

**Partnership Agreement between the
Department for the Economy
and
St Mary's University College
October 2024**

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Introduction

1. The Partnership Agreement

- 1.1 This document sets out the partnership arrangement between St Mary's University College (the University College) and the Department for the Economy (the Department). In particular, it explains the overall governance framework within which the College operates, including the framework through which the necessary assurances are provided to stakeholders. Roles/responsibilities of partners within the overall governance framework are outlined.
- 1.2 It also sets out the terms and conditions for the payment by the Department of funds to the Governing Body of the University College, out of funds voted by the Assembly/Parliament.
- 1.3 The Partnership Agreement is in two parts. Part 1 (this document) sets out the terms and conditions which apply in common to all universities and colleges funded by the Department. Part 2 (issued each year as the 'schedule') gives conditions specific to each institution, a schedule of funds available in the academic year, and the educational provision the institution has agreed to make in return for those funds.
- 1.4 The University College is not an ALB of the Department for the Economy, but the principles contained in the NI Code of Good Practice 'Partnerships between Departments and Arm's-Length Bodies'¹ have been used in developing this Partnership Agreement.
- 1.5 Universities and Colleges are bound by the requirements of their charter and statutes (or equivalent). This document does not supersede those requirements but is intended to complement and reinforce them.
- 1.6 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. The key principles are as follows:

LEADERSHIP
Partnerships work well when Departments and University Colleges 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

¹ [NI Code of Good Practice v3 \(300323\).pdf \(finance-ni.gov.uk\)](#)

Partnerships work well when the purpose, objectives and roles of University Colleges and the Partner 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 Colleges. In exercising statutory functions University Colleges 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 University Colleges' purpose and a mutual understanding of risk. University Colleges should have robust governance arrangements in place and in turn Departments should give Institutions the autonomy to deliver effectively. Management information should be what is needed to enable Departments and University Colleges to provide assurance and assess performance.

VALUE

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

ENGAGEMENT

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

- 1.7 This document should also be read while being mindful of 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 University College and the Department and this is reflected in this Agreement.
- 1.8 The Department for the Economy and St Mary's University College are committed to:
- Working together within distinct roles and responsibilities;
 - Maintaining focus on successful delivery of Programme for Government 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.

- 1.9 Nothing in this Agreement shall require St Mary's University College to act in a manner which would cause it to lose its charitable status, if applicable, or which would be inconsistent with its Scheme of Management.
- 1.10 The general terms and conditions in Part 1 of this Agreement apply to all University Colleges for which the Department provides funding.
- 1.11 The responsibility for ensuring that St Mary's University College complies with this Agreement and related guidance rests with the Governing Body of the University College. In exercising its powers under this Agreement, the Department will act reasonably at all times.
- 1.12 This Agreement takes effect from 1st November 2024 and supersedes any previous Financial Memoranda between the College and the Department.

St Mary's University College Establishment and Purpose

2. Statutory Purpose and Strategic Objectives

- 2.1 St Mary's University College is an autonomous, publicly funded institution of higher education founded in 1900 with a mission to educate and train teachers in the Catholic tradition. For national accounts purposes St Mary's University College is classified to the non-profit institutions serving households sector.
- 2.2 The origins of the College can be traced back to 1900 when the Dominican Sisters opened St Mary's Training College. Academic provision at St Mary's exists in collaboration with Queen's University Belfast. That collaboration was first established in 1948 when students could follow a combined course of university study and professional training. In 1968, St Mary's was designated a recognised College of Queen's University Belfast. St Mary's entered into a Memorandum of Agreement (MoA) in 1998, whereby the College has a special relationship with the University for collaborative provision, while remaining autonomous in governance and finance. This resulted in the Privy Council re-designating the College as a University College. The MoA has been revised on a number of occasions since 1998. The two institutions have agreed a new MoA for collaborative provision which covers the period 2018 – 2024. Arising from the MoA, the College follows all quality assurance regulations and procedures of the University to ensure that its programmes meet the requirements of the Department.
- 2.3 The Minister for Department for the Economy is answerable to the Assembly for the overall performance and delivery of the Department for the Economy, which includes all Department funded activities of the University College.
- 2.4 It is important that partner organisations and departments work collaboratively and together in a joined-up approach to improve overall outcomes and results.
- 2.5 To that end there is strategic alignment between the aims, objectives and expected outcomes and results of St Mary's University College and Department for the Economy.
- 2.6 St Mary's University College faces the third decade of the twenty-first century with an Institutional Plan for 2021 – 2024, Strategy 21, which sets out an 'Agenda for Sustainability' in a period of uncertainty at the regional, national, and international levels. The vision is to lead the College from a position of relative vulnerability and concern for its survival to the achievement of long-term sustainability.

St Mary's is committed to its Agenda for Sustainability based around the following eight strategic aims:

- **Identity Aim** - To commemorate, communicate and promote an explicit institutional identity reflective of a Catholic University College which demonstrates a responsibility to contribute to the common good.
- **Academic Profile and Positioning Aim** - To offer high-quality and

distinctive educational provision which equips the students with twenty first-century competencies and skills.

- **Student Life Aim** - To provide an excellent, holistic, student experience of higher education characterised by a high level of pastoral care, guidance and support.
- **Partnerships Aim** - To work in partnership with our stakeholders through collaboration and the sharing of expertise, resources, and skills, and to demonstrate a material sense of civic responsibility.
- **Financial Viability Aim** - To preserve the financial strength of the College to enable it to be mission-effective.
- **Estates and Campus Development Aim** - To ensure that the campus is a safe and intellectually stimulating place with excellent facilities for students, staff, and external user groups.
- **Community of Staff Aim** - To recruit, retain and develop staff to contribute to the College's mission in a friendly, inclusive, and productive work environment where there is commitment to equality of opportunity.
- **Good Governance Aim** - To have arrangements for governance which are effective and efficient, consensus orientated, inclusive and responsive to the needs of both the College community and society at large.

2.7 Higher education institutions in Northern Ireland, including St Mary's University College, play a central role in the delivery of any Programme for Government and in the delivery of the Department's economic goals, particularly those in relation to skills.

2.8 Partnerships must be developed to bolster an education system that provides pathways to successful education and employment outcomes for everyone. Individuals must be supported to achieve higher level qualifications; qualifications which have real labour market relevance and provide access to quality jobs, creating a culture of lifelong learning. Northern Ireland's world-class universities, working in partnership with industry, will be at the heart of preparing people for the workplace of the future.

Media Management Responsibilities

2.9 There should be a 'no surprise' approach to media announcements which may pose potential reputational damage either to the College or the Department. It is important that these announcements be shared with the respective parties providing sufficient time for review in advance of publication / announcement.

