



Belfast
City Council



PEACEPLUS Programme

Assurance review carried out by Audit, Governance and Risk Services
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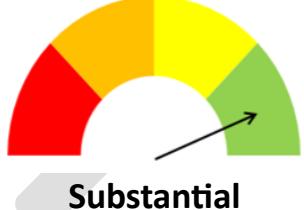
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Executive Summary				
Audit Title	PEACEPLUS Programme	Audit Opinion		Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed, and objectives should be met.
<p>PEACEPLUS is a European Union funding programme designed to support peace and prosperity in Northern Ireland and the border counties of Ireland, building on the work of the PEACE and INTERREG programmes.</p> <p>PEACEPLUS is managed by the Special EU Programmes Body (SEUPB) and represents a funding partnership between the European Union, the Government of the United Kingdom of Great Britain and Northern Ireland, the Government of Ireland and the Northern Ireland Executive.</p> <p>Belfast City Council is the lead partner for the delivery of two PEACEPLUS Projects:</p> <ul style="list-style-type: none"> • Local Community Action Plan • Reconnected Belfast Waterworks / Alexandra Park <p><u>Local Community Action Plan</u></p> <p>The Special EU Programmes Body (SEUPB) has allocated €17.4million (approximately £15.1 million) to us to deliver the Belfast PEACEPLUS Local Community Action Plan to fund community activities and infrastructure projects that help build peace and reconciliation in Belfast.</p> <p>A key aspect of the Action Plan is the Community and Regeneration theme which will deliver almost €5 million (approximately £4.3 million) of investment across Belfast – focussing on empowering local people to regenerate and transform their communities on a cross-community basis.</p> <p>Sixteen Belfast projects will benefit from the PEACEPLUS funding and will all be delivered by external contractors. The focus of these projects is:</p> <ul style="list-style-type: none"> • Six projects are aimed at building thriving and peaceful communities; • Five projects will look at celebrating cultures and diversity; and 				

	<ul style="list-style-type: none"> • Five small scale capital projects have been designed to regenerate and transform their local areas. <p><u>Reconnected Belfast - Waterworks / Alexandra Park</u></p> <p>Reconnected Belfast – Waterworks and Alexandra Park is a large scale capital project that the Council has been granted €13 million (approximately £10 million) in SEUPB funding for. This project will be delivered by the Property and Projects department.</p>
	<p>While there are two distinct areas of work under the PEACEPLUS programme, the Council is taking a “one Council” approach to their delivery, with joint SROs from City & Neighbourhood Services and Property & Projects.</p> <p>The Senior Responsible Officer (SRO) for the Local Community Action Plan is the Operational Director (Neighbourhood Services) and the work will primarily be overseen by the Peace Programmes team in City & Neighbourhood Services department, with input from Property & Projects for the smaller capital projects.</p> <p>The SRO for the Reconnected Belfast project is the Director of Property & Projects, with the work being led by a project team within Property & Projects, with input from the Peace Programmes Manager for the ‘animation’ aspects of the project.</p> <p>The delivery of the Reconnected Belfast capital project will be overseen and managed by:</p> <ul style="list-style-type: none"> • Senior Responsible Officer • Deputy Senior Responsible Officer • Investment Decision Maker • Senior Clients • Senior Programme Delivery Manager • Client Manager • BCC Project Manager • PEACEPLUS Programming Lead <p>Programme Oversight for the Action Plan is provided by the Programme Board and the PEACEPLUS Team and Secretariat which is managed by the Peace Programmes Manager.</p> <p>The PEACEPLUS team is made up of:</p> <ul style="list-style-type: none"> • Peace Programmes Manager • Finance and Systems Lead Officer • Three Project Managers • Three Project Support Officers • Finance / Claims Officer

