

**From Director, Corporate Management
Directorate**



To: ALB Chairs
ALB Chief Executives

Castle Buildings
Upper Newtownards Road
BELFAST, BT4 3SQ

Tel: 028 9052 0501

Email: laverne.montgomery@health-ni.gov.uk

Our ref: LM/12/12/19

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Dear Colleagues,

DAO (DoF) 06/19 – Guidance on Proportionate Autonomy for Arm’s Length Bodies

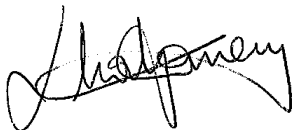
1. The enclosed DAO confirms the publication of the publication of guidance on Proportionate Autonomy for Arm’s Length Bodies (ALB’s), which is intended to help departments and ALB’s assess the nature of their relationship when completing future Partnership Agreements. The guidance is available on the Accountability and Financial Management section of the [DoF website](#) and also enclosed as a separate document.

2. The guidance on Proportionate Autonomy provides guiding principles, rather than being detailed and prescriptive, and should be considered in conjunction with the principles set out in the *“Partnerships between Departments and Arm’s Length Bodies: NI Code of Good Practice”* and the Partnership Agreement Template. The illustrative Annual Engagement Plan within the Partnership Agreement allows flexibility for the Department and ALB’s to specify and agree the nature and extent of engagement between them and to reflect the level of ALB autonomy.

3. In my letter of 29 November 2019, circulating the Partnership Agreement Template, I noted the intention that Partnership Agreements will be phased in from 1 April 2020 and that the Department will be liaising with DoF and our ALB's in respect of arranging further guidance, training and support. As completion of the Annual Engagement Plan will be integral to implementation of Partnership Agreements, a corresponding focus on Proportionate Autonomy will be incorporated as part of this process. We will also ensure departmental Finance colleagues are fully involved in the implementation process, to provide the opportunity to identify where it may be possible to streamline processes and monitoring requirements, while maintaining an appropriate level of assurance.

4. I would be grateful if the enclosed documents can be brought to the attention of all relevant staff in your organisation. If you have any queries, they should be addressed to russell.redmond@health-ni.gov.uk in the first instance.

Yours sincerely



LA'VERNE MONTGOMERY

cc: DoH Board Members
DoH Sponsor Branch Teams
DoH Press Office

Encl: a. DAO (DoF) 06/19 - Guidance on Proportionate Autonomy for Arm's Length Bodies

b. Guidance on Proportionate Autonomy for ALB's - Final version