St Mary's University College Governance Arrangements

3. Organisational Status

- 3.1 St Mary's University College is a legal entity in its own right, employing its own staff and operating at autonomously 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 University College has adopted the Committee of University Chairs (CUC) Higher Education Code of Governance². Adopting the Code and its principles is an important factor in enabling the Department to rely on self-regulation within the University College, and hence minimise the accountability burden. The governance requirements are communicated to the University each year through the Annual Accounts Direction.
- 4.2 A list of relevant guidance and instructions which may apply to St Mary's University College is set out in Annex 5. Good governance should also include positive stakeholder engagement, the building of positive relationships and a listening and learning culture.

5. St Mary's University College Board

- 5.1 The Colleges Governing Body is its Board of Governors. The Board is comprised of lay members, academic staff, and students, appointed under the College Scheme of Management. The Board is responsible for the strategic direction of the College. It is responsible for ensuring that the Institution 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 Institution and set the tone for the University College's engagement with stakeholders and customers.
- 5.2 The Board is responsible for delivering value for money from public funds. It should keep under review its arrangements for managing all the resources under its control, taking into account guidance on good practice issued from time to time by the Department, the Northern Ireland Audit Office, the Department of Finance, the Office for Students (OfS), the National Audit Office or the Public Accounts Committee.
- 5.3 The Governing Body of St Mary's University College is responsible for ensuring that funds from the Department are used only in accordance with Article 66 of the Education and Libraries (Northern Ireland) Order 1986, the Education and Libraries (Northern Ireland) Order 1993, this Partnership Agreement and any other conditions that the Department may from time to time prescribe.
- 5.4 The Governing Body has discretion over its use of public funds and is ultimately responsible for the proper stewardship of those funds. Therefore, it must ensure

² [CUC-HE-Code-of-Governance-publication-final.pdf \(universitychairs.ac.uk\)](https://www.universitychairs.ac.uk/publications/cuc-he-code-of-governance-publication-final.pdf)

that it exercises its discretion reasonably, and takes into account any relevant guidance on accountability or propriety issued from time to time by the Department, the Department of Finance, the Public Accounts Committee and reports of the Northern Ireland Audit Office and the National Audit Office.

- 5.5 The Governing Body must inform the Department within 28 days of a new appointment being made to the role of Chair of the Governing Body.

6. Audit Committee

- 6.1 A further important aspect of the College's governance framework is its Audit Committee, which is responsible for reviewing the audit aspects of the financial statements and for making recommendations to the Board for their approval or otherwise, in accordance with the Department for the Economy Accounts Direction.
- 6.2 The Audit Committee's purpose/role is to support St Mary's Accounting Officer and Governing Body on governance issues exercising oversight and reporting on the adequacy and effectiveness of:
- Risk management, control, and governance (the risk management element includes the accuracy of the statement of internal control included with the annual statement of accounts);
 - Economy, efficiency, and effectiveness (value for money); and
 - The management and quality assurance of data provided to HESA (Higher Education Statistics Agency), Student Loans Company, and other funding bodies.

7. St Mary's University College Chair

- 7.1 The Chair of the Board of Governors shall be the Bishop and 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, he should ensure:
- The Board has an appropriate balance of skills appropriate to its business;
 - Board members are fully briefed on terms of appointment, duties, rights, and responsibilities;
 - Board members receive and maintain appropriate training;
 - The Minister is advised of St Mary's University College needs when board vacancies arise;
 - There is a Scheme of Management 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 Principal that is simultaneously collaborative and challenging. It is important that the Chair and Principal act in accordance with their distinct roles and

responsibilities as laid out in 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. St Mary's University College Principal Officer

- 8.1 The St Mary's University College Principal is the Accounting Officer of the College, and their role is to run the College. The Principal is responsible for the operational management of the Institution, all executive management matters affecting the organisation and for leadership of the executive management team. The Departmental Accounting Officer (Permanent Secretary) designates the Principal of St. Mary's University College as the Accountable Officer to the Department which is how they are referred to in this Agreement.
- 8.2 The Accountable Officer will need to satisfy the Governing Body that the conditions in this Partnership Agreement are complied with and may be required to appear before the Public Accounts Committee alongside the Permanent Secretary of the Department on matters relating to St Mary's University College as detailed in section 24.
- 8.3 The Accountable Officer shall advise the Governing Body if at any time any action or policy under consideration by the Governing Body appears to be incompatible with the terms of this Agreement. If the Governing Body decides nevertheless to proceed, the Accountable Officer must immediately inform the Permanent Secretary of the Department in writing.
- 8.4 Further detail on the role and responsibilities of the Principal as Accountable Officer will be laid out in an appointment letter from the Department.

The Chief Executive's role as Principal Officer for Ombudsman Cases

- 8.5 The Principal is responsible for handling cases involving the NI Public Sector Ombudsman. It is recommended that they shall advise the Departmental Accounting Officer of any complaints about St Mary's University College Belfast accepted by the Ombudsman for investigation, which could have significant interest to the Department and about the proposed response to any subsequent recommendations from the Ombudsman.

9. Financial Management

- 9.1 The Governing Body of St Mary's University College must ensure that it has a sound system of internal financial management and control.
- 9.2 The Governing Body of St Mary's University College shall plan and conduct its financial and academic affairs to ensure that it remains solvent and that, taking one accounting period with another, its total expenditure is not greater than its total income.
- 9.3 In meeting the requirement in paragraph 9.2:

- a. St Mary's University College shall not have a historical cost deficit in two consecutive accounting periods unless there are sufficient discretionary reserves³ to cover the deficit.. A deficit of less than 0.5 per cent of total income as defined in the audited financial statements for the year in question, or £50,000, whichever is the lower, will not be taken into consideration for these purposes.
 - b. Negative discretionary reserves must be cleared by the end of the third accounting period after the year in which the deficit began to accumulate. (That is, negative discretionary reserves occurring by the end of year 1 must be cleared by the end of year 4.) An accumulated deficit will be regarded as cleared if it is less than 0.5 per cent of total income as recorded in the University College's financial statements for the latest accounting period, or £50,000, whichever is the lower.
- 9.4 For the purposes of paragraph 9.3 only, any pension scheme deficits included on a University College's statement of financial position following the implementation of FRS 102 should be excluded. It is still expected that university colleges will work towards improving any pension scheme deficits.
 - 9.5 The Department may, at its discretion, waive these conditions and substitute others on written application from St Mary's University College.
 - 9.6 St Mary's University College shall notify the Department of any event that has, or is likely to have, a material adverse impact on the financial position of St Mary's University College as soon as this becomes apparent.

