councils are entitled to receive. The overall level of support awarded through the formula has recently reduced, with the amount falling from £8.9 million in 2022-23 to £4.9 million in 2023-24, and to £3.1 million in 2024-25.
- 2.35** In March 2024 the Department commissioned a review of how the RSG has been operating in practice from Innovation and Consultancy Services, part of the Department of Finance. The review considered issues including:
- whether the RSG remains fit for purpose in that the need it sought to address still remains;
 - whether the initial policy intent remains relevant;
 - if provision of the RSG meets the needs of people in the areas receiving it and whether other funding streams meet this need; and
 - what councils use the RSG for.
- 2.36** The final report was provided to the Department in March 2025. Whilst the report concluded that the RSG is still required, it recommended some changes to reporting and data sources. The Department has now responded to the report's recommendations.

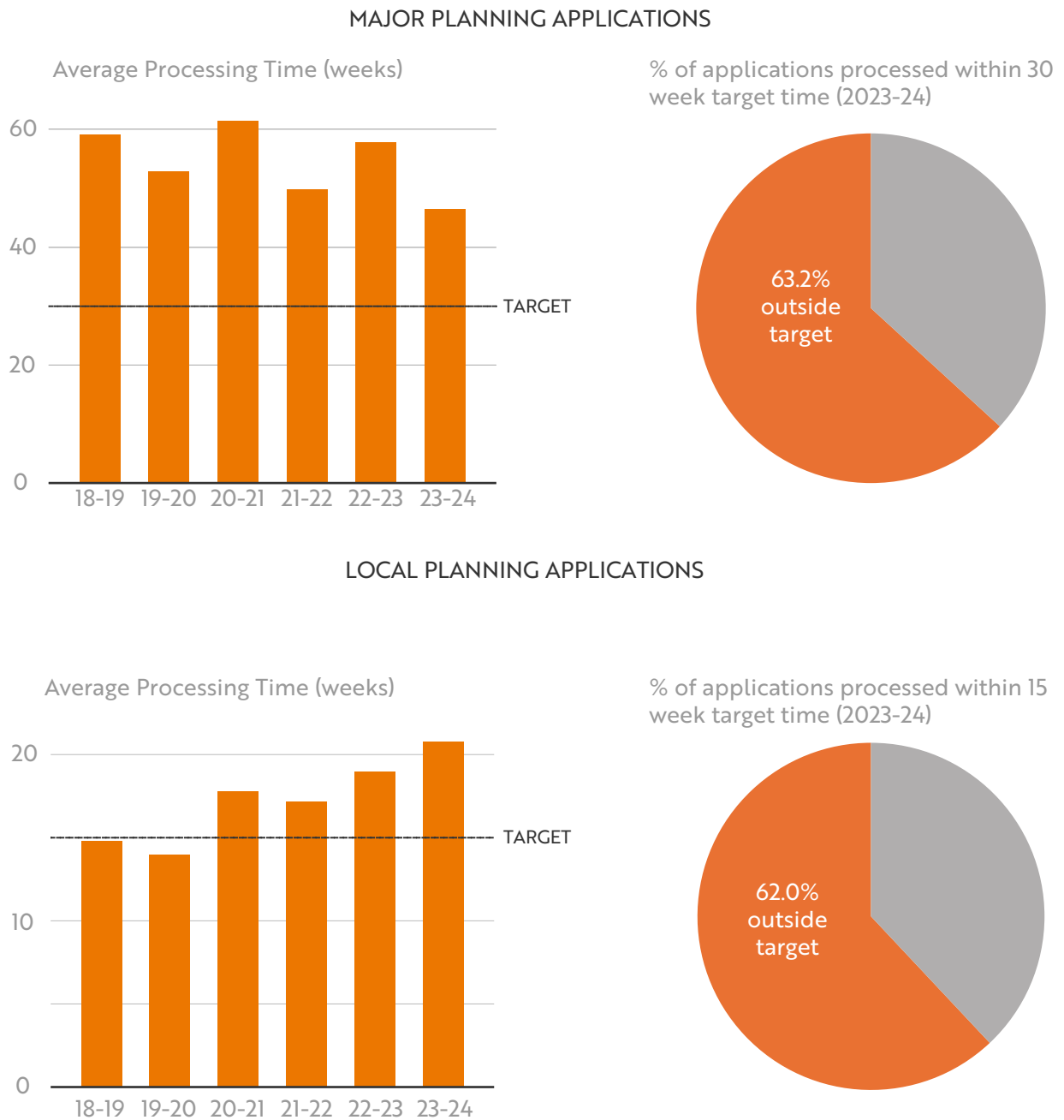
Performance of local councils in processing planning applications

- 2.37** The planning system's objective is to secure the orderly and consistent development of land whilst furthering sustainable development and improving wellbeing. It is designed to support the sustainable creation of successful places in which people want to live, work and invest. As it can contribute significantly to achieving key economic and social outcomes, it is vital that the system operates effectively. Responsibility for managing most of the main planning functions passed from central government to local councils during April 2015.
- 2.38** Following this, the C&AG and I jointly published a report '*Planning in Northern Ireland*' in February 2022, which reviewed how the planning system was performing. It found that between 2017-18 and 2019-20, councils had not processed almost three quarters of 'Major' planning applications (i.e. those categorised as having the potential to be of significant interest to communities) within the statutory 30 week target. Performance varied substantially across councils, with the median processing time for the slowest council more than three times that of the fastest.
- 2.39** I would make the following observations on more recent trends:

Major planning applications

- 2.40** **Overall performance** – Between 2019-20 and 2023-24, the overall average time taken to process major applications across all councils has fluctuated due in part to the impact of the pandemic and the financial crisis, but in current years it has decreased from an average processing time of 57.8 weeks in 2022-23 to 46.5 weeks in 2023-24. Whilst I welcome that some small improvement is evident in 2023-24, the statutory target requires all major applications to be processed within a 30 week timescale, and in 2023-24, almost 63 per cent failed to meet this target. (**Figure 13**).

