



**Partnership Agreement
between Department
for Communities and
Northern Ireland
Museums Council**

August 2024



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Glossary of Terms	
The Northern Ireland Museums Council is referred to as	NIMC
The Companies (Northern Ireland) Order 1986 is referred to as	The Order
The Department for Communities is referred to as	DfC
The Department of Finance is referred to as	DoF
Programme for Government is referred to as	PfG
Managing Public Money Northern Ireland is referred to as	MPMNI
Public Sector Internal Audit Standards are referred to as	PSIAS
The Comptroller and Auditor General is referred to as the	C&AG
The Report to Those Charged with Governance is referred to as the	RTTCWG
The use of the term 'Chairperson' in this document has the same meaning as the term 'Chair' in the Companies (Northern Ireland) Order 1986.	Chair

Introduction

1. The Partnership Agreement

1.1 This document sets out the partnership arrangements between Northern Ireland Museums Council (NIMC) and the Department for Communities (DfC). In particular, it explains the overall governance framework within which NIMC 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’** which should be read in conjunction with this document. The principles which are laid out in the Code are:

Leadership

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.

Purpose

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.

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.

A full copy of the NI Code can be found at Annex 8.

- 1.3 This document should also be read in conjunction with guidance on proportionate autonomy which provides an outline of the principles and characteristics for proportionate autonomy (See DAO (DoF) 06/19). Guidance on proportionate autonomy has been considered in determining the extent of engagement and assurance to be established between NIMC and the DfC and this is reflected in this agreement.
- 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.
- 1.4 DfC and NIMC are committed to:
- Working together within distinct roles and responsibilities;
 - Maintaining focus on successful delivery of Programme for Government (PfG) outcomes and Ministerial priorities;
 - Maintaining open and honest communication and dialogue;
 - Keeping each other informed of any issues and concerns, and of emerging areas of risk;
- 1.5 The effectiveness of the partnership and the associated Engagement Plan will be reviewed each year by the Department and NIMC 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 ¹ at least once every three years to ensure it remains fit for purpose and up to date in terms

¹ Review will be initiated by DfC taking direction/guidance from DoF.

of current governance frameworks. The formal review will be proportionate to NIMC's size and overall responsibilities and will be published on departmental and ALB websites as soon as practicable following completion.

- 1.6 A copy of this agreement has been placed² in the Assembly Library and is available on the DfC and NIMC websites.

² DfC to arrange placing in Assembly Library.

NIMC Establishment and Purpose

2. Statutory Purpose and Strategic Objectives

- 2.1 The Northern Ireland Museums Council, known as NIMC, is a non-departmental public body (NDPB) established in 1993 under a Ministerial Statement and under the **Companies (Northern Ireland) Order 1986**. NIMC is registered as a company limited by guarantee and is registered as a Charity in Northern Ireland. The constitution of NIMC is set out in the Articles of Association (Annex 9). For national accounts purposes NIMC is classified to the central government sector.
- 2.2 NIMC's principal objects as set out in the Articles of Associations are as follows:
- a) to provide support services in local museums, disperse grants to Accredited Museums and to co-ordinate and develop a strategy for local museum development;
 - b) to promote and advance education by supporting and assisting museums and galleries and to encourage the use and enjoyment by the public of museums and galleries in Northern Ireland; and
 - c) to support local museums in Northern Ireland in maintaining and improving their standards of collections, care and service to the public and to promote a coherent framework of museum provision.
- 2.3 NIMC is registered as a company limited by guarantee and has charitable status. The constitution of NIMC is set out in its Articles of Association. The Board does not carry out its functions on behalf of the Crown.
- 2.4 The Minister for Communities is answerable to the Assembly for the overall performance and delivery of both the Department and NIMC.
- 2.5 The Executive's 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.
- 2.6 To that end there is strategic alignment between the aims, objectives and expected outcomes and results of NIMC and DfC.
- 2.7 NIMC's vision is for "A dynamic, inclusive and sustainable museum sector" and its mission is "To champion, develop and support museums".
- 2.8 The strategic aims of NIMC are laid out in its Corporate Strategy, are outcomes based and aligned with Outcomes 5, 8, 9, 10 and 12 of the draft NI Programme for Government (PfG) 2016-2021 ("draft PfG") and are set out below.

2.9 The strategic aims of NIMC are as follows:

Lead	We will fulfil a leading and enabling role for the local museum sector through our activities and by supporting, empowering, and collaborating with others to ensure the positive role of museums in society.
Protect	We will enhance the protection of museum collections through regulation, grant-aiding, and training.
Connect	We will facilitate and empower the local museum sector to connect more people and museums.
Value	We will promote the value of museums and their collections through research, training, and audience development activities.
Deliver	We will evaluate and improve the way we work and the quality of service we deliver.

2.10 Furthermore, the Department for Communities Strategy 2020-25: Building Inclusive Communities provides another important point of reference for NIMC with the aim of making a lasting and sustainable contribution to improving the societal wellbeing of individuals and building inclusive communities in Northern Ireland.

