

NI Community Relations Council
Finance and General Purposes Committee

Wednesday 11th October 10:30am

In CRC's Office

1. **Present:** Mr M McDonald (Chair) Mr M McDonnell (Board Member), Ms A Simpson (Board Member).
2. **In Attendance:** Dr J Irwin (CEO), Ms U Kelly (DFAP Director) Ms J Adamson (HR Manager), Mr B McDonald (Vouching and Verification Officer), Mr P Garrity (Finance Manager), Ms H George (EA to CEO and Board).
3. **Apologies:** Ms N Tandon (Board Member).

4. Minutes

The minutes of 14th July 2023 meeting of the Finance and General Purposes Committee was reviewed and approved.

5. Matters Arising

The Chair updated the Committee on a number of actions which were raised at the previous meeting.

The Chair will carry out a dignity at work check with staff on 23rd October.

The HR Manager will update on the Hybrid Working Policy review later in the meeting.

6. Conflicts of Interest

No conflicts of interest were raised by Committee members.

7. Performance

i) Quarter Two Performance Report

The CEO presented the Committee with CRC's Quarter Two 2023/34 Performance Report. This report sets out CRC's achievements for the quarter, financial position, risks, sickness absence statistics, and performance against the Delivery Report objectives.

She highlighted that the Report shows one objective will not be achieved in 2023/24. This relates to the delivery of emergency funding through Pathfinder, Publications Grants, and Media Grants, which will not open to applications due to CRC's resource cuts. This will be kept under review.

The Committee noted the report and thanked the CEO for this update.

ii) Quarter Two Delivery Report

The Committee were presented with CRC's quarter two Delivery Report which underpins the Performance Report. This report sets out CRC's objectives for 2023/24 and performance against them.

The Committee noted the report.

8. Management Accounts

Mr P Garrity presented the Committee with CRC's September Management Accounts, showing the financial performance to date.

CRC received correspondence from TEO informing that the 65% cash cap has now been lifted. However, the total cash resource for 2023/24 is £2.003k, approximately 250k less than expected. Mr P Garrity explained that CRC's cash budget for 2023/24 is used to pay in-year costs as well as any grants accrued from the previous year. CRC carried over £640k in accruals from 2022/23. The CEO explained that this was partly due to an investigation TEO conducted into one of the funded groups which had a number of open grants with CRC. TEO had asked CRC to suspend payments to the group while their investigation took place. This meant that CRC were not in a position to make payments for their 2022/23 grant until 2023/24.

Mr P Garrity and Ms Ú Kelly reviewed CRC's 2023/24 cash budget and projected accruals and have reported concern about the reduced cash allocation to TEO. CRC has requested a meeting with TEO and await a response.

If TEO maintain the cash budget set out in the correspondence then this will create pressures in CRC's 2023/24 grant payments, and result in higher accruals taken into 2024/25.

The Committee thanked staff for this detailed presentation on CRC's financial position. The Chair offered to speak to TEO if no resolution is reached.

9. Vouching and Verification Report

Mr B McDonald presented the Committee with a report on the vouching and verification process.

Mr B McDonald explained that as previously reported due to staffing issues, mitigations were put into place for 2023/24 awards to enable vouching and verification processes to continue to be effective. Full verifications continue to be carried out on groups new to CRC's funding schemes or with awards exceeding £10k and that the virement expenditure form re-introduced last year to simplify the bureaucracy for the groups will continue. Mr B McDonald assured the Committee that the mitigations continue to work well, and other financial checks-ins with groups not subject to full verifications continue to take place. Where there

are staffing or financial changes in the organisation a full verification will take place. CRC also reserve the right to conduct a full financial review of funded groups at any time.

The Committee approved the continuation of these mitigations. Mr B McDonald added that a full review of the procedures will take place in 2024/25.

10. Pension Business Case

The CEO reminded the Committee of the ongoing pension issue at CRC, which has appeared in all Reports to Those Charged With Governance for a number of years.

CRC and TEO met in May 2023 to discuss how to progress this issue. CRC were awaiting further information from TEO when a second meeting was called by TEO and took place on 2nd October. TEO have asked CRC to develop a business case with a resolution, this should include a calculation to reinstate the 6% to staff who came into the organisation after the change, and a 'no better no worse' calculation will need to be included in all future Pay Remits.

