



Department of
Justice

An Roinn Dlí agus Cirt

Máinnystrie O tha Laa

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PARTNERSHIP AGREEMENT

BETWEEN THE

DEPARTMENT OF JUSTICE

AND THE

**PROBATION BOARD FOR
NORTHERN IRELAND**

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Abbreviation List

ARAC	Audit and Risk Assurance Committee
C&AG	Comptroller & Auditor General
DAO	Departmental Accounting Officer
DoF	Department of Finance
DoJ	Department of Justice
EQA	External Quality Assessment
FReM	Financial Reporting Manual
FSD	Financial Services Division
GIAS	Government Internal Audit Service
<i>MPMNI</i>	Managing Public Money Northern Ireland
NDPB	Non-Departmental Public Body
PBNI	Probation Board Northern Ireland
PfG	Programme for Government
PPANI	Public Protection Arrangements Northern Ireland
PSIAS	Public Sector Internal Audit Standards
RTTCWG	Report to Those Charged with Governance
SLO	Senior Lead Official

Introduction

1. The Partnership Agreement

- 1.1 This document sets out the partnership arrangements between the Probation Board for Northern Ireland (PBNI) and the Department of Justice (DoJ). In particular, it explains the overall governance framework within which PBNI 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 *Partnerships between Departments and Arm's-Length Bodies: NI Code of Good Practice* attachment to DAO (DoF) 03/19), which should be read in conjunction with this document. The principles which are laid out in the Code are:

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

VALUE
<i>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.</i>
ENGAGEMENT
<i>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.</i>

A full copy of the NI Code of Good Practice is available in Annex 1.

- 1.3 This document should also be read in conjunction with guidance on proportionate autonomy which provides an outline of the relevant principles and characteristics. Guidance on proportionate autonomy has been considered in determining the extent of engagement and assurance required between PBNI and the DoJ and this is reflected in this agreement.
- 1.4 The DoJ and PBNI 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;
 - 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 DoJ and PBNI to assess whether the partnership is operating as intended and to identify any emerging issues / opportunities for enhancement. This can be conducted as part of existing governance arrangements. The Partnership Agreement document will be reviewed formally at least once every three years to ensure it remains fit for purpose and is up-to-date in terms of current governance frameworks. The formal review will be proportionate to PBNI's size and overall responsibilities and will be published on the DoJ and PBNI websites as soon as practicable following completion.

1.6 A copy of this agreement has been placed in the Assembly Library.

PBNI's Establishment and Purpose

2. Statutory Purpose and Strategic Objectives

- 2.1 The Probation Board for Northern Ireland is a non-departmental public body (NDPB) established as a body corporate under The Probation Board (Northern Ireland) Order 1982 (The Order). Its status and constitution are set out in that Order. For national accounts purposes PBNI is classified to the central government sector and has been sponsored by the Department of Justice from 12 April 2010 when policing and justice powers were devolved to the Northern Ireland Assembly. Prior to that date the Board was sponsored by the Northern Ireland Office.
- 2.2 PBNI's main functions are set out in the Probation Board (Northern Ireland) Order 1982. In addition, other matters relating to probation activities are outlined in the Criminal Justice (Northern Ireland) Order 1991, Criminal Justice (Northern Ireland) Order 1996, Criminal Justice (Northern Ireland) Order 2008 and the Criminal Justice (Children) (Northern Ireland) Order 1998, and in relevant amendments thereto.
- 2.3 Probation is a central part of the criminal justice system in Northern Ireland. It works to address the causes of offending to help prevent people coming back into the system and protects the public from harm caused by re-offending. The services provided enable individuals to change their behaviour which in turn reduces the likelihood of reoffending, reduces the numbers of victims, and makes communities safer.
- 2.4 PBNI is responsible for the management of people on probation (those serving a community sentence or who have been released from prison subject to licence) and for preparing pre-sentence reports for Judges and Magistrates in the courts to enable them to choose the most appropriate sentence. Probation staff also work in prisons preparing people for release into the community and provide an information service for victims of crime and restorative interventions where appropriate.
- 2.5 PBNI's responsibilities include:
- 2.5.1 Supervising People on Probation:
- This is done by assessing and managing individuals' risks, and planning interventions to seek to tackle the root causes of their offending behaviour. PBNI take a trauma informed approach acknowledging that many Service Users will have experienced Adverse Childhood Experiences (ACEs). Probation staff also hold people to account if they do not comply with the conditions of Court Orders or Licences and take enforcement action if needed to keep people and communities safe.
- 2.5.2 Preparing Pre-Sentence Reports:
- Probation staff work with both Magistrates courts and Crown courts and prepare reports about the people charged with an offence. These are called Pre-Sentence Reports (PSRs). PBNI staff help the Magistrates and Judges decide on the most suitable and effective sentence to give. To do this a Probation Officer will consider the circumstances that led to someone offending and consider how likely they are to offend in the future.