NIMC Governance Arrangements

3. Organisational Status

3.1 NIMC is a legal entity in its own right, employing its own staff and operating at arm's-length from the Department. As a legal entity it must comply with all associated legislation including legislation relating to its employer status.

3.2 NIMC is a registered charity, and its Public Benefit Statement is as follows:

The Museums Council's charitable purpose is to promote and advance education by supporting and assisting museums and galleries and to encourage the use and enjoyment by the public of museums and galleries in Northern Ireland, and thus it advances the arts, culture, heritage, or science.

The Museums Council supports local museums by:

- Ensuring they maintain recognised standards.
- Assisting them to improve their public facilities.
- Providing financial assistance to support UK Museums Accreditation scheme.
- Providing training.
- Advising on the learning and education programmes.
- Enhancing public awareness of the events at museums.
- Undertaking evaluations and research.

- Delivering strategic, sector-wide programmes; and
- Providing advice, guidance, and information in response to queries from the sector and the general public.

Beneficiaries include the people of Northern Ireland, visitors to museums from outside the area and online users of www.nimc.co.uk.

4. Governance Framework

4.1 NIMC has an established Corporate Governance Framework which reflects all relevant good practice guidance. The framework includes the governance structures established within NIMC and the internal control and risk management arrangements in place. This includes its Board and Committee Structure. The Department is satisfied with the framework.

4.2 An account of this is included in NIMC's annual Governance Statement together with the NIMC Board's assessment of its compliance with the extant Corporate Governance Code of Good Practice (NI). Any departure from the Corporate Governance Code must be explained in the Governance Statement. The extant Corporate Governance Code of Good Practice (NI) is available on the DoF website.

4.3 NIMC is required to follow the principles, rules, guidance, and advice in Managing Public Money Northern Ireland. A list of other applicable guidance and instructions which NIMC is required to follow is set out in Annex 6. Good governance should also include positive stakeholder engagement, the building of positive relationships and a listening and learning culture.

5. NIMC Board of Directors

5.1 NIMC is led by a Board, the Chairperson and two non-executive members of which are appointed by the Minister for Communities following recruitment through open competition undertaken in accordance with guidance issued by The Commissioner for Public Appointments Northern Ireland. The Board shall consist of not fewer than 7 nor more than 15 persons (referred to as “Directors”).

5.2 As outlined in the Articles of Association, Item 11, the Board Members are appointed for a period of three years as follows:

- The number of Directors shall not be less than seven nor more than fifteen, unless and until the members shall by Special Resolution otherwise determine.

The following organisations have the right to nominate Directors to the Board:

- a) The Department will have the right to nominate three Directors.
- b) Councils in Northern Ireland which have established and administer an accredited Museum shall together have the right to nominate three Directors.
- c) The Northern Ireland Regional Curators Group shall have the right to nominate three persons in the employment of local authority museums and Members of NIMC to be Directors.
- d) The National Museums Northern Ireland shall have the right to nominate one Director.
- e) Queens University of Belfast and the Ulster University (the Universities) shall together have the right to nominate one Director.
- f) The independent and/or services museums in Northern Ireland recognised by the Company shall together have the right to nominate two persons in the employment of an independent or services museum which is a Museums Member of NIMC to be a Director; and
- g) The Directors may with the approval of the Sponsor Department, co-opt up to two persons as Directors of the Company to address a skills or competence shortage.

The Nominators named above may from time to time with the approval of the Department be varied by Special Resolution of NIMC.

- 5.3 The appointment process for the members which are public appointments complies with the Code of Practice on Public Appointments for Northern Ireland.
- 5.4 As Public Appointees 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.
- 5.5 As a company limited by guarantee under the 1986 Order, the Board's terms of reference, as extensively detailed in NIMC's Articles of Association (Annex 9) provide further detail on roles and responsibilities and are closely aligned with this Partnership Agreement.
- 5.6 The purpose of the NIMC Board is to provide effective leadership and strategic direction to the organisation and to ensure that the policies and priorities set by the Minister for Communities 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.
- 5.7 The Board is responsible for holding the Director to account for the management of the organisation and the delivery of agreed plans and outcomes. The Board should also however support the Director as appropriate in the exercise of their duties.
- 5.8 Board members act solely in the interests of NIMC and must not use the Board as a platform to champion their own interests or pursue personal agendas. 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). NIMC 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 is maintained, kept up to date and is publicly available to help provide transparency and promote public confidence in NIMC.
- 5.9 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 consider only a few alternative views does not encourage constructive debate and does not give rise to an effective Board dynamic.

5.10 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 Chairperson of the Board as the Board cannot be effective with out-of-date or only partial knowledge.

5.11 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 assessment of the performance of Board members and the annual review of Board effectiveness.

6. Audit and Risk Assurance Committee

6.1 A further important aspect of NIMC's governance framework is its Audit and Risk Assurance Committee, established in line with the extant Audit and Risk Assurance Committee Handbook (NI).