Figure 13: Processing times for planning applications continue to be in excess of target timescales



- 2.41** **Variable performance across individual councils** – Performance across different councils continues to vary widely. In 2023-24, average processing times at the council with the longest time was more than 2.5 times longer than the best performing council. The percentage of applications processed within 30 weeks also continues to vary significantly across councils. In 2023-24 only 3 of the 11 councils met the target of having an average processing time of 30 weeks or less.

Local planning applications

- 2.42** In addition to major applications, most planning applications submitted annually (around 99 per cent) are classified as 'local' applications (mostly relating to residential and minor commercial works). The statutory target is for councils to process these within an average of 15 weeks from the date of a valid application. In 2019-20, this target was met at overall NI level (average processing time was 14 weeks), with eight of the eleven individual councils also achieving it. However, since then, performance has slipped significantly.
- 2.43** **Overall performance** - Between 2019-20 and 2023-24, the overall average time taken to process local applications has increased to 20.8 weeks. The percentage of applications processed within the 15-week target has also reduced considerably over this period from 50.9% in 2018-19 to 38% in 2023-24. Eight of the eleven councils comprehensively failed to meet the 15-week target in the current year, with performance deteriorating at all eleven councils since 2019-20 (**Figure 13**).
- 2.44** **Performance again varies considerably across individual councils** - In 2023-24, the average time taken to process local applications ranged from 9.4 weeks to 42.4 weeks. Eight of the eleven councils processed fewer than 50 per cent of applications within 15 weeks.
- 2.45** I acknowledge the pressures facing the planning system with some decisions, particularly around major applications, becoming increasingly complex and requiring more interaction with those who have specialist knowledge or skills, including around assessing and managing environmental impacts. However, despite some small recent improvements for major applications, current performance remains well below target levels, and the gap between the best and poorest performing councils remains too pronounced.



Recommendation

I recommend that councils consider what refreshed efforts can be made to try and achieve outcomes which more closely reflect the statutory planning processing targets, particularly for those councils still performing well outside these.

"I issued unqualified audit opinions for all 11 councils upon completion of my 2023-24 audits of council financial statements. I did, however, identify a range of issues across these audits and made a number of recommendations for improvement."

Colette Kane

Local Government Auditor

Part Three:

Procurement in local councils

Procurement in local councils

Background and context

- 3.1** Councils are finding themselves in increasingly challenging environments as both the demand for and cost of public services are rising. One area where there is the potential to make a major contribution to savings and the efficient delivery of services is procurement. An effective procurement process can help councils ensure they are making the most efficient use of their resources when acquiring goods, works and services from third parties. Proper procurement will ensure the best quality products and services are obtained at the best value for rate payers, whilst minimising challenges under procurement law and judicial review.
- 3.2** In Northern Ireland, local government procures more than £550 million worth of goods, services and other works per annum. The scale of procurement across councils and the increasing demands placed on public bodies by the new Procurement Act, offers an opportunity to improve processes, drive savings and maximise benefits.

Our work

- 3.3** To prepare this part of the report, we carried out a survey of all local councils in Northern Ireland, asking about their preparations for and experiences of procurement since the introduction of the Procurement Act. All councils provided information.

The new Procurement Act has introduced a number of recent changes to procurement

- 3.4** A new Procurement Act was officially implemented in February 2025, aimed at creating a more open and transparent public procurement regime. The Procurement Act 2023 introduced new rules which included introducing regulations to strengthen the ability to exclude suppliers from procurements who are unfit to deliver public contracts whilst also increasing access to public contracts for SMEs (small and medium enterprises).
- 3.5** We asked councils across Northern Ireland to outline the actions they had taken to prepare for the introduction of the new Procurement Act. All councils told us that staff had received additional training, either from external providers or from their inhouse procurement team.
- 3.6** Councils told us that a number of areas of the new Act have been challenging. These include:
- ensuring all council documentation is compliant;
 - ensuring all new tenders are launched correctly;
 - undertaking pre-market engagement with suppliers;
 - lack of guidance & support from central government;
 - increase in the volume of contract notices to be published; and
 - additional time requirements for each above threshold procurement.

