

**Partnership Agreement between
The Department for Infrastructure and
The Northern Ireland Transport Holding
Company**

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Introduction

1. The Partnership Agreement

- 1.1 This document sets out the partnership arrangements between The Northern Ireland Transport Holding Company (**NITHC**) and the Department for Infrastructure (**Dfi**). In particular, it explains the overall governance framework within which NITHC operates, including the framework through which the necessary assurances are provided to stakeholders. Roles/responsibilities of partners within the overall governance framework are also outlined.
- 1.2 The partnership is based on a mutual understanding of strategic aims and objectives; clear accountability; and a recognition of the distinct roles each party contributes. Underpinning the arrangements are the principles set out in the [‘NI Code of Good Practice ‘Partnerships between Departments and Arm’s Length Bodies’ \(the NI Code\)’](#)¹ which should be read in conjunction with this document. The principles which are laid out in the NI Code are:

LEADERSHIP
<i>Partnerships work well when Departments and Arm’s Length Bodies demonstrate good leadership to achieve a shared vision and effective delivery of public services. Strong leadership will provide inspiration, instil confidence and trust and empower their respective teams to deliver good outcomes for citizens.</i>
PURPOSE
<i>Partnerships work well when the purpose, objectives and roles of Arm’s Length Bodies and the sponsor department are clear, mutually understood and reviewed on a regular basis. There needs to be absolute clarity about lines of accountability and responsibility between departments and Arm’s Length Bodies. In exercising statutory functions Arm’s Length Bodies need to have clarity about how their purpose and objectives align with those of departments.</i>

¹<https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodof0319.pdf>

ASSURANCE

Partnerships work well when departments adopt a proportionate approach to assurance, based on Arm's Length Bodies' purpose and a mutual understanding of risk. Arm's Length Bodies should have robust governance arrangements in place and in turn departments should give Arm's Length Bodies the autonomy to deliver effectively. Management information should be what is needed to enable departments and Arm's Length Bodies to provide assurance and assess performance.

VALUE

Partnerships work well when departments and Arm's Length Bodies share knowledge, skills and experience in order to enhance their impact and delivery. Arm's Length Bodies are able to contribute to policy making and departmental priorities. There is a focus on innovation, and on how departments and Arm's Length Bodies work together to deliver the most effective policies and services for its customers.

ENGAGEMENT

Partnerships work well when relationships between departments and Arm's Length Bodies are open, honest, constructive and based on trust. There is mutual understanding about each other's objectives and clear expectations about the terms of engagement.

1.3 This document should also be read in conjunction with [Guidance on Proportionate Autonomy](#)² which provides an outline of the principles and characteristics for proportionate autonomy. Guidance on Proportionate Autonomy has been considered in determining the extent of engagement and assurance to be established between NITHC and DfI and this is reflected in this Agreement.

1.4 DfI and NITHC are committed to:

- Working together within distinct roles and responsibilities;
- Maintaining focus on successful delivery of Programme for Government (PfG) outcomes and Ministerial priorities;

² Guidance issued by DoF on proportionate autonomy for arm's length bodies
<https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodof0619att.pdf>

- Maintaining open and honest communication and dialogue;
- Keeping each other informed of any issues and concerns, and of emerging areas of risk;
- Supporting and challenging each other on developing policy and delivery (when developing policy this may cut across more than one department);
- Seeking to resolve issues quickly and constructively; and
- Acting at all times in the public interest and in line with the values of integrity, honesty, objectivity and impartiality.

1.5 The effectiveness of the partnership and the associated Engagement Plan will be reviewed each year by DfI and NITHC in order to assess whether the partnership is operating as intended and to identify any emerging issues/opportunities for enhancement. This can be carried out as part of existing governance arrangements. The Partnership Agreement document itself will be reviewed formally at least once every three years to ensure it remains fit for purpose and up-to-date in terms of current governance frameworks. The formal review will be proportionate, and the updated Partnership Agreement will be published on DfI and NITHC websites as soon as practicable following completion.

1.6 A copy of this Agreement has been placed in the Assembly Library and is available on DfI and NITHC websites.

NITHC Establishment and Purpose

2. Statutory Purpose and Strategic Objectives

- 2.1 NITHC is a statutory public corporation (non-financial)³ established under the [Transport Act \(Northern Ireland\) 1967](#)⁴ as a body corporate with perpetual succession and is Northern Ireland's primary public transport provider.
- 2.2 For national accounts and budgeting purposes NITHC is classified by the Office of National Statistics as a public corporation and DfI is its sponsoring department.
- 2.3 NITHC's statutory functions, duties and powers are set out in [s.48 of The Transport Act \(NI\) 1967](#)⁵ and [The Northern Ireland Transport Holding Company \(Extension of Powers\) Order 1972](#)⁶.
- 2.4 NITHC's statutory duties and responsibilities are to manage public transport properties and assets, and to oversee the activities of its subsidiaries (see 3.1) (in terms of support, control and supervision). NITHC also has a statutory duty to operate commercially and in line with Ministerial policy.
- 2.5 Sections 1(2) and 1(3) of the Transport Act (NI) 2011 requires that DfI must secure that most public passenger transport services be provided by NITHC and provides a mechanism for DfI to enter into a public service contract with NITHC for the provision of such public passenger transport services.
- 2.6 As a public corporation, NITHC is a legal entity in its own right with its powers, duties and responsibilities discharged in accordance with the Transport Act (Northern Ireland) 1967, the Transport (Amendment) Act (Northern Ireland) 1971; The Northern Ireland Transport Holding Company (Extension of Powers) Order (Northern Ireland) 1972; The Local Government (Transfer of Belfast Corporation

³ [Public Bodies Handbook – Part 1. Classification Of Public Bodies: Guidance for Departments \(publishing.service.gov.uk\)](#)

⁴ <https://www.legislation.gov.uk/apni/1967/37/section/47>

⁵ <https://www.legislation.gov.uk/apni/1967/37/section/48>

⁶ https://www.legislation.gov.uk/nisro/1972/175/pdfs/nisro_19720175_en.pdf

Transport functions) Order 1973; and the Transport (Northern Ireland) Order 1977. NITHC and its subsidiaries are not to be regarded as servants or agents of the Crown, or as enjoying any status immunity or privilege of the Crown, or as exempt from any tax, duty, rate, levy or other charge whatsoever.

- 2.7 The Minister for Infrastructure is answerable to the Assembly for the overall performance and delivery of both DfI and NITHC.
- 2.8 The Executive's outcome-based approach to delivery recognises the importance of arm's length bodies and departments working collaboratively and together in a joined-up approach to improve overall outcomes and results.
- 2.9 To that end there is strategic alignment between the aims, objectives and expected outcomes and results of NITHC and DfI.
- 2.10 The strategic aims, objectives and targets of NITHC in support of DfI's wider strategic aims, Programme for Government outcomes and targets are contained within a variety of sources, including (but not limited to) this Partnership Agreement and the Public Service Agreement (**PSA**) made between DfI and NITHC.

NITHC Governance Arrangements

3. Organisational Status

- 3.1 As a Public Corporation, NITHC is a legal entity in its own right with substantial day to day operating independence, employing its own staff and operating at arm's-length from DfI.
- 3.2 NITHC owns and controls seven private subsidiary companies, including Citybus Ltd ('Metro'), Flexibus Ltd, Ulsterbus Ltd, Translink (NI) Ltd, Northern Ireland Railways Company Ltd, NIR Networks Ltd and NIR Operations Ltd, which collectively operate under the brand name 'Translink' (also referred to as the 'Group').
- 3.3 As a legal entity, it must comply with all associated legislation relating to its employer status.