10. Provision of Information

- 10.1 St Mary's University College shall provide the Department, or its agents acting on its behalf, with whatever information the Department requires to exercise its functions. This information shall be of a satisfactory quality and shall be provided at the times and in the formats specified by the Department or its agents.
- 10.2 The Department or agents acting on its behalf will act reasonably in its requests for information and will have regard to the costs of providing this information, and, where appropriate, to its confidentiality.
- 10.3 If St Mary's University College fails to return information required by the Department or agents acting on its behalf by the specified deadline, or that information is not of a satisfactory quality, the Department reserves the right to implement any of the following measures:
 - a. to carry out whatever investigations it deems necessary to collect the data. All or part of the cost of such investigations may, where circumstances warrant it, be deducted from St Mary's University College's recurrent grant;
 - b. to withhold grant at its discretion and/or seek repayment of grant already paid; and/or
 - c. to use its own reasonable estimates of data which it requires to exercise its functions.

³ Discretionary reserves comprise general (rather than specific) endowments and income expenditure account reserves as defined in the Statement of Recommended Practice: 'Further and Higher Education Institutions'.

- 10.4 If St Mary's University College is overpaid grant as a result of the Department or agents acting on its behalf using estimated data, the Department reserves the right to recover any overpaid grant, plus interest, in accordance with paragraph 25.13 below.
- 10.5 University Colleges will, from time to time, be asked to provide collected data to the Department or to other bodies acting on the Department's behalf. At present, HESA acts as an agent both for the University College and for the Department, in collecting information required by the Department and passing that information to the Department and/or OfS (acting as a supplier of the Department). These data will often contain personal details for students and/or staff. To ensure that University Colleges and the Department can fulfil their duties under the Data Protection Act 2018 (including advising data subjects about what data will be processed and the purpose), University Colleges should satisfy themselves when collecting data that students and/or staff are aware of these possible requirements and have given their consent. St Mary's University College will co-operate with the Department as reasonably necessary to ensure that the Department and HESA, or any other agents of the Department, are able to comply with the Data Protection Act 2018 in processing information supplied by the University College. It is for each University College to decide what they tell students and/or staff based on good practice and guidance, such as HESA model collection notices.

11. Legislative Requirements

- 11.1 University Colleges should have due regard for all legislative requirements placed upon them and their governing bodies to ensure fair and equal treatment of their staff and students. This includes, but is not restricted to, the Fair Employment and Treatment (Northern Ireland) Order 1998 and the duty to promote race equality, the current legislation surrounding gender and disability, and EU regulations covering age, religion, sexual orientation, and other equal opportunities issues. These requirements reflect the legislative obligations placed upon the Department itself and may help inform the Department's risk assessment of University Colleges.

12. Risk Management

- 12.1 St Mary's University College must ensure that it has an effective policy of risk management (incorporating appropriate insurance arrangements). Risk management arrangements should consider the key principles set out in the Department for the Economy's Accounts Direction to HEIs, which notes that effective risk management:
- covers all risks – governance, management, quality, reputational and financial;
 - is focused on the most important key risks;
 - produces a balanced portfolio of risk exposure;
 - is based on a clearly articulated policy and approach;
 - requires regular monitoring and review, giving rise to action where appropriate;
 - needs to be managed by an identified individual and involve the demonstrable commitment of governors, academics, and officers; and

- is integrated into normal business processes and aligned to the strategic objectives of the organisation.

13. Subscription to HESA, QAA, and the Higher Education Academy

13.1 In order to ensure the Department has the necessary information for planning and quality assurances, St Mary's University College shall subscribe, either directly or indirectly, to the following bodies:

- Higher Education Statistics Agency (HESA)
- Quality Assurance Agency for Higher Education (QAA)
- Advance Higher Education (Advance HE)

14. Connection to JANET or SuperJANET

14.1 St Mary's University College shall take appropriate measures, including signing its acceptance of the Acceptable Use Policy, to ensure that its use of JANET⁴ or SuperJANET⁵, and networks connected to JANET or SuperJANET, conforms to acceptable practice and current legislation.

14.2 The Department reserves the right to withdraw the St Mary's University College's connection to JANET or SuperJANET if it does not take the appropriate measures referred to in paragraph 14.1.

15. Fraud

15.1 Under Managing Public Money Northern Ireland (MPMNI) regulations the Department is required to report all frauds (proven or suspected), including attempted fraud, immediately to the Department of Finance and the Comptroller & Auditor General. To enable the Department to meet these obligations St Mary's University College must advise the Department of all such frauds as soon as they become known, irrespective of their nature or value.

16. Estate Management

16.1 St Mary's University College shall manage and develop its estate with regard to the guidance issued from time to time by the Department on estate procedures.

16.2 St Mary's University College shall keep its holdings of land and buildings under review, with the objective of rationalising and disposing of those which it considers, in light of its estate strategy, to be no longer needed.

16.3 St Mary's University College shall maintain its estate in accordance with a maintenance plan, covering its long-term and routine maintenance requirements.

Disposal of any interest in an Exchequer-funded asset

⁴ Joint Academic Network - an electronic network supported by the seven higher and further education funding bodies which links universities and colleges in the UK.

⁵ SuperJANET is the enhanced network.

Sale

16.4 St Mary's University College may, following consultation with the Department sell any land and buildings, including any interest in land and buildings, which were acquired or developed in whole or in part using Exchequer funds, provided that all the following conditions are satisfied:

- a. The University College has taken independent professional advice on the terms and conditions of the sale.
- b. Having considered that advice, the University College decides it is satisfied that the terms and conditions under which the sale is proposed are the best that can reasonably be obtained for the University College at that time.
- c. The University College provides formal written documentation within fifteen working days of the exchange of contracts.

16.5 Where a sale described in paragraph 16.4 occurs, St Mary's University College may retain, and subsequently reinvest, the proceeds⁶ of that sale provided that all the following conditions are satisfied:

- a. The proceeds are reinvested, within three years, in capital assets with a life of more than 12 months.
- b. The new assets are used for activities eligible for funding as specified in Article 66 of the Education and Libraries (Northern Ireland) Order 1986 and/or Article 30 (1) (a) of the Education and Libraries (Northern Ireland) Order 1993.
- c. There is no reinvestment in assets that are used primarily for the activities listed below:
 - research contracts.
 - residences, catering and conferences.
 - services to external customers, including consultancy.
 - overseas activity.
- d. Where the expenditure is on an estates project, it conforms with the University College's current estate strategy and St Mary's University College has regard to Departmental guidance, issued from time to time, on appraising investment decisions.
- e. St Mary's University College notifies the Department in writing within fifteen working days of the date that the sale proceeds are first reinvested. If the reinvestment is done in stages, the University College must notify the Department in writing within fifteen working days of each stage of the reinvestment.