Skills and capacity across Local Government is a major concern for councils

- 3.7** One key challenge raised in my report last year related to staff recruitment and retention across local government. This theme is especially pronounced in relation to procurement staff. The majority of councils told us that they had sufficient staff resources currently in place to deliver the procurement service, however a number expressed concerns.
- 3.8** In one instance, a council told us that it believed it did not currently have all the necessary procurement skills to deliver a fully compliant, effective and sufficient procurement service. A number of other councils also expressed concern about staff resources in this area. Councils expressed particular concern about being able to identify suitable replacements for experienced and skilled staff who had left the council. The availability of skills in the general marketplace was a constant theme – a number of councils expressed doubt that there were sufficiently skilled individuals available. Just under half of councils noted that they had struggled with recruitment in the last year.
- 3.9** As a result of difficulty in recruitment, some councils were using less than ideal means of obtaining the relevant skills. One council was reliant on agency staff to fill an important role. In other instances, staff had to be moved from other areas within council to fill gaps.



Recommendation

I recommend that Councils should consider pooling procurement staff and working together jointly to maximise and share their expertise and management roles therefore aiming to retain professional staff and enhance a more productive platform. This may be increasingly important as local government seeks to deliver a greater number of large capital projects which require specific skill sets not always held in each individual council.

Procurement does not always have a strategic position within all councils

- 3.10** The position of procurement within councils varies greatly. In three instances, the procurement function was fully centralised. In another five, the functions for the procurement of larger contracts was centralised, with three having a fully decentralised procurement function.
- 3.11** In my view, there is significant scope for the procurement function to be made a more strategic function, supporting the delivery of key objectives, rather than operating solely as a transactional, back-office function. Whilst this will undoubtedly be challenging, the benefits to councils are potentially significant. Once again there is scope for Councils to learn from each other on the best way forward on this.

There are a number of specific improvements that can be made to the governance of procurement in individual councils

- 3.12** My work has highlighted a number of areas for improvement around the governance of procurement in individual councils. Robust governance builds confidence amongst ratepayers that their funds are being used efficiently whilst also ensuring councils operate within their legal and regulatory obligations to mitigate risks associated with contractor appointments.
- 3.13** My annual audit work has uncovered a number of issues with procurement across the local government sector. My findings include:
- outdated procurement policies;
 - a substantial amount of expenditure being incurred outside of formal contracting arrangements;
 - a lack of supporting documentation; and
 - issues with information contained on the contracts register, including inaccurate start and end dates, incorrect spend information and a number of expired contracts which remained on the register.
- 3.14** In one instance, the Council did not maintain a contract register. A contract register is a key part of ensuring oversight by collating information on contracts including suppliers, amounts and key dates which will inform when the next contract is due for renewal.



Recommendation

I recommend that all Councils should carry out a comprehensive review of procurement to ensure that they are adhering to best governance practices.

Councils are not always monitoring overspends and data collection varies

- 3.15** Whilst there were a range of means for measuring and monitoring overspends, it was alarming that in one instance, a council told us that there was no formal process for reporting overspends to council committees.



Recommendation

I recommend that all councils should ensure that they have proportionate arrangements for monitoring contract overspends and reporting this to council committees. Without monitoring the efficiency of the procurement function, it is impossible to make significant improvements in how procurement operates. Collecting relevant and useful data on procurement is the first essential step in assessing performance.

- 3.16** The amount and type of data that is collected by councils about its procurement function varies greatly between bodies. Whilst a number of councils told us that they obtained sufficient data on the performance of their procurement function, two councils noted that they did not collect any specific data in relation to its procurement function. Without monitoring the efficiency of the procurement function, it is impossible to make significant improvements in how procurement operates. Collecting relevant and useful data on procurement is the first essential step in assessing performance.

The use of Direct Award Contracts varies across the sector

- 3.17** A direct award contract (DAC) is when a public contract is awarded without competitive tendering and the public contract is instead placed directly with the supplier of the contracting authority's choosing. Direct award contracts can be essential in providing some goods and services, however they carry a greater risk that the procurement will not achieve value for money. They can increase the chance of paying a premium for goods and services and possibly high costs due to a lack of competition. This can also bring additional risks whereby a supplier could be selected who may lack the capacity or capability to deliver the agreed goods or services.
- 3.18** My audit work has found poor procedures and weak governance around DACs across a number of councils. This includes:
- DACs being approved after the contract had commenced and only approved retrospectively; and
 - a lack of supporting documentation.
- 3.19** All councils told us that they had been proactive in aiming to reduce the number of Direct Award Contracts in recent years. One council in particular had employed a dedicated officer to review potential DACs and another was tracking and managing their DACs through a newly implemented finance system. However, the amount and value of DACs varied greatly across the sector. One council had only had one current DAC in place with an estimated spend of around £100,000. In contrast, however, another council has seen the amount and number of DACs gradually increase during the past three years from 70 at a value of just over £1million to more than 130 at a value of more than £5 million.



Recommendation

I recommend that all councils should ensure that they have sufficient governance arrangements and controls in place around the use of DACs so that, when tendering exercises are carried out the most appropriate procurement route is followed. They should also ensure procedures and processes are in place to properly manage contracts thus avoiding DACs being entered into to ensure value for money is still being achieved in procurement.

There is significant scope for greater collaboration across the Local Government sector

- 3.20** Collaborative procurement allows two or more public bodies to pool their purchasing power to buy goods or services together. This should allow bodies to benefit from economies of scale, which can result in cost savings, better terms and increased efficiencies. Despite these potential benefits, the extent of collaboration in procurement across local government is still limited.
- 3.21** We liaised with councils and found that collaboration had increased with all councils now being involved in collaborative procurement projects. Prior to this, in 2022-23, two councils were not involved in any collaborative procurement. Based on 2023 figures, only around 13 per cent of councils total procurement spend was captured by collaborative contracts. This low level demonstrates that there is the potential to significantly increase this through collaborative procurement, potentially driving savings, benefits and efficiencies.

