

Partnership Agreement between the Department for Communities and Northern Ireland Housing Executive

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Introduction

1. The Partnership Agreement

- 1.1 This document sets out the partnership arrangements between the Northern Ireland Housing Executive (NIHE) and the Department for Communities (The Department). In particular, it explains the overall governance framework within which the NIHE 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 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. Guidance on proportionate autonomy has been considered in determining the extent of engagement and assurance to be established between the NIHE and the Department and this is reflected in this agreement.

1.4 The Department and the NIHE are committed to:

- Working in partnership within distinct roles and responsibilities;
- Maintaining focus on successful delivery of Programme for Government outcomes and Ministerial priorities (see also paras 2.7 to 2.9);
- 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 the Department and the NIHE in order to assess whether the partnership is operating as intended and to identify any emerging issues or 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 to the NIHE's size and overall responsibilities and will be published on Departmental and NIHE 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 the Department for Communities and NIHE websites.

NIHE Establishment and Purpose

2. Statutory Purpose and Strategic Objectives

- 2.1 The current legislative basis that the NIHE operates under is the Housing (Northern Ireland) Order 1981. It operates within a legislative framework which is detailed in 2.2. The NIHE does not carry out its functions on behalf of the Crown, but within its legislative framework, is subject to the overall direction and control of the Minister for Communities. From 1 April 2014, following a review by the Office for National Statistics (ONS), the budgetary classification of the NIHE changed from solely being a Public Corporation. It now operates, for budgetary purposes, under two different regimes. Landlord Services (Housing Services and Asset Management Divisions) is now classified as a Quasi-Public Corporation (which is similar to the previous designation for the entire organisation), while Regional Services is categorised as a Non-Departmental Public Body (NDPB).
- 2.2 The NIHE is one of the largest social landlords in the UK, managing just under 85,000 homes across Northern Ireland. In addition, it manages a commercial property portfolio of just under 400 units. As the single regional strategic housing authority in Northern Ireland, it is responsible for carrying out a range of functions, duties and powers as set out in 2.3. The main functions delivered within its Landlord Services are tenancy and estate management; improving its properties; income collection; involving and listening to residents; and striving to create vibrant and sustainable communities through its Community Safety, Cohesion, Involvement and Social Enterprise Strategies. Regional Services is the strategic enabling side of the NIHE, providing services ranging from assessing housing need, managing the Social Housing Development Programme for new social homes with housing association partners, funding housing support services through its Supporting People regime and Homelessness Services. Alongside this the NIHE undertakes an on-going research programme to produce a comprehensive body of housing market intelligence to help identify and determine how best to shape services and the places where people want to live in Northern Ireland. In addition, the NIHE is

the Home Energy Conservation Authority (HECA) for Northern Ireland, and it administers the Affordable Warmth and Boiler Replacement schemes on behalf of the Department. Under the Social Security Administration (NI) Act 1992, the NIHE also has responsibility for administering Housing Benefit on behalf of the Department.

- 2.3 The NIHE's [statutory] functions, which include its duties and powers, are primarily set out in the various housing legislation comprising of the Housing (Northern Ireland) Orders from 1981-2003; The Housing (Amendment) (NI) Order 2006 and The Housing (Amendment) Acts (NI) 2010, 2011 and 2016 with additional functions set out in The Social Security Administration (Northern Ireland) Act 1992; The Domestic Energy Efficiency Grants Regulations (NI) 2009; The Home Energy Conservation Act 1995; The Housing Support Services (NI) Order 2002; The Housing Support Services Regulations (NI) 2003; The Local Government Act (NI) 2014 . This legislative framework requires the NIHE to carry out a broad range of functions which include the following:-

Functions

- The regular examination of housing conditions and housing requirements;
- Drawing up wide ranging programmes to meet housing needs;
- Establishing housing information and advisory services;
- Consulting with District Councils and the Northern Ireland Housing Council;
- Provision of housing and its development function.

Duties

- Effecting the improvement of the condition of the housing stock;
- Identifying the need for the provision of new social houses;
- Managing its housing stock in Northern Ireland;
- Ensuring that accommodation becomes available for applicants who meet the statutory criteria for homelessness assistance.

- Provision of caravan sites for members of the Traveller Community

Powers

- Effecting the closure, demolition and clearance of unfit houses;
- The possession of unoccupied houses;
- Carrying out improvements or repairs by agreement;
- Entry to land for the purpose of survey, valuation or examination;
- Acquisition and disposal of land;
- Administering Housing Benefit to the public and private rented sectors;
- Undertaking the role of the Home Energy Conservation Authority for Northern Ireland (HECA);
- Securing the provision of housing support services(Supporting People);
- Community Planning;
- Conducting or promoting research into any matter relating to any of the NIHE's functions.

2.4 The Minister for Communities is answerable to the Assembly for the overall performance and delivery of both the Department and the NIHE.

2.5 The Northern Ireland 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.

2.6 To that end there is strategic alignment between the aims, objectives and expected outcomes and results of the NIHE and the Department.

2.7 The strategic aims of the NIHE are influenced and shaped by a number of factors including the Draft Programme for Government (PFG), Departmental priorities, trends in the local housing market, the level of identified housing need for Northern Ireland and its duty to its tenants as a responsible and engaged social housing landlord and to residents in its HECA role.

2.8 The PFG 2016-21 provides the highest level strategic document of the Executive Office (TEO) in Northern Ireland. The draft Framework contains 12 strategic outcomes which set a clear direction of travel and enable continuous improvement on essential components of societal wellbeing. There are 49 indicators across the 12 strategic outcomes. Good quality housing and housing services have a key role to play in the successful delivery of some of these outcomes. The NIHE directly contributes to Outcome 8, “We care for others and help those in need”, and Outcome 11, “We connect people and opportunities through our infrastructure”. It also has the opportunity to influence Outcome 2, “We live and work sustainably – protecting the environment” and Outcome 7, “We have a safe community where we respect the law and each other”.

2.9 In January 2020, the Secretary of State for Northern Ireland and Tánaiste in the Republic of Ireland published the ‘New Decade, New Approach’ (NDNA) document which outlined the agreed priorities for the incoming Northern Ireland Executive. This will help shape Programme for Government outcomes and indicators, many of which will be relevant to the NIHE. In particular, the NDNA document committed the Northern Ireland Executive to:

- Examine options to remove historical debt from the NIHE and exclude it from having to pay Corporation Tax.
- Agree a long term trajectory for the rental charges of the NIHE. This must be sufficient to support the long term future of the NIHE’s social housing stock for future generations of tenants. This must also always provide demonstrably affordable rents to tenants.
- Following the Minister’s statement in November 2020 and her commitment to bring a proposal to the Northern Ireland Executive before the end of this mandate regarding revitalization of NIHE. It must be noted that this is a living document and will evolve in-line with the revitalization proposals, if and when those proposals go forward.

NIHE Governance Arrangements

3.Organisational Status

- 3.1 The NIHE 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.

4.Governance Framework

- 4.1 The NIHE has an established Corporate Governance Framework which reflects all relevant good practice guidance. The framework includes the governance structures established within the NIHE and the internal control and risk management arrangements in place. This includes its Board and Committee Structure. The Department has considered and is satisfied with the framework.
- 4.2 An account of this is included in the NIHE's annual Governance Statement together with the NIHE 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 The NIHE 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 the NIHE is required to follow is set out in Annex 6. Good governance should also include being open and transparent, ensuring positive stakeholder engagement, the building of positive relationships, a listening and learning culture and building trust and confidence in the organisation both within and with stakeholders.