	<ul style="list-style-type: none"> • Monitoring / Data Analyst • Project Officer • Programme Support Assistant • Finance and Data Support Assistant <p>The PEACEPLUS Staff Structure sets out the line management and reporting paths up to the Programmes Manager and on to the Good Relations Manager.</p>										
£	<p>SEUPB has allocated:</p> <ul style="list-style-type: none"> • €17.4million (approximately £15.1 million) for the Council to deliver the Belfast PEACEPLUS Local Community Action Plan to fund community activities and infrastructure projects that help build peace and reconciliation in Belfast. The allocation of funding across this programme is: <table> <tbody> <tr> <td>Thriving and peaceful communities</td> <td>€5,269,692.93 (£4,582,341.68 approx)</td> </tr> <tr> <td>Celebrating cultures and diversity</td> <td>€3,192,994.55 (£2,776,517 approx)</td> </tr> <tr> <td>Community Regeneration and transformation (capital projects)</td> <td>€5,367,007.89 (4,666,963.38 approx)</td> </tr> <tr> <td>Staff Costs</td> <td>€3,150,069.22 (£2,739,190.63 approx)</td> </tr> <tr> <td>Office & Administration (flat rate)</td> <td>€457,510.38 (£397,835.11 approx)</td> </tr> </tbody> </table> <ul style="list-style-type: none"> • A further €13 million (approximately £10 million) has been granted by SEUPB for the Reconnected Belfast Waterworks and Alexandra Park capital project. <p>The two projects are subject to separate Letters of Offer, each with project specific funding conditions, and the SEUPB standard conditions of funding.</p> <p>The Sterling figures above are based on the planning exchange rate requested by the SEUPB of €1.15. Reimbursement of expenditure will be in Euro, based on the EU commission average rate at the time of the submission of the claim, as such the rate will be subject to change.</p>	Thriving and peaceful communities	€5,269,692.93 (£4,582,341.68 approx)	Celebrating cultures and diversity	€3,192,994.55 (£2,776,517 approx)	Community Regeneration and transformation (capital projects)	€5,367,007.89 (4,666,963.38 approx)	Staff Costs	€3,150,069.22 (£2,739,190.63 approx)	Office & Administration (flat rate)	€457,510.38 (£397,835.11 approx)
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	<p>Governance arrangements for the implementation of the PEACEPLUS programme have been formalised. The Governance framework for the PEACEPLUS Local Action Plan reflects both strategic and operational levels.</p> <p>Strategic Level - The strategic tier of the PEACEPLUS Governance Framework model is the Council's Strategic Policy & Resources Committee and full Council.</p> <p>Operational Level - The operational level comprises of three sub-tiers:</p> <ul style="list-style-type: none"> • Tier 1 - Shared City Partnership • Tier 2 - PEACEPLUS Programme Board • Tier 3 - Thematic Steering Groups <p>Regular reporting to SEUPB is also required by the Terms and Conditions of the Letters of Offer.</p> <p>The governance arrangements for the Reconnected Belfast capital project have also been formalised and include:</p> <ul style="list-style-type: none"> • The Reconnected Belfast Project Board • The Project Team • The Project Delivery Team <p>The Reconnected Belfast Project Board will report into the Finance P&P Oversight Group and then on to the People & Communities Committee.</p>
	<p>Our audit reviewed the controls in place to mitigate the following potential risks:</p> <ul style="list-style-type: none"> • Governance arrangements are not adequate and / or are not operating in practice. • Risks within the programme are not being effectively monitored and managed • Compliance with the conditions of funding is not being effectively monitored and managed • External delivery contracts were not procured in line with internal and SEUPB guidelines • Contracts for the delivery of projects are not being effectively managed • Capital projects are not procured in line with terms and conditions of funding or are not delivered in line with specified timeframes and budgets • Funding claims submitted to SEUPB are not accurate or have not been prepared in line with SEUPB requirements.

Basis of Audit Opinion

Based on our review of programme documents and the sample testing that was undertaken, we have provided an assurance rating of **Substantial** over the controls in place to manage the risks that could impact on delivery of the Councils two PEACEPLUS Projects in line with the terms and conditions of the letter of offer. The positive assurance opinion reflects the significant knowledge and experience that the management team have in delivering Peace programmes, and the learning from previous Peace programmes.

It is important to highlight that unlike previous programmes, a decentralised control arrangement has been adopted for management verifications in the PEACEPLUS Programme. Previously SEUPB operated a centralised system for management verifications where SEUPB staff verified and certified project expenditure prior to payment. In PEACEPLUS, projects must appoint an external controller to carry out Management Verifications for all partners within their project. It is still early stages of the delivery of the PEACEPLUS Programme, and while BCC has procured an external controller in accordance with SEUPB's Framework, as at December 2025, BCC has not yet submitted a funding claim to the external controller, therefore AGRS has not tested controls over the new management verification process.

Further details of the audit work done and the findings from each of the following audit areas are provided below.

- Governance, Risk Management and Compliance with the Conditions of Funding
- Procurement of External Delivery Partners for the Local Community Action Plan projects
- Management of the Delivery Partners
- Capital Projects
- SEUPB Funding Claims

Our audit did not identify any issues with the key controls in the above audit areas, however the programme is at an early stage, and we highlight the importance of ongoing oversight of the effective operation of these controls.

Governance, Risk Management and Compliance with the Conditions of Funding

Our audit looked at the governance arrangements that have been put in place for the programme; how programme and project risk is being managed; and how compliance with the conditions of funding is being monitored and managed. The following controls were found to be in place, adequate, and operating effectively:

- A formal Governance Model has been established for the PEACEPLUS Programme.