6.2 The Audit and Risk Assurance Committee's purpose/role is to support the Accounting Officer and Board on governance issues. In line with the handbook the Audit and Risk Assurance Committee 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 NIMC and DfC have agreed arrangements in respect of Audit and Risk Assurance Committees which may include:

- Attendance by departmental representatives in an observer capacity only at NIMC's Audit and Risk Assurance Committee meetings.
- Access to NIMC Audit and Risk Assurance Committee papers and minutes; and
- Provision of input from NIMC's Audit and Risk Assurance Committee to the Departmental Audit and Risk Assurance Committee as required.

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 the Department and a full explanation provided in the annual Governance Statement.

6.5 The extant Audit and Risk Assurance Committee Handbook (NI) is available on the DoF website.

7. NIMC Chairperson

- 7.1 The Chairperson is responsible for setting the agenda and managing the Board to enable collaborative and robust discussion of issues. The Chairperson'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, he or she 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.
 - Board members receive and maintain appropriate training.
 - The Minister is advised of NIMC's needs when public appointment board vacancies arise.
 - There is a Board Operating Framework 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.
- 7.2 The role also requires the establishment of an effective working relationship with the Director that is simultaneously collaborative and challenging. It is important that

the Chairperson and Director act in accordance with their distinct roles and responsibilities as laid out in the Board Operating Framework, Managing Public Money and their appointment letters.

- 7.3 The Chairperson 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. NIMC Director

- 8.1 The role of the NIMC Director is to run NIMC's business. The Director is responsible for all executive management matters affecting the organisation and for leadership of the executive management team.
- 8.2 The Director is designated as NIMC Accounting Officer by the Departmental 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 Director is accountable to the Board for NIMC's performance and delivery of outcomes and targets and is responsible for implementing the decisions of the Board and its Committees. The Director maintains a dialogue with the Chairperson on

the important strategic issues facing the organisation and for proposing Board agendas to the Chairperson to reflect these. They ensure effective communication with stakeholders and communication on this to the Board. They also ensure that the Chairperson is alerted to forthcoming complex, contentious or sensitive issues, including risks affecting the organisation.

- 8.4 The Director acts as a role model to other executives by exhibiting open support for the Chairperson and Board members and the contribution they make. The Chairperson and Director have agreed how they will work together in practice, understanding and respecting each other's role, including the Director's responsibility as Accounting Officer.
- 8.5 Further detail on the role and responsibilities of the Director are as laid out in the Board Operating Framework, Managing Public Money NI and the Accounting Officer appointment letter.

The Director's role as Principal Officer for Ombudsman Cases

- 8.6 The Director is the Principal Officer for handling cases involving the NI Public Sector Ombudsman. The Director shall advise the Departmental Accounting Officer of any complaints about NIMC accepted by the Ombudsman for investigation, and about the proposed response to any subsequent recommendations from the Ombudsman.

The Director's responsibilities for staffing matters

- 8.7 The Director is responsible for the day-to-day management of NIMC's staff, and for determining the staffing structure to meet operational needs and to carry out its statutory functions. In doing this the Director will have regard to the principles of economy, efficiency and effectiveness, the need for forward planning within the parameters of any running cost limits or efficiency measures that may be set by the Department.
- 8.8 The Director has the authority to regrade staff or create posts below NICS Grade 6 or analogous (with the exception of the Director post). Above this level, and for the Director post, Departmental approval is required to create or to re-grade posts. In creating and re-grading posts the Director will ensure consistency with established employment practice and Legislation.
- 8.9 The Director is responsible for employee and industrial relations within NIMC. The Director is committed to fostering good employee and industrial relations as an important aid to achievement of NIMC's objectives and will ensure effective communication and consultation with all staff and their recognised trade union representatives.

Role of DfC

9. Partnership Working with NIMC

- 9.1 DfC and NIMC are part of a total delivery system, within the same Ministerial portfolio. The partnership between DfC and NIMC 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 NIMC recognises the requirement for its purpose and objectives to align with those of DfC. There is also a shared understanding of the risks that may impact each other and these are reflected in respective Risk Registers.
- 9.3 There is a regular exchange of skills and experience between DfC and NIMC and where possible joint programme/ project delivery boards/ arrangements. NIMC 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 DfC and NIMC will work together in the spirit of partnership to resolve any issues arising in the operation of this Partnership Agreement. As the nature of issues arising may determine the approach to resolution, engagement will be on a case by case basis.

- 9.5 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 (<https://www.finance-ni.gov.uk/publications/departmental-delegations>). The DfC Accounting Officer has established an internal framework of delegated authority for the Department and its ALBs which apply to NIMC. (<https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-corporate-governance-framework.pdf>). Other specific approval requirements established in respect of NIMC are set out at Annex 3.
- 9.6 Once NIMC's budget has been approved by the Department, NIMC shall have authority to incur expenditure approved in the budget without further reference to the Department. Inclusion of any planned and approved expenditure in the budget shall not however remove the need to seek formal departmental 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 Managing Public Money NI and the NI Guide to Expenditure Appraisal and Evaluation.

