

Annual Governance Statement 2025/2026

The Council's Annual Governance Statement (AGS) follows the CIPFA Code of Practice on Local Authority Accounting in the UK 2025/26 and comprises the following sections:

- Scope of responsibility
- The purpose of the governance framework
- The governance framework
- Review of effectiveness of the system of internal control
- Update on the significant governance issues that were declared last year
- Significant governance issues for the year-end 2026

Scope of responsibility

Belfast City Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and is used economically, efficiently and effectively. The Council also has a duty under Part 12 of the Local Government Act (Northern Ireland) 2014 to make arrangements for continuous improvement in the way in which its functions are exercised, having regard to a combination of strategic effectiveness, service quality, service availability, fairness, sustainability, efficiency and innovation.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs and facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Council has prepared an Annual Governance Statement, which is consistent with the principles of the new CIPFA/SOLACE Framework *Delivering Good Governance in Local Government (2016 edition)* and the *Addendum (May 2025)*. This statement explains how the Council has complied with the code and meets the requirements of regulation 4 of the Local Government (Accounts and Audit) Regulations (Northern Ireland 2015) in relation to the publication of an annual governance statement.

The purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the Council is directed and controlled and the activities through which it accounts to, engages with and leads its communities. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

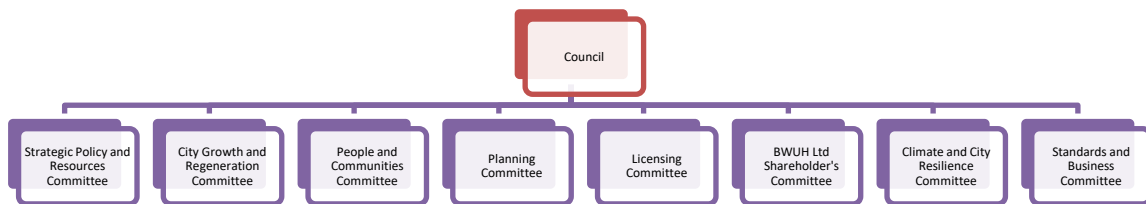
The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework continues to be in place at Belfast City Council for the year ending 31st March 2026 and up to the date of approval of the Annual Governance Statement and statement of accounts. The following section sets out the key elements of the governance framework.

The governance framework

The Local Government (Remote Meetings) Regulations (Northern Ireland) 2024 were approved by the NI Assembly and became operational from 25 June 2024 which required councils to put in place standing orders governing remote attendance at meetings of council. Belfast City Council approved the Supplement to the Standing Orders, Remote Meetings Protocol and Procedure Rules, on 2nd September 2024. The first remote meeting under the new legislation was Strategic Resources and Policy committee on 20 September 2024.

Our committee structure, which is based on the full council and eight standing committees is illustrated and described below.



Through the work of committees, our members oversee the work of the council. All committee decisions need to be ratified by the full council except where committees have been granted delegated authority to make decisions.

The full council, which consists of all 60 elected representatives, is the overarching decision-making body.

The Strategic Policy and Resources Committee is responsible for setting the strategic direction of the Council through the development of its corporate plan and other key corporate and cross cutting strategies and policies. It will also ensure effective use of resources and value for money for ratepayers and oversee the Council's relationship with a number of key agencies and partners.

The City Growth and Regeneration Committee is responsible for the development and implementation of strategies, policies, programmes and projects directed to the regeneration and growth of the city in the context of the outcomes agreed in the community and corporate plans and other corporate strategy.

The People and Communities Committee is responsible for the development and implementation of strategies, policies, programmes and projects aimed at improving life at a local level in the context of the outcomes agreed in the community and corporate plans and other corporate strategy.

The Planning Committee is responsible for all the Council's planning functions, except those matters, which are delegated to officers or reserved to full Council.

The Licensing Committee is responsible for the consideration of all matters pertaining to policy and legislation in relation to licensing issues.

The Belfast Waterfront and Ulster Hall Ltd Shareholders' Committee is responsible for making the decisions required by the Shareholders' Agreement and ensure that the company complies with the contract for the operation of the venues.

