



<b>Subject:</b>	Governance update report
<b>Date:</b>	21 <sup>st</sup> June 2016
<b>Reporting Officers:</b>	Donal Durkan, Director of Development
<b>Contact Officers:</b>	Eve Bremner, Programme Manager

<b>Is this report restricted?</b>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
<b>Is the decision eligible for Call-in?</b>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	This report provides members with a brief update on the new governance arrangements in place to manage the new Belfast Waterfront & Ulster Hall company and its relationship with the Council.
<b>2.0</b>	<b>Recommendations</b>
	The Committee is asked to note the report.
<b>3.0</b>	<b>Main report</b>
3.1	Members will be aware that since the previous meeting work has been ongoing to finalise the legal framework for the new Belfast Waterfront & Ulster Hall Limited. It can now be confirmed, however, that the Contract and Shareholders Agreement were signed by both the Council and BWUH Ltd on 3 <sup>rd</sup> June 2016. As such a contract is now in place for a period of 10 years with an option to extend by a further 5 years.
3.2	In order to support the relationship between both parties an internal governance structure has therefore been put in place and consists of the following. A schematic of the following is represented in Appendix 1: <ol style="list-style-type: none"><li><b>BWUH Shareholders' Committee</b> – the Committee will represent the interests of the Council i.e. the Shareholder, scrutinise performance and finance, approve the Business Plan and make decisions on reserved matters.</li><li><b>Corporate Management Team</b> – CMT will act as a project board providing assurance and leadership. The Chief Executive and Director of Finance &amp; Resources will also act as Observers on the Board of BWUH Ltd.</li><li><b>The Director of Development</b>, Donal Durkan, is the Senior Responsible Officer</li></ol>

within Council going forward. In this role the Director will assume responsibility for developing and maintaining the strategic relationship with the Managing Director and will report to Committee, the Corporate Management Team and funders on performance, finance, risk and issues. The Director will be supported by Eve Bremner (Programme Manager) and Lynda Bailie who will provide day-to-day contract management support for the company, Council and members.

4. **An Internal delivery team** consisting of representatives from key services such as Finance and Resources, Legal Services, AGRS, HR/OD, Property and Projects and Digital Services will provide operational support to the company (as per agreed SLAs) and also report through the Director of Development as appropriate.

3.3 The contract documentation between the Company and the Council also includes a number of provisions to ensure that appropriate governance arrangements are put in place within the new company, in line with good practice. The table below highlights the key provisions and the current position:

Financial Regulations & procedures	<ul style="list-style-type: none"> <li>– Financial procedures in place</li> <li>– Scheme of Delegation in place</li> </ul>
Audit & Risk Committee	<ul style="list-style-type: none"> <li>– BWUH Board has agreed to form an Audit &amp; Risk Committee</li> <li>– Terms of reference to be confirmed at BWUH Board meeting scheduled for 8 August 2016</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>– Provided by Council's Audit, Governance &amp; Risk Services (yr 1)</li> <li>– Indicative Terms of Reference prepared - to be discussed at Audit &amp; Risk Committee meeting 8 August 2016. This will include consideration of provision of assurances (through the internal audit process) to the Board and Shareholders' Committee.</li> </ul>
External Audit	<ul style="list-style-type: none"> <li>– A specification for the appointment of an external auditor has been developed by the Company. Steps underway to procure as per the Company's Financial Regulations. Committee will be updated on any subsequent appointment.</li> </ul>
Risk management	<ul style="list-style-type: none"> <li>– Board has held a workshop to identify and assess Company risk profile and discuss related risk management process.</li> </ul>
Health and Safety	<ul style="list-style-type: none"> <li>– Responsibility of the Company, assistance provided by Council's Corporate H&amp;S Unit under a Service Level Agreement.</li> </ul>

3.4 The Committee is asked to note the progress made to date and to note and that further updates on the AGRS programme will be brought to Committee as part of regular quarterly

	reporting on performance and progress.
<b>4.0</b>	<b><u>Financial &amp; Resource Implications</u></b> None
<b>5.0</b>	<b><u>Equality or Good Relations Implications</u></b> None
<b>6.0</b>	<b>Abbreviations</b>
	BWUH - Belfast Waterfront & Ulster Hall AGRS - Audit, Governance & Risk Services SLA - Service Level Agreement
<b>7.0</b>	<b>Appendices – Documents Attached</b>
	Appendix 1 - Schematic of BWUH governance arrangements