More support could be provided for small and medium enterprises

- 3.22** All councils told us that they were undertaking work to reduce barriers for small and medium sized enterprises (SMEs). The Procurement Act 2023 notes the use of lots might encourage SMEs to bid for smaller contracts, or smaller parts of larger contracts. Lots are a way of splitting a larger single procurement into smaller 'chunks' which are then procured under separate contracts with different suppliers bringing significant benefits including the reduction of risk within the supply chain.
- 3.23** Four councils noted that, where applicable they have either taken into consideration or implemented the use of lots within their tendering processes. One council noted they have introduced lots for geographical areas to assist SMEs in bidding within their borough. In addition to this, councils have also held regular meetings with and provided training for businesses, with one council in particular noting that it had established a new portal on which it had delivered masterclasses.
- 3.24** It is best practice for public bodies to ensure that they are providing the market with information about current and future contract opportunities over the next 12-18 months. This is normally achieved by publishing a procurement pipeline. This can be of particular benefits to SMEs and voluntary and community groups as it can help them plan for future work, ensuring a more competitive market. The majority of councils in Northern Ireland have not yet established these arrangements. Whilst four councils told us that they currently have appropriate arrangements in place, the remainder either had no arrangements in place or were still working towards establishing these.

There are significant future challenges

- 3.25** There remain a number of significant challenges for councils in ensuring procurement is delivering the maximum value. These include ensuring that councils possess the necessary skills and capacity to deliver the range of procurements in a timely and effective manner.

- 3.26** The implementation and continued compliance with the new Procurement Act 2023 is likely to impose additional challenges which will stretch resources even further as authorities maintain their adherence to new requirements. This in turn may also stretch budgets even further with the need to ensure staff are trained to the necessary standards to comply.
- 3.27** As with all authorities, councils will also be faced with continual changes in modern technology and will need to ensure their systems are up to date to manage new reporting requirements for KPIs and procurement platforms. This may also result in costs to update legacy systems and training needs for staff.

The management of capital projects

- 3.28** As I have highlighted in Part One of this report Councils continue to make substantial investments in capital asset development. The development of capital projects is strongly encouraged as it should have a direct impact on the lives of ratepayers.
- 3.29** Councils continue to be ambitious in the development of capital assets and have been successful in securing funding from a number of sources including through City and Growth Deals.
- 3.30** The management and delivery of capital projects requires particular skills and expertise. The Public Accounts Committee in the Northern Ireland Assembly recently produced a report (Report on Major Capital Projects: Follow Up Report published April 2025) where it identified that 'People with the right skills, experience and time are crucial to successful delivery.'
- 3.31** There are many challenges in delivering capital projects across NI as highlighted within the above report. These challenges can create delays, which in turn may have an impact on the finances and reputation for the organisations tasked with delivery.
- 3.32** There has been considerable capital development undertaken by councils in recent year. I have received concerns regarding two specific projects which fall within Newry, Mourne and Down District Council.
- 3.33** I have made inquiries with the Council on both projects. In the case of the Newry Civic Centre I expressed concerns in respect of the viability of the project in respect of the projected cost and also the size of the proposed building. The Council have responded on both matters setting out the governance arrangements and have advised that it is managing the risks associated with the project.
- 3.34** The second project was the Mourne Mountains Gateway Project. This project was to receive funding of £30million from the Belfast Regional City Deal (BRCD) with an additional £14million from local ratepayers. The main concern raised with me focused on the ability to agree a lease with the National Trust which was vital to the success of this project. The Council has advised that governance arrangements were in place regarding this risk, which included a memorandum of understanding between Council and National Trust which required the completion of an environmental impact assessment to enable a decision regarding a lease and arrangements were in place with the Department for the Economy as the key funder for this project. In May 2025 the National Trust advised in a statement they would not be considering a lease to Council and the project ended. The Council are currently considering further options to secure the BRCD funding.

3.35

In conclusion I would encourage the local government sector to focus on ensuring capital projects are well managed and controlled and I emphasise the need for transparent governance arrangements for all projects being cognisant of the report by the Public Accounts Committee.

Appendices

Appendix 1: Overall Council Income and Expenditure

Council income and expenditure (Nominal)

YEAR	£ MILLION		
	INCOME	EXPENDITURE	DIFFERENCE
2015-16	864	858	6
2016-17	839	878	-39
2017-18	862	936	-74
2018-19	917	1,023	-106
2019-20	945	1,030	-85
2020-21	1,061	1,010	51
2021-22	1,057	1,070	-13
2022-23	1,029	1,157	-128
2023-24	1,190	1,150	39

Council income and expenditure (Deflated)

YEAR	£ MILLION		
	INCOME	EXPENDITURE	DIFFERENCE
2015-16	1,155	1,147	8
2016-17	1,099	1,150	-51
2017-18	1,115	1,211	-96
2018-19	1,160	1,294	-134
2019-20	1,165	1,269	-105
2020-21	1,243	1,183	60
2021-22	1,235	1,250	-16
2022-23	1,123	1,263	-140
2023-24	1,234	1,193	41