2.5.3 Public Protection:

The Public Protection arrangements in Northern Ireland (PPANI) aim to provide a multi-agency, co-ordinated system of risk assessment and risk management that is effective in reducing the immediate and long-term risk of sexual or violent re-offending. Probation staff do this in conjunction with the Police, Prisons, Social Services and other Government and Voluntary organisations.

2.5.4 Programmes and Interventions:

Probation staff deliver accredited programmes that deal with offending behaviour including violent and sexual offending. PBNI also deliver programmes and interventions to address domestic abuse and to support healthy relationships. Probation officers are social workers who are qualified and regulated by the Northern Ireland Social Care Council and trained in risk assessment and management which are essential skills in this complex and challenging work. PBNI also have staff who are psychologists, community service officers, probation services officers, and administrative staff in operational teams. PBNI also employ finance, communications, human resources and IT staff to support front line staff and carry out the statutory duties. Every member of staff contributes to changing lives for safer communities.

2.5.5 Working in Prisons:

Probation staff work in all prisons in Northern Ireland in partnership with prison staff to deliver resettlement services, which are a key element of reducing the risk of reoffending when someone leaves prison.

2.5.6 Community Service:

Those on community service pay back and make reparation to communities by providing unpaid work. The work undertaken helps improve the local environment, enhances public confidence in community sentences, and can be a pathway into employment for service users.

2.5.7 Providing an Information Service to Victims of Crime

The PBNI Victim Information Unit manages three Victim Information Schemes which provide information about the Criminal Justice System at key stages of the individual's sentence, in a manner which is accessible, understandable, and supportive. Where appropriate, staff also deliver restorative interventions to victims and survivors.

2.6 The Minister of Justice is answerable to the Assembly for the overall performance and delivery of both the DoJ and PBNI. The Permanent Secretary of the DoJ, who is the principal Accounting Officer of the DoJ, has designated the Chief Executive as NDPB Accounting Officer for the Probation Board.

2.7 The Executive's outcome-based approach to delivery recognises the importance of arm's-length bodies and departments working collaboratively and together in a joined-up approach to improve overall outcomes and results.

2.8 To that end there is strategic alignment between the aims, objectives and expected outcomes and results of PBNI and the DoJ. The strategic aim of PBNI is '*Changing Lives for Safer Communities*' and supports the DoJ mission '*working in partnership to create a fair, just and safe community where we respect the law and each other*'. The PBNI Corporate Plan for 2023-2026 sets out the work to achieve its aim and is organised through four strategic areas;

- PEOPLE – Develop, support and empower probation staff in order to improve service delivery.
- SERVICES – Deliver an effective, statutory probation service in order to reduce reoffending and protecting the public.
- FUNDING – PBNI will prioritise the budget and estate to maximise service delivery.
- PARTNERSHIPS - PBNI will develop current partnerships and create new partnerships to help change lives for safer communities.

3. Organisational Status

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

4. Governance Framework

4.1 PBNI will operate under a corporate governance framework which reflects all relevant good practice guidance. The framework includes the governance structures established within PBNI and the internal control and risk management arrangements in place. This includes its Board and Committee structure. The DoJ should be satisfied with the framework.

