

ANNUAL GENERAL MEETING

MINUTES OF THE TWO HUNDRED AND THIRTY NINTH BOARD MEETING AND ANNUAL GENERAL MEETING OF THE COMMUNITY RELATIONS COUNCIL HELD ON TUESDAY 14TH NOVEMBER 2023 13:00PM BOARDROOM, EQUALITY HOUSE

3947/23 Present: Mr M McDonald (Chair), Mr J McCallister (Board Member), Ms M Braniff (Board Member), Ms A Simpson (Board Member).

3948/23 In Attendance: Dr J Irwin (CEO), Mr P Day (Engagement Director), Ms U Kelly (DFAP Director), Ms J Adamson (Human Resources Manager), Mr D McNally (Core Fund Evaluation Officer), Mr M Hughes (Core Funding Officer), Mr P Garrity (Finance Manager), Mr B O'Donald (Funding and Development Director) Ms H George (EA to CEO and Board), Francesco Sowa (EA to CEO and Board).

3949/23 Observers: Mr D Mercer (Boardroom Apprentice)

3950/23 Apologies: Ms C Harris (Board Member) Ms S McClelland (Board Member), Mr M McDonnell (Board Member), Mr R Campbell (Board Member), Ms N Tandon (Board Member),

3951/23 Standard Checks

(a) *Members should declare any conflict of interests in any discussions where decisions were required.*

(b) *Members need to register any offers of gifts or hospitality since the last Council meeting*

There were no declarations of interest.

3952/23 Welcome

The Chair welcomed Mr D Mercer, CRC's Boardroom Apprentice to today's meeting. He also welcomed back Peter following a period of sick absence, Brian to his new role of Director of Funding & Development and Francesco Sowa as temporary EA to CEO during Hannah George's maternity leave.

3953/23 Minutes

Members reviewed the minutes of the 238th meeting of the Board which took place on 15 September 2023. The Board approved these minutes.

3954/23 Matters Arising

The Chair presented the Board with an update on the matters arising from previous meetings.

The Chair has sought details on success of the Boardroom Apprentice Scheme and established that there is no information on the success rate.

Board members will continue to be provided with details of events hosted by Core groups, Engagement Forums, and Shared Learning Forums to enable them to attend when they can.

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CRC will ask Peace Monitor authors to present the key findings of the next report at an upcoming Board meeting. When the final draft is complete CRC will invite Board members to the launch event and will propose authors present at future Board meeting.

Board members were asked to complete Appraisals and Evaluation forms and Declaration of Interest Forms and return to Hannah or Francesco. Only 1 of the 8 has been received so far. Francesco will send out a reminder to members.

3955/23 Correspondence

The following correspondence was discussed:

i) TEO Cash Allocation Letter – 65% cash Cap has been lifted. Finance staff are checking with TEO that CRC has the right total cash for the year.

ii) Pension Correspondence related to McCloud Judgment – This matter is ongoing. CRC legal advisors will continue to monitor the position.

iii) Correspondence on Public Appointments - All members have been provided with digital and paper copy of correspondence in relation to above matters.

3956/23 Solvency and Liquidity Analysis

Mr. Garrity presented the Solvency & Liquidity report. He noted that the Board could continue to be satisfied that expenditure is:

- Within the budget limit allocated from The Executive Office
- To deliver CRC business plan
- In line with Department of Finance Guidance; and
- In line with the Partnership Agreement.

Mr. Garrity reported that CRC is both solvent and liquid. CRC's Resource & Cash budgets have been confirmed for 2023-4, and CRC have submitted a capital request for £30K, and additional Grant In Aid - Cash in a recent monitoring round to TEO. This is currently receiving consideration, and CRC are presently awaiting a response. CRC can reasonably expect to remain solvent for the foreseeable future and at least for expenditure incurred until 31st March 2024 as The Executive Office have made an indicative budget allocation for the 2023/24 financial year. This was indicated by the letter from TEO dated 21st April 2023. and confirmed by letter dated 28th September 2023. The cash (Grant in Aid) allocation was confirmed by letter dated 20th September 2023 i.e., £3,033k although this had previously been restricted to 65% of the 2022-2023 GIA.