The Climate and City Resilience Committee is responsible for political oversight of the resilience strategy for Belfast, liaising with Belfast Resilience and Sustainability Board who are responsible for monitoring and delivery with the support of Belfast Climate Commission, supporting a targeted approach through existing structures to those issues which pose the greatest risk to the city, its economy and its people. This includes considering the potential implications of climate change for the city of Belfast and for making recommendations to the Council on Belfast City Council's approach to addressing the climate crisis and Council's role and responsibilities at city level.

The terms of reference of the Standards and Business Committee are to: promote, sustain and safeguard the conduct of Councillors within the Council; promote a collaborative working relationship between senior officers and Members; ensure the probity of all the council's proceedings; and review and improve processes in relation to bringing business before the Council, including review of all Notices of Motion, any review of Standing Orders and the Council's Scheme of Delegation.

In addition to the Committees listed in the diagrams above there are 18 Working Groups established which include the Audit and Risk Panel and four Area Working Groups. In addition, there is a Party Leaders' Consultative Forum.

The Audit and Risk Panel provides an independent assurance on the adequacy of the Council's risk management framework and associated control environment. It provides an independent scrutiny of the Council's financial and non-financial performance, which is relied upon by the Council, to the extent that it exposes it to risk and weakens the control environment. The Panel reports to the Strategic Policy and Resources Committee. The Audit and Risk Panel met four times during 2025/26.

The Council's Code of Governance is based on the seven core principles set out in the *CIPFA/SOLACE Framework (2016 edition)* and *Addendum (May 2025)*. How we meet these seven core principles is reviewed and updated annually. A summary Code of Governance setting out the key elements of our governance framework is set out in the table overleaf. This is based on a detailed Code of Governance which is not published because the summary version enables the reader to understand how governance works and the Council's commitment to good governance and because publication of some of the information within the Code has the potential to enable a cyber-attack.

Our Code of Governance

A: Behaving with integrity

- Shared values communicated via corporate plan, community plan and key strategies
- Codes of conduct for Members and staff
- PDP / appraisal process for Members and staff
- Gifts and hospitality and conflicts of interest policies and registers in place
- Fraud and Raising Concerns policies
- Good Relations Unit
- Equality and Diversity Framework
- Council constitution, standing orders and scheme of delegation
- Expert professional advice
- Partners and contractors required to comply with relevant policies
- Achieving Through People Framework
- Standards and Business Committee
- Accessibility Statement for the updated website
- Social Value Procurement Policy

B: Ensuring openness

- Council / committee meetings open to the public and agendas / minutes on website
- Belfast Agenda developed via extensive consultation and engagement.
- Corporate plan and annual improvement plan are subject to consultation before agreement
- Statement of Community Involvement for production of the Local Development Plan
- Industrial Relations Framework
- Corporate communications
- Annual financial report published on the BCC website
- Equality Screening Outcome reports available through the BCC website
- Formal Partnership arrangements with GLL, Active Belfast, arc21, BWUH Ltd, Visit Belfast, Innovation City Belfast
- "Your Say" consultation hub
- Working with Belfast Region City Deal partners

C: Defining outcomes

- Belfast Agenda outlines long term economic, social and environmental benefits and is refreshed every four years
- Belfast Region City Deal Investment Plan
- Cultural Strategy
- Corporate plan outlines the annual contribution to the Belfast Agenda
- City Centre Regeneration and Investment strategy
- Physical Investment Programme
- Grant funding processes
- Equality Impact Assessments

D: Optimising the achievement of outcomes

- Corporate plan aligned to delivery of Belfast Agenda
- Adoption of the Belfast Local Development Plan (LDP) - Plan Strategy
- Key partner in the Belfast Region City Deal
- Consultation and engagement processes
- Strategic financial management and reporting framework in place.
- Performance management framework
- Regular reports on progress of our performance improvement plan to CMT and members
- Risk management strategy and framework

E: Developing capacity and capability

- People Strategy
- Achieving Through People Framework
- Regular performance monitoring of the delivery of improvement objectives
- Learning and development policy
- Health and wellbeing strategy
- Appraisal scheme in place for Chief Officers, Operational Directors / Heads of Service and Senior Managers
- PDPs for officers and Members
- Member capacity building / training
- Continuing Development Programme for members
- Party group briefings