16.6 If the conditions in paragraph 16.5 are not satisfied, St Mary's University College shall pay a sum to the Department, which varies according to the circumstances:

⁶ All references to sale proceeds shall include the accrued interest earned on the sale proceeds between the date of receipt of the proceeds and the date of the reinvestment of those proceeds.

- a. Where the Exchequer funds were provided before 1 August 1975, the University College must pay an amount equal to the original value of the Exchequer funds.
- b. Where the interest in the land and buildings was acquired or developed since 1 August 1975, wholly with the aid of Exchequer funds, the University College must pay all the sale proceeds to the Department, after deducting the expenses of the transaction. The payment must include any element in respect of intangible assets sold as part of the transaction.
- c. If neither sub-paragraphs 16.6a nor 16.6b apply, the University College must pay to the Department that proportion of the sale proceeds, after deducting the expenses of the transaction, which corresponds to the value of the Exchequer funds as a percentage of the costs of acquisition or development of the land and buildings, at the date of acquisition or development.
- d. If the University College reinvests only part of the sale proceeds in accordance with sub-paragraph 16.5a, but all other conditions in paragraph 16.5 are satisfied, the University College must pay to the Department that part of the sale proceeds that is not reinvested in accordance with sub-paragraph 16.5a, subject to sub-paragraphs 16.6a-c above.
- e. Where the sale proceeds are only partly reinvested within three years, but all other conditions in paragraph 16.4 are satisfied, the University College shall pay to the Department that part of the sale proceeds that is not reinvested within three years, subject to sub-paragraphs 16.5a-c above.
- f. However, where disposal or transfer is being considered as part of a PFI deal, sympathetic consideration will be given to the re-use of the proceeds to fund or reduce contractual payments over the life of the PFI contract, where in the light of the facts of each case this appears to be reasonable and to offer value for money.

Leases

- 16.7 St Mary's University College may grant a lease or licence over land and buildings acquired or developed, whether wholly or in part, with Exchequer funds, provided that all the following conditions are satisfied:
- a. The University College has taken independent professional advice on the terms and conditions of the lease or licence.
 - b. Having considered that advice, St Mary's University College decides it is satisfied that the terms and conditions under which the lease or licence is proposed are the best that can reasonably be obtained at that time.
 - c. St Mary's University College notifies the Department in advance of the lease and provides formal notification within fifteen working days of its execution.
- 16.8 Where a lease or licence as described in paragraph 16.7 is granted, and part or all of the consideration for granting it is the payment of a premium, that premium shall be treated as sale proceeds. Therefore paragraphs 16.5 and 16.6 apply to

the University College's use of the premium. If the consideration also includes periodic payments of rent during the life of the lease or licence, these shall be treated as rental income, and paragraph 16.9 shall apply to their use by St Mary's University College.

16.9 Where such a lease or licence as described in paragraph 16.7 is granted, St Mary's University College may retain the rental income provided that both the following conditions are satisfied:

- a. The rental income is used for activities eligible for funding as specified in Article 30 (1) (a) of the Education and Libraries (Northern Ireland) Order 1993, taking account of the ineligible activities set out in paragraph 16.5c.
- b. The University College notifies the Department in writing within fifteen working days of the date the sale proceeds are first reinvested.

16.10 If the conditions in paragraph 16.9 are not satisfied, the University College shall repay to the Department the rental income, in full or in the proportion outlined in paragraph 16.6, after deducting any ground rent or other charges, administration costs and any expenses borne by the University College necessary to keep the land and buildings in a fit state to command that rent.

Transfers

16.11 St Mary's University College may transfer its title to, or grant an interest or licence in, land and buildings which were acquired or developed wholly or in part using Exchequer funds, provided that one of the following conditions has been satisfied:

- a. The transfer or grant is in accordance with paragraph 16.4 or paragraph 16.7.
- b. The transfer or grant is to a subsidiary undertaking and contains a direct covenant by the transferee with the Department that the transferee will observe and perform the conditions in paragraphs 16.4 to 16.11 of this Partnership Agreement. That covenant must be guaranteed by the University College, which must notify the Department within fifteen working days of the transfer or grant to the subsidiary.
- c. St Mary's University College has the prior written consent of the Department to the transfer or grant. The Department may attach conditions to such consent.

[Note: the intent of paragraphs 16.4 to 16.11 is not to ensure that the Department exercises control over the affairs of the College. Rather the intention is purely to protect the public interest in assets financed wholly or partly by public funds.]

17. Financial Commitments

17.1 It is the Department's responsibility to protect the public investment in university colleges. To help to fulfil this responsibility, and in its role of monitoring the financial health of the sector, the Department will require St Mary's University College to satisfy certain conditions relating to long-term and short-term financial

commitments. These conditions are set out below. These conditions are no more than the Department would expect St Mary's University College to be able to demonstrate in all cases, irrespective of whether Department consent is being sought. The Department would consider it good practice if, when undertaking new or revised financial commitments, St Mary's University College makes explicit the fact that it has acted in accordance with Department requirements. In particular any new financial commitment should:

- be consistent with the University College's strategic plan and represent the best value option;
- be consistent with the University College's financial strategy;
- satisfy the Department that it is able to meet its financial commitments and to maintain financial and academic viability without recourse to additional grant; and
- satisfy the Department that the University College's Governing Body has taken an informed decision regarding the commitment.

Further details of these requirements are given in paragraphs 17.2 to 17.6.

Long-term financial commitments

17.2 The conditions that the Department requires to be satisfied when a University College undertakes any long-term financial commitment are:

- a. Any new investment should be consistent with the University College's strategic plan and should represent the best value option.
- b. Any new financial commitment, or refinancing arrangement, should be consistent with the University College's financial strategy and represent best value.
- c. The University College must be able to meet its financial commitments, without recourse to additional grant from the Department, and its ability to maintain financial and academic viability must not be impaired as a result of its financial commitments.
- d. The University College's Governing Body has taken an informed decision regarding any new investment and any new financial commitment or refinancing arrangement.
- e. The University College must consult the Department in advance and notify the Department in writing of the use of any Exchequer-funded asset as security for any financial commitment, within fifteen working days of the signing of the commitment.

17.3 St Mary's University College shall discuss with the Department any intention to undertake a level of financial commitment such that its annualised servicing costs of all long-term financial commitments exceed a threshold of 4 per cent of total income, as reported in the latest audited financial statements, or the estimated amount for the current year if that is lower. However, the decision to undertake

such a level of financial commitment rests wholly with the College as does the liability for the repayment of all such commitments. The annualised servicing costs of the financial commitments consist of the costs of capital repayments and total interest costs spread evenly over the period of the financial commitments. If there is an option (as opposed to a commitment) to extend any borrowing to a longer term, then the annualised servicing costs will still be measured on the original term.