4. Governance Framework

- 4.1 NITHC has an established Corporate Governance Framework which reflects all relevant good practice guidance, such as applicable provisions contained within the relevant UK Corporate Governance Code. The framework includes the governance structures established within NITHC and the internal control and risk management arrangements in place. This includes its Board and Committee structures.
- 4.2 An account of this is included in NITHC's Annual Governance Statement together with NITHC's Board's assessment of its compliance with the extant [Corporate Governance Code of Good Practice \(NI\)](#)⁷. Any departure from the Corporate Governance Code must be explained in the Governance Statement.

⁷ <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodfp0613att.pdf>

- 4.3 NITHC is required to follow the principles, rules, guidance and advice in in [Managing Public Money Northern Ireland](#)⁸ (MPMNI) (subject to Annex 8 of this document which contains derogations because of the nature of NITHC's business).
- 4.4 Good governance should also include positive stakeholder engagement, the building of positive relationships and a listening and learning culture. NITHC is required to follow relevant guidance as published on the Accountability and Financial Management of the DoF website and any other relevant guidance and Best Practice applicable to NITHC.
- 4.5 The Northern Ireland Fiscal Council was established in March 2021 to bring greater transparency and independent scrutiny to the current and future state of Northern Ireland's public finances. To carry out in full the Council's important work, it is vital that the Council has all the information it requires to robustly challenge and scrutinise. In this regard, the Department has a formal agreement for sharing information with the Council. In carrying out its role, the Fiscal Council may seek to engage with Translink. While full engagement with the Council is encouraged, the Department should be notified in advance to ensure any discussions or information provided represents the policy direction of the Minister.

5. NITHC Board

- 5.1 As set out in [s.47 \(2\) and \(3\) of the Transport Act \(NI\) 1967](#)⁹, NITHC is led by a Board, consisting of a Chair and not more than eight other directors (comprising executive and non-executive members) who shall be appointed by the Minister.
- 5.2 The appointment process for non-executive Board members complies with the [Code of Practice for Ministerial Public Appointments in Northern Ireland \(CPANI Code of Practice.\)](#)¹⁰.

⁸ [Managing Public Money NI \(MPMNI\) | Department of Finance \(finance-ni.gov.uk\)](#)

⁹ <https://www.legislation.gov.uk/apni/1967/37/section/47>

¹⁰ [Code of Practice for Ministerial Public Appointments in Northern Ireland | The Commissioner for Public Appointments for Northern Ireland \(publicappointmentsni.org\)](#)

- 5.3 The Sponsor Directorate of DfI will manage and set the terms of the public appointment process in conjunction with DfI's Public Appointment Unit having liaised with NITHC for input to include a Skills Audit of the Board.
- 5.4 The Minister is responsible for approving the terms and conditions of non-executive Board members ([Schedule 1 para 1 \(1\) of the Transport \(NI\) Act 1967](#))¹¹.
- 5.5 The appointment of the Chairman and the non-executive directors shall normally be for a period of four years. Existing non-executive board members who have completed their first terms will remain eligible to apply to serve a second term through public competition. This is in line with DfI policy that all board reappointments shall be subject to public competition.
- 5.6 As Public Appointees, non-executive Board members are office holders rather than employees, they are not subject to employee terms and conditions. Board appraisal arrangements are set out in paras 15.1 and 15.2 and matters for consideration in dealing with concerns/complaints in respect of Board members are provided in Annex 5.
- 5.7 The Board's operating framework/terms of reference provides further detail on roles and responsibilities and should align closely with this Partnership Agreement.
- 5.8 An Executive director is a member of the Board who also has management responsibilities in addition to their duties as directors of the Board. They have executive responsibility for Translink's operational and strategic business functions.
- 5.9 In addition to the Group Chief Executive, the Board consists of two other Executive Directors, appointed in accordance with Section 47(2) of the Transport Act (NI) 1967.

¹¹ <https://www.legislation.gov.uk/apni/1967/37/schedule/1>

- 5.10 A copy of this document should be given to all newly appointed Board Members, senior executives and DfI Sponsor staff.
- 5.11 The purpose of the NITHC Board is to provide effective leadership and strategic direction to the organisation and to ensure that the policies and priorities set by the Minister are implemented. It is responsible for ensuring that the organisation has effective and proportionate governance arrangements in place and an internal control framework which allow risks to be effectively identified and managed. The Board will set the culture and values of the organisation and set the tone for the organisation's engagement with stakeholders and customers.
- 5.12 The Board is responsible for holding the Chief Executive to account for the management of the organisation and the delivery of agreed plans and outcomes. The Board should also however support the Chief Executive as appropriate in the exercise of their duties.
- 5.13 Board members act solely in the interests of NITHC and must not use the Board as a platform (or misuse information gained in the course of their public service) to champion their own interests, pursue personal agendas or for political profit. They occupy a position of trust and their standards of action and behaviour must be exemplary and in line with the [seven principles of public life \(Nolan Principles\)](#)¹². NITHC has a Board Code of Conduct and there are mechanisms in place to deal with any Board disputes/conflicts to ensure they do not become wider issues that impact on the effectiveness of the Board. A Board Register of Interests, detailing any private interests that may be perceived to conflict with their public duties, is maintained, kept up to date and is available on request, to help provide transparency and promote public confidence in NITHC.
- 5.14 Communication and relationships within the Board are underpinned by a spirit of trust and professional respect. The Board recognises that using consensus to avoid conflict or encouraging members to consistently express similar views or

¹² <https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

consider only a few alternative views does not encourage constructive debate and does not give rise to an effective Board dynamic.

5.15 It is for the Board to decide what information it needs, and in what format, for its meetings/effective operation. If the Board is not confident that it is being fully informed about the organisation this will be addressed by the Chair of the Board as the Board cannot be effective with out-of-date or only partial knowledge.

5.16 In order to fulfil their duties, Board members must undertake initial training and regular ongoing training and development. Review of Board skills and development will be a key part of the annual review of Board effectiveness.

6. Audit and Risk Committee

6.1 A further important aspect of NITHC's governance framework is its Board Audit and Risk Committee, established in line with the extant [Audit and Risk Assurance Committee Handbook \(NI\)](#)¹³.

6.2 The Audit and Risk Committee's purpose/role is to support the Accounting Officer and Board on governance issues. In line with the handbook the Audit and Risk Committees focuses on:

- Assurance arrangements over governance; financial reporting; annual reports and accounts, including the Governance Statement; and
- Ensuring there is an adequate and effective risk management and assurance framework in place.

6.3 NITHC and DfI have agreed arrangements in respect of the Audit and Risk Committee which include:

- Attendance by the Director of the Sponsor Directorate for DfI in an observer capacity at NITHC's Audit and Risk Committee meetings;

¹³ <https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodof0318att.pdf>

- Access to NITHC's Audit and Risk Committee Terms of Reference, papers and minutes; and
- Any input required from NITHC's Audit and Risk Assurance Committee to the departmental Audit and Risk Committee.

6.4 Full compliance with the [Audit and Risk Assurance Committee Handbook \(NI\)](#) is an essential requirement. In the event of significant non-compliance with the handbook's five good practice principles (or other non-compliance) discussion will be required with DfI and a full explanation provided in the annual Governance Statement.

7. NITHC Chair

7.1 The Chair is responsible for setting the agenda and managing the Board to enable collaborative and robust discussion of issues. The Chair's role is to develop and motivate the Board and ensure effective relationships in order that the Board can work collaboratively to reach a consensus on decisions. To achieve this, the Chair should ensure:

- The Board has an appropriate balance of skills appropriate to its business;
- Board members are fully briefed on terms of appointment, duties, rights and responsibilities.
- The Board, in reaching decisions, takes proper account of guidance provided by the Minister or DfI;
- Board members receive and maintain appropriate training;
- The Minister is advised of NITHC's needs when board vacancies arise;
- There is a Board Operating Framework/terms of reference in place setting out the roles and responsibilities of the Board in line with relevant guidance;
- There is a code of practice for Board members in place, consistent with relevant guidance.
- When appropriate, the Chair represents the views of the Board to the general public; and

- The Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Board members.