Appendix 2: Council Income by Type

Total council income 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	76.0	70.5	84.8
Ards and North Down	70.1	76.4	77.7
Armagh City, Banbridge and Craigavon	106.4	109.2	121.8
Belfast	247.0	253.2	278.9
Causeway Coast and Glens	80.2	69.9	87.8
Derry City and Strabane	106.9	90.7	101.4
Fermanagh and Omagh	60.2	56.4	82.2
Lisburn City and Castlereagh	72.5	77.5	98.1
Mid and East Antrim	78.0	77.6	86.7
Mid Ulster	70.7	64.8	79.9
Newry, Mourne and Down	88.4	82.4	90.4
Total	1,056.4	1,028.5	1,189.7

Council district rates income 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	50.3	51.4	52.8
Ards and North Down	54.4	56.3	59.9
Armagh City, Banbridge and Craigavon	70.7	73.1	76.7
Belfast	165.4	173.2	186.5
Causeway Coast and Glens	49.8	51.6	56.0
Derry City and Strabane	59.9	64.0	68.0
Fermanagh and Omagh	37.5	38.8	41.5
Lisburn City and Castlereagh	50.2	53.4	56.1
Mid and East Antrim	49.7	53.6	57.4
Mid Ulster	39.2	41.4	44.7
Newry, Mourne and Down	58.7	60.1	64.1
Total	685.7	716.9	763.7

Council income from grants 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	8.6	2.6	3.3
Ards and North Down	5.4	6.7	3.5
Armagh City, Banbridge and Craigavon	9.3	11.2	12.2
Belfast	14.3	13.2	12.0
Causeway Coast and Glens	21.6	0.0	5.1
Derry City and Strabane	26.4	4.9	9.1
Fermanagh and Omagh	7.4	3.7	23.1
Lisburn City and Castlereagh	3.2	3.3	3.9
Mid and East Antrim	10.4	5.8	5.5
Mid Ulster	17.0	9.4	10.6
Newry, Mourne and Down	11.2	6.0	6.3
Total	134.8	66.8	94.6

Council income from fees and other sources 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	17.2	16.5	20.0
Ards and North Down	10.3	13.4	14.3
Armagh City, Banbridge and Craigavon	26.4	24.9	23.4
Belfast	67.4	66.8	74.9
Causeway Coast and Glens	8.8	18.3	21.2
Derry City and Strabane	20.6	21.8	24.4
Fermanagh and Omagh	15.4	13.9	14.4
Lisburn City and Castlereagh	19.2	20.8	22.3
Mid and East Antrim	18.0	18.2	19.1
Mid Ulster	14.5	14.0	19.2
Newry, Mourne and Down	18.5	16.3	19.9
Total	236.3	244.8	273.1

Council income from HMRC VAT repayment 2024

COUNCIL	£ MILLION	
	Nominal 2023-24	Deflated 2023-24
Antrim and Newtownabbey	8.6	9.0
Ards and North Down	0.0	0.0
Armagh City, Banbridge and Craigavon	9.4	9.8
Belfast	5.5	5.7
Causeway Coast and Glens	5.4	5.6
Derry City and Strabane	0.0	0.0
Fermanagh and Omagh	3.2	3.3
Lisburn City and Castlereagh	15.9	16.5
Mid and East Antrim	4.7	4.8
Mid Ulster	5.5	5.7
Newry, Mourne and Down	0.0	0.0
Total	58.2	60.4

Appendix 3: Council Expenditure Analysis

The figures for council expenditure have been restated at 2023-24 values using HMT deflators at September 2025.

Council economic development expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	2.0	2.9	4.9
Ards and North Down	3.3	3.8	3.6
Armagh City, Banbridge and Craigavon	7.6	4.9	3.9
Belfast	18.7	20.0	21.9
Causeway Coast and Glens	3.9	2.4	2.6
Derry City and Strabane	10.8	10.2	9.3
Fermanagh and Omagh	8.3	9.8	4.4
Lisburn City and Castlereagh	7.0	4.0	3.6
Mid and East Antrim	4.3	4.8	5.1
Mid Ulster	5.8	4.8	3.9
Newry, Mourne and Down	6.9	3.3	3.7
Total	78.6	70.9	66.9

Council waste collection expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	18.9	19.8	19.5
Ards and North Down	8.3	9.3	8.2
Armagh City, Banbridge and Craigavon	15.4	11.3	11.9
Belfast	27.5	30.8	30.5
Causeway Coast and Glens	6.2	6.3	6.8
Derry City and Strabane	7.8	8.3	8.3
Fermanagh and Omagh	6.7	6.7	6.7
Lisburn City and Castlereagh	4.8	4.8	4.9
Mid and East Antrim	9.2	9.3	9.8
Mid Ulster	10.2	10.7	9.9
Newry, Mourne and Down	23.4	24.5	25.8
Total	138.4	141.8	142.3

Council other waste disposal expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	0.0	-0.1	0.1
Ards and North Down	8.0	10.8	10.7
Armagh City, Banbridge and Craigavon	7.2	9.3	10.0
Belfast	17.1	18.0	16.6
Causeway Coast and Glens	11.2	9.0	5.3
Derry City and Strabane	9.4	8.7	9.0
Fermanagh and Omagh	6.7	5.4	6.4
Lisburn City and Castlereagh	9.5	9.2	10.3
Mid and East Antrim	6.4	5.3	6.2
Mid Ulster	9.4	9.2	10.0
Newry, Mourne and Down	-0.1	-0.3	0.2
Total	84.8	84.5	84.8