5.The NIHE Board

- 5.1 The NIHE is led by a Board of non-executive members who are appointed by the Head of the Department. As required by the Housing (Northern Ireland) Order 1981 the NIHE's Board shall consist of ten persons (including the chair and vice-chair), with four members selected from the membership of the NI Housing Council. The appointment process for non-executive Board members is by open competition and complies with the Code of Practice on Public Appointments for Northern Ireland.
- 5.2 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.
- 5.3 The Board's operating framework/terms of reference provides further detail on roles and responsibilities and align closely with this Partnership Agreement.

Document	Source
Board Operating Framework	Board Operating Framework (nihe.gov.uk)
Board Standing Orders and Scheme of Delegations (under review)	Northern Ireland Housing Executive Standing Orders and Board Scheme Of Delegations (nihe.gov.uk)
ARAC Terms of Reference	Audit and Risk Assurance Committee (ARAC) Terms of Reference (nihe.gov.uk)
Resources & Performance Committee Terms of Reference	Resources & Performance Committee Terms of Reference (nihe.gov.uk)
Asset Management & Maintenance Committee Terms of Reference (April 2022)	Asset Management & Maintenance Committee Terms of Reference (nihe.gov.uk)
Tenant & Customer Services Committee (April 2022)	Terms of Reference (nihe.gov.uk)

maintained, kept up to date and is publically available to help provide transparency and promote public confidence in the NIHE.

- 5.7 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 consistently to 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.
- 5.8 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 along with the Chief Executive as the Board cannot be effective with out-of-date or only partial knowledge.
- 5.9 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 Assurance Committee

- 6.1 A further important aspect of the NIHE'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 by providing assurance on risk management, governance and control within the NIHE. In line with the handbook the Audit and Risk Assurance 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 The NIHE and the Department have agreed arrangements in respect of Audit and Risk Assurance Committees which include:

- Attendance by departmental representatives in an observer capacity at NIHE's Audit and Risk Assurance Committee meetings;
- Access to NIHE Audit and Risk Assurance Committee papers and minutes;
- Any input required from the NIHE's Audit and Risk Assurance Committee to the departmental Audit and Risk Assurance 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 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 Department of Finance (DoF) website.

7. The NIHE Chair

7.1 The Chair is responsible for setting the agenda and managing the Board to enable collaborative and robust discussion of issues and effective decision making. 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 ensures:

- 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 the NIHE's needs when 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 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 Managing Public Money NI 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. The NIHE Chief Executive

- 8.1 The role of the NIHE Chief Executive is to run the NIHE's 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 Chief Executive is designated as the NIHE Accounting Officer by the Departmental Accounting Officer (see section 12). As Accounting Officer they are personally 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 the NIHE's performance and delivery of outcomes and targets and is responsible for implementing the decisions of the Board and its Committees. They maintain a dialogue with the Chair on the important strategic issues facing the organisation and for proposing Board agendas to the Chair to reflect these. They ensure effective communication with stakeholders and communication on this to the Board. They also ensure 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 Managing Public Money NI and their Accounting Officer appointment letter.

[The Chief Executive's role as Principal Officer for Ombudsman Cases](#)

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

Role of the Department for Communities

9.Partnership Working with the NIHE

- 9.1 The Department and the NIHE are part of a total delivery system, within the same Ministerial portfolio. The partnership between the Department and the NIHE 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 the NIHE has absolute clarity on how its purpose and objectives align with those of the Department. 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 the Department and the NIHE and where possible joint programme/project delivery boards/ arrangements. The NIHE would normally contribute as a partner in policy/strategy development and provides advice on policy implementation/ the impact of policies in practice, to inform review or revision.
- 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 the Department has established an internal framework of delegated authority for the Department and its ALBs which apply to the NIHE. Other specific approval requirements established in respect of the NIHE are set out at Annex 3.
- 9.5 Once the NIHE's budget has been approved by the Department/Minister [and subject to any restrictions imposed by statute] the NIHE 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 The Department has appointed the Director of Social Housing Policy and Oversight to manage the relationship with the NIHE and ensure effective partnership working. Engagement between the Department and the NIHE will be co-ordinated, collaborative and consistent. A clear sense of collaboration and partnership will be communicated to staff in both the Department and the NIHE in order to promote mutual understanding and support. The Director of Social Housing Policy and Oversight is supported by various other team members, and a list of the key contacts within the Department is provided at Annex 2.

10.2 The Director of Social Housing Policy and Oversight is the policy lead responsible for managing the Department's relationship with the NIHE in terms of sponsorship, partnership, oversight, and effective governance of the NIHE, also, the delivery of the new build social housing programme and taking forward the Housing Executive Revitalisation.

The Director of Housing Supply Policy Division has responsibility for the development and implementation of most aspects of policy in relation to the Supply of Housing in tenures other than social housing, as well as the design and implementation of a programme of strategies aimed at improving housing supply. However, the Director of Housing Supply Policy Division also has some areas of policy responsibility such as in relation to homelessness for which the statutory responsibility sits with the NIHE. Both the Director of Social Housing Policy and Oversight and of Housing Supply Policy Division, have a clear understanding of the NIHE's responsibilities for policy implementation/ operational delivery and the relevant audiences/stakeholders involved.

The Director of Climate Change Division has lead responsibility for the development and implementation of policy in relation to the reduction of carbon emissions from the residential housing sector in line with NI carbon budgets and

climate action plans. As the NIHE is the biggest landlord in the social housing sector and fulfils a statutory role as the Home Energy Conservation Authority for Northern Ireland any such policies will be cross cutting and impact on the work of the NIHE

- 10.3 The Director of Social Housing Policy and Oversight will ensure that where there are departmental staff changes, time is taken to ensure they have a full understanding of the NIHE's business and challenges.

11. Annual Engagement Plan

- 11.1 The Department and the NIHE 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 the NIHE and the Department. The engagement plan will be specific to the NIHE and should not stray into operational oversight.
- 11.2 Engagement between the Department's lead official, their teams and the NIHE is 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 guidance¹, the NIHE 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 NIHE plans. Once approved by the NIHE Board and the Department, it will be the Board of the NIHE that primarily holds the Chief Executive to account for delivery and performance. The Department will engage with the NIHE on areas of strategic interest, linking departmental policy and NIHE delivery of policy intent.
- 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

¹ Guidance issued by TEO on NICS Work Programme which includes guidance on business planning for an outcomes-based PfG/ODP

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 encompasses opportunities for learning and development, growth 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 the NIHE. They have designated the Chief Executive of the NIHE as NIHE Accounting Officer and respective responsibilities of the Departmental Accounting Officer and the NIHE Accounting Officer are set out in Chapter 3 of Managing Public Money Northern Ireland. The Departmental Accounting Officer may withdraw the NIHE Accounting Officer designation if they conclude that the NIHE 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 NIHE Board will be given a full account of the reasons for withdrawal and a chance to make representations. Withdrawal of the NIHE Accounting Officer status would bring into question employment as Chief Executive and the Chair should engage with the Department should such circumstances arise.
- 12.2 As outlined in section 8, the NIHE Chief Executive is accountable to the NIHE Board for their stewardship of the NIHE. 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 NIHE Accounting Officer (on matters for which they are responsible) is over-ridden by the NIHE Board. The NIHE Accounting Officer must also take action if the NIHE 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 the NIHE or its Chief Executive.