F: Finance, performance and risk management

- Annual Rate Setting process
- Financial Strategy
- Compliance with CIPFA Financial Management Code
- Performance management framework
- Treasury Management Strategy
- Capital Strategy
- Risk management strategy and framework
- Regular reporting of finance, risk and performance
- Audit Assurance Board and Audit and Risk Panel
- Internal audit function / annual internal audit strategy and plan in place
- Recommendations monitor process
- Data protection policy and procedures
- Corporate Fraud Risk Assessment
- Increased data security controls
- Generative AI policy
- Asset management arrangements

G: Transparency, reporting and effective accountability

- BCC website regularly updated
- Publication of key reports including the annual financial report; annual governance statement and; performance improvement report
- Committee support to approve papers prior to submission to Members
- AGRS (internal audit) annual assurance statement
- Internal Audit effectiveness annually reviewed against relevant internal audit standards, with an independent external review every five years
- Internal / external audit recommendations followed up regularly
- Key governance arrangements in place for the Council's Accountable Body role for the Belfast Region City Deal
- Various accreditations for Quality Management System, Health and Safety and Environment 14001.

The Chief Executive is the Council's designated Chief Financial Officer under the Local Government Finance Act (Northern Ireland) 2011, responsible for the proper administration of the Council's financial affairs.

The Council's financial management arrangements conform to the governance requirements of the *CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2016)*.

We have re-assessed our compliance with the principles of the *CIPFA Financial Management Code* and work is ongoing to improve compliance in three areas:

- Governance - the City Solicitor and Director of Legal Services is leading on the update of the Council's Scheme of Delegation and 2015 Financial Regulations. The draft Financial Regulations have been discussed with Senior Finance Group and the Director of Finance; however, they are not yet been approved by CMT and the Strategic Policy and Resources Committee.
- Integrated Planning – a cross departmental working team has reviewed the current financial and corporate planning processes so that Corporate, Departmental and Service Plans are better aligned with approved estimates. Further integration is envisaged through the involvement of Members in agreeing priorities through the Transformation and Efficiency Agenda which will support medium term financial planning.
- Investment Planning – the new 8 - 10 year capital programme is currently under development. Once approved it will be integrated with the annual rate setting and medium-term financial planning processes.

The Council's arrangements substantially conform with the standards and requirements within the *Code of Practice on Good Governance for Local Authority Statutory Officers (2024)*, with the Chief Executive fulfilling the role of Head of Paid Service and Chief Finance Officer, supported by the Director of Finance and; the City Solicitor fulfils the role of Monitoring Officer.

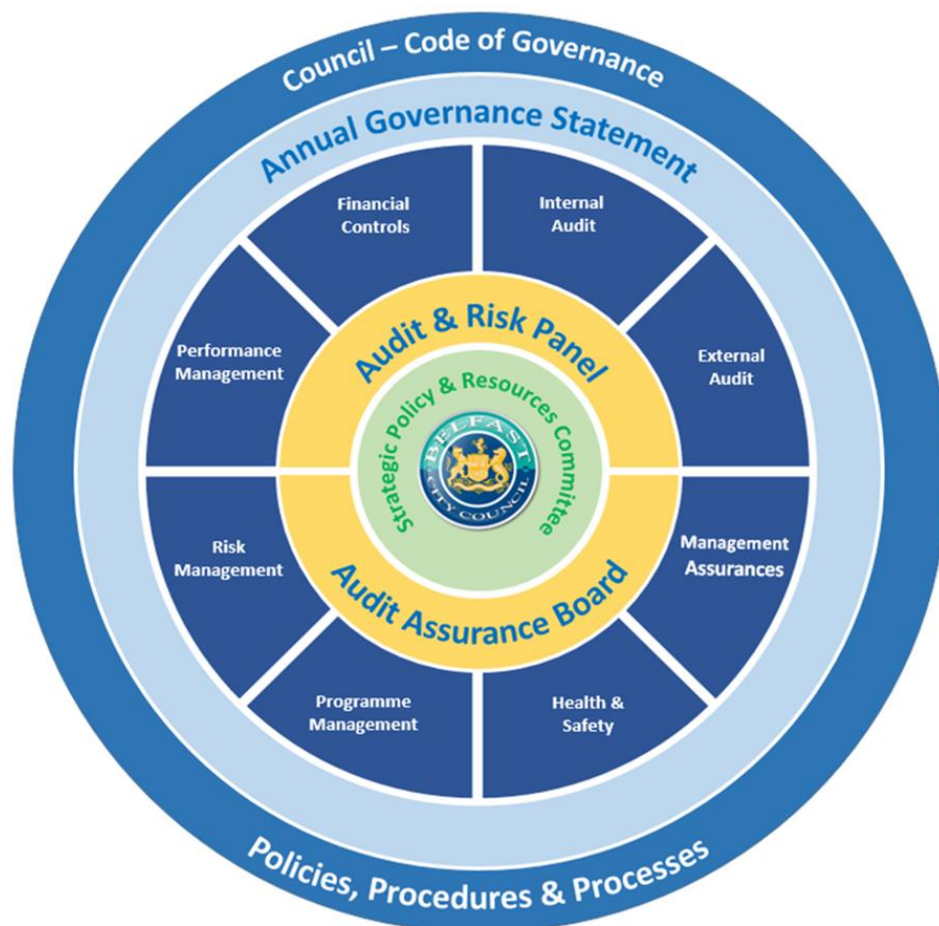
Having considered all the principles of the *CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (2014)*, subject to the implementation of the Corporate Fraud Risk Action Plans, the Council has adopted a response that is appropriate for its fraud and corruption risks and commits to maintain its vigilance to tackle fraud.