10. Lead Official

- 10.1 DfC has appointed the Director of Culture as the lead senior official to manage the relationship with NIMC and ensure effective partnership working. Engagement between the Department and NIMC will be co-ordinated, collaborative, and consistent. A clear sense of collaboration and partnership will be communicated to staff in both the Department and NIMC to promote mutual understanding and support. The Director will be supported by staff within the Sponsor Branch. Other key contacts within DfC will include Finance, Governance and Economist colleagues.
- 10.2 The Director is the policy lead for the policy area relating to NIMC's business and has a clear understanding of NIMC's responsibilities for policy implementation/ operational delivery and the relevant audiences/ stakeholders involved.
- 10.3 The Director will ensure that, where there are departmental staff changes, time is taken to ensure they have a full understanding of NIMC's business and challenges.

11. Annual Engagement Plan

- 11.1 The Department and NIMC will agree an engagement plan before the start of each business year. The Annual Engagement Plan (Annex 2) will set out the timing and nature of engagement between NIMC and the

Department. The engagement plan will be specific to NIMC and should not stray into operational oversight.

- 11.2 Engagement between the Department's lead official/ their teams and NIMC 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 guidance³, NIMC will work in collaboration and partnership with the Department to prepare corporate and business plans. There should be good high level strategic alignment between departmental and NIMC plans. Once approved it will be the Board of NIMC that primarily holds the Director to account for delivery and performance. The Department will engage with NIMC on areas of strategic interest, linking departmental policy and NIMC delivery of policy outcomes.
- 11.4 The Annual 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 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

³ Guidance issued by TEO on NICS Work Programme which includes guidance on business planning for an outcomes-based PFG/ODP

and actions which could help achieve better outcomes.

12. Departmental Accounting Officer

12.1 The Departmental Accounting Officer is accountable to the NI Assembly for the issue of grant in aid to NIMC. They have designated the Director of NIMC as NIMC Accounting Officer and respective responsibilities of the Departmental Accounting Officer and the NIMC Accounting Officer are set out in Chapter 3 of Managing Public Money Northern Ireland (MPMNI). The Departmental Accounting Officer may withdraw the NIMC Accounting Officer designation if they conclude that the NIMC 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 the NIMC Board will be given a full account of the reasons for withdrawal and a chance to make representations. Withdrawal of NIMC Accounting Officer status would bring into question employment as Director and the Chairperson should engage with the Department should such circumstances arise.

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

12.3 The Departmental Accounting Officer must be informed in the event that the judgement of the NIMC Accounting Officer (on matters for which they are responsible) is over-ridden by the NIMC Board. The NIMC Accounting Officer must also take action if the NIMC 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, the Departmental Accounting Officer has no day-to-day involvement with NIMC or its Director.

12.4 In line with DoF requirements, the NIMC Accounting Officer will provide an annual declaration of fitness to act as Accounting Officer to the Departmental Accounting Officer.

13. Attendance at Public Accounts Committee

13.1 The NIMC Director/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 C&AG's studies or reports following the annual audit of accounts.

13.2 The Chairperson may also, on occasion, be called to give evidence to the Public Accounts Committee 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.

13.3 In addition, the DfC Accounting Officer may be summoned to appear before the Public Accounts Committee to give evidence on the discharge of their responsibilities as Departmental Accounting Officer with overarching responsibility for NIMC. In such circumstances, the Departmental accounting Officer may therefore expect to be questioned on their responsibilities to ensure that:

- There is a clear strategic control framework for NIMC.
 - Sufficient and appropriate management and financial controls are in place to safeguard public funds.
- The nominated Accounting Officer is fit to discharge their 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 NIMC'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 Chairperson.

Assurance Framework

14. Autonomy and Proportionality

- 14.1 DfC will ensure that NIMC 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 NIMC and DfC and is reflected in this agreement.
- 14.2 A proportionate approach to assurance will be taken based on NIMC's overall purpose, business and budget and a mutual understanding of risk. The approach will include an agreed process⁴ through which the NIMC Accounting Officer provides written assurance to the Department 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.
- 14.3 Recognising the governance arrangements in place within the organisation, the NIMC Accounting Officer will arrange for their written assurance to be discussed at the NIMC Audit and Risk Assurance Committee and presented to the NIMC Board prior to submission to the Department where possible. If not possible, or

practicable, the Chairperson of the NIMC Board should have sight of the assurance statement, prior to being submitted to the Department.

- 14.4 The NIMC Chairperson will provide written confirmation that the NIMC Accounting Officer's formal assurance has been considered by the Board and is reflective of NIMC's current position.
- 14.5 In addition to the NIMC Accounting Officer's written assurance, the Department will take assurance from the following key aspects of NIMC's own governance framework:
- Annual Review of Board Effectiveness.
 - Completion of Board Appraisals which confirm Board member effectiveness.
 - Internal Audit assurance.
 - External Quality Assessment of the Internal Audit function.
 - Externally audited Annual Report and Accounts, reviewed/considered by the NIMC Audit and Risk Assurance Committee.