12.4 In line with DoF requirements, the NIHE Accounting Officer will provide a periodic declaration of fitness to act as Accounting Officer to the Departmental Accounting Officer. The Department's Head of Governance will write to the Accounting Officer of the NIHE in April of each year asking that they provide written assurance to the Departments Accounting Officer by the end of April each year. See DAO (DoF) 05/17 Annex A no.11

13. Attendance at Public Accounts Committee

13.1 The NIHE 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 & Auditor General's (C&AG) studies or reports following the annual audit of accounts.

13.2 The Chair may also 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.

13.3 In addition, the Departmental 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 the NIHE. In such circumstances, the Departmental Accounting Officer may expect to be questioned on their responsibilities to ensure that:

- There is a clear strategic control framework for the NIHE;
- 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 the NIHE Accounting Officer's advice on transactions in relation to regularity, propriety or value for money is overruled by the NIHE Board or its Chair.

Assurance Framework

14. Autonomy and Proportionality

- 14.1 The Department will ensure that the NIHE 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 the NIHE and the Department and is reflected in this agreement.
- 14.2 A proportionate approach to assurance is taken based on the NIHE's overall purpose, business and budget and a mutual understanding of risk. The approach includes an agreed process through which the NIHE 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 NIHE Accounting Officer will arrange for their written assurance to be discussed at the NIHE Audit and Risk Assurance Committee and presented to the NIHE Board prior to submission to the Department. If not possible, or practicable, the Chair of the NIHE Board should have sight of the assurance statement, prior to it being submitted to the Department.
- 14.4 The NIHE Chair will provide written confirmation that the NIHE Accounting Officer's formal assurance has been considered by the Board and is reflective of the NIHE's current position.
- 14.5 In addition to the NIHE Accounting Officer's written assurance, the Department will take assurance from the following key aspects of the NIHE'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 NIHE Audit and Risk Assurance Committee.

15. Board Effectiveness

15.1 The NIHE Chair will ensure that the NIHE Board undertakes an annual review of Board Effectiveness² which encompasses committees established by the Board.

15.2 The Chair 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 While legislation sets out the size and composition of the Board, the Head of the Department should be content with the skills set/experience profile at NIHE Board level through the Public Appointments process, where it sets the criteria required for Board members.

15.4 In addition to the annual review of Board Effectiveness the NIHE 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 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.

² NIAO Good Practice Guide on Board Effectiveness

16. Board Appraisals

- 16.1 The Chair of the NIHE will conduct an annual appraisal in respect of each Board member which will also inform the annual programme of Board training/development. The Chair will engage with the Chief Executive/lead official as appropriate on improvements identified through the appraisal process and the annual training/development programme.
- 16.2 The Chair's annual appraisal will be completed by the Departmental Accounting Officer or an official acting on their behalf within the Department. The appraisal will take account of the Key Characteristics of a good Chair (particularly for the Chair 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 Chair and the lead official on improvements identified through the appraisal process.

17. Internal Audit Assurance

- 17.1 The NIHE is required to establish and maintain arrangements for an internal audit function that operates in accordance with the Public Sector Internal Audit Standards (PSIAS). The Department 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 In the event that the internal audit function is contracted out the NIHE shall ensure the Department is satisfied that the contract specification for the internal audit service meets the requirements of PSIAS.
- 17.3 The NIHE 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. The NIHE will ensure the Department'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 The NIHE will ensure regular, periodic self-assessments of the internal audit function in line with PSIAS and will share these with the Department. The NIHE 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* [the EQA is led by the Departmental Head of Internal Audit].
- 17.5 The NIHE will alert the Department to any less than satisfactory audit reports at the earliest opportunity on an ongoing basis. The NIHE will also alert the Department to a less than satisfactory annual opinion from the Head of Internal Audit at the earliest opportunity. The NIHE and the Department will then engage closely on actions required to address the less than satisfactory opinion in order to move the NIHE to a satisfactory position as soon as possible.
- 17.6 The Department will take assurance from the fact that the NIHE 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 The NIHE is required to prepare an Annual Report and Accounts in-line with the Government Financial Reporting Manual (FRoM) issued by the Department of Finance (DoF) and the specific Accounts Direction issued by the Department, and in accordance with the deadlines specified.
- 18.2 The C&AG will arrange to audit the NIHE's annual accounts and will issue an independent opinion on the accounts. The NIHE passes the accounts to the Department who shall lay them, in accordance with the relevant guidance issued by DoF before the NI Assembly, together with the NIHE's annual report.
- 18.3 The C&AG will also provide a Report to Those Charged with Governance (RTTCWG) to the NIHE which will be shared with the Department.

- 18.4 The NIHE 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 the NIHE on actions required to address the qualification/significant issues.
- 18.5 The Department will take assurance from the external audit process and an unqualified position as part of its overall assurance assessment.
- 18.6 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the NIHE has used its resources in discharging its functions. The C&AG may also carry out thematic examinations that encompass the functions of the NIHE.
- 18.7 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.
- 18.8 Where making payment of a grant, or drawing up a contract, the NIHE 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

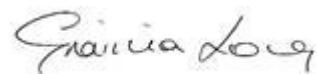
The NIHE and the Department agree to work in partnership with each other in-line with the NI Code of Good Practice '**Partnerships between Departments and Arm's-Length Bodies**' and the arrangements set out in this Agreement.

DoF Supply will approve the initial Partnership Agreement between the NIHE and the Department and any subsequent variations to the Agreement, if they are significant.



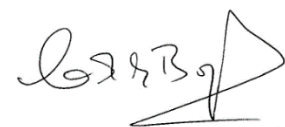
Signed (NIHE Chair)

Date: 11 August 2023



Signed (NIHE Chief Executive)

Date: 11 August 2023



Signed (Departmental Accounting Officer for DfC)

Date: 11 August 2023

Annex 1 - Applicable Legislation

The following is a list of the founding legislation (as amended) and other key statutes (as amended), which provide the NIHE with its statutory functions, duties and powers.

The various Housing (Northern Ireland) Orders from 1981-2003

The Housing (Amendment) (NI) Order 2006

The Housing (Amendment) Acts (NI) 2010, 2011 and 2016

The Social Security Administration (Northern Ireland) Act 1992

The Domestic Energy Efficiency Grants Regulations (NI) 2009

The Home Energy Conservation Act 1995

The Housing Support Services (NI) Order 2002

The Housing Support Services Regulations (NI) 2003

The Local Government Act (Northern Ireland) Act 2014

Annex 2 – Annual 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.

The following plan outlines the key areas of engagement between the Department and the NIHE. The plan is not intended to be prescriptive and will be completed collaboratively and agreed between the Department and the NIHE. As circumstances develop and change over time naturally any engagement plan will need to be regularly reviewed and updated accordingly.