4.2 An account of this is included in PBNI's annual Governance Statement together with PBNI Board's assessment of its compliance with *Corporate Governance in Central Government Departments – code of good practice NI* (attachment to DAO (DFP) 06/13). Any departure from the Corporate Governance Code must be explained in the Governance Statement.

4.3 PBNI is required to follow the principles, rules, guidance and advice in *Managing Public Money Northern Ireland (MPMNI)*. A list of other applicable guidance and instructions which PBNI is required to follow is set out in Annex 2 Good governance should also include positive stakeholder engagement, the building of positive relationships and a listening and learning culture.

5. PBNI's Board

5.1 PBNI is led by a Board which is appointed by the DoJ. The Board comprises a Chair, Deputy Chair and not less than 10 nor more than 18 other members. The

appointment process for the Board members complies with the *Code of Practice for Ministerial Public Appointments in Northern Ireland*.

- 5.2 As public appointees, Board members are office holders rather than employees and are not subject to employee terms and conditions. Board appraisal arrangements are set out in section 16 and matters for consideration in dealing with concerns/complaints in respect of Board members are provided in Annex 3.
- 5.3 The Board's Standing Orders and Scheme of Delegation provides further detail on roles and responsibilities and should align closely with this Partnership Agreement. The following PBNI guidance should align with the Partnership Agreement and available on PBNI's website:
- Board Standing Orders (includes the Committees Terms of Reference)
 - Scheme of Delegation and Powers
 - Code of Conduct for PBNI Board Members
- 5.4 The purpose of PBNI's Board is to provide effective leadership and strategic direction to the organisation and to ensure that the policies and priorities set by the Minister of Justice 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. The Board approve the organisation's three-year Communications and Engagement Strategy and is updated each month on the delivery of actions against the annual communication and engagement plan.
- 5.5 The Board is responsible for holding the Chief Executive to account for the management of the organisation and the delivery of agreed plans and outcomes. The Board also, however, support the Chief Executive as appropriate in the exercise of their duties.
- 5.6 Board members act solely in the interests of PBNI 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). PBNI 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 PBNI.¹
- 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 to consistently express similar views or consider

¹ [Probation Board Members Register of Interests - 2023-24 | Probation Board for Northern Ireland \(pbni.org.uk\)](#)

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 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. A consideration 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 PBNI's governance framework is its Audit and Risk Assurance Committee (ARAC), established in line with the extant *Audit and Risk Assurance Committee Handbook (NI)* (attachment to DAO (DoF) 03/18).
- 6.2 The Audit and Risk Assurance Committee's purpose/role is to support the Accounting Officer and Board by providing assurances on risk management, governance and control within PBNI in line with the handbook. The ARAC focuses on:
- assurance arrangements relating to 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 PBNI and the DoJ have agreed arrangements in respect of ARACs which may include:
- attendance by departmental representatives in an observer capacity at PBNI's ARAC meetings;
 - DoJ access to PBNI's ARAC papers and minutes; and
 - any input required from PBNI's ARAC to the departmental ARAC.
- 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 DoJ and a full explanation provided in the annual Governance Statement.

7. PBNI's Chair

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

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

8. PBNI's Chief Executive

8.1 The role of PBNI's Chief Executive is to run the organisation'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 PBNI's Accounting Officer by the departmental Accounting Officer (see section 12). As Accounting Officer the Chief Executive is 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 PBNI's performance and delivery of outcomes and targets and is responsible for implementing the decisions of the Board and its Committees. He/she maintains a dialogue with the Chair on the important strategic issues facing the organisation and for proposing Board agendas to the Chair to reflect these. He/she ensures effective communication with stakeholders and communication on this to the Board. He/she also ensures that the Chair is alerted to forthcoming complex, contentious or sensitive issues, including risks affecting the organisation.

8.4 The Chief Executive acts as a role model to other executives by exhibiting open support for the Chair and Board members and the contribution they make. The Chair and Chief Executive should agree how they will work together in practice, understanding and respecting each other's role, including the Chief Executive's responsibility as Accounting Officer. PBNI's organisational values are based on respect, openness, accountability and integrity.