The Council's arrangements conform to the requirements of the *CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (2025)* which apply from 1st April 2025.

The *CIPFA Statement on the Role of the Head of Internal Audit (2019)* outlines the five principles that set out the organisation's responsibilities to ensure the Head of Internal Audit (HIA) can operate effectively and perform their core duties. The Statement also sets out the core responsibilities of the HIA along with the personal skills and professional standards expected of the HIA. The Head of Audit, Governance and Risk Services (AGRS), and the supporting operational arrangements in place, conform to the five principles set out in the CIPFA Statement. This is demonstrated through a self-assessment exercise undertaken by the Head of AGRS. While the principles state that the HIA should not be responsible for preparing the annual governance report, the arrangements within the council, involve AGRS co-coordinating the annual review and update of the Annual Governance Statement which is then reviewed and agreed by the Corporate Management Team, Audit Assurance Board and Audit and Risk Panel, before being reviewed by Strategic Policy and Resources committee and signed by the Chair of Strategic Policy and Resources and the Chief Executive.

There were no reports to the Information Commissioner's Office of a breach of personal data by Belfast City Council during 2025/26.

The following diagram illustrates the Assurance Framework in place that provides information and assurance to members and management on the operation of the various governance arrangements throughout the year as well as at the year-end. The Framework, includes performance reports, health and safety reports, finance reports, external audit reports, internal audit reports and risk management report



Review of effectiveness of the system of internal control

Executive Summary

Management and members have arrived at the overall opinion that the Council's governance is fit for purpose in that the Council's governance arrangements for the 2025/26 financial year as outlined in our code of governance (with the key elements outlined in a table in this statement) were operating effectively and support the achievement of the Council's outcomes, with key improvements in the year relating to our new Generative AI Policy and an assessment against the National Cyber Security Centre Cyber Assessment Framework.

The Council is committed to ensuring that governance will be fit for purpose for the year ahead, with no significant changes anticipated. The Council has identified three main areas to further improve our governance arrangements relating to; undertaking a governance review; improving our asset management approach and; further developing our medium-term financial plan. These improvements will be progressed during 2026/27.

Review of Effectiveness

The assessment of effectiveness was undertaken by the Audit Assurance Board and reviewed and agreed by the Audit and Risk Panel, who in turn provide assurance on the completion and outcome of this review to the Strategic Resources and Policy Committee and ultimately full Council. The assessment arrived at the overall opinion that the Council's governance arrangements are fit for purpose; are adequately aligned to support the delivery of the corporate plan and meet our responsibilities for value for money; support and deliver each of the principles of good governance as summarised earlier. This overall opinion is informed by consideration of the following information:

- The annual assurance statements completed by senior managers, whereby they provide assurance on the operation of their risk management frameworks and the implementation of audit actions, along with any issues and associated improvement actions that they may wish to highlight
- The quarterly assurance statements completed by members of the Corporate Management Team (CMT);
- The updates to the Code of Governance alongside confirmation from management that the various governance arrangements within the Code that fall within their responsibility are operating effectively and; review of the areas for improvement identified by management.
- Assessments and statements of compliance by management against best practice guidance that underpin the Council's core governance arrangements such as the; *CIPFA Statement on the Role of the Chief Financial Officer in Local Government*; *CIPFA Financial Management Code*; *CIPFA Code of Practice on Managing the Risk of Fraud and Corruption (2014)*; *CIPFA Code of Practice for the Governance of Internal Audit in UK Local Government (2025)*; *CIPFA Statement on the Role of the Head of Internal Audit (2019)*; *Global Internal Audit Standards in the UK Public Sector (2025)* and; *the Code of Practice on Good Governance for Local Authority Statutory Officers (2024)*.
- Review of quarterly management reports on risk management, delivery of the internal audit plan (including updates on fraud and raising concerns), performance management, health and safety and absence management.
- The findings of the annual audit of the accounts for the Council by the Local Government Auditor, who certified the 2024-25 financial statements without qualification.
- The findings of the annual audit and assessment of the Council's performance by the Local Government Auditor who indicated that they were satisfied that the Council had discharged its statutory performance improvement reporting duties, and that it had acted in accordance with the legislation and guidance and concluded that the Council is likely to discharge its duties in respect of Part 12 of the Act during 2024-25 and has demonstrated a track record of improvement.
- The Head of Audit Governance and Risk Services annual assurance statement on the Council's governance, risk management and control arrangements, who provided an opinion of reasonable assurance regarding the adequacy and effectiveness of the Council's framework of governance, risk management and control for the year-end 2026.
- Review of management's confirmation that the following accreditations and independent assessments against control frameworks or standards are in place;
 - Completion of an external assessment against the National Cyber Security Centre Cyber Assessment Framework
 - Waste Management - Quality Management System ISO 9001, Health and Safety OHSAS 45001 and Environment 14001;
 - Legal Services - Quality Management System ISO 9001;
 - Physical Programmes Delivery Unit - Quality Management System ISO 9001
 - Property Maintenance Unit - National Inspection Council for Electrical Installation Contracting (NICEIC)

- Commercial and Procurement Services - Quality Management System ISO 9001 and Environment 1400

The following actions, designed to further improve our governance arrangements, are being progressed and will be monitored as part of delivery of the corporate delivery plan:

- Undertaking a governance review
- Establishing an approach to improve the management of the Councils assets base in a way that will ensure the maximum contribution to delivery of our corporate objectives.
- Further work on the Medium-Term Financial Plan, including development of a Transformation and Efficiency programme.

The Councils governance arrangements have further improved during the 2025/26 year with the introduction of the Generative AI Policy, the assessment against the National Cyber Security Centre Cyber Assessment Framework and the collection of information on external accreditations and assessments across the Council for member and management review. Looking forward we do not expect our governance arrangements to change significantly.

A Statement by the Head of Internal Audit

As Head of Audit, Governance and Risk Services (AGRS), on the basis of work carried out, I can provide a reasonable assurance regarding the adequacy and effectiveness of the Council's framework of governance, risk management and control.

We developed our audit plan in consultation with management to ensure that our audit work was focussed on the areas where assurance was most valuable. Member and management agreement of this plan combined with delivery of the majority of this plan signifies members and managers recognition of the importance of receiving independent assurance over the council's risk, control and governance frameworks and provided me with sufficient evidence to support my assurance statement.

My opinion is based on completion of audits in the audit plan for 25/26; programme and project assurance and advisory work; other advisory work and; quarterly assurance statements from senior management on compliance with risk management and internal control systems.

Specifically, my opinion is based on the following:

- Evidence from areas subject to detailed internal audit during 2025/2026, in that AGRS has been able to provide positive statements of assurance with the majority of audits falling into the 'some improvement needed' category - the 2nd tier of assurance in the four-tier model (see Table 2 at section 3 of this report).
- Provision of assurance and advisory work for programmes and projects. (see sections 3.3 and 3.4 of this report).
- The results of the recommendations monitor exercise completed in March 2026 which showed an improvement in the implementation rate for audit actions.
- The work that was undertaken to support management in their quarterly review and update on the management of the corporate risks that could potentially impact on delivery of our corporate plan and priorities.
- The work that was undertaken to complete the review of the Corporate Fraud Risk Assessments and to support management in the development of associated fraud risk mitigation plans.
- The results of the 24/25 National Fraud Initiative.

- Quarterly assurances from senior management on the management of key risks and maintenance of internal control systems.
- The evidence set out in the review of the Council's Code of Governance and Annual Governance Statement regarding the range of key assurance and governance arrangements that the Council has in place to direct / oversee its activities.