Engagement Plan 2021/22

Policy Development and Delivery

Add details of the planned engagement between the ALB and the Department in relation to development and monitoring of existing and new areas of policy

Policy Area	Frequency/Timing	Lead Departmental/ ALB Officials
Ministerial Panel Housing Thematic Sub-Group	Quarterly	Chaired by the NIHE on behalf of DfC
Central Homeless Forum	Quarterly	DfC Homelessness Team and NIHE SP Homelessness Team and SP sector
Supporting People Strategic Advisory Board	Quarterly	NIHE SP team and SP sector (DfC attend as observers)
Housing Executive Revitalisation Programme Board	Every other month	DfC G3 Deputy Secretary, HURLG G5 Director of Social Policy Housing & Oversight G5 Finance NIHE Chief Executive
Housing Executive Revitalisation Programme Team	Weekly	DfC - Housing Executive Revitalisation Branch NIHE Leads

Strategic Planning		
Activity	Date	Lead Departmental /ALB Official
NIHE Strategic Planning Workshops – encompassing strategic planning and risk identification. Informed by input on departmental priorities/plans and risk areas	Sufficiently well in advance of the Business Year to inform development of the Business Plan for the year ahead	<u>DfC</u> Grade 5 Director of Social Housing Policy & Oversight <u>NIHE</u> Chief Executive Director of Corporate Services
Engagement on the draft Business Plan and identification of areas of strategic interest to the Department to inform further scheduled engagement during the year	In advance of the Business Year.	<u>DfC</u> Grade 5 Director of Social Housing Policy & Oversight <u>NIHE</u> Chief Executive Director of Corporate Services
Submission/presentation of the NIHE Business Plan	Following approval by the NIHE Board.	<u>DfC</u> DfC Minister <u>NIHE</u> Chair
Approval of the NIHE Business Plan	Following receipt of NIHE Board approved Business Plan from Chair of the Board.	<u>DfC</u> DfC Minister <u>NIHE</u> Chair
Engagement on areas of strategic interest iro the NIHE Business Plan during the year	As required.	<u>DfC</u> Grade 5 Director of Social Housing Policy & Oversight <u>NIHE</u> Chief Executive NIHE Directors

1. Joint working

Formal Oversight Meetings as part of the Oversight Framework

Activity	Frequency/Timing	Lead Departmental /ALB Official
Ministerial Performance Review	Annually	<p><u>DfC</u> Permanent Secretary Deputy Secretary Grade 5 Director of Social Housing Policy & Oversight</p> <p><u>NIHE</u> Chair Chief Executive</p>
Accountability Meetings	Quarterly	<p><u>DfC</u> Grade 3, Grade 5 Director of Social Housing Policy & Oversight Finance Business partner</p> <p><u>NIHE</u> Chief Executive Directors</p>
Checkpoint Meetings	Monthly with the exception of those months when the quarterly meeting takes place	<p>Grade 6 Deputy Director Social Housing Policy & Oversight Grade 7 – NIHE Sponsor Team</p> <p><u>NIHE</u> Directors NIHE</p>

The following meetings below sit outside the Formal Oversight Framework

BSC – NIHE Stocktake meeting	Quarterly	Land & Regeneration Services
BSC Forum meetings	Quarterly	NIHE representatives (Landlord & Regional)
BSC Sub Group meetings	Generally quarterly	NIHE representatives (Landlord & Regional)
Housing Finance Business Partner	As required	Finance and NIHE Finance
Tenancy Fraud Meeting	Bi-Annually	NIHE Fraud Team, NIFHA, APEX HA, NIHE Landlord Sponsor Team, Regulation and Inspection Team, and NIHE Landlord Reform Planning.
Shared Housing Oversight Group	Quarterly	NIHE Place Shapers
Meetings with the Housing Executive's Neighbourhoods & Cohesion Unit	Monthly or as required	NIHE Neighbourhoods & Cohesion Unit
Tower Blocks/Asset Strategy	As Required	NIHE Asset Management
NIHE Compliance	Quarterly	NIHE Asset Management
Overholding Leases	Quarterly	NIHE Asset Management
ERDF	Quarterly	NIHE Asset Management
NIHE Research Committee	Regularly	DfC – G7 Housing Strategy & Co-Ordination NIHE – Head of Research

		PSU – G7 Principal Statistician
Quarterly Homeless Delivery Group	Quarterly	DfC Homelessness Team and NIHE Homelessness Team
Bi-monthly SP Delivery Group	Every two months	DfC RHAS and NIHE SP team
SP Oversight & Management/SP Review	Monthly	DfC RHAS and NIHE SP team
Homelessness Strategy Steering Group	Quarterly	DfC Homelessness Team and NIHE SP Homelessness Teams and SP sector
Data Group Meeting	Bi Annually	DfC Homelessness Team/ASU and NIHE Homelessness Team
AWS, BRS & Grants Oversight meetings	Monthly	DfC AWE and NIHE grants team
Bi-monthly meetings with NIHE Housing Benefit	Bi-monthly	DfC – NIHE Sponsor Team NIHE – HB Assistant Director
Social Housing Development Programme Operation	Every 2 months for the 1 st six months of the SHDP programme year and monthly for the last 6 months of SHDP programme	Housing Investment Branch, NIHE (DPG) and Housing Advisory Unit.
Housing Association Guide Amendment Meetings (SHDP Elements Only)	Every 6 months	Housing Investment Branch, NIHE (DPG) and Housing Advisory Unit.

2.Chief Executive Recruitment

Add details of any engagement related to the recruitment of a new Chief Executive (if anticipated during the year ahead). ALBs 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, the Department will work closely with the ALB in the recruitment and selection process in line with extant guidance.

Activity	Date	Lead Departmental/ALB Official
N/A	As vacancies arise.	DfC Public Appointments Unit / NIHE Sponsor Team
N/A	As required.	DfC Permanent Secretary NIHE Director of Corporate Services

3.Assurances

Add details of the timetable for submission of key assurance sources and any other assurance related activity

Action	Date	Lead Departmental/ALB Official
Outcome of the Review of Board Effectiveness	Annual review with an externally facilitated review at least once every three years	NIHE – Chair and Board Secretariat
Planning for the externally facilitated review of Board Effectiveness	Externally facilitated review at least once every three years	NIHE – Chair and Board Secretariat
Board Appraisals and planned training/development for Board members	Following the end of the Business year.	NIHE – Chair and Board Secretariat

Chair Appraisal	Following the end of the Business year. After Board Appraisals have been completed by the Chair and the annual Review of Board Effectiveness has concluded	DfC – NIHE Sponsor Team. Completed by Permanent Secretary or G3 Deputy Secretary
Departmental Attendance at ARAC	Attendance as observer - quarterly	DfC – NIHE Sponsor Lead
Assurance Statement	Quarterly	DfC – NIHE Sponsor Team NIHE – Corporate Services
Draft Governance Statement	Annual	DfC – NIHE Sponsor Team NIHE – Corporate Services
Annual Report and Accounts	Annual	DfC – NIHE Sponsor Team NIHE – Communications Team NIHE Finance Team
Report to those Charged with Governance	Annual	NIHE – Chief Executive NIHE – Director of Finance, Audit and Assurance
Engagement on other planned NIAO reports	As required	NIHE – Director of Finance, Audit and Assurance
Head of Internal Audit Annual report/Opinion	Annual	NIHE – Head of Internal Audit
Internal Audit Strategy and Plans	Annual	NIHE – Head of Internal Audit
Internal Audit External Quality Assessment	At least once every five years	NIHE – Director of Finance, Audit and Assurance

4. Budget Management

Add details of the information and returns to be provided.