- 17.4 In assessing total long-term financial commitments and total income, all inherited debt and lease payments which are fully reimbursed by the Department, and all such reimbursements, shall be ignored. St Mary's University College shall also ignore any individual lease provided that the combined annualised servicing costs of such leases do not exceed 0.5 per cent of total income.

Short-term financial commitments

- 17.5 The conditions that the Department requires to be satisfied when a University College undertakes any short-term financial commitment are:

- a. That short-term financing is the most appropriate solution.
- b. The proposed financing arrangement is consistent with the University College's financial strategy.
- c. The University College's Governing Body has taken an informed decision regarding the short-term financing arrangements.
- d. St Mary's University College must consult the Department in advance and notify the Department in writing of the use of any Exchequer-funded asset as security for any financial commitment, within fifteen working days of the signing of the commitment.

- 17.6 St Mary's University College shall inform the Department before its negative net cash – as determined on a cash book basis – exceeds 5 per cent of total income, for more than thirty-five consecutive calendar days. The Department expects the College to manage its cash flow appropriately and to return to a positive cash flow as quickly as possible. The Governing Body is solely responsible for ensuring that the College operates under a sound system of internal financial management and control.

Monitoring of estate management and financial commitments

- 17.7 The Department will monitor compliance with the requirements in paragraphs 16.1 to 16.12 and paragraphs 17.1 to 17.6.

Costing and pricing of activities

- 17.8 St Mary's University College should know and understand the full economic costs

of the activities⁷ that they undertake, and this information should be taken into account within their management decision-making processes.

- 17.9 St Mary's University College should seek to recover the full economic costs of all their activities, whether pricing is determined by reference to those full economic costs or by reference to prevailing market conditions. While there may be cases for individual projects or activities to be priced at below their full economic costs, this should be done as a conscious decision, within the context of strategic objectives. University colleges are expected, taking one year with another, to recover, in aggregate, the full economic costs of all their activities across the full range of their activities.

- 17.10 Public funds must not be used to subsidise non-public activities.

18. Quality

- 18.1 The Department requires the University College to comply with the requirements of the quality assurance system in Northern Ireland. Specific requirements regarding quality regulation will be built into future iterations of this Partnership Agreement and associated Annual Engagement Plan.

19. Other Matters

Consultation with the Department on mergers

- 19.1 The Department has responsibilities in relation to the academic and financial viability of the institutions it funds, and to ensure that the interests of students are not being jeopardised. Even when no financial assistance is sought, merger proposals are bound to have an impact on future funding requirements. Therefore University Colleges must actively involve the Department at the early stages of any proposed merger.

⁷ 'Activities' in this context refers to the five categories of activities as defined for reporting under the Transparency Review (publicly funded teaching, non-publicly funded teaching, publicly funded research, non-publicly funded research, and other).

Role of the Department for the Economy

20. Partnership Working with St Mary's University College

- 20.1 The Department and the University College are part of a total delivery system, within the same Ministerial portfolio. The partnership between the Department and the University College 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.
- 20.2 In exercising its functions St Mary's University College has absolute clarity on how its purpose and objectives align with those of Department for the Economy.
- 20.3 There is a regular exchange of skills and experience between the Department and the University College and where possible joint programme/project delivery boards/ arrangements. The College may also be involved as a partner in policy/strategy development and provides advice on policy implementation/ the impact of policies in practice. Departmental Officials will engage with the University on an ad hoc basis as required to facilitate these interactions.
- 20.4 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 funding recipients which applies to St Marys University College. Other specific approval requirements established in respect of the University College are set out at Annex 3.
- 20.5 The University College will be notified of their grant allocation each year along with the conditions of the grant. Once allocations have been approved, the University College shall have authority to incur expenditure without further reference to the Department. Inclusion of any planned and approved expenditure 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.

21. Lead Official

- 21.1 The Department for the Economy has appointed a lead senior official (Grade 5) to manage the relationship with St Mary's University College and ensure effective partnership working. Engagement between the Department and the University College 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 University College in order to promote mutual understanding and support.
- 21.2 The lead senior official will ensure that where there are departmental staff changes, time is taken to ensure they have a full understanding of the University Colleges business and challenges.

22. Annual Engagement Plan

- 22.1 The Department and the University College will agree an engagement plan in relation to the planned governance work that will be taking place during the year. The Annual Engagement Plan (Annex 2) will set out the timing and nature of engagement between St Mary's University College and the Department. The engagement plan will be specific to St Mary's University College and should not stray into operational oversight.
- 22.2 Engagement between the Department's lead official/their teams and the University College will be centred on partnership working, understanding of shared risks, and working together on business developments that align with policy objectives.
- 22.3 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.
- 22.4 The Department recognise that there will be further interactions between the University College and other individuals/teams within the Department which is not reflected in the annual engagement plan. There may also be ad hoc engagement which is not reflected in the plan at the outset of the year. The University College should notify the Department if there are instances where they consider tasks or information requests are being duplicated, so that efficiencies can be identified and established.

23. Departmental Accounting Officer

- 23.1 The Permanent Secretary of the Department is its Accounting Officer. The Accounting Officer is accountable to the NI Assembly for the issue of grant in aid to St Mary's University College Belfast. As such, they are responsible and accountable to the Assembly / Parliament for ensuring that the funds voted by the Assembly / Parliament are used for the purposes for which they were given, and in ways that comply with the conditions attached to them. The Permanent Secretary is also responsible for promoting good value for money through grants paid to University Colleges and associated guidance.
- 23.2 As part of these responsibilities the Permanent Secretary must be satisfied that the Governing Body of St Mary's University College has appropriate arrangements for internal control (including financial management and accounting), and that the Department's funds are used for the purposes for which they were given.
- 23.3 In his or her role as Accounting Officer, the Permanent Secretary of the Department shall inform St Mary's University College's Governing Body and/or its Audit Committee if they have serious concerns about the University College's financial affairs or system of internal controls. They also have the authority to suspend the payment of grant, either in whole or in part and either permanently or temporarily, if in his or her opinion it is appropriate and reasonable to do so in order to safeguard public funds.