3957/23 Risk Strategy, Register and Depository

The CEO noted that the Risk Strategy had been reviewed at the Audit and Risk Assurance meeting earlier and no changes to the strategy were recommended by the committee. The Board approved the strategy. The full Risk Depository and the Risk Register were reviewed. In relation to the higher level risks the following was noted:

Risk 1 - Implementation of DOF pay remit guidance.

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The Audit and Risk Assurance Committee recommended that this risk remain Red. Following an Accountability and Liaison meeting on Monday 4th September, TEO sent through the most recent version of the draft business case (submitted by CRC in 2020) with comments for the new DFAP Director's reference. CRC met with TEO specifically on this issue on Monday 2nd October to discuss the next steps. An updated Business Case is now being drafted. CRC's Finance and General Purposes Committee discussed related correspondence from TEO at their October meeting. The Chair has responded to TEO's letter. TEO and CRC are meeting regularly to discuss the next steps.

Risk 2- Staffing

The Audit and Risk Assurance Committee recommended that this risk move from Red to Amber. CRC received a resignation from the Director of Funding on 31st March 2023. The position was advertised and following interviews on 13th October a candidate was offered the position and accepted. The new Director of Funding and Development, Brian McDonald began work on 1st November. A period of induction is underway. CRC's Vouching and Verification position is now vacant. Work has now begun to review the Job Description and open the recruitment process. The Core Fund Officer position has been filled on a temporary basis, following the departure of the previous agency worker, Ms D O'Loan. Mr M Hughes, the new temporary Core Fund Officer, comes with great experience in the sector. CRC have reviewed the Job Description and Job Specification for the Finance Manager Position and will advertise in due course. A temp to cover the Executive Assistant post will begin at CRC on the 24th October, and will be trained up by Ms H George before the beginning of her maternity leave

Risk 3- External Audit Fee Increase

The Audit and Risk Assurance Committee recommended that this risk be reduced to Green. The Audit fee has been confirmed to be reduced by 12% next year.

Risk 4- NILGOSC Pension Scheme

The Audit and Risk Assurance Committee recommended that this risk be maintained at Amber. In September 2023 CRC's solicitors updated on this issue. Originally the test cases were to be heard in July 2023, however, there was a delay in a consultation process, and therefore the cases have been stayed until October. CRC have recently received correspondence from DoF informing of the outcome of its consultation: After careful consideration of the responses received the Department of Finance will continue with the proposed legislation, which will be made and laid in advance of 1 October 2023. This will restore eligible pension members with service between 1 April 2015 and 31 March 2022 to a position they would have been in had the discrimination not occurred, giving them a choice of alpha or PCSPS(NI) benefits for 2015-22. However, CRC's legal advisors stated that this Government decision will not affect whether test cases progress.

Risk 5- Resource

The Audit and Risk Assurance Committee recommended that this risk be reduced to Amber. On 21st September CRC received notice from TEO that the 65% cash cap had now been lifted, following the passing of legislation in Parliament. However, the total cash resource figure allocated to CRC is below what was expected and being queried by CRC. CRC are currently carrying out a budget exercise to submit to TEO on 8th November. This exercise will detail CRC's budget position, cash position, and anticipated accruals, and thereafter CRC will report any pressures to TEO.

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3958/23 Annual Report and Accounts 2022/23

The CEO took members through the Annual Report which had also been reviewed by the Finance and General Purposes Committee earlier in the year prior to the audit. She noted that there were no substantial changes to the text. She also noting that the structure of the reports remained as they were last year. After the Chair and CEO reports, she highlighted the Strategic Report, the Director's report, including the Governance Statement. The Assembly and Accountability Disclosure report was also noted as was the Independent Auditor's Report.