Council other cleaning expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	3.2	3.1	3.1
Ards and North Down	2.1	2.3	2.0
Armagh City, Banbridge and Craigavon	2.4	2.5	2.2
Belfast	18.3	20.4	18.8
Causeway Coast and Glens	5.0	4.3	5.4
Derry City and Strabane	5.1	5.6	5.2
Fermanagh and Omagh	3.0	3.0	2.6
Lisburn City and Castlereagh	2.7	2.6	3.0
Mid and East Antrim	2.2	2.4	2.5
Mid Ulster	5.0	5.2	4.9
Newry, Mourne and Down	5.1	5.3	5.4
Total	54.1	56.7	55.1

Council community services expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	4.2	4.8	4.3
Ards and North Down	4.3	4.4	4.0
Armagh City, Banbridge and Craigavon	2.7	2.9	2.8
Belfast	9.5	10.2	10.4
Causeway Coast and Glens	2.8	2.6	3.0
Derry City and Strabane	6.5	6.9	6.6
Fermanagh and Omagh	5.7	1.4	-0.3
Lisburn City and Castlereagh	2.6	2.5	2.5
Mid and East Antrim	2.6	3.2	2.9
Mid Ulster	4.2	6.5	9.4
Newry, Mourne and Down	6.1	3.6	5.2
Total	51.2	49.0	50.8

Council cemetery expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	1.3	1.0	2.9
Ards and North Down	1.7	1.8	1.7
Armagh City, Banbridge and Craigavon	0.8	0.7	0.7
Belfast	5.8	6.4	5.8
Causeway Coast and Glens	0.5	0.4	0.4
Derry City and Strabane	1.2	1.3	1.2
Fermanagh and Omagh	0.6	0.6	0.6
Lisburn City and Castlereagh	0.6	0.5	0.6
Mid and East Antrim	0.6	0.6	0.6
Mid Ulster	0.9	0.6	0.6
Newry, Mourne and Down	0.9	1.0	1.0
Total	14.9	14.9	16.1

Council environmental health services expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	3.4	3.7	3.3
Ards and North Down	3.8	4.4	3.6
Armagh City, Banbridge and Craigavon	4.7	4.7	4.1
Belfast	22.0	22.3	20.8
Causeway Coast and Glens	0.6	0.7	0.6
Derry City and Strabane	2.5	2.7	2.4
Fermanagh and Omagh	4.2	4.1	3.5
Lisburn City and Castlereagh	2.9	2.8	2.6
Mid and East Antrim	6.4	6.0	4.3
Mid Ulster	3.8	4.9	3.0
Newry, Mourne and Down	4.8	4.9	5.4
Total	59.1	59.7	53.6

Council public conveniences expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	0.1	0.1	0.2
Ards and North Down	1.6	1.3	1.3
Armagh City, Banbridge and Craigavon	0.5	0.5	0.4
Belfast	0.4	0.4	0.5
Causeway Coast and Glens	0.9	0.9	0.9
Derry City and Strabane	0.1	0.1	0.1
Fermanagh and Omagh	0.9	0.8	0.7
Lisburn City and Castlereagh	0.0	0.0	0.0
Mid and East Antrim	0.5	0.6	0.5
Mid Ulster	1.0	0.9	0.9
Newry, Mourne and Down	0.5	0.5	0.5
Total	6.5	6.1	6.0

Council licensing expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	0.0	0.0	0.0
Ards and North Down	0.2	0.3	0.3
Armagh City, Banbridge and Craigavon	0.2	0.3	0.2
Belfast	1.3	1.2	1.5
Causeway Coast and Glens	0.4	0.4	0.5
Derry City and Strabane	0.2	0.2	0.1
Fermanagh and Omagh	0.3	0.2	0.2
Lisburn City and Castlereagh	0.1	0.1	0.0
Mid and East Antrim	0.0	0.0	0.0
Mid Ulster	0.2	0.2	0.1
Newry, Mourne and Down	0.5	0.4	0.3
Total	3.4	3.5	3.5

Council recreation and sport expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	19.4	22.2	20.5
Ards and North Down	7.8	11.0	8.9
Armagh City, Banbridge and Craigavon	27.4	28.2	24.5
Belfast	63.1	59.0	73.7
Causeway Coast and Glens	6.3	8.0	10.1
Derry City and Strabane	12.3	14.0	16.9
Fermanagh and Omagh	12.6	13.9	11.5
Lisburn City and Castlereagh	17.3	19.7	19.0
Mid and East Antrim	12.2	9.1	10.7
Mid Ulster	16.6	17.5	16.1
Newry, Mourne and Down	17.4	21.5	21.1
Total	212.4	224.1	233.0

Council culture and heritage expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	4.1	5.5	5.3
Ards and North Down	1.2	1.2	1.2
Armagh City, Banbridge and Craigavon	3.2	3.4	3.2
Belfast	21.7	19.4	20.6
Causeway Coast and Glens	1.8	2.0	1.4
Derry City and Strabane	4.6	4.7	4.4
Fermanagh and Omagh	3.1	3.8	3.1
Lisburn City and Castlereagh	2.5	2.4	2.6
Mid and East Antrim	2.1	2.3	2.3
Mid Ulster	3.7	4.1	3.7
Newry, Mourne and Down	3.2	3.9	3.5
Total	51.2	52.7	51.3