Item and Purpose	Date	Lead Departmental/ ALB Official
Engagement on budget requirements and Forecast Expenditure for the Financial Year	In advance of new financial year	DfC – Director of Social Housing Policy and Oversight NIHE – Director of Finance
Departmental approval of the annual budget	Start of new financial year	DfC Minister NIHE Chief Executive
Monthly Financial Management Returns	Monthly	DfC – Housing Finance Business Partner NIHE – Director of Finance
Monthly Cash Forecast	Monthly	DfC – Housing Finance Business Partner NIHE – Director of Finance
Monitoring Round Returns	June, October & January	DfC – Housing Finance Business Partner NIHE – Director of Finance
Provisional Outturn	In advance of end of financial year	DfC – Housing Finance Business Partner NIHE – Director of Finance
Final Outturn	On completion of financial year	DfC – Housing Finance Business Partner NIHE – Director of Finance

5. Other

Tailor as required to reflect the specific requirements

Item and Purpose	Submission Date	Lead Departmental/ ALB Official
Accounting Officer - Fitness to Act as Accounting Officer	Periodic (specify) request from the departmental Accounting Officer	DfC – Head of Governance
Fraud Reporting	Immediate reporting of all frauds (proven or suspected including attempted fraud	DfC – Governance Branch Department will report frauds immediately to DoF and C&AG. NIHE – Director of Finance
Fraud Reporting	Annual fraud return commissioned by DoF on fraud and theft suffered by the NIHE.	DfC – Governance Branch NIHE – Director of Finance
Media management protocols – independence of ALB to engage with media/announcements of corporate and policy communications significant to ALB - arrangements to share press releases where relevant – ensure no surprises.	Ongoing engagement between NIHE and both DfC Press Office and NIHE Sponsor Branch.	DfC – Press Office and NIHE Sponsor Team NIHE – Communications Team
Preparation of business cases – departments and ALBs to consider working together to share expertise where appropriate.	Ongoing - as required / requested.	DfC – NIHE Sponsor Team NIHE – Economist
Whistleblowing cases/ Speaking Up/Raising Concerns.	Ongoing - as cases arise.	DfC – Governance Branch NIHE – Director of Corporate Services

6. Review of the Partnership Arrangement

Tailor as required to reflect the specific requirements

Item and Purpose	Date	Lead Departmental/ ALB Official
Light touch review of the Partnership Agreement	Schedule following the end of the Business Year	DfC – NIHE Sponsor Team NIHE – Director of Finance, Audit and Assurance
Formal review of the Partnership Agreement	To be conducted once every three years	DfC – NIHE Sponsor Team NIHE – Chief Executive, Director of Finance, Audit and Assurance

Annex 3 - Delegations & Approval Arrangements

Delegated authorities

The NIHE 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 NIHE'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 the Department;
- 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; or
- Carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money Northern Ireland.

NIHE's Specific Delegated Authorities

Category	NIHE's Approval Limit	DfC Approval Limit	DoF Approval Required
Expenditure which is novel, contentious, repercussive or potentially precedent setting	None	All	All
NIHE – New or Regraded Posts – SCS Equivalent	Staff up to and including L8	All from Assistant Director (L9) upwards	
Disposal / transfer of any asset at less than best consideration	None	All	All
Direct Award Contracts	Up to £250k	Over 250k	

Capital Projects (Excluding IT Projects)	Up to £3m	Up to £5m	Over £5m
Capital Projects - SHDP	Up to £7.5m	Up to £12m	Over £12m
External Consultancy	Up to £10k	Over £10k requires DfC Minister Approval	
IT Projects	Up to £3m	Up to £5m	Over £5m
Leases (NIHE Office Accommodation)	None	All	All
Gifts	Up to £250 Individual Gifts	Up to £250 Individual Gift or up to £5k collective, with no individual gift over £250	Over £250 Individual Gift or any collective gift (s) over £5k
Pay Remits		All	
Demolitions	<p>NIHE approve all routine demolitions up to the £3m capital limit.</p> <p>Tower Blocks and those demolitions considered novel or contentious will require Departmental approval.</p>	<p>Those demolitions over the £3m capital delegation.</p> <p>And those where the NIHE has to buy back properties to enable the demolition to go ahead.</p> <p>Tower Blocks and those demolitions considered novel or contentious will require Departmental approval.</p>	
Adverse Possession	Up to £5k	Up to £5k	Over £5k

Extinguishment of Public Right of Way		All	
Group Repair Scheme		All variations to the approved scheme require DfC approval	
Losses – Write Offs – Cash Losses	Up to £ 100k	Up to £100k	Over £100k
Losses – Write Offs – Stores/Equipment Losses	Up to £ 100k	Up to £100k	Over £100k
Losses – Write Offs – Constructive Losses and Fruitless Payments	Up to £ 100k	Up to £100k	Over £100k
Compensation Payments – Made under legal obligation, eg by Court Order	Up to £ 75k (plus reasonable legal expenses). Not to exceed £100k	Up to £100k	Over £100k
Compensation Payments – For damage to personal property of staff	Up to £ 100k	Up to £100k	Over £100k
Compensation Payments – Where written legal advice is that the NIHE should not fight a court action because it is unlikely that it would win	Up to £ 100k	Up to £100k	Over £100k
Compensation Payments – Without legal advice. Individual compensation payments settled out of court	£7.5k	Up to £10k	Over £10k
Losses – Waived or Abandoned Claims – Pending litigation/arbitration/adjudication	Up to £ 100k	Up to £100k	Over £100k
Losses – Waived or Abandoned Claims – Not pending litigation/arbitration/adjudication	Up to £ 100k	Up to £100k	Over £100k

Extra Contractual Payments	Up to £ 75k	Up to £100k	Over £100k
Special Payments – Ex Gratia Payments (Pension payments are not covered by this threshold)	Up to £ 75k	Up to £100k	Over £100k
Consolatory Payments – Payments made to complainants procedures / processes, including those recommended by the Commissioner for Complaints at the end of an investigation	Up to £500	Up to £500	Over £500
Extra statutory and extra regulatory payments	NIL	Up to £100k	Over £100k
Release in the Interest of the Efficiency of the Service	Up to £30k	Over £30k	

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

Research Projects

Research is an essential element in the establishment and monitoring of Departmental objectives.

Under Article 6(3) of the Housing (NI) Order 1981 (the 1981 Order) the Northern Ireland Housing Executive (NIHE) may carry out such inspections and surveys as it considers necessary for the purposes of Article 6(1) of the 1981 Order which, inter alia, places a duty on the NIHE to regularly examine housing conditions and need.

Under Article 6(5) of the 1981 Order the NIHE may, with the consent of the Department conduct or promote research into any matter relating to any of its functions. "Research" shall include "research related surveys".

The NIHE Chief Executive (CX) has the Department's consent to authorise both a research programme and individual projects associated with the requirements of Article 6(3) and 6(5) above.

The CX may delegate this authority.

Exercise of the authority is conditional upon:

- i. Expenditure on research being in accordance with the approved budget.
- ii. Compliance with:-
 - (a) Any directive, procedures or guidelines provided by the Department; and
 - (b) Procedures internal to the NIHE
- iii. Ensuring that payment to any voluntary organisation carrying out research on the NIHE's behalf, does not constitute 'double' funding from public funds; and
- iv. Provision of the draft and final programme of research projects and surveys to the Department's Statistics & Research Branch for information. The provision should be on an annual basis, or as otherwise agreed between the NIHE and Statistics & Research Branch.