15. Board Effectiveness

- 15.1 The NIMC Chairperson will ensure that the NIMC Board undertakes an annual review of Board Effectiveness⁵ which encompasses committees established by the Board.

⁴ The agreed process will reflect the Bi-Annual Assurance Statement process in operation at the time.

⁵ NIAO Good Practice Guide on Board Effectiveness

15.2 The Chairperson will discuss the outcome of the annual review of Board Effectiveness with the lead official to ensure a partnership approach to any improvements identified. This will inform the annual programme of Board training/development and discussions in respect of Board composition and succession.

15.3 In line with any parameters set out in founding (or other) legislation, the Chairperson in conjunction with the Department, and Ministers where appropriate, will consider the size and composition of the NIMC Board, proportionate to the size and complexity of NIMC and keep this under review.

15.4 In addition to the annual review of Board Effectiveness NIMC 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 Chairperson will liaise with the Department to 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 the Department on completion of the review.

16. Board Appraisals

16.1 The Chairperson of NIMC will conduct an annual appraisal in respect of each Board member which will also inform the annual programme of Board training/ development. The

Chairperson will engage with the Director/lead official as appropriate on improvements identified through the appraisal process and the annual training/development programme.

16.2 The Chairperson's annual appraisal will be completed by the relevant Deputy Secretary within the Department. The appraisal will take account of the Key Characteristics of a good chairperson (particularly for the Chairperson to have well developed interpersonal skills) set out in the NIAO Good Practice Guide on Board Effectiveness available on the NIAO website. There will be close engagement between the Chairperson and the lead official on improvements identified through the appraisal process.

17. Internal Audit Assurance

17.1 NIMC is required to establish and maintain arrangements for an internal audit function that operates in accordance with the Public Sector Internal Audit Standards (PSIAS). DfC must be satisfied with the competence and qualifications of the Head of Internal Audit and that the requirements for approving appointments are in accordance with PSIAS.

17.2 As the internal audit function is contracted out NIMC shall ensure DfC is satisfied that the contract specification for the internal audit service meets the requirements of PSIAS.

17.3 NIMC will provide its internal audit strategy, periodic audit plans and annual audit report, including the Head of Internal Audit's opinion on risk management, control and governance to the Department. NIMC will ensure DfC's internal audit team have complete right of access to all relevant records. This applies whether the internal audit function is provided in-house or is contracted out.

17.4 NIMC will ensure regular, periodic self-assessments of the internal audit function in line with PSIAS and will share these with the Department. NIMC will also liaise with the Department on the External Quality Assessment (EQA) of the internal audit function which (in line with PSIAS) is required to be conducted at least once every five years by a qualified independent assessor.

17.5 NIMC will alert the Department to any less than satisfactory audit reports at the earliest opportunity on an ongoing basis. NIMC will also alert the Department to a less than satisfactory annual opinion from the Head of Internal Audit at the earliest opportunity. NIMC and the Department will then engage closely on actions required to address the less than satisfactory opinion in order to move NIMC to a satisfactory position as soon as possible.

17.6 The Department will take assurance from the fact that NIMC 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.

18. Externally Audited Annual Report and Accounts

18.1 NIMC is required to prepare an Annual Report and Accounts in line with the Government Financial Reporting Manual (FReM) issued by DoF and the specific Accounts Direction issued by DfC, and in accordance with the deadlines specified.

18.2 The Comptroller & Auditor General (C&AG) will arrange to audit the NIMC's annual accounts and will issue an independent opinion on the accounts. On receipt, the Department deposits a copy of the certified accounts before the NI Assembly together with NIMC's annual report.

18.2 The C&AG will also provide a Report to Those Charged with Governance (RTTCWG) to NIMC which will be shared with the Department.

18.3 NIMC will alert the Department to any likely qualification of the accounts at the earliest opportunity. In the event of a qualified audit opinion or significant issues reported in the RTTCWG the Department will engage with NIMC on actions required to address the qualification/significant issues.

18.4 The Department will take assurance from the external audit process and an unqualified position as part of its overall assurance assessment.

18.5 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which NIMC has used its resources in discharging its functions. The C&AG may also carry out thematic examinations that encompass the functions of NIMC.

18.6 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.

18.7 Where making payment of a grant, or drawing up a contract, NIMC 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.

Signatories

NIMC and DfC 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.

Legislative provisions shall take precedence over any part of this, or associated documents.



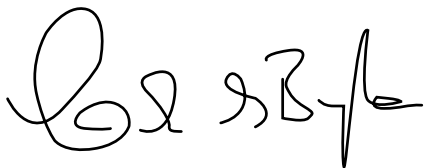
Signed (NIMC Chairperson)

Date 21/08/2024



Signed (NIMC Director)

Date 21/08/2024



Signed (Departmental Accounting Officer)

Date 21/08/2024

Annex 1 - Applicable Legislation

NIMC was established in 1983 under a Ministerial Statement and under the Companies (Northern Ireland) Order 1986. The Board does not carry out its functions on behalf of the Crown.