The Finance Manager took members through the Statement of Financial Activities which indicates that the company had incoming resources of £3,310,999 (2021-22 - £3,239,861) in the year. Note 2 on page 66 shows The Executive Office as being the sponsor of 98.7% (2021-22 99.5%) of this income. In line with the "Charities SORP FRS 102" the Community Relations Council recognises income as it is received and expenditure as it is incurred. As a result, income was exceeded by outgoing resources of £3,579,963 by £268,964 (2021-22 – income exceeded outgoing resources of £3,602,728 by £362,867)

The Community Relations Council was allocated a resource budget of £3,348,000 for the year to 31st March 2023 by The Executive Office. This budget funded net resource expenditure of £3,348,000 (excluding actuarial movements on the pension liability) which represented 100% of total funding allocated to The Community Relations Council by The Executive Office. The Community Relations Council was also allocated a capital budget of £10,000 for the year to 31st March 2023 by The Executive Office. This budget funded capital expenditure of £4,000.

The Balance Sheet on page 60 shows that the company had a fund deficit of £(366,449) at 31st March 2023 (2021-22 – deficit of £2,866,485). The organisation's Restricted Reserve at 31st March 2023 was a deficit of £366,449 (2021-22 – deficit of £2,866,485) of which £560,449 was a deficit in the income reserve (2021-22 – a deficit of £480,485). This was largely accounted for by the valuation of the company's pension scheme as at 31st March 2023, for the purposes of IAS19, which showed a funding surplus of £194,000 (2021-22 - deficit of £2,386,000).

This surplus represents the difference between the liabilities of the pension fund and the value of its underlying assets.

3959/23 Chair's Update

The chair provided an update on various engagements and activities. The chair attended a meeting with the Belfast Health and Social Care Trust and travelled to Derry for the Engagement Forum during Good Relations Week. During Good Relations Week he also attended the Community Relations In Schools event. The Chair also noted a meeting with Chris Gardner, TEO. The Chair also participated in the panel for director interviews The chair has again met with staff in relation to the DAW processes. The Board thanked the Chair for his update.

3960/23 Chief Executive Officer's Update

The CEO presented her report and highlighted the following:

The current CRC strategic plan (2020-23) was extended by TEO to align with the T:BUC strategy review, given the delay in the resumption of Executive and Assembly duties. Despite a year passing

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since this decision, there is still no Executive and Assembly. Consequently, CRC has discussed with TEO whether to continue with the current extension or to proceed to review the current plan. It was agreed that CRC could begin work on the review. The Board and staff will meet in January to commence this work.

ACTION: Board and staff planning day to be convened

The Operational Plan 2023-24 is pending ministerial approval, as is last year's plan. Despite being agreed with TEO officials, these plans await ministerial endorsement. Meanwhile, work on the Operational Plan 2024-25, aligned with the approved Strategic Plan 2020-23/4, is set to begin, with a draft to be presented at the next Board meeting.

In relation to finance, the 65% limit on cash expenditure for the 2023-24 budget has been lifted, and a request for a small capital budget is still under consideration.

In relation to staffing, the position of Director of Funding and Development has been successfully filled, with Brian McDonald appointed and she welcomed him to his new role.. Brian, the former Vouching and Verification Officer, assumed the role on November 1st. The CEO thanked the Chair and Máire Braniff for being members of the selection panel and J. Adamson (Human Resources Manager) for running the recruitment process. The temporary Finance Manager Paul Garrity has been instrumental in managing accountancy and finance matters, overseeing the preparation of the 2022-23 accounts and collaborating with NIAO during the audit field work. Hannah George is attending her last Board meeting before maternity leave, which will be covered by Francesco Sowa (Frankie) during her absence. The CEO welcomed him to his new role. An update on other staffing matters is available in the meeting papers. The Board wished Ms. George well during her period of maternity leave.

The CEO participated in the TEO Arms-Length Bodies Forum on September 28 and engaged in discussions about the creation of a Funders Forum to be convened on behalf of TEO by CRC and the Victims and Survivors Service to establish better collaboration.

In relation to the Peace Plus request discussed at the last Board meeting, there was a meeting with TEO and SEUPB. Since then the Kesh/Ederney/Pettigo project has asked to meet to discuss other ways in which CRC could be involved in the project.