Budget proposals submitted to the Department must be based on a programme authorised by the CX or their delegate.

The NIHE include a planned research budget as part of its full proposed budget for the Regional Housing Authority. This is submitted to the Department annually before the end of February.

The Department has representatives on the NIHE Research Committee which informs and monitors the NIHE research programme, but does not approve the Research Programme.

[DfC / NIHE Approval Arrangements](#)

Approval 1

ACQUISITION, TRANSFER OR DISPOSAL OF ASSETS BY THE NIHE

Responsible Business Area: NIHE Sponsor Team - Asset Management

In all land transactions the NIHE shall have negotiations carried out or approved by Land and Property Services or suitably qualified professional valuer.

Where NIHE wish to transfer or dispose of any land or land related asset at a consideration other than at the best consideration that can reasonably be obtained, it requires prior approval by the Department in accordance with Annex 2 DAO 06/12 revised July 2016 which requires DoF approval for all transfers or disposals of assets at less than market value, or Article 88(2) of the Housing (NI) Order 1981 Order as appropriate. It shall provide the Department with full details of the proposed transfer or disposal and shall not enter into commitments of any kind unless and until that approval is obtained.

Approval 2

DECLARATION/VESTING OF HOUSING ACTION AREAS AND RE-DEVELOPMENT AREAS

Responsible Business Area: Housing Investment

The NIHE may declare a proposed Housing Action Area or Re-development Area and prepare a re-development scheme for submission to the Department, together with an application for an order vesting that land in the NIHE. Under the following legislation:

The Housing (NI) Order 1981:-

- Part III, Chapter III and IV
- Part V, Chapter II

The Land Acquisition and Compensation (Northern Ireland) Order 1973

The Local Government Act (Northern Ireland) 1972:-

- Schedule 6

The Land Compensation (Northern Ireland) Order 1982.

The Department is responsible for considering and approving re-development areas and re-development schemes, with or without amendment. The Department may make any vesting order in relation to the land within the re-development area or as

much as the Department thinks proper. This covers large redevelopment projects and additional pieces of land purchases over and above the original redevelopment area.

Approval 3

SCHEME FOR THE PURCHASE OF EVACUATED DWELLINGS (SPED)

Responsible Business Area: Social Housing Policy

The Department may approve a scheme submitted under Article 29(1) of the Housing (NI) Order 1988 with or without modifications.

The Department has requested that, where the NIHE wish to retain a property acquired under SPED, they must submit a business case to the Department for approval on a case-by-case basis.

Where any part of a house is used for purposes other than those of a dwelling, the NIHE shall not acquire the house under SPED, except with the consent of the Department. The Department will consent to such an acquisition where it is satisfied that the house can be sold without *substantial financial loss being incurred by the NIHE. Applications made to the Department by the NIHE for such consent are made using the form set out in Annex B to the scheme.

Where the NIHE is to acquire a house under SPED and there is land contiguous to that house which is not part of the curtilage of the house, NIHE may, with the consent of the Department, acquire that land. The Department will consent to such an acquisition where Land and Property Services confirms that purchase of the contiguous land is desirable to facilitate resale.

* LPS assess what the purchase price should be, and on this basis will give an opinion on whether it can be resold without incurring a substantial financial loss. LPS provide written advice to the NIHE. It is irrelevant what the quantum of a substantial financial loss may be – this is always a determination to be made by LPS and would be done before the NIHE seeks approval from the Department. As such the NIHE is unlikely to seek approval to acquire a property where LPS advice was it couldn't be

sold without a significant loss, nor would the Department be likely to approve such an acquisition.

Approval 4

DEMOLITION OF NIHE PROPERTY: SUBMISSION AND APPROVAL PROCEDURES

Responsible Business Area: NIHE Sponsor Team - Asset Management

Article 28(1) of the **Housing (NI) Order 1981** - NIHE may demolish houses or buildings owned by it.

Where the NIHE is the sole owner of a building, Departmental approval for demolition is not required. However, where the NIHE is not the sole owner of the building (e.g. where there are leaseholders) then Departmental approval will be required before the building can be demolished.

Tower Blocks and those demolitions considered novel or contentious will require Departmental approval.

It should also be noted that this will not affect the NIHE's need to seek Departmental approval for capital expenditure over its current delegated limit of £3 million, which also includes demolitions.

Approval 5

GROUP REPAIR SCHEME

Responsible Business Area: NIHE Sponsor Team - Asset Management

Articles 89 -104 of the Housing (NI) Order 2003 – a group repair scheme (for works to repair building exteriors and/or render buildings structurally stable) prepared by NIHE must be approved by DfC under Art 93 prior to NIHE entering into agreements for carrying out of the works.

Approval 6

ADMINISTRATION OF HOUSING BENEFIT

Responsible Business Area: NIHE Sponsor Team

Under The Social Security Administration (NI) Act 1992 the NIHE is responsible for the administration of Housing Benefit for tenants in the social and private rented sectors. The NIHE shall agree with the Department on an annual basis its Housing Benefit Business Plan which will include relevant key performance indicators.

Approval 7

SOCIAL HOUSING DEVELOPMENT PROGRAMME

Responsible Business Area: Housing Investment

The NIHE is responsible for the assembly and day to day management of the SHDP, which is a three year rolling programme of planned social housing schemes based on the identification and analysis of housing need by geographical area.

The NIHE may approve and subsequently pay grant in respect of housing association housing projects. All social housing projects must adhere to Housing Association Guide standards. Any deviation from the Housing Association Guide must be formally documented and the Department consulted prior to the NIHE's decision to approve the scheme. The NIHE will consider applications for funding of adaptations for persons with disabilities in accordance with the procedures laid down in the Housing Association Guide.

Pursuant to Article 33 of the **Housing (NI) Order 1992** as amended by the **Housing (Amendment) (NI) Order 2006** the Department directs NIHE that:

- Schemes in excess of the Delegated Approval limit, which receive Housing Association Grant in excess of £7.5m; (or with land costs >£4m NIHE (DPG) will complete an administrative compliance and technical assessment of the scheme;
- NIHE's Economist will approve the Economic Appraisal;

- NIHE (DPG) will submit an Approval recommendation to the NIHE Executive Management Team.
- NIHE Executive Management Team's recommendation will be submitted to the Department for Approval.

For schemes receiving Housing Association Grant in excess of £12m, the same process applies, but approval is also required from the Department of Finance.

The NIHE must maintain an Economic Appraisal database in accordance with DAO (DoF) 08/21 and provide it to the Department as and when required.

Approval 8

HOUSE SALES SCHEME

Responsible Business Area: NIHE Sponsor Team - Asset Management

The NIHE statutory House Sales Scheme (June 2009 version) approved by the Department in accordance with Article 3 (4) of the Housing (NI) Order 1983 permits NIHE to offer for sale or lease to its secure tenants the dwelling-houses occupied by those tenants. The NIHE shall maintain and submit a record of all house sales to the Department on an annual basis. This should include the number of sales and the types of property sold. Any changes to this scheme or creation of a new scheme requires Departmental approval.

Approval 9

LOAN CHARGES

Responsible Business Area: Housing Finance Business Partner (HFBP)

NIHE incurs expenditure on Loan Charges relating to historical loans from the consolidated fund, former local authorities and from other DoF approved sources.