8.5 Further detail on the role and responsibilities of the Chief Executive are laid out in *MPMNI* 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 Services Ombudsman. He/she shall advise the departmental Accounting Officer of any complaints about PBNI accepted by the Ombudsman for investigation, and about the proposed response to any subsequent recommendations from the Ombudsman.

Role of the DoJ

9. Partnership Working with PBNI

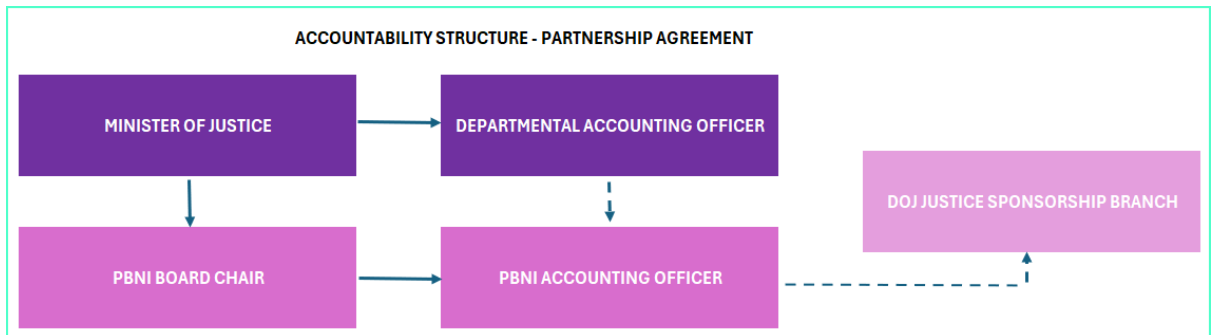
- 9.1 The DoJ and PBNI are part of a total delivery system, within the same Ministerial portfolio. The partnership between the DoJ and PBNI is open, honest, constructive and based on trust. There is mutual understanding of each other's objectives and clear expectations on the terms of engagement.
- 9.2 In exercising its functions, PBNI has absolute clarity on how its purpose and objectives align with those of the DoJ. There is also a shared understanding of the risks that may impact on each other, which are reflected in respective Risk Registers, where appropriate.
- 9.3 There is a regular exchange of skills and experience between the DoJ and PBNI and, where possible, joint programme/project delivery boards/arrangements. PBNI may also be involved as a partner in policy/strategy development and provides advice on policy implementation/the impact of policies in practice.
- 9.4 The Department of Finance (DoF) has established, on behalf of the Assembly, a delegated authority framework which sets out the circumstances where prior DoF approval is required before expenditure can be incurred or commitments entered into. The Accounting Officer of the DoJ has established an internal *framework of delegated authority* for the DoJ and its ALBs which applies to PBNI. Periodic updates to this framework will be notified separately. Other specific approval requirements established in respect of PBNI are as set out at Annex 4.
- 9.5 Once PBNI's budget has been approved by the DoJ (and subject to any restrictions imposed by statute), PBNI shall have authority to incur expenditure approved in the budget without further reference to the DoJ. 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 4) or is for new expenditure not previously agreed. It does not negate the need to follow due processes laid out in guidance contained in *MPMNI* and the *Northern Ireland Guide to Expenditure Appraisal and Evaluation*.
- 9.6 Any budget approved by DoJ for a given financial year may not be carried forward in whole or part to a new financial year and shall lapse at the financial year end.