However, some weaknesses and areas for improvement have been identified through audit work. These have been reported in detail to the Council's Audit Assurance Board and Audit and Risk Panel during 2025/26 through quarterly progress reports. In addition, I have highlighted, where appropriate, where further action is required to implement agreed audit actions. The key issues I would highlight in this statement are as follows:

- AGRS was able to provide positive statements of assurance in the majority of audits completed in 2025/26, however two audits resulted in 'major improvement' assurance level, relating to Agency and Gifts, Hospitality & Potential Conflicts of Interest. It is important that the action plan for these audits are implemented in as timely a manner as possible.
- The Asset Management gap analysis reported to the Panel in December 2024, set out improvement actions that should enable the Council to manage its substantial asset base in a way that should ensure the maximum contribution to delivery of corporate objectives. It is important that an agreed approach to improving asset management is progressed.
- Given the removal of eight risks from the corporate risk register in March 2026, I underline the importance of Directors ensuring that arrangements are in place to effectively manage these risks within their departmental risk management frameworks.

Both the Audit and Risk Panel and I are satisfied that internal audit has the appropriate resources to fulfil the internal audit terms of reference and achieve the internal audit plan.

Limitations – the most recent External Quality Assessment (EQA) of AGRS found strong evidence that AGRS is viewed as making a positive contribution to the continuous improvement of governance, risk management and internal control in the Council and conforms to the requirements of the Public Sector Internal Audit Standards. One of the recommendations for improvement arising from the EQA was that my annual assurance report should highlight the limitations that result from AGRS' role in supporting the Council's risk management arrangements. In this regard I highlight that AGRS is responsible for assisting the Director in establishing, maintaining and supporting the implementation of the council's Risk Management Strategy. This places limitations on AGRS' ability to assess the overall effectiveness of the Council's risk management arrangements. To manage these limitations and to preserve the independence and objectivity of AGRS a number of safeguards have been put in place including resource planning to manage boundaries between our advisory and assurance work; self-assessments against best practice and periodic external assurance reviews of the council's arrangements for risk management

Further information to support the above statements is provided at Section 3 to this report.

Global Internal Audit Standards in the UK Public Sector

AGRS generally conforms with the Global Internal Audit Standards in the UK Public Sector. A small number of non-conformances have been reported through the governance structures and relate to:

- The Chair of the Audit and Risk Panel having a direct role in the reporting line, appointment and removal, performance appraisal and remuneration of the Head of AGRS. While the Head of AGRS has the authority to report directly the Chair whenever necessary and the Chair is involved in the appraisal and recruitment of the Head of AGRS, it would not be appropriate for the Chair to have a direct management role.
- While an external assessment is undertaken every five years, it is not feasible for the Quality Assurance and Improvement Plan to be assessed annually by someone independent of the delivery of the audit plan.

- Making the AGRS Charter publicly available and reviewing and updating the documented AGRS methodologies, which will be progressed.

Update on the significant governance issues that were declared last year

Three issues were declared last year and two continue to be declared as issues in this year's statement regarding Digital Information Security and the Brexit Implementation Programme for Port Health. The issue declared last year relating to Bank Reconciliations is no longer considered to be a significant governance issue for the year ended 31st March 2026 and an update on the work that was completed last year to manage this issue is set out below.

Bank Reconciliations

Actions have been implemented to address configuration of bank rules to maximise automatic clearing of transactions and training has been undertaken to ensure correct reconciliation coding to facilitate timely clearing of unreconciled items. Strengthened management and control systems have been developed for escalation of any issues surrounding unallocated income with monthly reports to management on volume and aging of uncleared items. These measures should prevent recurrence for the 2026 year-end bank reconciliations.

Significant governance issues for the year ended 31 March 2026

The significant governance issues for the year ended 31 March 2026 were identified through review of the risks in the Corporate Risk Register and review of the Directors' Annual Assurance Statements.

The most significant issues for the Council are listed below and relate to two issues which have been carried forward from last year:

1. Digital Information Security / Digital Strategy
2. Brexit Implementation Programme for Port Health

More information on these significant governance issues is provided below.