- 23.4 The Departmental Accounting Officer has designated the Principal of St. Mary's University College as the Accountable Officer and respective responsibilities of the Departmental Accounting Officer is set out in Chapter 3 of Managing Public Money Northern Ireland. If the Departmental Accounting Officer concludes that the St Mary's Accountable Officer is unable to meet their responsibilities under this Partnership Agreement, the Department may then request that the Governing Body to appoint someone else to report to it on behalf of the institution.
- 23.5 As outlined in section 9, the St Mary's University College Principal is accountable to the St Mary's University College Board for their stewardship of St Mary's University College. This includes advising the Board on matters of financial propriety, regularity, prudent and economical administration, efficiency, and effectiveness.
- 23.6 The Departmental Accounting Officer must be informed in the event that the judgement of the St Mary's University College Accountable Officer (on matters for which they are responsible) is over-ridden by the College Board. The St Mary's University College Principal must also take action if the St Mary's University College 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 St Mary's University College or its' Principal.
- 23.7 In line with DoF requirements, the St. Mary's Accountable Officer will provide a periodic bi-annual declaration of fitness to act as Accountable Officer to the Departmental Accounting Officer as part of the DfE Assurance Statement process.
- 23.8 The Departmental Accounting Officer is responsible for advising the relevant Minister on a number of key issues and risks affecting St. Mary's University College.

24. Attendance at Public Accounts Committee

- 24.1 The St Mary's University College Principal Officer may be summoned to appear before the Public Accounts Committee to give evidence on the discharge of their responsibilities as Accountable Officer (as laid out in their appointment letter) on issues arising from the C&AG's studies.
- 24.2 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.
- 24.3 In addition, the Department for the Economy 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 St Mary's University College. In such circumstances, the Departmental Accounting Officer may therefore expect to be questioned on their responsibilities to ensure that:

- sufficient and appropriate management and financial controls are in place to safeguard public funds;
- the nominated Accountable Officer is fit to discharge his or her responsibilities;
- there are suitable internal audit arrangements;
- accounts are prepared in accordance with the relevant legislation and any accounting direction; and
- intervention is made, where necessary, in situations where the College's Accountable Officer's advice on transactions in relation to regularity, propriety or value for money is overruled by the Board or its Chair.

25. Allocation and Payment of Funds

25.1 'Payments to St Mary's University College by the Department are in support of activities specified in Article 66 of the Education and Libraries (Northern Ireland) Order 1986 and Article 30 (1) (a) of the Education and Libraries (Northern Ireland) Order 1993 namely:

- a. The provision of education and the undertaking of research; and
- b. The provision of any facilities, and the carrying on of any activities, which the Governing Body of the University College considers it necessary or desirable to provide or carry on for the purpose of, or in connection with, education or research.

25.2 Payments will be subject to the provisions of Article 66 of the Education and Libraries (Northern Ireland) Order 1986, the Education and Libraries (Northern Ireland) Order 1993, the conditions set out in this Partnership Agreement, and such terms and conditions as the Department may from time to time prescribe in accordance with the 1993 Order. However, these terms and conditions will not relate to the application by St Mary's University College of any funds not derived from the Department. In determining what funds to allocate to St Mary's University College, the Department does not wish to discourage the University College from maintaining and developing its funding from other sources.'

25.3 The Department will determine the amount of funds to be allocated to St Mary's University College in any year and may, in its allocations, distinguish between recurrent and capital funds.

25.4 St Mary's University College shall use any funds which the Department has earmarked or provided for specific recurrent or capital purposes, solely for those purposes.

25.5 If any Department funds which were earmarked or provided for specific purposes are used for other purposes, St Mary's University College must report such use to the Department as soon as it becomes aware of it.

25.6 The Department will normally pay funds to St Mary's University College in

monthly instalments, in accordance with a funding profile for the academic year which takes account of expected need within the higher education sector as a whole, and receipts of tuition fees from students and the Student Loans Company.

- 25.7 Formula funding for widening access and improving retention is conditional on submission by University Colleges of acceptable widening participation strategies and action plans.
- 25.8 The Department will also be prepared, on written application from the University College, to consider making exceptional or ad hoc payments from St Mary's University College's existing overall grant allocation. However, such payments will not be made in advance of the University College's need to spend the money.
- 25.9 Capital grants may be paid where the Department has agreed to contribute to the costs of capital projects submitted at its request and conforming to criteria set by the Department. The Department will pay its agreed contribution to the costs of capital projects in accordance with a payment profile agreed with the University College, as set out in the associated conditions of grant. Payment will only be made on receipt of monthly claims, which should be supported by appropriate invoice documentation. Payment will not be made in advance of need. St Mary's University College's procurement policies shall reflect the public procurement policy adopted by the Northern Ireland Executive; relevant procurement Guidance/Policy Notes, and any other relevant guidelines or guidance issued by DoF. Capital procurement activity which uses funding received from the Department should be undertaken in consultation with the Construction and Procurement Delivery branch (CPD) within DoF.
- 25.10 The Department will notify St Mary's University College, in writing, of the provisional allocations of formula funds as soon as possible after 31 March and in advance of the academic year to which they relate.
- 25.11 The Department will require the College to repay part or all of a grant payment if it does not comply with the conditions attached to the grant or if it is over-funded. In cases where the Department requires repayment it may charge interest, at 2 per cent above the Bank of England base rate.
- 25.12 The Department reserves the right to impose financial sanctions and/or withdraw funding from St Mary's University College if it fails an audit re-inspection by the QAA.
- 25.13 The Department also reserves the right to require St Mary's University College to pay interest, at 2 per cent over the Bank of England base rate, in respect of any period during which a sum due to the Department under this or any other condition remains unpaid.

Assurance Framework

26. Autonomy and Proportionality

- 26.1 The Department for the Economy will ensure that St Mary's University College 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 St Mary's University College and the Department for the Economy and is reflected in this Agreement.
- 26.2 A proportionate approach to assurance will be taken based on St Mary's University College's overall purpose, business and budget and a mutual understanding of risk. The approach will include an agreed process through which the St Mary's University College Accountable 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.
- 26.3 Recognising the governance arrangements in place within the organisation, the St Mary's Accountable Officer will arrange for their annual assurance return to be discussed at the Audit Committee and presented to the Board prior to submission to the Department where possible. If not possible, or practicable, the Principal should sign it prior to submission to the Department and it should be presented at the next available Audit Committee meeting.
- 26.4 The St Mary's University College Chair will provide written confirmation that the St Mary's University College Accountable Officer's formal assurance has been considered by the Board and is reflective of St Mary's University College's current position.
- 26.5 In addition to the Accountable Officer's written assurance, the Department will take assurance from the following key aspects of St Mary's University College's own governance framework::
- Internal Audit assurance; and
 - Externally audited Annual Report and Accounts, reviewed/considered by the College's Audit Committee.

27. The Audit Process

- 27.1 The Governing Body of St Mary's University College shall appoint an Audit Committee, and arrange to provide for internal and external audit, in accordance with the CUC Higher Education Audit Committees Code of Practice and any other directions published by the Department.
- 27.2 The Department and/or other agents acting on behalf of the Department will, from time to time, evaluate St Mary's University College's risk management, control, and governance arrangements.
- 27.3 The Department and/or other agents acting on behalf of the Department, may also carry out any additional investigations considered necessary. All or part of the cost of such additional investigations may, where circumstances warrant it, be deducted from the University College's recurrent grant.