7.2 The role also requires the establishment of an effective working relationship with the Chief Executive that is simultaneously collaborative and challenging. It is important that the Chair and Chief Executive act in accordance with their distinct roles and responsibilities as laid out in MPMNI and their appointment letters.

7.3 The Chair has a presence in the organisation and cultivates external relationships which provide useful links for the organisation while being mindful of overstepping boundaries and becoming too involved in day-to-day operations or executive activities.

8. NITHC Group Chief Executive

8.1 The role of the NITHC Group Chief Executive is to run the Group business. The Chief Executive is responsible for all executive management matters affecting the organisation and for leadership of the executive management team.

8.2 The Group Chief Executive is designated as Accounting Officer for the Group by DfI's Accounting Officer (see section 12). As Accounting Officer, they are responsible for safeguarding the public funds in their charge and ensuring they are applied only to the purposes for which they were voted and more generally for efficient and economical administration.

8.3 The Chief Executive is accountable to the Board for NITHC's performance and delivery of outcomes and targets and is responsible for implementing the decisions of the Board and its Committees. The Chief Executive maintains a dialogue with the Chair on the important strategic issues facing the organisation and for proposing Board agendas to the Chair to reflect these. The Chief Executive ensures effective communication with stakeholders and communication on this to the Board. The Chief Executive also ensures that the Chair is alerted to forthcoming complex, contentious or sensitive issues, including risks affecting the organisation.

- 8.4 The Chief Executive acts as a role model to other executives by exhibiting open support for the Chair and Board members and the contribution they make. The Chair and Chief Executive have agreed how they will work together in practice, understanding and respecting each other's role, including the Chief Executive's responsibility as Accounting Officer.
- 8.5 Further detail on the role and responsibilities of the Chief Executive are as laid out in MPMNI and their Accounting Officer appointment letter.
- 8.6 The Chief Executive, or a designated officer within the Group, has responsibility for handling cases involving the Consumer Council for Northern Ireland (**CCNI**) and shall advise DfI of any Translink complaints escalated to CCNI.

Role of the Department for Infrastructure

9. Partnership Working with NITHC

- 9.1 DfI and NITHC are part of a total delivery system, within the same Ministerial portfolio. The partnership between DfI and NITHC is open, honest, constructive and based on trust. There is mutual understanding of each other's objectives and clear expectations on the terms of engagement.
- 9.2 In exercising its functions NITHC has absolute clarity on how its purpose and objectives align with those of DfI. There is also a shared understanding of the risks that may impact on each other, and these are reflected in respective Risk Registers.
- 9.3 There is a regular exchange of skills and experience between DfI and NITHC and where possible joint programme/project delivery boards/ arrangements. NITHC may also be involved as a partner in policy/strategy development and provides advice on policy implementation/ the impact of policies in practice.
- 9.4 The Department of Finance (**DoF**) has established, on behalf of the Assembly, a delegated authority framework which sets out the circumstances where prior DoF approval is required before expenditure can be occurred or commitments entered into. The Accounting Officer of DfI has established an internal framework of delegated authority for DfI and its ALBs which apply to NITHC. Other specific approval requirements established in respect of NITHC are set out at Annex 3.
- 9.5 NITHC shall agree with DfI the issues to be addressed in the Corporate and Business Plan and the timetable (as indicated in Annex 2 of this agreement) for its preparation.
- 9.6 The process of preparing the Corporate and Business Plan provides an opportunity for agreeing with the Minister the policy framework and resources within which NITHC will discharge its statutory duties and, within those duties,

the strategic priorities, aims and objectives set by the Minister. In particular, the Corporate and Business Plan shall demonstrate how NITHC contributes to the achievement of DfI's strategic aims and the Executive's Programme for Government outcomes, as well as achieving agreed financial targets.

9.7 The Corporate and Business Plan shall set out:

- the information detailed in Clause 4.5 and Schedule K of the Public Service Agreement between the Department and NITHC; and
- other matters as agreed between DfI and NITHC.

9.8 The Corporate and Business Plan must be formally approved by the Minister or via such other legal mechanism as may be in place in the absence of a Minister.

9.9 Once NITHC's budget has been approved by DfI and subject to any restrictions imposed by statute, NITHC shall have authority to incur expenditure approved in the budget without further reference to DfI. Inclusion of any planned and approved expenditure in the budget shall not however remove the need to seek formal DfI approval where proposed expenditure is outside the delegated limits (as laid out in Annex 3) or is for new schemes not previously agreed. Nor does it negate the need to follow due processes laid out in guidance contained in MPMNI and the [Better Business Cases \(NI\)](#)¹⁴.

10. Lead Official

10.1 DfI has appointed a lead senior official, the Director of Public Transport Operations (**PTO**), to manage the relationship with NITHC and ensure effective partnership working. Engagement between DfI and NITHC will be co-ordinated, collaborative and consistent. A clear sense of collaboration and partnership will be communicated to staff in both DfI and NITHC in order to promote mutual understanding and support.

10.2 The Director of PTO is the policy lead for the policy area relating to NITHC's business and has a clear understanding of NITHC's responsibilities for policy

¹⁴ [Better Business Cases NI | Department of Finance \(finance-ni.gov.uk\)](#)

implementation/operational delivery and the relevant audiences/stakeholders involved.

10.3 The Director of PTO will ensure that where there are DfI staff changes, time is taken to ensure they have a full understanding of NITHC's business and challenges.

11. Engagement Plan

11.1 DfI and NITHC will review and agree an Engagement Plan. The Engagement Plan (set out at Annex 2) will set out the timing and nature of engagement between NITHC and DfI. The Engagement Plan will be specific to NITHC and should not stray into operational oversight.

11.2 Engagement between the Director of PTO, their team and NITHC will be centred on partnership working, understanding of shared risks and working together on business developments that align with policy objectives.

11.3 In line with relevant guidance¹⁵, NITHC will work in collaboration and partnership with DfI to prepare corporate and business plans. There should be good strategic alignment between DfI's and NITHC's plans. Once approved it will be the Board of NITHC that primarily holds the Chief Executive to account for delivery and performance. DfI will engage with NITHC on areas of strategic interest, linking DfI policy and NITHC delivery of policy intent.

11.4 The Engagement Plan will also reference the agreed management and financial information to be shared over the course of a year. The aim will be to ensure clear understanding of why information is necessary and how it will be used. Where the same, or similar information is required for internal governance information requirements, this will be aligned so that a single report can be used for both purposes. In addition, the Engagement Plan should consider opportunities for learning and development, growth and actions which could help achieve better outcomes.

¹⁵ [Programme for Government | The Executive Office \(executiveoffice-ni.gov.uk\)](https://www.executiveoffice-ni.gov.uk/)

12. Departmental Accounting Officer

12.1 The Permanent Secretary, as DfI's Principal Accounting Officer, is accountable to the NI Assembly for the issue of grant in aid to NITHC. The Permanent Secretary has designated the Chief Executive of NITHC as NITHC's Accounting Officer. The respective responsibilities of DfI's Accounting Officer and NITHC's Accounting Officer are set out in Chapter 3 of MPMNI. DfI's Accounting Officer may withdraw NITHC's Accounting Officer designation if they conclude that NITHC's Accounting Officer is no longer a fit person to carry out the responsibilities of an Accounting Officer or that it is otherwise in the public interest that the designation be withdrawn. In such circumstances NITHC's Board will be given a full account of the reasons for withdrawal and a chance to make representations. Withdrawal of NITHC's Accounting Officer status would bring into question employment as Chief Executive and the Chair should engage with DfI should such circumstances arise.