10. Departmental Accounting Officer

- 10.1 The departmental Accounting Officer (DAO) is accountable to the NI Assembly for the issue of grant-in-aid to PBNI. He/she has designated the Chief Executive of PBNI as PBNI's Accounting Officer; the respective responsibilities of the departmental Accounting Officer and PBNI's Accounting Officer are set out in Chapter 3 of *MPMNI*. The DAO may withdraw PBNI's Accounting Officer designation if he/she concludes that PBNI's Accounting Officer failed to meet the standards as set out in Box 3.1 of the *MPMNI* or that it is otherwise in the public interest that the designation be withdrawn. In such circumstances, if designation is to be withdrawn, PBNI's Board will be notified in advance and given a full account of the reasons for withdrawal and a chance to make representations prior to withdrawal of the designation. In any circumstances whereby the Board is considering the suspension of the Chief

Executive, DoJ should be made aware of this in advance. Withdrawal of PBNI's Accounting Officer status could bring into question employment as Chief Executive and the Board Chair should engage with the DoJ should such circumstances arise. The graph below shows the accountability structure between the DoJ and PBNI.

Infographic 1: Outlines the accountability structure between the DoJ and PBNI.



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

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

10.4 In line with DoF requirements, PBNI's Accounting Officer provides, as part of stewardship reporting arrangements, a periodic declaration of fitness to act as Accounting Officer to the DAO.

11. Lead Official

11.1 The DoJ has appointed the Head of Policing Policy and Strategy Division (PPSD) as senior lead official to manage the relationship with PBNI and ensure effective partnership working. Engagement between the DoJ and PBNI will be co-ordinated, collaborative and consistent. A clear sense of collaboration and partnership will be communicated to staff in both the DoJ and PBNI in order to promote mutual understanding and support. The lead senior official is supported by a small sponsor team within PPSD with financial advice and guidance provided as required by colleagues in DoJ's Financial Services Division (FSD).

11.2 The lead senior official is the point of contact with responsibility for engaging other relevant departmental policy teams for the area relating to PBNI's business unless there is an agreed delegated departmental contact. The lead senior official will ensure that where there are departmental staff changes, time is taken to ensure they have a full understanding of PBNI's business and challenges.

12. Engagement Plan

- 12.1 The DoJ and PBNI will agree an engagement plan before the start of each business year. The Engagement Plan (Annex 5) will set out the timing and nature of engagement between PBNI and the DoJ. The engagement plan will be specific to PBNI and should not stray into operational oversight.
- 12.2 Engagement between the DoJ's lead official/their team and PBNI will be centred on partnership working, understanding of shared risks and working together on business developments that align with policy objectives.
- 12.3 In line with relevant guidance², PBNI will work in collaboration and partnership with the DoJ to prepare corporate and business plans. There should be appropriate, high-level, strategic alignment between the departmental and PBNI plans. Once approved, it will be the Board of PBNI that primarily holds the Chief Executive to account for delivery and performance of its corporate and business plans. The DoJ will engage with PBNI on areas of strategic interest, linking departmental policy and PBNI delivery of policy intent.
- 12.4 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 and actions which could help achieve better outcomes.

13. Attendance at Public Accounts Committee

- 13.1 PBNI's Chief Executive/Accounting Officer may be summoned to appear before the Public Accounts Committee to give evidence on the discharge of their responsibilities as Accounting Officer (as laid out in their Accounting Officer appointment letter) on issues arising from the C&AG's studies or reports following the annual audit of accounts.
- 13.2 The Chair 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 DAO may be summoned to appear before the Public Accounts Committee to give evidence on the discharge of their responsibilities as DAO with overarching responsibility for PBNI. In such circumstances, the DAO may therefore expect to be questioned on their responsibilities to ensure that:
- there is a clear strategic control framework for the ALB;
 - sufficient and appropriate management and financial controls are in place to safeguard public funds;
 - the nominated Accounting Officer is fit to discharge his or her responsibilities;

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

- 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 PBNI's Accounting Officer's advice on transactions in relation to regularity, propriety or value for money is overruled by PBNI's Board or its Chair.