Other applicable legislation includes:

- Companies (Northern Ireland) Order 1986
- Charities Act (Northern Ireland) 2008 & 2013
- Data Protection Act 2018
- Freedom of Information Act 2000
- The Protection of Children and Vulnerable Adults (Northern Ireland) Order 2003
- Disability Discrimination Act 1995 & 2005

Annex 2 – DfC and NIMC Partnership Agreement 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 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. This engagement plan has therefore been prepared after taking account of NIMC performance and governance, and to be proportionate in this context. The plan will be reviewed annually to ensure that it remains proportionate and fit for purpose, with relevant amendments agreed.

Policy Development and Delivery

During 2024-25 the Department expects to progress a review of Museums Policy. The Department anticipates that NIMC will be a key collaborator in this work, providing data, knowledge, and expertise to the work, as well as providing information as to key sources of information and key stakeholders. The work is likely to involve the Senior Sponsor and a range of Departmental officials; and NIMC senior staff and other experts. The Policy will, when approved, be a key context within which NIMC operates.

The Department will also engage with NIMC senior staff in the development of other strategies and policies where NIMC can bring their expertise and networks to bear. The development of a Culture Arts Heritage Strategy is an example of one such current piece of work.

During 2024/25 the Department and NIMC will work closely together to ensure close and ongoing alignment of strategic and business planning. There are some specific events in the annual processes that are set out in the table below.

Beyond those particular activities, NIMC will be included in all relevant Departmental Forums (including a regular forum chaired by the Permanent Secretary, a Finance Directors Forum, and an Audit Chairs Forum). The Department keeps the frequency, attendance, and content of these Forums under review in light of experience and feedback.

NIMC will extend invitations to appropriate Departmental officials to relevant planning and other strategic forums that it convenes. The precise nature of the forums, and appropriate Departmental attendance, will be agreed taking account of relevant factors. In all cases, departmental attendance will be to assist alignment of NIMC and Departmental strategic work, recognising the governance structures already in place in NIMC.

Strategic and Business Planning		
Activity	Frequency	DfC/NIMC Officials
Submission of Board-approved NIMC draft Business Plan	by 31 January	Head of Sponsor Branch NIMC Director
Approval of the NIMC Business Plan	Ministerial/Departmental approval by 31 March (subject to addition of financial information once financial allocations have been confirmed)	Head of Sponsor Branch
Publication of NIMC Business Plan	To take place as soon as reasonably possible after approval and confirmed financial allocations are in place	Head of Sponsor Branch NIMC Director
Preparation/submission of the NIMC Corporate Plan	Three-year Corporate Plan 2026-2029 due 2025	Senior Sponsor/ Head of Sponsor Branch NIMC Director
Approval of the NIMC Corporate Plan by the Minister and Department	Three-year Corporate Plan 2026-2029 due 2025	Head of Sponsor Branch

Governance and Assurance

This is an important area for the Department and for NIMC. Engagement will be close and ongoing, to avoid any surprises for either organisation. It will however also be proportionate given the high standards of corporate governance displayed by NIMC on a consistent basis.

The table below includes standing engagement meetings. The Department will explore with NIMC senior staff whether it is appropriate to make a clearer distinction

between strategic and operational matters covered by the Partnership Meetings, with potentially different attendees involved in meetings for each area.

Departmental officials will attend NIMC Board and ARAC meetings as appropriate, and the Sponsor Branch will be provided with minutes for all such meetings in a timely manner. Board attendance will generally be for specific issues; ARAC attendance will be as observers.

Governance and Assurance		
Activity	Frequency	DfC/NIMC Officials
Review meeting	Annually	Minister for Communities DfC Permanent Secretary NIMC Chairperson
Submission of Bi-Annual Assurance Statement This will include reference to all satisfactory Internal Audit reports. Any reports which provide less than satisfactory assurance will be provided to the Senior Sponsor as soon as the report is finalised	Bi-Annually	DfC Director of Culture NIMC Director
Partnership Meeting (following receipt of Bi-Annual Assurance Statement)	Bi-Annually	DfC Director of Culture NIMC Director
Planning for the externally facilitated review of Board Effectiveness in respect of identifying a facilitator (per 15.4)	Review conducted every 3 years. Next review due 2024/25	DfC Head of Governance DfC Director of Culture NIMC Chairperson
Board Appraisals and planned training and development for Board members	Board Appraisals – annually Training and development – ongoing as required	NIMC Chairperson
Chairperson Appraisal (to include discussion on outcome of annual Board Effectiveness session)	Annually	DfC Deputy Secretary NIMC Chairperson
Draft Governance Statement	Annually (in line with Annual Report and Accounts timetable)	Head of Sponsor Branch NIMC Director
Annual Report and Accounts	Annually	DfC Director of Culture (Sponsor Branch review draft content) NIMC Director

Report to those Charged with Governance (RTTCWG)	Annually per NIAO schedule. NIMC to share a copy with sponsor branch once received	DfC Director of Culture (for information) NIMC Director
Head of Internal Audit Annual report/Opinion (Internal Audit Annual Assurance Report)	Annually (in line with Annual Report and Accounts timetable)	Head of Sponsor Branch NIMC Director
Publish Internal Audit Strategy and Plans.	Annually	Head of Sponsor Branch NIMC Director
Internal Audit External Quality Assessment (see 17.4)	By March 2026	DfC Head of Internal Audit

Joint Working

NIMC and Departmental staff will collaborate closely and agree engagement at particular phases of particular work.