12.2 As outlined in section 8, NITHC's Chief Executive is accountable to NITHC's Board for their stewardship of NITHC. This includes advising the Board on matters of financial propriety, regularity, prudent and economical administration, efficiency and effectiveness.

12.3 DfI's Accounting Officer must be informed in the event that the judgement of NITHC's Accounting Officer (on matters for which they are responsible) is overridden by NITHC's Board. NITHC's Accounting Officer must also take action if NITHC's Board is contemplating a course that would infringe the requirement for financial propriety, regularity, prudent and economical administration, efficiency or effectiveness. In all other regards, DfI's Accounting Officer has no day-to-day involvement with NITHC or its' Chief Executive.

12.4 In line with DoF requirements, NITHC's Accounting Officer will provide an annual declaration of [fitness to act](#)¹⁶ as Accounting Officer to DfI's Accounting Officer.

¹⁶ [DAO \(DoF\) 05/17 \(19 Dec 2017\) - Appointment/Designation of Accounting Officers \(finance-ni.gov.uk\)](#)

13. Role of the Minister

13.1 The Chairman of NITHC is responsible to the Minister. Communication between the Board and the Minister should normally be through the Chairman.

13.2 The departmental Accounting Officer is responsible for advising the relevant Minister on a number of issues including NITHC objectives and targets, budgets and performance.

13.3 In addition to being answerable to the Assembly as laid out in paragraph 2.7, the Minister is also responsible for:

- Setting the strategic direction and overall policies and priorities for NITHC as reflected in the PfG;
- Approving the NITHC Corporate & Business Plan;
- Setting NITHC's budget i.e., approving the amount of grant or subsidy or other funds to be paid to NITHC, and securing Assembly approval; and
- Carrying out responsibilities specified in the Transport Act (NI) 1967, including laying of the annual report and accounts before the Assembly, using powers to give directions to NITHC as to the policy to be followed by it (including its policy towards its subsidiary undertakings) and appointment of non-executive board members. The Minister may also be involved in considering the size and composition of the NITHC Board – see para 15.3.

14. Attendance at Public Accounts Committee

14.1 NITHC's Chief Executive/Accounting Officer may be summoned to appear before the Public Accounts Committee to give evidence on the discharge of their responsibilities as Accounting Officer (as laid out in their Accounting Officer appointment letter) on issues arising from the Comptroller and Auditor General for Northern Ireland's (**C&AG**) studies or reports following the annual audit of accounts.

14.2 The Chair may also, on occasion, be called to give evidence to the Public Accounts Committee (**PAC**) on such relevant issues arising within the C&AG's

studies or reports, in relation to the role and actions taken by the Board, where appropriate.

14.3 In addition, Dfl's Accounting Officer may be summoned to appear before the PAC to give evidence on the discharge of their responsibilities as Dfl's Accounting Officer with overarching responsibility for NITHC. In such circumstances, Dfl's Accounting Officer may therefore expect to be questioned on their responsibilities to ensure that:

- There is a clear strategic control framework for NITHC;
- Sufficient and appropriate management and financial controls are in place to safeguard public funds;
- The nominated Accounting Officer is fit to discharge his or her responsibilities;
- There are suitable internal audit arrangements;
- Accounts are prepared in accordance with the relevant legislation and any accounting direction; and
- Intervention is made, where necessary, in situations where NITHC's Accounting Officer's advice on transactions in relation to regularity, propriety or value for money is overruled by the body's Board or its Chair.

Assurance Framework

15. Autonomy and Proportionality

15.1 Dfl will ensure that NITHC has the autonomy to deliver effectively, recognising its status as a separate legal entity which has its own Board and governance arrangements. [Guidance on Proportionate Autonomy](#) has been considered in determining the extent of engagement and assurance established between NITHC and Dfl and is reflected in this agreement.

15.2 A proportionate approach to assurance will be taken based on NITHC's overall purpose, business and budget and a mutual understanding of risk. The approach will include an agreed process through which NITHC's Accounting Officer provides annual written assurance to Dfl that the public funds and organisational assets for which they are personally responsible are safeguarded, have been managed with propriety and regularity, and use of public funds represents value for money.

15.3 Recognising the governance arrangements in place within the organisation, NITHC's Accounting Officer will arrange for their bi-annual written assurance to be discussed at the NITHC Audit and Risk Committee and presented to NITHC's Board prior to submission to Dfl where possible. If not possible, or practicable, the Chair of NITHC's Board should have sight of the assurance statement, prior to being submitted to Dfl.

15.4 The minutes of the relevant NITHC Board Meeting will reflect that the NITHC Board/Chair has had sight of the assurance statement.

15.5 In addition to NITHC's Accounting Officer's written assurance, Dfl will take assurance from the following key aspects of NITHC's own governance framework:

- Annual Review of Board Effectiveness;

- Completion of Board Appraisals which confirm Board member effectiveness;
- Internal Audit assurance and External Quality Assessment of the Internal Audit function;
- Externally audited Annual Report and Accounts, reviewed/considered by the NITHC Audit and Risk Assurance Committee.

16. Board Effectiveness

16.1 NITHC's Chair will ensure that NITHC's Board undertakes an annual review of [Board Effectiveness](#)¹⁷ which encompasses committees established by the Board.

16.2 The Chair will discuss the outcome of the annual review of Board Effectiveness with the DfI Permanent Secretary to ensure a partnership approach to any improvements is identified. This will inform the annual programme of Board training/development and discussions in respect of Board composition and succession.

16.3 In line with any parameters set out in founding (or other) legislation, the Chair in conjunction with DfI, and Ministers where appropriate, will consider the size and composition of NITHC's Board, proportionate to the size and complexity of NITHC and keep this under review.

16.4 In addition to the annual review of Board Effectiveness NITHC will undertake an externally facilitated review of Board effectiveness at least once every three years covering the performance of the Board, its Committees and individual Board members. The Chair and the Senior Independent Director will identify a suitably skilled facilitator for the external review (this can be a peer review and should be proportionate) and will share the findings/outcome report with DfI on completion of the review.

17. Board Appraisals

17.1 The Chair of NITHC will conduct an annual appraisal in respect of each non-executive Board member at the end of each year. The appraisal will also inform

¹⁷ [273004_NIAO Good Practice Guide - Board Effectiveness \(June 2022\).pdf \(niauditoffice.gov.uk\)](#)

the annual programme of Board training/development. The Chair will engage with the Chief Executive/Dfl, as appropriate, on improvements identified through the appraisal process and the annual training/development programme.

17.2 The Chair's annual appraisal will be completed by Dfl's Accounting Officer, or Senior Official acting on their behalf in Dfl. The appraisal will take account of the key characteristics of a good chairperson (particularly for the Chair to have well developed interpersonal skills) set out in the [NIAO Good Practice Guide on Board Effectiveness](#). There will be close engagement between the Chair and Dfl on improvements identified through the appraisal process.

18. Internal Audit Assurance

18.1 NITHC is required to establish and maintain arrangements for an internal audit function that operates in accordance with the [Public Sector Internal Audit Standards](#) ¹⁸ (**PSIAS**). NITHC will provide Dfl with assurance that the requirements for approving appointments are in accordance with PSIAS.

18.2 As NITHC's internal audit function is contracted out, NITHC shall ensure and provide assurance to Dfl that the contract specification for the internal audit service meets the requirements of PSIAS.