Assurance Framework

14. Autonomy and Proportionality

- 14.1 The DoJ will ensure that PBNI 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 PBNI and the DoJ and is reflected in this agreement.
- 14.2 A proportionate approach to assurance will be taken based on PBNI's overall purpose, business and budget and a mutual understanding of risk. The approach will include an agreed process through which PBNI's Accounting Officer provides written assurance to the DoJ 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, PBNI's Accounting Officer will arrange for their written assurance to be discussed at PBNI's ARAC and presented to PBNI's Board prior to submission to the DoJ where possible. If not possible, or practicable, the Chair of PBNI's Board should have sight of the assurance statement, prior to its being submitted to the DoJ.
- 14.4 PBNI's Chair will provide written confirmation that PBNI Accounting Officer's formal assurance has been considered by the Board and is reflective of PBNI's current position.
- 14.5 In addition to PBNI's Accounting Officer's written assurance, the DoJ will take assurance from the following key aspects of PBNI'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; and
 - externally audited Annual Report and Accounts, reviewed/considered by PBNI's ARAC.

15. Board Effectiveness

- 15.1 PBNI's Chair will ensure that PBNI's Board undertakes an annual review of Board effectiveness³ which encompasses committees established by the Board.
- 15.2 The Chair will discuss the outcome of the annual review of Board effectiveness with the senior lead official (SLO) to ensure a partnership approach to any improvements is identified and agreed. This will inform the annual programme of Board training/development and discussions in respect of Board composition and succession.

3. [Board Effectiveness - A Good Practice Guide \(June 2022\) | Northern Ireland Audit Office](#)

- 15.3 In line with any parameters set out in founding (or other) legislation, the Chair, in conjunction with the DoJ, and Minister where appropriate, will consider the size and composition of PBNI's Board, proportionate to the size and complexity of PBNI and keep this under review.
- 15.4 In addition to the annual review of Board effectiveness, PBNI 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 DoJ 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 DoJ on completion of the review.

16. Board Appraisals

- 16.1 The Chair of PBNI 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 Director of Safer Communities Directorate within the DoJ. The appraisal will take account of the Key Characteristics of a good chairperson (particularly for the Chair to have well-developed interpersonal skills) set out in *Board Effectiveness: a Good Practice Guide*, available on the NIAO website. There will be close engagement between the Chair and the senior lead official on improvements identified through the appraisal process.

17. Internal Audit Assurance

- 17.1 PBNI is required to establish and maintain arrangements for an internal audit function that operates in accordance with the *Public Sector Internal Audit Standards (PSIAS)* (attachment to DAO (DoF) 02/17). The DoJ 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*. In practice, PBNI's internal audit function is provided by the Government Internal Audit Service (GIAS).
- 17.2 PBNI 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 DoJ. PBNI will ensure the DoJ'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.
- 17.3 PBNI will also liaise with the DoJ 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.
- 17.4 PBNI will alert the DoJ to any less than satisfactory audit reports at the earliest opportunity on an ongoing basis. PBNI will also alert the DoJ to a less than satisfactory annual opinion from the Head of Internal Audit at the earliest opportunity. PBNI and the DoJ will then engage closely on actions required to

address the less than satisfactory opinion in order to move PBNI to a satisfactory position as soon as possible.

17.5 The DoJ will take assurance from the fact that PBNI 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 PBNI 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 the DoJ, and in accordance with the deadlines specified.

18.2 The Comptroller & Auditor General (C&AG) will arrange to audit PBNI's annual accounts and will issue an independent opinion on the accounts. PBNI is responsible for laying its annual report and accounts before the Assembly.

18.3 The C&AG will also provide a Report to Those Charged with Governance (RTTCWG) to PBNI which will be shared with the DoJ.

18.4 PBNI will alert the DoJ 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 DoJ will engage with PBNI on actions required to address the qualification/significant issues.

18.5 The DoJ 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 PBNI has used its resources in discharging its functions. The C&AG may also carry out thematic examinations that encompass the functions of PBNI.

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, PBNI 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

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

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



Signed (PBNI Chair)

Date 27 February 2025



Signed (PBNI Chief Executive)

Date 27/2/25.



Signed (DoJ) - Head of PPSD)

Date 27/2/25

Annex 1 – Partnership between Departments and Arm’s Length Bodies: NI Code of Good Practice

[NI Code of Good Practice v3 \(300323\).pdf \(finance-ni.gov.uk\)](#)

Annex 2 – Applicable Guidance

The following guidance is applicable to PBNI.