1. Digital Information Security / Digital Strategy

Digital information security continues to be a significant governance issue and is overseen through the Council's risk management processes by the Council's Corporate Management Team. Digital Services has implemented the following controls to manage and have better visibility of the growing threats in this area:

- Completion of penetration tests and vulnerability scans.
- Completion of Payment Card Industry Data Security Standard attestation.
- Ongoing delivery of a Security Awareness programme.
- Unannounced phishing tests.
- Mobile device management.
- Completion of firewall upgrades.
- Ransomware incident response playbook development.
- Cloud services access report reviewed by Security Oversight Group.
- Completion of a cyber security desktop exercise with the Corporate Management Team.

The Digital information Security programme will continue to focus on priority areas that are most important to enhance the council's cyber security controls. A new cyber security programme of work

is being formulated to address the top risks identified in a recent external assessment based on the NCSC Cyber Assessment Framework.

Additional actions to be undertaken to further mitigate this key corporate risk in 2026/27 include:

- Complete the implementation of a new Managed Security Operations Centre.
- Development of new cyber security programme to resolve CAF recommendations.
- Carry out Cyber Security desktop exercise with the corporate business continuity working group.
- Complete an externally facilitated tabletop exercise with key staff in Digital Services.
- Update cyber playbooks following tabletop exercise.

An internal audit highlighted issues with the management of the corporate risk on the strategic approach to the use of data, including future ownership of this risk. A Data and Analytics Board chaired by the Deputy Chief Executive / Strategic Director of Corporate Services has been established and has focused on:

- The development of technical infrastructure to support a corporate approach to Data and Analytics.
- Preparing a pipeline of data and analytics use cases.
- Developing an AI policy.
- Developing an Outline Business Case for the implementation of a corporate approach to the implementation of an Electronic and Document Records Management system.

Our Digital Strategy aims to make the best use of digital and data to deliver excellent public services and inclusive growth in the Belfast City Region is supported through the delivery of a digital programme of work. The main objectives of the Digital Strategy relate to Digital Public Services; Information as an Asset; Digital City Innovation and Digital Capability.

Further work will take place on the corporate implementation of AI to augment the implementation of the objectives outlined in the Digital Strategy.

ICT capability is an intrinsic pillar of the overall operating model of the Council, and it is important that we have the right skills within Digital Services and across the Council. Digital Services will continue to work with our internal workforce planning group to:

- Ensure all vacant posts continue to be successfully filled.
- Review and determine future skills and development needs across the service.
- Continue with succession planning in the service.

2. Brexit Implementation Programme for Port Health

Engagement has continued at strategic and operational levels with partners including Food Standards Agency (FSA), Department of Agriculture, Environment and Rural Affairs (DAERA) and Department for Environment, Food and Rural Affairs (DEFRA) across all key strands of work to implement the changes, processes, systems and facilities required for delivery of the Council's Port Health statutory functions, including delivery of the Windsor Framework. This has included:

- Update report to the Corporate Management Team on review of shift working and options for establishing posts on a permanent basis. Due to ongoing uncertainty regarding the UK / EU political negotiations, a short-term extension to temporary contracts may be required in the first

instance. The most recent recruitment exercise has assisted in filling nearly all the temporary posts.

- Continue horizon scanning for any developments at UK / EU level regarding possible Sanitary and Phytosanitary Inspection (SPS) Agreement that may remove the requirement for some checks at ports and assess the impact on the Council.
- Undertake pre-engagement with FSA and DAERA and submit funding bid for 2027/28 in quarters three or four.
- Port Health continues to engage with the Organics Trade team at DEFRA and DAERA on the need for new regulations to be brought forward by Assembly regarding divergence .
- DEFRA indicated forthcoming UK / EU discussions on the SPS Agreement may address some of the issues, announcements expected in 2026/27.
- The Council has continued to advocate for a longer-term funding model for the provision of Port Health services. A further one-year funding arrangement is planned for 2026/27 however there is also no final confirmation from Government on whether fees and charges for checks / inspections will form part of the longer-term funding model and a longer-term funding model is looking less likely given recent communications with the FSA.
- The team moved into the new SPS inspection facility facility in quarter three and there are some snagging issues and ICT connection issues.

In 2026/27, this item will remain an important governance issue for the Council due to the lack of clarity regarding future funding models, trade volumes and resourcing requirements and potential new UK and EU deals on trade.

Signed:
Chair Strategic Policy and Resources Committee

Signed:
Chief Executive Officer