- 27.4 St Mary's University College shall provide the Department and/or other agents acting on behalf of the Department, with access to all books, records, information, and assets.
- 27.5 The Department and/or other agents acting on behalf of the Department can require any officer to give any explanation which it considers necessary to fulfil its responsibilities. The books and records of St Mary's University College shall also be open to inspection by the Comptroller and Auditor General.
- 27.6 The Department, and/or other agents acting on behalf of the Department, may carry out reviews designed to improve economy, efficiency and effectiveness in the management or operation of St Mary's University College, including value for money studies. The Comptroller and Auditor General may also carry out value for money studies of the University College's use of resources.
- 27.7 The Department's internal auditors and/or the Northern Ireland Audit Office may accompany Departmental representatives and/or agents acting on behalf of the Department on their visits to the University College. On such visits the Department's and/or NIAO's auditors will be concerned only with the way the Departmental representatives and/or agents acting on behalf of the Department are carrying out tasks and will not themselves audit arrangements within St Mary's University College.

28. Internal Audit Assurance

- 28.1 It is recommended that St Mary's University College comply with best practice in the sector by establishing and maintaining arrangements for an internal audit function that operates in accordance with the Public Sector Internal Audit Standards (PSIAS).
- 28.2 The following information must be provided, according to a timetable which will be notified each year:
- a copy of the Audit Committee's annual report;
 - a copy of the Internal Auditor's Annual Report; and
 - the completed Annual Assurance Return.
- 28.3 The College will alert the Department to any less than satisfactory audit reports at the earliest opportunity on an ongoing basis. The College will also alert the Department to a less than satisfactory annual opinion from the Head of Internal Audit at the earliest opportunity. The Department will follow up with the College to ensure that any less than satisfactory issues have been addressed and rectified.

29. Externally Audited Annual Report and Accounts

- 29.1 St Mary's University College is required to prepare an Annual Report and Accounts in line with the Statement of Recommended Practice: accounting for further and higher education 2019 edition' (SORP), or any successor to the SORP, and the specific Accounts Direction issued by Department for the Economy, and in accordance with the deadlines specified.

- 29.2 St Mary's University College shall keep proper accounting records and shall prepare financial statements in respect of each accounting period. St Mary's University College shall provide the Department with three copies of its audited financial statements for the accounting period by 31 December following the end of the accounting period. At least one copy of the financial statements provided to the Department shall contain the signatures required under paragraph 29.4 of this Partnership Agreement and shall be signed by the University College's external auditors. St Mary's University College shall make arrangements to make copies of the financial statements publicly available, for example, on its website.
- 29.3 St Mary's University College shall ensure its financial statements comply with the Accounts Direction issued annually by the Department. The Accounts Direction will cover what information is to be in the financial statements, how they are to be presented, and the methods and principles for preparing them in accordance with GAAP.
- 29.4 The financial statements shall be signed by the Accountable Officer and by the Chair or one other member of the Governing Body appointed by that body. If the University College is a company, the requirements of the Companies (Northern Ireland) Order 1986 (as revised by the Companies (Northern Ireland) Order 1990) for signatories to the financial statements shall apply.
- 29.5 Fees paid to external auditors for other services must be disclosed separately in a note in the financial statements.
- 29.6 The Department will take assurance from the external audit process and an unqualified position as part of its overall assurance assessment.
- 29.7 The Assembly's interest is to see that public funds are properly applied and accounted for and used economically, efficiently, and effectively by recipients. The Comptroller and Auditor General (C&AG), head of the Northern Ireland Audit Office, is the Department's external auditor. The C&AG has the right to inspect the accounts of any HEI that receives Department grant, and the right to carry out value-for-money (VFM) investigations.
- 29.8 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.

30. Revisions to the Partnership Agreement

- 30.1 This Partnership Agreement shall be reviewed formally by the Department at least once in every three years or following a review of the functions of the University College. The Department will make material revisions to this document only after consulting the University College.

Interpretation

- 30.2 The rights, powers and remedies reserved to the Department in this Agreement are in addition to any other rights, powers, and remedies which it may hold now

or at any time in the future. No failure to exercise or delay in exercising by the Department any of its rights, powers and remedies shall operate as a waiver of them. Nor shall any single or partial exercise of any such right, power or remedy preclude any further or other exercise of the same or any other right, power, or remedy.

30.3 Questions on the interpretation of any statement in this Agreement shall be resolved by the Department after consultation with the University College, and such bodies representing St Mary's University College as the Department considers appropriate.

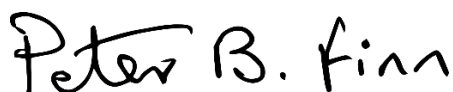
Signatories

St. Mary's University College and the Department for the Economy agree to work in partnership with each other in line with the arrangements set out in this Partnership Agreement.



Signed
(St Mary's University College Chair)

Date 28 November
2024



Signed
(St Mary's University College Principal)

Date 28 November 2024

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

Date

Annex 1 - Applicable Legislation

List the founding legislation and other key statutes which provide St Mary's University College with its statutory functions, duties and powers are listed below (any subsequent amendments to this list of legislation should also be considered relevant).

- a. The Education and Libraries (NI) Order 1986;
- b. The Education (Unrecognised Degrees) (NI) Order 1988
- c. The Education (Reform) (NI) Order 1989;
- d. The Education and Libraries (NI) Order 1993;
- e. The Further Education (NI) Order 1997;
- f. The Education (Student Support) (NI) Order 1998, and its regulations;
- g. The Higher Education (NI) Order 2005, and its regulations; and
- h. The Colleges of Education (NI) Order 2005.

Annex 2 – Annual Engagement Plan

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

Partnerships work well when relationships between Departments and University Colleges are open, transparent, honest, constructive, based on trust and when there is mutual understanding of each other's objectives and clear expectations about the terms of engagement.

The template provided outlines the key areas of engagement between Departments and University College's. The template is not intended to be prescriptive and should be completed collaboratively and agreed between the Department and the University College.