18.3 NITHC will provide its internal audit strategy, periodic audit plans and interim and annual audit reports, including the Head of Internal Audit's opinion on risk management, control and governance to Dfl as part of its attendance at NITHC's Board Audit and Risk Committee (BARC) meetings. NITHC will ensure Dfl's internal audit team has complete right of access to all relevant records. This applies whether the internal audit function is provided in-house or is contracted out.

18.4 NITHC will ensure regular, periodic self-assessments of the internal audit function in line with PSIAS and will share these with Dfl. NITHC will also ensure the External Quality Assessment (**EQA**) of the internal audit service provided to

¹⁸ [Public sector internal audit standards PSIAS | CIPFA](#)

NITHC (in line with PSIAS) is conducted at least once every five years by a qualified independent assessor.

18.5 NITHC will alert Dfl to any 'limited assurance' audit reports at the earliest opportunity on an ongoing basis. NITHC will also alert Dfl to a less than satisfactory annual opinion from the internal audit providers at the earliest opportunity. NITHC and Dfl will then engage closely on actions required to address the less than satisfactory opinion in order to move NITHC to a satisfactory position as soon as possible.

18.6 Dfl will take assurance from the fact that NITHC has met the requirements of PSIAS and has a satisfactory annual opinion from the Head of Internal Audit as part of its overall assurance assessment.

19. Externally Audited Annual Report and Accounts

19.1 NITHC is required to prepare and publish its Annual Report and externally audited Annual Accounts in line with [International Financial Reporting Standards](#)¹⁹ and any relevant and specific Accounts Direction issued by Dfl or DoF, and in accordance with the deadlines specified. The report shall also cover the activities of NITHC's subsidiaries.

19.2 NITHC's accounts are audited by external auditors appointed by the Board. The accounts of NITHC shall be open to the inspection of Dfl who shall lay them before the NI Assembly together with NITHC's annual report.

19.3 The external auditors will also provide a report to the NITHC Board which will be shared with Dfl.

19.4 NITHC will alert Dfl to any likely qualification of the accounts at the earliest opportunity. In the event of a qualified audit opinion or significant issues reported

¹⁹ <https://www.ifrs.org/>

in the report to the NITHC Board, DfI will engage with NITHC on actions required to address the qualification/significant issues.

19.5 DfI will take assurance from the external audit process and an unqualified position as part of its overall assurance assessment.

19.6 The Comptroller and Auditor General (“C&AG”) may carry out examinations into the economy, efficiency and effectiveness with which NITHC has used its resources in discharging its functions. The C&AG may also carry out thematic examinations that encompass the functions of NITHC.

19.7 For the purpose of audit and any other examinations, the C&AG has statutory access to documents as provided for under Articles 3 and 4 of the [Audit and Accountability \(Northern Ireland\) Order 2003](#)²⁰.

19.8 Where making payment of a grant, or drawing up a contract, NITHC should ensure that it includes a clause which makes the grant or contract conditional upon the recipient or contractor providing access to the C&AG in relation to documents relevant to the transaction. Where subcontractors are likely to be involved, it should also be made clear that the requirements extend to them.

²⁰ <https://www.legislation.gov.uk/nisi/2003/418/contents/made>

Signatories

NITHC and DfI agree to work in partnership with each other in line with the [NI Code of Good Practice: ***‘Partnerships between Departments and Arm’s Length Bodies’***](#) and the arrangements set out in this Agreement.

Signed (NITHC Chairman)

Date

Signed (NITHC Chief Executive)

Date

Signed (DfI – *[at least Senior Lead Official]*)

Date

Annex 1 –Engagement Plan

Good engagement is one of the key principles in the Partnership Code, underpinning the other principles of: Leadership; Purpose; Assurance; and Value.

As laid out in the NI Code, partnerships work well when relationships between departments and ALBs are open, transparent, honest, constructive and based on trust and when there is mutual understanding of each other's objectives and clear expectations about the terms of engagement.

The following table outlines the key areas of engagement between DfI and NITHC.

Engagement Plan		
Policy Development and Delivery		
<i>Planned engagement between NITHC and the Department in relation to development and monitoring of existing and new areas of policy.</i>		
Policy Area	Frequency/Timing	Lead Departmental/NITHC (Translink) Officials
Public Transport Strategy – encompassing engagement and consultation on public transport strategy, policy and initiatives.	As required.	DfI Public Transport Operations Director, Translink Director of Operations and Director of Commercial Operations
Strategic Planning		
Activity	Indicative Date	Lead Departmental/NITHC Official
NITHC Strategic Planning Engagement -encompassing strategic planning and risk identification. Informed by input on DfI priorities/plans and risk areas. Includes development and review of existing and new areas of policy.	Bi-Annually mid-April and mid -October.	DfI Accounting Officer/NITHC Board <i>(Minister to attend one meeting in April/October)</i>

Engagement on the draft Corporate & Business Plan and identification of areas of strategic interest to Dfl. Informed by input on Dfl priorities/plans and risk areas.	Sufficiently well in advance of the business year to inform development of the Corporate and Business Plan as part of the Corporate Planning Process.(provisionally February)	Dfl Public Transport Operations Director / NITHC Chief Financial Officer
Submission/ Presentation of the draft Corporate & Business Plan	March	Dfl Public Transport Operations Director/NITHC Chief Financial Officer
Approval of the Corporate & Business Plan	April	Dfl Minister
Joint Working <i>Interchange opportunities, and/or joint programme/project delivery boards</i>		
Activity	Frequency/Timing	Lead Departmental/NITHC Official
Media management protocols – independence of NITHC to engage with media/announcements of corporate and policy communications significant to NITHC - arrangements to share press releases where relevant – ensure no surprises	Where relevant	Dfl Translink Sponsor Unit/NITHC Communications Team
Identify staff development opportunities to share knowledge	As and when identified	Dfl Public Transport Operations Director/NITHC Group HR & Organisational Development Director
Dfl presence at Major Projects/Programme Boards	In line with Project/Programme Board Meetings	Attendance by Dfl Translink Sponsor Unit staff
Assurance Meetings	6-weekly	Dfl Public Transport Operations Director, Dfl Head of Translink Sponsor Unit, Translink Chief Financial Officer, Translink General Counsel & Company Secretary
Minutes to be provided to DFI for:- NITHC Board	Within 4 weeks from date of meeting	NITHC

Board Audit & Risk Committee Project Oversight Committee Safety Oversight Committee		
Passenger Charter Survey Monitoring	Bi-Monthly	Attended by NITHC, CCNI and DfI Public and Community Transport Branch
Translink to seek approval if pay increases for the Senior Executive Team fall outside the SCS proposals & Corporate and Business Plan	April	NITHC Accounting Officer/DfI Head of Translink Sponsor Unit
Consultation on annual NITHC staff pay settlement Pay settlements outside the agreed Corporate and Business Plan will require further Departmental Approval	As required.	NITHC Accounting Officer/ DfI Head of Translink Sponsor Unit
Seek approval to increase pay rate for Chair and Non-Executive Directors	Following issue of DoF guidance – 'Remuneration of Chairpersons & Members of Public Bodies	NITHC Accounting Officer / DfI Head of Translink Sponsor Unit
Chief Executive Recruitment <i>Engagement related to the recruitment of a new Chief Executive (if anticipated during the year ahead). NITHC should engage with the Department at an early stage in the event of the recruitment of a new Chief Executive. While recognising the role of the Board as employer, DfI will work closely with NITHC in the recruitment and selection process in line with extant guidance.</i>		
Activity	Date	Lead Departmental/NITHC Official
Chief Executive Recruitment considerations	If anticipated	DfI PTO Director / Chair NITHC Board
Assurances <i>Timetable for submission of key assurance sources and any other assurance related activity</i>		
Action	Date	Lead Departmental/NITHC Official
Board Performance Assessments and planned training/development for Board members	Annually	NITHC Chair