Borrowing is undertaken in accordance with Articles 15 (as amended by Article 25 of the 1988 Order) and 16 of the Housing (Northern Ireland) Order 1981.

All consolidated (government) loans are repayable by annuity and local authority loans are repayable by either an average loans pool rate or at a fixed interest rate. Interest rates on the consolidated loans are at the “Concession” rate of interest as laid down by DoF.

The consolidated loans are repayable to the DoF. Any additional lending requires budget cover in the Departmental budget, as detailed in the Consolidated Budget Guidance. This needs to be requested from the Department when setting budgets or during monitoring rounds. The Department then makes these requests to DoF. Approval is required from DoF for loans from other sources.

During the year the Department requests loan information at interim and year end from NIHE for financial accounting reporting/disclosure purposes rather than monitoring,

Information on loans paid during the year and the amounts outstanding in the next 2 – 5 years and more are disclosed in a note to the Departments accounts and back up is held for NIAO purposes.

Approval 10

STAFFING OF THE NORTHERN IRELAND HOUSING EXECUTIVE (NIHE)

Responsible Business Area: Housing Finance Business Partner (HFBP)

The Statutory Provisions governing the employment of staff by the NIHE are set out in Article 5 of the Housing (Northern Ireland) Order 1981 and by the Direction issued on 15 October 1998 by the Department under Article 5(2) of the 1981 Order.

All staff are automatically enrolled in the Northern Ireland Local Government Officers Superannuation Committee (NILGOSC) pension scheme unless they opt out.

Where employees transfer into the employment of the NIHE by virtue of a service provision change (TUPE), where the NIHE brings a contracted out service back in-house either wholly or in part, as a temporary emergency measure, the provision for the payment of pensions and other superannuation benefits in respect of those

designated employees is permitted by way of a pension scheme other than NILGOSC. These alternative pension arrangements only apply specifically to staff that transfer into the DLO in an emergency situation in order that they can be transferred back out to the private sector and such arrangements do not apply to existing DLO staff or new staff joining the DLO as a result of normal recruitment.”

In accordance with Article 5(4) of the 1981 Order, where the NIHE considers it desirable, it may, with the consent of the Department, make special arrangements as to the payment of pensions and other superannuation benefits in respect of such of its employees as it may designate and in such cases Article 5(3) of the 1981 Order shall not apply. If any adjustments have been made to salaries to account for the higher employee contributions to NILGOSC pension scheme, these must be reviewed on an annual basis to ensure the principle that staff are no better off and no worse off as a result of the pension scheme they contribute.

The Chief Executive is responsible for the management of the staffing directive with the exception of the following which is subject to the approval of the Department:-

- The terms and conditions of employment (including remuneration) of all staff in NIHE;
- The appointment, removal from office, suspension or re-instatement and qualifications of the CX and Directors of NIHE;
- The creation of, and remuneration applicable to, any post in NIHE attracting a salary above the maximum of Principal Officer, Level 8; and
- Higher grade duty payments to Assistant Director staff and above in circumstances determined by the Department.

Any expenditure incurred by NIHE on staffing must be in accordance with its approved budget.

Pay and conditions for staff at Assistant Director and below are aligned to National Joint Council for Local Government Services. For Directors, pay and conditions are aligned to the JNC for Local Authorities Chief Officers and for Chief Executives, pay and conditions are aligned to the JNC for Local Authorities Chief Executives.

DfC, NIHE Sponsor Branch and Housing Finance Business Partners shall monitor and liaise with NIHE on its staffing budgets, requirements and any other business that may emerge.

Approval 11

HOUSE IMPROVEMENT GRANT SCHEME

Responsible Business Area: NIHE Sponsor Team

The Housing (NI) Order 1992 & Housing (NI) Order 2003 permit the NIHE to provide grant assistance, subject to criteria, to private sector landlords, tenants and owner-occupiers through House Improvement Grant Schemes.

Any grant assistance provided must be contained within the NIHE's approved budget and demonstrate the need for intervention & evidence the impact of intervention. The NIHE should ensure that operational policy, and administration of the scheme, does not contravene the relevant legislation to consider and provide a decision.

Approval 12

NI HOUSING EXECUTIVE RENTS

Responsible Business Area: NIHE Sponsor Team

Under Article 17 of the Housing (NI) Order 1981 the NIHE shall submit to the Department for approval a scheme for determining the rent to be charged by the NIHE for any housing accommodation provided by it.

The NIHE shall comply with the scheme once approved (with or without modification by the Department) and shall seek the Department's prior approval under Article 17(4) of the 1981 Order should it wish to amend or replace the scheme. The NIHE

will set out the full details of the new scheme or amendments including the reasons for them and the anticipated effect of their implementation.

The setting of individual rents shall be the responsibility of NIHE within the terms of the approved rent scheme.

The rents of dwellings exempted from the points assessment scheme, or those let to a Government Department, or a public authority or body, or a charitable or benevolent association, society or body of persons shall be assessed in the manner approved by the Department as reflected in NIHE's internal procedures.

The NIHE shall also submit an annual request to the Department recommending a rent increase. The Minister has responsibility for approving a rent increase.

Approval 13

DELIVERY OF THE SUPPORTING PEOPLE PROGRAMME

Responsible Business Area: Supporting People Governance & Oversight Team

NIHE's functions include securing the provision of housing support services. This is achieved through the Supporting People Programme for which NIHE has operational responsibility. The operational budget for the Programme is provided by the Department.

The legislation that underpins the Supporting people Programme is as follows:

The Housing Support Services (Northern Ireland) Order 2002.

The Housing Support Services Regulations (Northern Ireland) 2003

THE DEPARTMENT'S ROLE

- Responsible for legislation and overarching policy and will review as appropriate the legislation above to ensure it remains fit for purpose.
- Policy and advice shall be compiled in consultation with NIHE, and will allow the NIHE maximum discretion to administer the fund.

- Approve the budget for grant and administrative costs and reviews expenditure on a regular basis.
- Will attend (as an observer) the Supporting People Strategic Advisory Board and ensure that it acts within its agreed Terms of Reference.
- Will ensure that a test drill on a sample of the business cases brought to the Strategic Advisory Board, for its decision, is completed.

THE NORTHERN IRELAND HOUSING EXECUTIVE'S ROLE

- Shall ensure that administration of the Supporting People Programme complies with 2002 Order and the 2003 Regulations.
- Where, a situation is not covered by guidance or policy NIHE shall make a comprehensive submission to the Department to trigger a consultation and revision to guidance if appropriate.
- Must be able to demonstrate effectiveness of the administration of the fund and must:
 - i. Ensure that its staff are kept fully informed of current policy procedures;
 - ii. Provide the Department with regular information about the administrative procedures/systems in place
 - iii. Provide the Department with a copy of Board Approval for all Supporting People schemes at the beginning of each financial year.
- Must develop/maintain a system of financial planning and control which provides accurate and current information to monitor expenditure against budget.
- Will, in preparation for bi monthly oversight meetings, prepare and submit operational and finance reports supplemented by an analysis of any variance.

MANAGEMENT OF SERVICES

The NIHE shall maintain a Strategic Advisory Board (SAB) which will advise the NIHE Board of the funding priorities of the SP Programme.