Council tourism expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	0.8	0.8	1.6
Ards and North Down	2.5	2.2	1.8
Armagh City, Banbridge and Craigavon	4.2	4.1	4.0
Belfast	9.8	9.1	11.4
Causeway Coast and Glens	5.6	6.3	7.0
Derry City and Strabane	3.3	3.7	2.7
Fermanagh and Omagh	2.4	2.2	1.8
Lisburn City and Castlereagh	1.1	1.0	1.1
Mid and East Antrim	3.8	2.3	3.9
Mid Ulster	4.0	4.1	3.7
Newry, Mourne and Down	4.6	6.3	6.2
Total	42.1	42.1	45.2

Council other services expenditure 2021-2024

COUNCIL	£ MILLION		
	2021-22	2022-23	2023-24
Antrim and Newtownabbey	19.6	21.8	22.1
Ards and North Down	40.4	39.1	35.5
Armagh City, Banbridge and Craigavon	48.2	50.1	53.5
Belfast	74.2	73.5	57.4
Causeway Coast and Glens	26.9	42.0	40.1
Derry City and Strabane	38.7	31.3	33.6
Fermanagh and Omagh	20.8	25.4	22.2
Lisburn City and Castlereagh	37.8	39.1	33.7
Mid and East Antrim	39.8	38.3	38.8
Mid Ulster	9.8	10.1	10.1
Newry, Mourne and Down	27.1	21.9	14.2
Total	383.3	392.6	361.2

Appendix 4: Staff Costs

Staff costs as proportion of operating expenditure 2017-2024

YEAR	£ MILLION		
	TOTAL STAFF COSTS	TOTAL COST OF SERVICES	STAFF COSTS AS % OF TOTAL
2017-18	355.0	884.7	40
2018-19	381.2	982.0	39
2019-20	395.7	985.2	40
2020-21	385.1	956.5	40
2021-22	385.1	1,021.4	38
2022-23	436.2	1,111.7	39
2023-24	475.8	1,126.1	42

Agency staff costs as proportion of total staff costs 2016-2024

COUNCIL	2016 -17	2017 -18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24
Antrim and Newtownabbey	7%	6%	6%	6%	4%	7%	6%	6%
Ards and North Down	8%	9%	10%	8%	5%	7%	6%	6%
Armagh City, Banbridge and Craigavon	1%	0%	1%	1%	1%	2%	0%	0%
Belfast	5%	5%	5%	6%	6%	7%	8%	7%
Causeway Coast and Glens	19%	23%	24%	25%	21%	26%	29%	26%
Derry City and Strabane	2%	2%	2%	1%	1%	1%	2%	1%
Fermanagh and Omagh	1%	1%	1%	0%	0%	0%	0%	0%
Lisburn City and Castlereagh	8%	11%	12%	10%	8%	9%	9%	8%
Mid and East Antrim	15%	14%	15%	15%	14%	18%	21%	23%
Mid Ulster	3%	2%	1%	0%	1%	0%	0%	0%
Newry, Mourne and Down	7%	7%	6%	5%	4%	6%	6%	8%

Appendix 5: Capital Expenditure

COUNCIL	£ MILLION									
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24		
Antrim and Newtownabbey	3.8	2.5	4.8	8.7	3.4	5.2	9.7	9.8		
Ards and North Down	6.0	18.5	19.3	2.8	4.6	3.4	4.5	5.9		
Armagh City, Banbridge and Craigavon	3.7	5.9	12.9	32.7	9.8	7.1	5.9	4.0		
Belfast	48.4	22.3	38.9	43.9	21.6	46.9	23.2	16.4		
Causeway Coast and Glens	8.9	6.2	9.1	10.1	5.3	4.1	8.5	6.5		
Derry City and Strabane	6.2	13.8	7.1	8.6	6.7	10.4	10.8	9.4		
Fermanagh and Omagh	2.0	3.9	5.6	5.7	10.4	5.2	4.2	6.7		
Lisburn City and Castlereagh	3.0	3.7	7.2	7.9	0.5	2.1	2.1	4.3		
Mid and East Antrim	4.9	5.6	4.0	8.1	7.3	8.1	5.4	7.4		
Mid Ulster	3.3	2.2	5.0	9.4	7.1	6.9	5.5	5.3		
Newry, Mourne and Down	12.9	17.3	17.3	7.8	4.4	6.1	10.5	12.0		
Total	103.1	101.9	131.2	145.7	81.1	105.5	90.3	87.7		