Chair Appraisal	Annually	Dfl Accounting Officer
NITHC Board Audit & Risk Committee	Quarterly	Dfl Public Transport Operations Director or Head of Translink Sponsor Unit and BARC
NITHC Accounting Officer Assurance Statement	Bi-annually	NITHC Chief Executive Officer and Dfl Permanent Secretary
Reporting on Direct Award Contracts	Bi-Annually	Dfl Translink Sponsor Unit/Translink Head of Procurement
Notification of significant changes to NITHC Anti Bribery, Fraud and Theft Policy or Response Plan.	In line with agreed renewal date in policy	NITHC and Dfl Sponsor Unit.
Whistleblowing Register	Quarterly (with BARC papers)	Dfl Translink Sponsor Unit/Translink Head of Financial Governance
Head of Internal Audit Annual Opinion	Annually	NITHC Head of Financial Governance
Draft Governance Statement (<i>annual reports and accounts</i>)	Annually – by end of May	Dfl Translink Sponsor Unit/ NITHC Finance Team
Report to those Charged with Governance	Annually - June	NITHC Head of Financial Governance
Internal Audit External Quality Assessment	Once every five years	NITHC Head of Financial Governance
Annual Report and Accounts	Annually – by end of June	Dfl/NITHC
Bus Route Subsidy & Public Service Obligation Grant (<i>external audit</i>)	Annually - June	Dfl Head of Translink Sponsor Unit/ NITHC Chief Financial Officer
Budget Management <i>Details of the information and returns to be provided.</i>		
Item and Purpose	Indicative Date	Lead Departmental/NITHC Official

Statement of Funding Conditions for Bus Route Subsidy (BRS) and Public Service Obligations (PSO) Subsidy	Annually – by end of June	Dfl Translink Sponsor Unit
Monthly Cash Forecast	Monthly	NITHC Finance Team
Monitoring Rounds Engagement	May, September, December	Dfl Translink Sponsor Unit/NITHC Finance Team
Estimates Engagement	As required	Dfl Translink Sponsor Unit/NITHC Finance Team
Provisional & Final Outturn Engagement	April & July	Dfl Translink Sponsor Unit/NITHC Finance Team
Submission of Claims for payment of BRS, Concessionary Fares, Other Revenue Grants, Easibus and Capital Payments	Per Translink Financial Periods	Dfl Translink Sponsor Unit/NITHC Finance Team
Annual Managed Expenditure Engagement	September & January	Dfl Translink Sponsor Unit/NITHC Finance Team
Annual letter of Assurance for Translink as Going Concern (audit considerations)	As Required	Dfl Translink Sponsor Unit

Annex 2 - Delegations

INTRODUCTION

These Delegations shall not be altered without the prior agreement of Dfl and, where applicable, DoF.

NITHC provides assurance that it has complied with these delegations in the bi-annual assurance statement from NITHC's Accounting Officer to Dfl.

The parties will adhere to applicable DoF guidance which may be in force or issued in future regarding delegations.

These Delegations are divided into the following sections:

SECTION A: General Delegated Authorities

SECTION B: NITHC Specific Delegated Authorities

1. Compensation Claims
2. Asset Disposals
3. Project Mandates, Business Cases and Post Project Evaluation
4. Procurement
5. Grant or Loan Schemes
6. Financial Investments
7. NITHC Derogations (Previously Appendix 6 in MSFM)
8. External Consultancy

SECTION A: General Delegated Authorities

NITHC shall obtain Dfl's prior written approval before:

- a) entering into any undertaking to incur any expenditure that falls outside these delegations or which is not provided for in the NITHC annual budget as approved by Dfl and that Departmental funding may be sought in respect of such items;
- b) incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
- c) making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by Dfl;

- d) making any change of policy or practice which has wider financial implications that might prove repercussive, or which might significantly affect the future level of resources required;
- e) creating policies that conflict with the principles, rules, guidance and advice in MPMNI with the exception of those derogations from MPMNI outlined at Section B part 8 of this Annex.

SECTION B: NITHC Specific Delegated Authorities

1. Compensation claims

Type / Value	Approver
Individual compensation claims greater than £250,000, even when due under legal obligation	Dfl
Claims for loss or damage to an employee's personal property equal to or greater than £100,000	Dfl
Compensation payments for severance or inefficiency are calculated in accordance with scheme and terms and conditions. Any additional monies in excess of these calculations are deemed 'novel and contentious'	Dfl/DoF

2. Asset Disposals

General

- 2.1 Asset management and disposal should be managed in accordance with Chapter 4.10 and Annex 4.8 of MPMNI.
- 2.2 All receipts derived from the sale of assets (including grant financed assets, see below) must be declared to Dfl.
- 2.3 An Asset Disposal Statement should be prepared and submitted quarterly to Dfl and correspond with the asset schedule in the year-end Accounts.

- 2.4 NITHC is required to seek approval for the following property and non-property disposals.

Market Asset Value	Approver
£100 - £250k	Dfl
Greater than £250k*	Dfl & DoF

* there is currently no de-minimis in place for DoF approval but once a new limit is introduced this will apply.

- 2.5 If asset disposal is for less than market value then approval is required from Dfl and DoF as per DAO 08/21 (Delegation 49).

3. Project Mandates, Business Cases and Post Project Evaluation

- 3.1 NITHC is required to apply the principles of economic appraisal contained within Better Business Cases NI (FD (DoF) 11/20) with appropriate and proportionate effort to all decisions and proposals concerning or saving public money, including European Union (EU) funds, and any other decisions or proposals that involve changes in the use of public resources²¹.
- 3.2 Appraisal must be proportionately applied irrespective of whether the relevant Public Expenditure resources:
- a) involve Resource or Capital spending or both;
 - b) are large or small;
 - c) are self-funded;
 - d) are above or below the delegated limits.
- 3.3 Appraisals must be appropriately approved before expenditure is committed. Expenditure that is incurred without the necessary approvals is irregular.

²¹ As outlined in DAO (DoF) 08/21 and the accompanying annexes. [DAO \(DoF\) 08/21 - Delegated Limits/requirements for DoF approval \(finance-ni.gov.uk\)](#)

NITHC must provide the following to Dfl:		
Information	Submission Date	Approval Required
Project Mandates for Capital Projects requiring a Letter of Prior Approval which exceeds £100k to complete the project SOC or OBC. Letter of Prior Approval limited to 15% of total project cost.	At project initiation or after Programme Mandate approved (if appropriate)	NITHC & Dfl
Strategic Outline Case (SOC) required for each Capital Project equal to or greater than £20m. Where a Programme SOC has been approved, a separate Project SOC is not required.	After completion of Project Inception Stage	NITHC & Dfl
Strategic Outline Case (SOC) required for each Capital Project greater than £50m. Where a Programme SOC has been approved, a separate Project SOC is not required.	After completion of Project Inception Stage	NITHC, Dfl and DoF
Provide Outline Business Case (OBC) to Dfl for each Capital Project over £5m.	OBC completed prior to Detailed Design / Procurement of main Contract	NITHC, Dfl & DoF
Full Business Case (FBC) required for each Capital Project greater than £5m.	FBC completed prior to award of main Contract (Investment Decision)	Dfl DoF (where the variance in costs to OBC is 10% above or

		below the existing DoF approval that is in place)
Programme/ Project Assurance Statement signed by SRO at both OBC and FBC stages for Capital Projects greater than £5m.	Alongside OBC/FBC submission	NITHC & DfI
Formal notification of change of Scope, variation in Capital costs or Completion Date as per the conditions in the issued Letter of Offer/Letter of Prior Approval.	As soon as known	Original approving authorities with additional approvals if delegation thresholds are exceeded.
Project Summary (dashboard) Report for each Capital Project greater than £5m that spans more than 1 year, unless specified in the Letter of Offer.	Annually from the issue date of the Letter of Offer	NITHC & DfI
<u>Major Projects Committee (MPC)</u> SRO reports for all major projects as defined in MPC guidance (£20m+ business change projects) Emerging Projects List.	3 times per year	NITHC & DfI
<u>Major Projects – NICS Board meeting</u> Updates requested by DoF for all high-risk projects Assurance review update on medium/low risk projects	Bi-Annually (commissioned around April and October)	NITHC & DfI