TEO are seeking a pension expert to assist CRC with this business case.

The CEO noted that as was previously the case CRC's Pension Sub-Group will need to be convened in due course to review the business case, and staff and union consultations will also need to take place. In relation to the conflict of interest for staff involved in developing the business case, the CEO assured the Committee that the conflict of interest will continue to be managed through the use of the Sub-Group and Chair for the approval of the business case.

The CEO added that the next step will be discussed at a follow-up meeting to be held with TEO in October.

The Committee expressed their concern with CRC being asked to seek to resolve this issue when there are a number of legal cases pending with Departments on this, as this is an issue that affects a number of other bodies in Northern Ireland.

The Committee thanked the CEO and Ms Ú Kelly for this update.

11. Staff Handbook

Ms J Adamson provided the Committee with a paper setting out the recommendations coming from a recent review of CRC's Staff Handbook.

Recent changes to the NI Civil Service Staff Handbook were reviewed and adapted to suit CRC's circumstances.

The two sections added are: Domestic & Sexual Abuse Policy from NICS; and the Menopause at Work Policy.

The Committee recommended a number of wording amendments to the policy, including:

- Change first paragraph in Domestic and Sexual Abuse Policy to read 'can happen in' rather than 'happens most often in'.
- Add the name of the relevant legislation in the confidentiality section.
- Include a flowchart for managers on next steps following disclosures.
- In the section on if the perpetrator is a member of staff too, the word 'alleged' to be added, and change 'failure to do so may' to 'will'.

The Committee approved the draft dependent on these amendments are made.

ACTION: Mr J Adamson to make recommended changes to the Staff Handbook Policy updates.

12. Hybrid Working Policy

Ms J Adamson reminded the Committee that they requested a review of CRC's Hybrid Working Policy take place in 2023/24. This review is currently underway. A check in with colleagues took place at a recent staff meeting, where they expressed their positive experiences of the Policy.

The next step will be a comparison with recent updates to the Civil Service's Hybrid Working Policy. Any significant changes will be presented to the Finance and General Purposes Committee for approval.

13. Staffing Update

Ms J Adamson provided the Committee with a paper updating on the staffing situation at CRC. She highlighted that the shortlisting for the Director of Funding and Development has taken place and interviews will be held on Friday 13th October.

A temporary staff member has been recruited to cover Ms H George's maternity leave.

The Committee thanked Ms J Adamson for this update and noted the report.

14. Sickness Absence Report

Ms J Adamson presented the Committee with a paper setting out CRC's staff sickness absence statistics for the second quarter of 2023/24.

Compared to the same quarter in 2022/23 there has been a slight increase in sickness absence from 17 days to 19 days. This increase is not material and no intervention is required.

15. Health and Safety Audit

Ms J Adamson informed the Committee that CRC's office recently underwent a health and safety audit.

As set out in her paper, a number of recommendations have already been implemented, including staff training, and a number of others are still in progress.

Ms J Adamson assured the Committee that, while the audit was delayed during the Covid-19 period, all health and safety requirements are being kept up to date.

The Committee thanked Ms J Adamson for this update and noted the report.

16. Premises Committee

Ms J Adamson informed members that no Equality House Premises Group meetings have taken place in quarter two. However, occupants have been asked to warn staff to keep vigilant in the local area due to anti-social behaviour and report any suspicious activity or incidents to the police and to the building management.

The CEO informed the Committee that CRC and the NI Audit Office are still working on an agreed way forward to the IFRS16 treatment in the Annual Report and Accounts 2022/23. ECNI has already accounted for the full lease of Equality House in their audited Accounts, which have been approved by the Audit Office and submitted to the Assembly. However, CRC has been asked to treat IFRS16 differently in its accounts for the same period. A meeting with NIAO will be taking place on Thursday 12th October to agree a resolution. Ms Ú Kelly added that the outcome of this process may lead to an accounting treatment change but will not affect the year's outturn.

17. Any Other Business

None

18. Date of Next Meeting

15th January 2023 2pm – Online