The NIHE Accounting Officer (supported by the NIHE Board) will provide the Department's Accounting Officer with assurance on the standard of Supporting People business cases and decision making.

ANNUAL REPORT

The NIHE will prepare an annual report covering the operational and financial performance of the Supporting People Programme, and submit to the Department by the end of each June.

Approval 14

AFFORDABLE WARMTH SCHEME

Responsible Business Area: Affordable Warmth and Energy Team

The Governing Legislation that underpins the Affordable Warmth Scheme is the Domestic Energy Efficiency Grants Regulations (Northern Ireland) 2009 as amended by S.R. 2014 No. 52, S.R. 2016 No. 333 and S.R. 2021 No. 147.

NIHE, on behalf of the Department and in partnership with 11 local Councils, delivers the Affordable Warmth Scheme which addresses the effects of fuel poverty and energy inefficiency. NIHE provides grant funding to assist eligible, low income, households to improve the energy efficiency of owner-occupied and privately rented homes. NIHE and the Department agree the number of homes to be assisted each year depending on the available budget.

The Department has oversight of the Scheme but does not have a role in the approval process.

Point to note: The AWS is delivered through a 5 year business case. Funding is bid for annually and the current BC is due to end in 2024. It has not yet been decided what any replacement AWS may be.

Approval 15

BOILER REPLACEMENT SCHEME

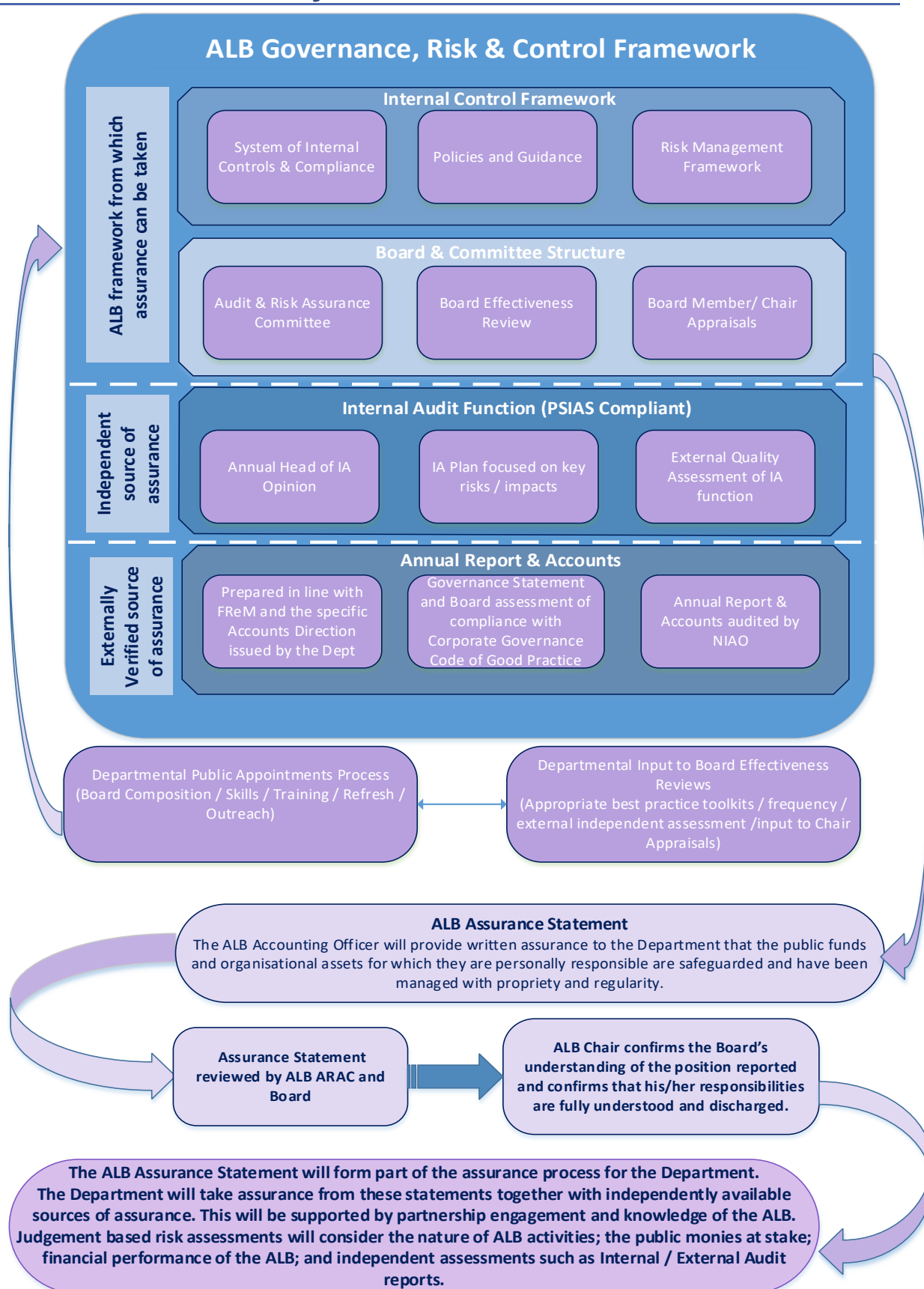
Responsible Business Area: Affordable Warmth and Energy Team

The Governing Legislation that underpins the Boiler Replacement Scheme is the Domestic Energy Efficiency Grants Regulations (Northern Ireland) 2009 as amended by S.R. 2014 No. 52, S.R. 2016 No. 333 and S.R. 2021 No. 147.

NIHE , on behalf, of the Department delivers a boiler replacement scheme to provide grant funding for eligible households to assist them in replacing old, inefficient boilers with newer, more energy efficient ones. NIHE and the Department agree the number of boilers to be replaced each year depending on the available budget.

The Department has oversight of the Scheme but does not have a role in the approval process.

Annex 4 – Illustrative 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 NIHE 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 NIHE employees an NIHE employee may utilise NIHE's grievance procedure/other HR procedure to raise a complaint against a Board member. The NIHE employee raising the grievance should expect this to be handled in line with NIHE's HR procedures.

Concerns/complaints might also be raised through:

- Raising Concerns/Whistleblowing arrangements;
- Complaints processes;
- Directly with the NIHE or the Department.

Where a concern/complaint is received within NIHE in respect of an individual Board Member this should be provided to the NIHE 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 NIHE Chair, NIHE 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 NIHE.

Exceptionally a concern/complaint may be raised by a Board Member about a fellow Board Member or a senior member of the NIHE staff. The NIHE 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.

Arrangements for concerns/complaints in respect of Board members should be reflected in all relevant procedures, including Standing Orders and Board Operating Frameworks.

Annex 6 - Applicable Guidance

The following guidance is applicable to the NIHE

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
- HM Government Orange Book
- The Audit and Risk Assurance Committee Handbook
- Public Sector Internal Audit Standards
- Accounting Officer Handbook – HMT Regularity, Propriety and Value for Money
- 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 Chair of the NIHE is responsible to the Minister for Communities. Communication between the Board and the Minister should normally be through the Chair.

The Departmental Accounting Officer is responsible for advising the Minister on a number of issues including the NIHE 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 NIHE as reflected in the PfG;
- Approving the NIHE's Business Plan;
- Setting the NIHE's budget; and
- Appointment of non-executive board members.

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

[NI Code of Good Practice is available here](#)