Board Appointments

The Department will lead the appointment of NIMC Board members which are Ministerial appointments, as set out in the Public Appointments process. The Department will engage with the NIMC Chairperson and Director on skill needs from Board members.

The Department will be included in induction sessions for new Board members to share information on strategic matters and governance requirements.

Director Recruitment

The NIMC Chairperson will have lead responsibility for the recruitment of a

Director as and when required, and will engage with the Senior Sponsor and others in the Department as required to ensure Departmental input to requirements, recognising the Director’s role as Accounting Officer.

Budget Management

Recognising that NIMC finances form part of overall Departmental spend, there will be close engagement between finance staff in the Department and NIMC, facilitated as appropriate by Sponsorship Branch, to ensure that accurate, robust and timely information on budgets, consequences and outturn projections are provided and tested. This will include monthly cash forecasts and returns for Monitoring Rounds.

Other requirements

A number of returns which do not fit clearly in any of the above categories are set out in the Table below.

Other Requirements			
Details of action / activity / meeting	Frequency / Timing	DfC/NIMC Officials	NIMC Lead / Representation
Fitness to Act as Accounting Officer	Annually as requested by the departmental Accounting Officer	Permanent Secretary	Director
Fraud Reporting	Immediate reporting of all frauds (proven or suspected including attempted fraud)	DfC Head of Governance	Director report to Chairperson of Board, Chairperson of ARAC – and in line with established procedures / protocol)
Whistleblowing cases/ Speaking Up/Raising Concerns.	On receipt	Notification to DfC Head of Governance	Director
Recruitment of Head of Internal Audit	When required	Head of Sponsor Branch (or nominated deputy)	Director, Chairperson of ARAC

Review of the Partnership Agreement			
Details of action / activity / meeting	Frequency / Timing	DfC/NIMC Officials	NIMC Lead / Representation
Annual review of the Partnership Agreement	Annually - following the end of each Business/ Financial Year	Director of Culture / Head of Sponsor Branch	Director
Conduct a formal review of the Partnership Agreement	Once every three years	Director of Culture / Head of Sponsor Branch	Director

Intermediate reviews, to address specific points, can be initiated as required outwith the cycle above.

Annex 3 - Delegations

Delegated authorities

NIMC shall obtain the Department's prior written approval before:

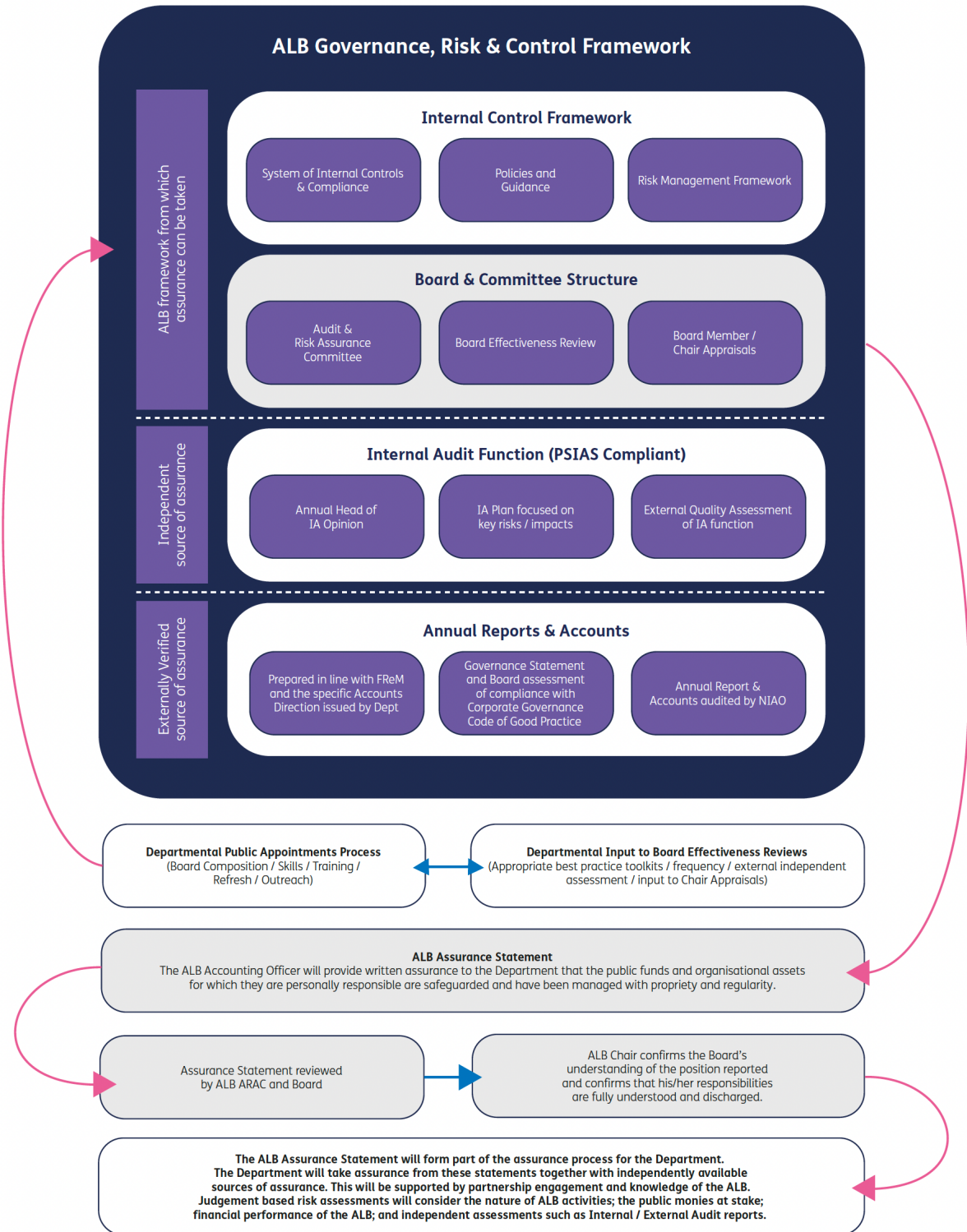
- entering into any undertaking to incur any expenditure that falls outside the delegations, or which is not provided for in the NIMC's annual budget as approved by the Department.
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications.
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by DfC.
- 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.
- carrying out policies that go against the principles, rules, guidance, and advice in Managing Public Money Northern Ireland; or
- proposals for making gifts or other special payments (including issuing write-offs) outside delegated limits of this document.