Guidance issued by DoF

- Managing Public Money NI
- Public Bodies: a Guide for NI Departments
- Corporate governance in central government departments – code of good practice NI
- DoF Risk Management Framework
- The Orange Book: Management of Risk: Principles and Concepts
- Audit and Risk Assurance Committee Handbook (NI)
- Public Sector Internal Audit Standards
- Regularity, Propriety and Value for Money – HMT Accounting Officer Handbook
- Current guidance on 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 DoJ
- 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 3 – 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 PBNI Board members should be transparent and collaborative. The principle of early and open engagement is important, with the DoJ made aware of any concerns/complaints as soon as practicable.

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

Concerns/complaints might also be raised through:

- Raising Concerns/Whistleblowing policies;
- Complaints processes;
- Directly with PBNI or the DoJ.

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

Where a concern/complaint relates to PBNI's Chair, PBNI should notify the DoJ at the outset for the DoJ 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 PBNI.

Exceptionally a concern/complaint may be raised by a Board Member about a fellow Board Member or a senior member of PBNI staff. PBNI's Chair should notify the DoJ at the outset to ensure that arrangements for handling the concern/complaint are clear. The DoJ 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 4 – Delegations

Delegated authorities

PBNI shall obtain the DoJ's prior written approval before:

- entering into any undertaking to incur any expenditure that falls outside the detailed delegations list provided separately by DoJ or which is not provided for in PBNI's annual budget as approved by the DoJ;
- 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 DoJ;
- making any decision which might prove financially repercussive (for example, in terms of the potential financial implications for other public bodies) or which might significantly affect the future level of resources required; or
- commencing a new service in advance of specific legislation, where specific legislation is a requirement;
- otherwise carrying out policies that go against the principles, rules, guidance and advice in *MPMNI*.

Annex 5 – 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 attachment outlines the key areas of engagement between the Department and the ALB. This is not intended to be prescriptive and has been completed collaboratively between the DoJ and PBNI.



Engagement Plan -
Annex 5.XLSX

* Note – these timeframes are subject to change as they are driven by DoF/NIO

Annex 6 – Applicable Legislation

Financial Provisions Act (Northern Ireland) 2014 (c. 6) (N.I.), section 11

The Probation Board (Northern Ireland) Order 1982

The Criminal Justice (NI) Order 1991 (S.I. 1991/1711 (N.I. 16))

The Criminal Justice (NI) Order 1996 (S.I. 1996/3160 (N.I. 24))

Northern Ireland Act 1998 (c. 47)

Justice Act (NI) 2002 (c. 26)

Justice (Northern Ireland) Act 2002

The Law Reform (Miscellaneous Provisions)(Northern Ireland) Order 2005 (S.I. 2005 No. 1452 (N.I. 7))

The Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010 (S.I. 2010/976)

The Insolvency (Northern Ireland) Order 2005 (Consequential Amendments) Order (Northern Ireland) 2015 (S.R. 2015 No. 159)

Justice Act (NI) 2015 (c. 9 (N.I.))