Post Project Evaluations (PPEs) (Part 1 - Project Management Evaluation (PME)) for all Capital Projects over £5m.	Within 12 months of the completion of the Defects Period date unless otherwise stated in the letter of approval	NITHC & DfI
Post Project Evaluations (PPEs) (Part 2 – Project Benefit Evaluation (PBE)) for all Capital Projects over £5m.	Within 12 months of the completion of the Defects Period date unless otherwise stated in the letter of approval	NITHC & DfI
PPE Tracker identifying status and Lessons Learned Register.	Bi-Annually	NITHC & DfI
List of projects with a value of up to £5m for which Outline Business Cases have received appropriate internal approvals (<i>Matters for approval</i>).	As required	DfI
List of all self-funded projects as per DAO 08/21.	Bi-Annually (commissioned March and October)	NITHC
Test drill process on selected projects below £5m to also include all self-funded projects as per DAO 08/21.	In line with programme agreed with NITHC (commissioned March and October)	NITHC & DfI

4. Procurement²²

Expenditure	Approval
Direct Award Contracts -	DfI's Accounting Officer

²² Translink is a Centre of Procurement Expertise (CoPE) and carries out its role in that regard in compliance with Northern Ireland Public Procurement Policy (NIPPP) and associated Procurement Guidance Notes issued by the NICS Procurement Board as well as the Utilities Contracts Legislation 2016.

Proposals to let direct award contracts where they have been agreed by NITHC Board and exceed £250,000.	Dfl - reserves the right to ask for an explanation of any direct award contract approved by any person below the £250,000 limit.
External Consultancy NITHC will adhere to the guidance issued by Dfl in relation to the Use of Professional Services including External Consultants in line with FD (DoF) 07/12. Any decision to engage an external consultant must also be approved.	Minister for Infrastructure
DAC External Consultancy Approval in line with NITHC's delegated limits for awarding DACs.	Dfl Permanent Secretary

5. Grant or Loan Schemes

All proposals to make a grant or loan to a third party, including the related terms and conditions attached to the grant or loan must be approved by Dfl and DoF.

The terms and conditions of grant or loan must include a requirement on the recipient to prepare accounts and ensure that its books and records in relation to the grant or loan are readily available for inspection by NITHC, Dfl and DoF.

6. Financial Investments

Item	Approval
Investments in traded financial instruments outside established policy.	Dfl and DoF where appropriate
Equity shares in ventures which further the objectives of NITHC	Dfl and DoF

7. NITHC Derogations

Where there are conflicts resulting from NITHC's need to comply with the requirements of Companies Legislation, the following derogations from MPMNI are in place:	
Board	The NITHC Board operates under the requirements of Companies Legislation and the relevant sections of the UK Corporate Governance Code as opposed to the 'advisory Board' framework operating within other parts of the public sector. NITHC's Board is therefore required to undertake its duties, functions and liabilities in accordance with the statutory requirements of Companies Legislation.
Banking	NITHC's banking arrangements provide for the management of cash in certain bank accounts held outside the 'pool' of bank accounts envisaged within MPMNI. Any changes to these arrangements and/or entering into indemnities requested by commercial banks is subject to DoF approval as outlined in annex 2 of DAO (DoF) 08/21.
Insurance	NITHC has insurance arrangements in place to manage the risks associated with the absence of Crown Immunity. NITHC uses commercial insurance policies covering public and employer's liability. This is in addition to the limited

	circumstances envisaged under MPMNI under which commercial insurance would be used (e.g. vehicles under the Road Traffic Acts
Major losses not covered by insurance	<p>Arrangements for covering these losses is set out as follows:</p> <p>In the event of the NITHC suffering a major loss any part of which is not covered by insurance, Dfl should be informed immediately and details provided as to the nature and amount involved. Dfl normally expects NITHC to fund any loss/liability from within its own resources. However, if circumstances arise where this is not possible, NITHC may bid to Dfl for the additional resources required by means of an appropriate business case. If a bid does arise, Dfl will consult with DoF and it will be dealt with on its merits and in light of available resources.</p>
Taxation	NITHC is subject to the tax regimes in force by HMRC

8. External Consultancy

8.1 Details of the information and returns to be provided to Dfl are as follows:

Item and Purpose	Indicative Date
Details of any external consultancies and spend in previous quarter	Quarterly
Details of any external consultancy for the financial year ahead, if known.	Annually (June)

Annex 3 – NITHC Assurance Statement



ASSURANCE STATEMENT

Business Area:	NORTHERN IRELAND TRANSPORT HOLDING COMPANY ('TRANSLINK')
Reporting Period:	1 April 20XX – 30 March 20XX

I certify that the information detailed in this Statement is complete and correct.

I can confirm that there are no exceptions other than those (if any) set out in the exception report at Section 7.

Signed:	
Name: (Block Capitals)	
Grade:	GROUP CHIEF EXECUTIVE (NITHC Accounting Officer)
Date:	

1. Acknowledgement of Ownership

I acknowledge my responsibility for developing and maintaining effective internal control within my business area. I am also responsible for managing and monitoring the financial and other resources, key risks, audit recommendations and compliance within my business area, including those classified as corporate.

I declare that I remain fit to carry out the role of Accounting Officer role. If at any time whilst in post, there are issues which emerge that question my ability to fulfil the Accounting Officer role (e.g., bankruptcy, disqualifications etc.) I will inform the departmental Accounting Officer immediately.

2. Risk Management Status *(please tick correct box)*

☐

APPROPRIATE – I am satisfied that the measures/controls in place to manage the risks for which I am responsible are appropriate and operating effectively. They provide reasonable assurance that the risk will not occur, or if it does occur, that it will be detected and corrected in sufficient time to reduce the impact of the risk to tolerable or negligible levels.

☐

NOT APPROPRIATE – I am not satisfied that the measures/controls in place to manage the risks for which I am responsible are appropriate and operating effectively. Further remedial action not yet in place or planned is required in order to safeguard the Department from the impact of the risk materialising.

In either case, please provide key supporting details below.

Please do not type below this line.

Please refer to the “guidance document” to assist in completing this section.

3. External and Internal Audit

New Audit Recommendations

Please outline any **new** PAC, NIAO and Internal Audit Reports received during the reporting period, providing a brief summary of any key issues raised and number of recommendations made. For Internal Audit, please also state the assurance opinions provided.

Please do not type below this line.

Existing Audit Recommendations *(please tick correct box)*

☐

I am satisfied that those recommendations set out in my Audit Action Plans and relevant Accountability Grids and these have been accurately updated and that processes are in place to address all recommendations for which I am responsible.

☐

I am not satisfied those recommendations set out in my Audit Action Plans and relevant Accountability Grids have been accurately updated and/or that processes are in place to address all recommendations for which I am responsible.

In either case, please provide supporting details below.

Please do not type below this line.

Please refer to the "guidance document" to assist in completing this section.

4. Financial Management *(please tick correct box)*

☐ **I am satisfied** that proper financial controls are in place to enable me to ensure value for money, propriety and regularity of expenditure under my control, manage my business area's budget, protect any financial assets under my care and achieve maximum utilisation of my budget to support the Department's / my Group's achievement of its financial targets.