Annual Engagement Plan		
Policy Development and Delivery		
Policy Area	Frequency/Timing	Lead Departmental/ University College Official
Student Mental Health, Harassment and Sexual Misconduct, Ending Violence Against Women and Girls	Bi-annual (May and October)	Head of HE Policy Branch
Period Products Pilot Programme	Quarterly monitoring returns on pilot	Head of HE Policy Branch
Tertiary Education Senior Leaders Forum	Quarterly	Permanent Secretary DfE Director of Tertiary Education Reform
Tertiary Education Sector Working Group – HE in FE policy	Quarterly	Director of Tertiary Education Reform
Widening Participation Forum – Widening Participation policy	Quarterly	Director of Tertiary Education Reform
Strategic Planning		
Activity	Date	Lead Departmental/ University College Official
Assurances		
Action	Date	Lead Departmental/ University College Official

Annual Accounts Direction	July/August	Head of HE Quality and Governance Branch
Annual Accountability Return, to include <ul style="list-style-type: none"> • assurance statement • signed audited financial statements • Audit Committee Report, Internal Audit Annual Report, External Auditor management letter and University response; and • Financial forecasts for the next 3 years complete with commentary on assumptions made and how risks are managed. 	December/January	Head of HE Quality and Governance Branch
Annual Accountability Meeting	April	Head of HE Quality and Governance Branch
Assurance Statement	Bi-annual	Head of HE Quality and Governance Branch
Board Appraisals and planned training/development for Board members	Following the end of the Business year.	Head of HE Quality and Governance Branch
Independent Audit assurance in respect of DfE funded Student Support (Hardship) Funds	Annual	Head of Student Support Finance Branch
Disabled Students Allowance Management Reports	Annual	Student Support Branch (Deputy Principal)
Budget Management		
Item and Purpose	Date	Lead Departmental/ University College Official
Notification of teaching grant for the forthcoming academic year	July	Head of HE Finance Branch
Diversity and Mutual Understanding and International Awareness -	4 weeks from notification of teaching grant	Head of HE Finance Branch

planned expenditure for Academic year		
Diversity and Mutual Understanding and International Awareness - report on actual expenditure against planned expenditure	31 August	Head of HE Finance Branch
Review of the Partnership Arrangement		
Item and Purpose	Date	Lead Departmental/ University College Official
Formal review of the Partnership Agreement	To be conducted once every three years	Head of HE Quality and Governance Branch

Annex 3 - Delegations

Delegated authorities

St Mary's University College 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 outside the conditions of the grant as approved by the Department and detailed in the annual grant letter and accompanying Annex A as approved by the Department;
- entering into any capital undertaking to incur any expenditure, for which the University subsequently seeks funding from 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; or
- 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

In addition, it is recommended that the University College establish their own range of delegated limits internal to the Institution to ensure appropriate control over spend is exercised.

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

Annex 4 – Concerns/Complaints in respect of Board members

The approach to concerns/complaints raised in respect of St Mary's University College Board members should be transparent and collaborative.

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

Concerns/complaints might also be raised through:

- Raising Concerns/Whistleblowing arrangements;
- Complaints processes;
- Directly with St Mary's University College.

Where a concern/complaint is received within St Mary's University College in respect of an individual Board Member this should be provided to the St Mary's University College Chair.

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 University College.

The Department should be notified in the case of a Board Member being dismissed. The Department must also be notified of any Board Members who the University determines to be in breach of the Nolan Principles, in particular if it involves any degree of financial impropriety.

Arrangements for concerns/complaints in respect of Board members should be reflected in all relevant procedures.

Annex 5 - Relevant Guidance

The following guidance is applicable to St. Mary's University College.

Guidance issued by the Department of Finance

- Managing Public Money NI
- Public Bodies – A Guide for NI Departments
- Corporate Governance in Central Government Departments – Code of Good Practice
- DoF Risk Management Framework
- HMT Orange Book
- The Audit and Risk Assurance Committee Handbook
- Public Sector Internal Audit Standards
- Accounting Officer Handbook – HMT Regularity, Propriety and Value for Money
- The NI Guide to Expenditure Appraisal and Evaluation
- Better Business Cases (NI)
- Dear Accounting Officer Letters
- Dear Finance Director Letters
- Dear Consolidation Officer and Dear Consolidation Manager Letters
- The Consolidation Officer Letter of Appointment
- Guidance for preparation and publication of annual report and accounts (Accounts Directions issued by the Department)
- Procurement Guidance Notes and Procurement Policy Notes

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
- Equality Commission for Northern Ireland

- Committee of University Chairs - Governance Framework and Audit Committee Code of Practice

Annex 6 - Definitions

1. In this Partnership Agreement, the following definitions apply.

Academic year: the 12 months from 1 August to 31 July

Accountable Officer: Usually Principal of the University College responsible and accountable to the Department (and ultimately to the Assembly / Parliament) for ensuring that the University College uses Department funds in ways that are consistent with the purposes for which those funds were given and complies with the conditions attached to them. These include the conditions set out in Article 30 (1) (a) of the Education and Libraries (Northern Ireland) Order 1993 and in this Partnership Agreement

Accounting period: the period covered by the University College's audited financial statements, usually the 12 months from 1 August to 31 July

Capital expenditure: expenditure used to create or purchase a new asset, replace an existing asset, or refurbish or remodel an existing asset

Deficit: the historical costs deficit as given in the 'Note of historical cost surpluses and deficits' in the Statement of Recommended Practice (SORP): 'Accounting for Further and Higher Education'

Exchequer funds: For the purposes of this Agreement, Government grant or grant-in-aid, paid by the Department and its predecessor Department(s)

Exchequer-funded assets: assets acquired or developed, wholly or in part (including refurbishment), with Exchequer funds in the form of specific capital funds

FRS: Financial Reporting Standard

GAAP: Generally Accepted Accounting Principles

Governing Body: the body responsible for the management and administration of the University College's revenue and property, and the conduct of its affairs

HEI: Higher Education Institution

HESA: Higher Education Statistics Agency

JANET: the Joint Academic Network, an electronic network supported by the seven higher and further education funding bodies which links universities and colleges in the UK. SuperJANET is the enhanced network

Licence: any licence other than a licence of residential accommodation to a registered student

NIAO: Northern Ireland Audit Office

NAO: National Audit Office

OfS: Office for Students

Overseas activities: those activities taking place outside the United Kingdom of Great Britain and Northern Ireland

PFI: Private Finance Initiative

PPP: Public-Private Partnership

QAA: Quality Assurance Agency for Higher Education

SSAP: Statement of Standard Accounting Practice

SuperJANET: see JANET

The Assembly: the Northern Ireland Assembly

The Department: the Department for the Economy

The University College: St. Marys University College

The 1986 Order: the Education and Libraries (Northern Ireland) Order 1986

The 1993 Order: the Education and Libraries (Northern Ireland) Order 1993

References to the **financial position, financial statements, financial commitments** or **borrowing of the University College** mean the consolidated financial position, financial statements, financial commitments or borrowing of the University College and its subsidiary undertakings, as defined in the Companies (Northern Ireland) Order 1986 and revised by the Companies (No.2) (Northern Ireland) Order, and in accordance with generally accepted accounting principles. **Shall** and **must** denote mandatory requirements and **should** denotes the Department's view of good practice.