- The Governance Model includes the Terms of Reference and roles and responsibilities for key groups and individuals that make up the programme governance structure.
- The Programme Board meets monthly and reports up to the Shared City Partnership which also meets monthly.
- The Celebrating Cultures & Diversity and Thriving & Peaceful Communities Thematic Steering Groups have been meeting quarterly since May.
- Update reports are produced for the Programme Board and the Shared City Partnership to assist with the monitoring and management of the delivery of the programme. The Programme Board report includes updates around governance, mobilisation priorities, procurement, staffing/recruitment, risk management, communications, and actions / next steps. Appropriate decision making is taken at an operational level by the Programme Board, and more strategic decisions are considered by the Shared City Partnership.
- A formal process had been established for the regular review of PEACEPLUS programme risks.
- Risk registers are in place at a Programme level and for each of the three programme themes.
- A formal process has been established for monitoring and managing compliance with the SEUPB Letter of Offer and the standard conditions of funding. This includes the use of a 'Letter of Offer Tracker' for monitoring compliance.

Procurement of External Delivery Partners for the Local Community Action Plan projects

We reviewed the BCC PEACEPLUS Procurement Process document that was established for the PEACEPLUS programme and undertook sample testing to confirm that procurement activities were undertaken by BCC in line with the prescribed process. This did not include a review of the procurement activities undertaken for the capital projects, see 'Capital Projects' section later. The following controls were found to be in place, adequate, and operating effectively:

- The PEACEPLUS Team have established documented procedures to provide guidance around procurement activities for the PEACEPLUS Programme.
- Commercial and Procurement Services (CPS) are involved throughout the procurement process and also provide advice to the PEACEPLUS Team when needed. Where the contract is above the OJEU thresholds, CPS run the tender exercise completely, with some input from the Peace team.
- Tender exercises were advertised on the Official Journal of the European Union (OJEU) as required by the documented procedures and the PEACEPLUS Programme Manual.
- A Procurement Tracker spreadsheet has been established to monitor and manage the procurement activities to be completed.
- At the completion of the procurement exercise formal contracts are signed with all external delivery partners.

Management of the Delivery Partners

We reviewed the BCC Contract Management Protocol that was established for the PEACEPLUS programme and undertook sample testing to confirm that contract management activities are being undertaken by BCC in line with the Protocol. The following controls were found to be in place, adequate, and operating effectively:

- A Contract Management Protocol has been established to provide guidance on the management of the delivery partners for PEACEPLUS projects.
- The delivery partners are required to provide monthly update reports to the Project Manager prior to the monthly contract management meeting. These reports include updates on project progress, monitoring and evaluation, communications, and budgets and resources.
- Delivery partners are required to meet monthly with the Project Manager and other members of the PEACEPLUS team, to review delivery progress. However, sample testing found that while contract management meetings were not formally minuted as required by the Contract Management Protocol, there is an agenda in place for each meeting, the Project Manager makes notes around what has been discussed at each meeting, and an action log is updated and circulated following each meeting. Testing also found that in all instances monthly and quarterly meetings were being held as required, and delivery partners were providing the required update reports.
- Appropriate remedies are in place for addressing any contractual issues that arise with project delivery partners.

Capital Projects

In relation to the capital projects that are being delivered as part of the PEACEPLUS Programme, we reviewed the procurement guidance that is in place and how project delivery, and project expenditure and budgets, were being managed.

The following controls were found to be in place:

- BCC Documented procedures are in place around the procurement for PEACEPLUS capital projects, and to ensure that procurement exercises are completed in line with terms and conditions of funding.
- A delivery programme has been established for each of the capital projects.
- A formal process is in place for monitoring and managing project delivery. Each project has a Project Manager and a Client Manager and there is also a Project Board to oversee the delivery of the projects.
- Management are responsible for regularly monitoring and managing project expenditure against budgets, including receiving regular reports on project expenditure and holding regular meetings to discuss project delivery versus budgets.

Community Regeneration and Transformation (CRT) Capital Projects

It is still early stages of the delivery of these capital projects. Design teams were appointed for each of the five CRT projects in quarter two of 2025/26, and each of the projects is in the planning/ design phase of the delivery programme.

Three of these capital projects also include the delivery of a community animation programme once the construction phase has been completed. Alignment between the animation activity and construction works for each capital project is critical. Officers from Property and Projects are working closely with the PEACEPLUS Project Managers to ensure alignment of both elements.