☐ **I am not satisfied** that proper financial controls are in place to enable me to ensure value for money, propriety and regularity of expenditure under my control, manage my business area's budget, protect any financial assets under my care and achieve maximum utilisation of my budget to support the Department's / my Group's achievement of its financial targets

Please provide supporting details in either case:

- **Details of positive actions to ensure sound financial management; and**
- **If not satisfied, details of issues and corrective action being taken.**

5. Business Planning, Performance Monitoring and Business Continuity

(please tick correct box)

☐ **I am satisfied** that appropriate Business Planning, Performance Monitoring and Business Continuity arrangements are in place within my Business Area.

☐ **I am not satisfied** that appropriate Business Planning, Performance Monitoring and Business Continuity arrangements are in place within my Business Area.

Please provide supporting details:

- **If satisfied, details of actions that have been taken in this area; and**
- **If not satisfied, details of issues and corrective action being taken.**

Please do not type below this line.

Please refer to the “guidance document” to assist in completing this section

6. Information Management and Data Security *(please tick correct box)*

☐ **I am satisfied** that appropriate information management controls are in place, including having taken assurance from Information Asset Owners* within my business area. * Information Asset Owner assurance **must** be sought.

☐ **I am not satisfied** that appropriate management controls are in place within my business area.

Please provide supporting details in either case:

- **Details of positive actions to ensure that appropriate Information Assurance has been taken in this area, including confirmation that IAOs have completed/signed the IAO Key Task checklist; and**
- **If not satisfied, details of issues including data related incidents or information loss and corrective action being taken.**

Please do not type below this line.

Please refer to the "guidance document" to assist in completing this section.

7. Assurance Statements – Exception Report

Please provide key details of any significant control issues that are likely to affect delivery against policies, aims and objectives.

Assurance Statement Reference <i>(e.g., 4. Financial Management)</i>	Issue <i>(include details of the problem, the remedial action in place and prospects for future)</i> <i>(If no Exceptions write 'Nil')</i>

Please refer to the “guidance document” to assist in completing this section.

Annex 4 – Concerns/Complaints in respect of Board members

In line with the NI Code of Good Practice and the arrangements in this Partnership Agreement the approach to concerns/complaints raised in respect of NITHC Board members should be transparent and collaborative. The principle of early and open engagement is important, with the Department made aware of any concerns/complaints as soon as practicable.

While Board Members are Public Appointees/office holders rather than NITHC employees an NITHC employee may utilise NITHC's grievance procedure to raise a complaint against a Board member. The NITHC employee raising the grievance should expect this to be handled in line with NITHC's HR procedures.

Concerns/complaints might also be raised through:

- Whistleblowing arrangements;
- Complaints processes;
- Directly with NITHC or the Department.

Where a concern/complaint is received within NITHC in respect of an individual Board Member this should be provided to the NITHC Chair who should notify the Department at the outset in order that lead responsibility for handling the complaint/concern is clear in advance.

Where a concern/complaint relates to the NITHC Chair, NITHC should notify the Department at the outset for the Department to determine the approach to handling the complaint/concern.

Differences of view in relation to matters which fall within the Board's responsibilities are a matter for the Board to resolve through consensus based decision making in the best interests of the NITHC.

Exceptionally a concern/complaint may be raised by a Board Member about a fellow Board Member or a senior member of NITHC staff. The NITHC Chair should notify the Department at the outset to ensure that arrangements for handling the

concern/complaint are clear. The Department may determine that it should make arrangements to deal with the concern/complaint. This will be agreed at the outset.

Annex 5 – Communication Protocol

	Subject Area	Sub Area	Translink Prime Contact	Translink Sub Contact	DFI Prime Contact	DFI Sub Contact
1.	Capital Funding/ Expenditure	Corporate and Business Plan Monitoring Rounds Economic Appraisals Interim reports PPE's	Ronan O'Doherty	Gwen McKee Peter Moore	Judith Andrews	Peter Rice Jennifer Hanna
2.	Capital Project Tracking/ Programme	POC committee	John Glass	Brendan Harkin	Judith Andrews	Peter Rice Billy McLarnon Jennifer Hanna
3.	Safety, Park & Ride etc	Safety committee HSENI	Jacqui Kennedy	John Thompson	Judith Andrews Jackie Robinson	Peter Rice Graeme Banks
4.	HR/GRPC	GRPC Unions Pay Job Evaluations	Jacqui Kennedy	Kerry Reynolds	Judith Andrews	Peter Rice Fiona Gillan Lynne Gaw
5.	Governance	Partnership Agreement	Priscilla Rooney	Shauna McAuley	Judith Andrews	Peter Rice Fiona Gillan Lynne Gaw

	Subject Area	Sub Area	Translink Prime Contact	Translink Sub Contact	DFI Prime Contact	DFI Sub Contact
6.	Assurance Meetings	Review of: •financial/operating performance of NITHC & subsidiaries; •projected financial /operating outturn position of NITHC and subsidiaries; •capital programme and discuss the status of Economic Appraisals and outline Business Cases; •consideration of relevant policy developments.	Ronan O'Doherty Priscilla Rooney	Linda Neilan	Judith Andrews	Peter Rice Fiona Gillan Lynne Gaw
7.	Audit Matters	BARC Internal Audit AO/assurance	Ronan O'Doherty	Alistair Wilson	Judith Andrews	Peter Rice Fiona Gillan Lynne Gaw
8.	Urgent Political Matters, AQs & Private Office cases	Issues with political significance MLA contacts Dfl Committee Enquiries	Jacqui Kennedy David Cowan	Priscilla Rooney	Denis McMahon Julie Thompson Judith Andrews	Peter Rice Stuart Gilmore Graeme Banks (Rail safety) Aine Gaughran (Media)

	Subject Area	Sub Area	Translink Prime Contact	Translink Sub Contact	DFI Prime Contact	DFI Sub Contact
9.	Revenue/ Expenditure	Corporate and Business Plan Monitoring Rounds Monthly Returns Procurements STAs Use of consultants	Ronan O'Doherty	Linda Neilan	Judith Andrews	Peter Rice Fiona Gillan Lynne Gaw
10	IS/IT Systems &	IS/IT Strategy Systems problems Integrated Ticketing	David Cowan	Paul McGrattan	Judith Andrews	Peter Rice
11	Service Operations	Bus/Rail Service Delivery Performance Issues Noteworthy incidents Operational protocols Fleet Strategy	Ian Campbell	David Curry (Bus) Richard Knox (Rail) David Barnett (Engineering) John Glass (Infrastructure) David Cowan (Commercial Operations)	Judith Andrews	Peter Rice Stuart Gilmore Nancy Mead Billy McLarnon Jennifer Hanna
12	Belfast Transport Hub	Site issues Stakeholder issues	Philip Brown	John Glass Duncan McAllister	Judith Andrews	Peter Rice Billy McLarnon
13	Regulators & regulation	Regulations and Directives DVANI	Ian Campbell	John Glass David Cowan David Curry Richard Knox David Barnett Jim Moore	Jackie Robinson	Graeme Banks Joanna Relf

	Subject Area	Sub Area	Translink Prime Contact	Translink Sub Contact	DFI Prime Contact	DFI Sub Contact
14	Programme for Government (PfG)		Chris Conway	Translink SLT	Kiera Lloyd	Adele Watters Lisa Boyle
15	Accessible Transport	The Accessible Transport Strategy	David Cowan	Rosanna Jack	Judith Andrews	Stuart Gilmore Sean Coulter
16	Future Network Requirements	Production of Public Transport Network Study	David Cowan	Robin Totten	Sian Kerr	James Redmond
17	Commercial Bus Service Permits	Feedback from Translink on permit applications	David Cowan	Robin Totten	Judith Andrews	Stuart Gilmore

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