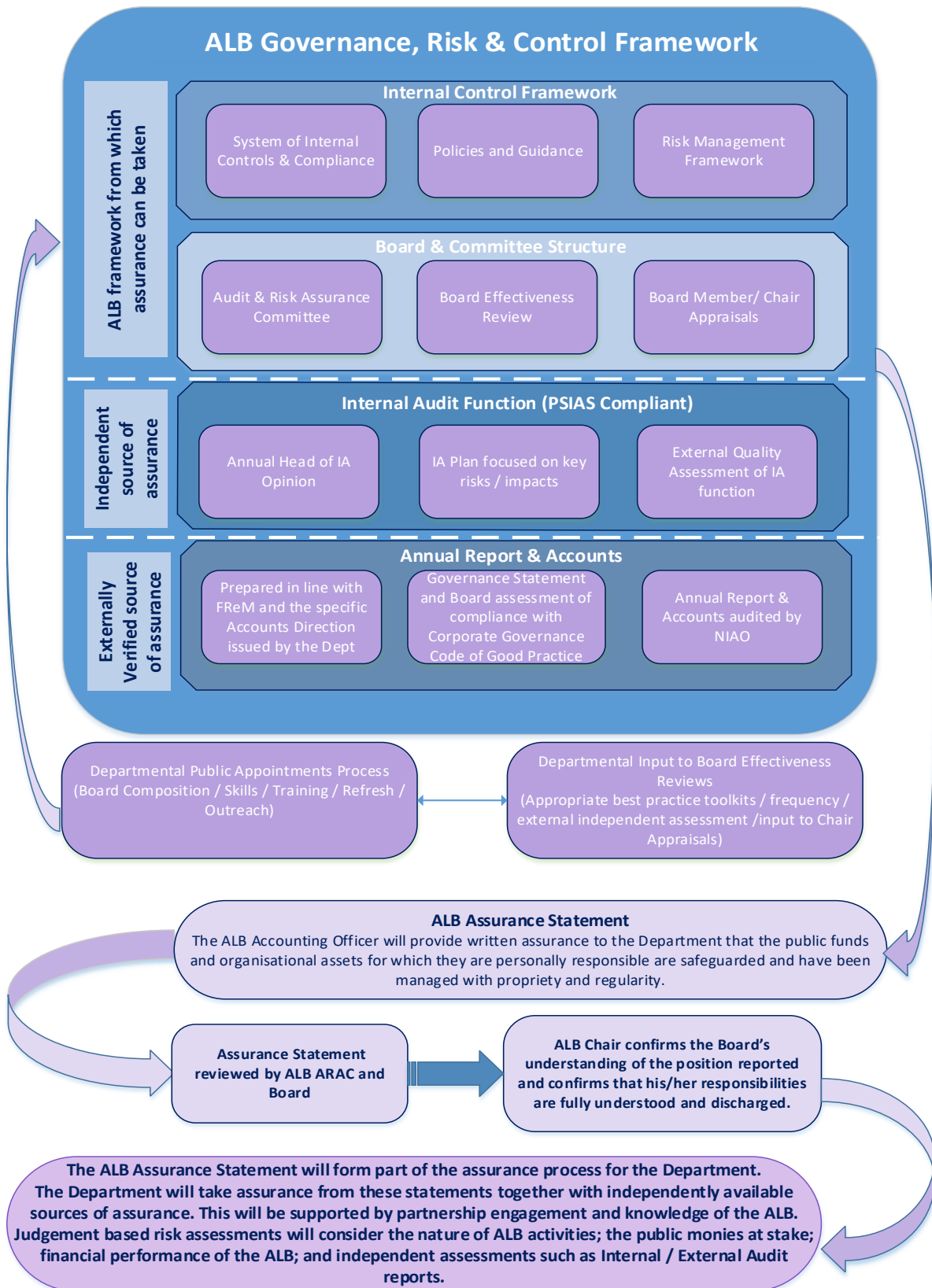
The Debt Relief Act (Northern Ireland) 2010 (Consequential Amendments) Order (Northern Ireland) 2016 (S.R. 2016 No. 108)

The Attorney General's Human Rights Guidance (Probation Board for Northern Ireland) Order (Northern Ireland) 2015

The Probation Board for Northern Ireland Victim Information Scheme 2005

Policing and Community Safety Partnerships (Designated Organisations) Order (Northern Ireland) 2013

Annex 7 – Illustrative System of Assurance



Annex 8 – Role of the Minister

Role of the Minister of Justice

The Chair of PBNI is responsible to the Minister. 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 PBNI's objectives and targets, budgets and performance.

In addition to being answerable to the Assembly as laid out in paragraph 2.3, the Minister is also responsible for:

- setting the strategic direction and overall policies and priorities for PBNI as reflected in the PfG;
- approving PBNI's Business and Corporate Plans;
- setting PBNI's budget; and
- appointment of non-executive Board members. The Minister may also be involved in considering the size and composition of PBNI's Board – see para 15.3.