Appendix 6: Borrowing repayments

Council borrowing

£ MILLION							
COUNCIL	OPENING BALANCE (01/04/22)	NEW BORROWING (2022-23)	LOANS REPAID (2022-23)	OPENING BALANCE (01/04/23)	NEW BORROWING (2023-24)	LOANS REPAID (2023-24)	CLOSING BALANCE (31/03/24)
Antrim and Newtownabbey	42.7	0.0	2.4	40.3	21.0	7.3	54.0
Ards and North Down	66.9	0.0	3.1	63.8	0.0	4.0	59.8
Armagh City, Banbridge and Craigavon	65.0	0.0	8.2	56.8	0.0	4.3	52.5
Belfast	49.0	0.0	5.2	43.8	0.0	5.3	38.5
Causeway Coast and Glens	61.3	0.0	4.9	56.4	0.0	6.2	50.2
Derry City and Strabane	40.3	0.0	3.3	37.0	0.6	3.1	34.5
Fermanagh and Omagh	4.5	0.0	0.7	3.8	0.0	0.6	3.2
Lisburn City and Castlereagh	22.4	0.0	1.2	21.2	0.0	1.1	20.1
Mid and East Antrim	54.7	0.0	4.1	50.6	6.0	3.4	53.2
Mid Ulster	4.8	0.0	0.7	4.1	0.0	0.6	3.5
Newry, Mourne and Down	69.7	0.0	10.3	59.4	5.0	4.1	60.3
Total	481.3	0.0	44.1	437.2	32.6	40.0	429.8

Appendix 7: Usable Reserves

COUNCIL	£ MILLION						
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Antrim and Newtownabbey	10.4	12.3	10.1	19.6	30.4	26.3	23.8
Ards and North Down	9.9	10.4	9.0	20.0	25.0	25.7	25.8
Armagh City, Banbridge and Craigavon	28.5	28.1	26.7	40.2	47.9	53.7	61.0
Belfast	57.4	58.8	67.4	92.2	87.9	87.8	88.0
Causeway Coast and Glens	11.8	9.2	9.3	16.6	22.0	23.4	29.4
Derry City and Strabane	29.3	36.4	39.7	53.2	70.7	60.4	57.3
Fermanagh and Omagh	20.4	22.5	25.3	31.4	31.4	23.1	42.1
Lisburn City and Castlereagh	26.8	26.8	25.0	36.5	39.8	40.9	56.8
Mid and East Antrim	15.6	16.2	13.8	22.9	28.5	26.1	31.9
Mid Ulster	11.6	24.1	27.3	46.8	43.5	44.2	53.0
Newry, Mourne and Down	13.5	13.5	12.5	28.1	35.6	35.7	39.5
Total	235.2	258.3	266.1	407.5	462.7	447.3	508.6

Reserves as percentage of expenditure

COUNCIL	£ MILLION		
	EXPENDITURE 2023-24	USABLE RESERVES AT 31 MARCH 2024	RESERVES AS % OF EXPENDITURE
Antrim and Newtownabbey	84.4	23.8	28.2%
Ards and North Down	79.6	25.8	32.4%
Armagh City, Banbridge and Craigavon	117.0	61.0	52.1%
Belfast	279.7	88.0	31.5%
Causeway Coast and Glens	81.0	29.4	36.3%
Derry City and Strabane	96.5	57.3	59.4%
Fermanagh and Omagh	61.3	42.1	68.7%
Lisburn City and Castlereagh	81.2	56.8	70.0%
Mid and East Antrim	84.6	31.9	37.7%
Mid Ulster	73.5	53.0	72.1%
Newry, Mourne and Down	89.2	39.5	44.3%
Total	1,128.0	508.6	45.1%

Appendix 8: Days lost due to sickness

Number of days lost to sickness absence per year

COUNCIL	2017- 18	2018 -19	2019 -20	2020 -21	2021 -22	2022 -23	2023 -24
Antrim and Newtownabbey	11.9	13.7	13.2	11.4	19.7	17.7	13.6
Ards and North Down	16.2	14.2	14.2	10.6	14.2	15.7	16.3
Armagh City, Banbridge and Craigavon	16.1	16.7	18.3	15.7	20.5	19.9	18.8
Belfast	13.7	13.7	13.6	10.9	16.3	17.1	17.0
Causeway Coast and Glens	15.8	17.1	17.7	12.4	19.2	17.0	18.1
Derry City and Strabane	14.0	12.3	14.5	10.4	16.8	16.5	18.7
Fermanagh and Omagh	12.9	10.4	13.8	9.7	13.1	11.9	12.8
Lisburn City and Castlereagh	16.7	13.3	13.8	11.5	13.6	15.8	18.4
Mid and East Antrim	17.1	14.1	10.6	4.7	15.2	17.9	17.0
Mid Ulster	12.4	12.9	11.7	9.7	12.1	13.1	13.2
Newry, Mourne and Down	17.1	14.7	15.8	13.6	20.7	23.3	23.9

NIAO Reports: 2025

NIAO Reports 2025

Title	Date Published
Ambulance Handovers	11 March 2025
Homelessness in Northern Ireland	25 March 2025
Health and Social Care Imaging Services	31 March 2025
Effective Audit and Risk Assurance Committees – A Good Practice Guide	31 March 2025
PSNI Fleet Management	08 April 2025
Continuous Improvement Arrangements in Policing (2025 Report)	13 May 2025
Waste Crime in Northern Ireland	03 July 2025
Major IT Projects in Northern Ireland	04 July 2025
Active Travel in Northern Ireland	29 Sept 2025
Performance of Restricted Procedures by Health Trusts	07 October 2025
Northern Ireland Energy Strategy	21 October 2025
Comptroller and Auditor General's Report on Financial Audit Findings 2025 – Central Government	09 December 2025