NIMC's Specific Delegated Authorities

NIMC Resource Delegated Authority up to £11,000

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

Annex 4 – Overview of the System of Assurance



Annex 5 - 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 NIMC Board members will be transparent and collaborative. The principle of early and open engagement is important, with DfC made aware of any concerns/complaints as soon as practicable.

Board Members are Public Appointees/office holders rather than NIMC employees and act, at all times, in line with their Board Code of Conduct.

The NIMC Board has a pre-planned approach to addressing concerns about potential breaches of their Board Code of Conduct. This is documented in the Board Operating Framework, the Board Code of Conduct and associated documents which are all reviewed annually.

The approach acknowledges that alleged breaches may arise from a variety of policies/sources:

- raising Concerns/Whistleblowing arrangements;
- complaints processes;
- grievance/other HR process;
- directly with NIMC or the Department.

The Board will assess the substance of matters raised and the appropriate policy/processes to be used to address them.

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 NIMC.

Annex 6 - Applicable Guidance

The following guidance is applicable to NIMC.

Guidance issued by the Department of Finance

- Managing Public Money NI
- Public Bodies – A Guide for NI Departments
- Corporate Governance in central government departments – code of good practice
- DoF Risk Management Framework
- HMT Orange Book
- The Audit and Risk Assurance Committee Handbook
- Public Sector Internal Audit Standards
- Accounting Officer Handbook – HMT Regularity, Propriety and Value for Money
- Better Business Cases NI
- The NI Guide to Expenditure Appraisal and Evaluation
- Dear Accounting Officer Letters
- Dear Finance Director Letters
- Dear Consolidation Officer and Dear Consolidation Manager Letters
- The Consolidation Officer Letter of Appointment
- Government Financial Reporting Manual (FReM)
- Guidance for preparation and publication of annual report and accounts
- Procurement Guidance

Other Guidance and Best Practice

- Specific guidance issued by the Department.
- EU Delegations
- Recommendations made by the NI Audit Office/NI Assembly Public Accounts Committee
- NIAO Good Practice Guides
- Guidance issued by the Executive’s Asset Management Unit
- NI Public Services Ombudsman guidance

Annex 7 – Role of the Minister

Role of the Minister

The Chairperson of NIMC is responsible to the Minister. Communication between the Board and the Minister should normally be through the Chairperson.

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

In addition to being answerable to the Assembly as laid out in paragraph 2.4, the Minister is also responsible for:

- Setting the strategic direction and overall policies and priorities for the NIMC as reflected in the PFG.
- Approving NIMC's Business Plan.
- Setting NIMC's budget; and
- Appointment of non-executive board members. In line with any parameters set out in founding (or other) legislation the Minister may also be involved in considering the size and composition of the NIMC Board – see para 15.3.

Annex 8 – Partnerships between Departments and Arm’s Length Bodies: NI Code of Good Practice

NI Code of Good Practice

Partnerships between Departments and Arm’s Length Bodies

Available in alternative formats.

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