The Finance and General Purposes Committee on October 11, discussed correspondence from TEO on CRC's pension scheme. TEO meetings with the CEO and DFAP Director have since been held to discuss revision of the business case previously submitted in 2020.

Grant administration for 2024-25, focusing on evaluation, was discussed in a follow-up meeting with TEO. Other engagements included participation in the Communities in Transition project, DOJ meetings, and Belfast City Council Shared City Partnership, as well as an update meeting with TEO on the District Council GR Programme and CRC's role.

The Media, Publications, and Pathfinder Grant Schemes remain closed due to financial constraints, pending review based on a mid-year financial assessment.

The CEO noted that the review of this year's Good Relations Week would come to the next meeting of the Board. She also noted her attendance at the launch of the Good Relations Awards on October 17.

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The Peace Monitoring Report is at final draft stage and will shortly move to print run, with a dissemination plan under development with the authors and the Advisory Group.

During Good Relations Week, the CEO took part in a panel discussion and speech at a Community Relations in Schools (CRIS) event on 21st September, launching research on trust evaluation. The CEO advised that additional events attended during the week are noted in her written report. The CEO advised that she also had a rescheduled meeting with Amanda Logan, the new CEO of Equality Commission NI (ECNI), as part of her induction on 16th November. Additionally, on 7th November, the CEO was interviewed for the ongoing review of the International Fund for Ireland's programs.

In relation to research the CEO drew attention to the round table she had attended which was convened by Grainne Kelly, Ulster University. The topic was evaluation of everyday peace. As this is very much in line with CRC's thinking, the CEO plans to ask Grainne to give a similar presentation to staff and Core Funded and N. Belfast programme groups.

The CEO noted that the SMT is back to full strength for the first time since March last year. She thanked everyone who had helped in anyway with keeping things running smoothly during this time.

The Board thanked the CEO for her report.

3961/23 Funding and Development

Funding directorate Update

Brian McDonald, Director of Funding and Development updated Board members on a number of matters. The small grants scheme is still open for applications but may have to close before the deadline date (15th December) if the budget runs out before then. CRCD Project Officers will continue to monitor the levels of budget available and are keeping the Finance Department informed. 72 applications have been received to date, 47 applications have been awarded and 12 applications are currently under assessment. Project Officers continue to meet with TEO outcomes department to discuss how best to encourage and promote CRCD awarded Groups to complete TEO evaluation questionnaires.

In relation to the North Belfast Programme he noted that the 6-month report cards were due on the 27th October 2023 with budget updates to project underspend. There are a couple of reports outstanding however this is due to sickness and the reports are due in as soon as possible. There are no anticipated underspends at this point.

All the first payments have been issued other than to one group that is currently undergoing a vouching and verification process with Finance Team. This is to ensure their governance and financial processes are in place. Once complete their first payment will be released.

The next meeting with the groups is scheduled for 28th November 2023, hosted by Ballysillan Community Forum.

All 2023/24 Core Funding Scheme groups that have received a Letter of Offer have now been issued with their first payments. The 2024/25 Core Funding Scheme remains open for new applications until 4.00pm Friday 17th November. At present 49 groups are registered for an application form with 20 being currently progressed on the online system. Applications for groups who are eligible for

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24/25 Continuation Funds opens on Monday 13th November and an information session for these groups will be held on the morning of the 13th. Closing date for the receipt of Continuation Fund applications is 4.00pm Friday 24th November. Finegan Gibson were successful in a recent tender process and will commence the Financial Checking Process on all applications on Monday 20th November, these to be completed by Friday 8th December.

At a recent meeting members of the funding Team and the CEO discussed their evaluation work with TEO with a view to better alignment of funding evaluation systems.

3962/23 Core Fund Guidance notes:

Mr M Hughes presented the Board with an update to the Core Fund Guidance Notes. He took members through the report and highlighted that changes have been made to the dates, the welcome statements, and the section on Covid-19 has been removed.

The CEO informed the Board that the Guidance had been shared with TEO for feedback. No comments has been received, but any feedback will be report back to the Board.