We undertook testing to confirm that procurement exercises were completed in line with the procurement strategy (developed by Property and projects), and that Delivery Programmes and processes for monitoring and managing project expenditure against budgets have been established for each project. Testing of a sample of projects found that to date, procurement activities have been undertaken in line with the documented procedures, and Delivery Programmes and processes for monitoring and managing project expenditure against budgets, have been established. In November 2025, no contract payments had been made in relation to these five small scale capital projects.

Waterworks and Alexandra Park Capital Project

An Integrated Consulting team was appointed for this project in September 2025, and the project is currently in the Detailed Design stage of the delivery programme. It is anticipated that construction on this project will commence in 2026, and the project should be completed in 2028.

Section four (Proposed Procurement Route) of the Reconnected Belfast Procurement Strategy provides the following guidance “Based on the expected value of the ICT services being greater than the current EU threshold limits, the (Integrated Consulting Team) ICT will be procured utilising the OJEU/PCR2015 process. The procurement will also follow the guidance laid out by the Construction & Procurement Delivery (CPD) unit of the Department of Finance and will utilise a suitable price/quality ratio and the lowest or most acceptable price. The Council will use the electronic tendering system e-SourcingNI”.

Testing found that the procurement of the Integrated Consulting Team for this project was undertaken in line with the BCC Reconnected Belfast Procurement Strategy, and the requirements of the PEACEPLUS Programme Manual, including being advertised on OJEU and in the local newspapers.

SEUPB Funding Claims

In relation to the submission of funding claims to SEUPB we found the following controls were in place:

- Formal procedures have been established for submitting funding claims in line with the SEUPB requirements. These include key roles and responsibilities of programme staff.
- Funding claims must be reviewed and appropriately approved prior to submission to SEUPB to ensure that all expenditure is eligible, and claims will be approved and paid by SEUPB.

Previously, (for the Peace IV Programme) it would have been SEUPB who verified a sample of the Council's programme expenditure prior to funding claims being paid. However, for the PEACEPLUS Programme the verification process has changed and the Council is now responsible for the verification of expenditure. To enable this the Council is required to appoint a Financial Controller, selected from a central framework provided by SEUPB, to undertake management verifications. The role of the Controller is to verify that the expenditure reported by the Council fulfils the conditions as detailed in the Letter of Offer and the PEACEPLUS Programme Manual.

Programme expenditure (for the Local Community Action Plan projects) up to the end of September 2025 was:

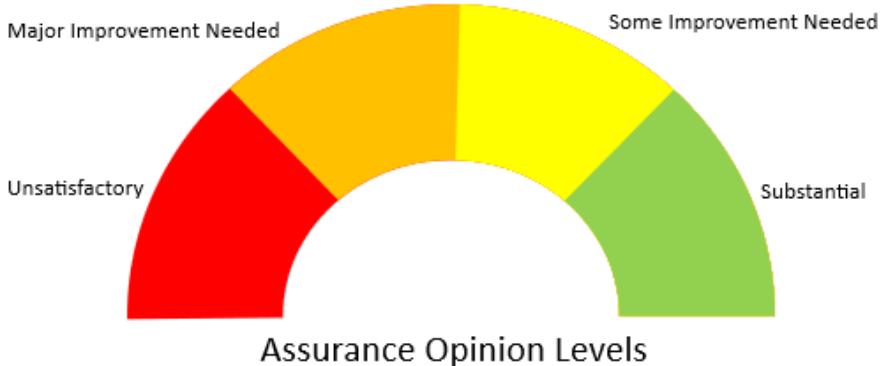
Salaries	£765,958
Office and Administration	£114,894
Thriving and Peaceful Communities	£172,155
Celebrating Cultures and Diversity	£390,766
	£1,443,773

This expenditure represents about 10% of the £15,193,057 total budget for these projects. As of December 2025, no funding claims have yet been submitted to SEUPB, no compliance testing could be completed.

A 'Preparation Lump Sum' of €100,000 (£85,862.35) for the Local Community Action Plan, has been received into Council's euro bank account. The Lump Sum is an automatic payment to assist Council in covering the costs relating to the preparation of the Local Action Plan and associated application to the PEACEPLUS Programme. No supporting documentation showing expenditure incurred was required by SEUPB in relation to this payment.

To help manage the financial risk to Council, officers submitted an advance request to SEUPB. SEUPB has confirmed the Council will receive a €2.25m advance which will be provided in two payments. A one-off payment of €1.5m was received in December 2025 and the remaining €750k will be paid to the Council once the first 4 claims have been submitted.

Appendix 1 – Definition of Assurance Opinions



Level of Assurance	Definition
Substantial	Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Some Improvement Needed	A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
Major Improvement Needed	Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.
Unsatisfactory	Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.