The Board asked whether groups would undergo a financial check this year. Mr D McNally explained that the financial check would be moved to earlier in the assessment process and become part of the eligibility checks, as an action agreed at last year's Core Funding Decision meeting.

The Board approved the draft Guidance.

3963/23 Engagement Update

Peter Day updated members on the positive impact of Good Relations Week and how it has increased CRC social media interaction by a third. Third party groups now play a big role in expanding the reach of CRC social media.

The first draft of the Good Relations Week evaluation has been shared with the Engagement Team. Some key points from the report include:

- 221 events held.
- 128 groups ran events.
- Events took place in every council area, and each Council contributed.
- 118 pieces of online print
- 16 tv and radio media mentions
- 328 pieces of third-party posts online
- Some statistics are down from the previous year, due to resource issues for many organisations in the sector.

The team are now considering any changes that could be made to next year's programme. The Good Relations Awards are currently open to nominations. 12 have been received so far. Nominations will close on 19th December. The awards will be presented in March 2024.

CRC held an event as part of the One World Conference in October.

The team have attended a number of funding fairs over the last few months.

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3964/23 Finance and General Purposes

i) IT SLA Purchase Order: Following an update from Hannah George on an IT SLA purchase order, it was approved by the Board.

ii) Staffing Update: Following the appointment of the Director of Funding, the Vouching and Verification position is now vacant, prompting a review of the job description and a recruitment process. The Core Funding Officer position has been temporarily filled by Mr M Hughes. CRC will be advertising for the permanent Finance Manager position and has temporary cover starting on October 24, for Ms H George post. This will allow time for some training before her maternity leave begins.

iii) Verbal Update of 11th October 2023 Finance and General Purposes Committee

The Chair provided an update on the most recent meeting of the Finance and General Purposes Committee. He noted that the Director of Finance, Admin and Personnel gave an update on the Pensions Business Case. An update was also provided on the September Management Accounts, and on discussions with TEO on the Capital Expenditure bid, and the request for additional Grant-In-Aid. An overview was also provided of proposed new banking arrangements which will involve a move away from Bank of Ireland to Danske Bank in 2024 in line with the government framework. The Committee reviewed the second-quarter performance and delivery reports, noting that CRC is on track to complete all actions except for the Media, Publication, and Pathfinder grant delivery due to insufficient funds. Management Accounts were presented, indicating that the 65% cash cap has been lifted, but CRC faces a cash resource shortfall of £250k for 2023/24. This is attributed to delayed payments due to a TEO investigation into a funded group, resulting in carryovers from the previous year. This is under discussion with TEO. Vouching and verification mitigations were approved and are set for a comprehensive review in 2024/25. The Committee expressed concern over the reduced cash allocation and the pension business case raised again by TEO. HR matters included updates to CRC's Staff Handbook in line with NI Civil Service changes, incorporating policies on Domestic & Sexual Abuse and Menopause at Work. The Committee was informed about a recent annual health and safety audit at CRC's office and the implemented recommendations.

The Board thanked the Chair for the update

The Board noted the approved minutes of the July 2023 Finance and General Purpose Committee meeting.

3965/23 Audit and Risk Assurance Committee

The Chair of Audit and Risk Assurance Committee, Mr J McCallister, provided the Board with an update on the meeting of the Committee which took place earlier in the day.

The ARAC Chair commented favourably on the completion of the 2022-23 ARA. He noted the complexities involved with the new accounting arrangements around leasing and the Accounting standard IFRS16. He thanked the CRC Accounting staff, and the NIAO for their commitment and hard work, and for bringing these matters to a successful conclusion. He also commented on the Report to those charged with Governance, pointing out that there were no significant areas of concern,

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beyond the ongoing pension issue and that the report was an improvement on the previous year's findings.

The Chair of the Audit Committee presented the Board with the approved minutes of the August 2023 meeting.

The Board thanked Mr McCallister for the update and noted the papers.

3966/23 Any Other Business

None

3967/23 Date of Next Meeting

26th January 2024 10:30am in CRC's Office