

Community Relations Council 106th Audit and Risk Assurance Committee

Thursday 24th July 2025 11am

Online

Present: Mr John McCallister (Chair of the Audit and Risk Assurance Committee, Mr M McDonnell (Board Member)

In attendance: Dr J Irwin (CEO), Mr P Garrity (Finance Manager), Mr A Allen (NIAO), Mr C Telford (SCC), Ms H George (Governance Manager), Ms A Mealey (TEO).

Apologies: Mr R Campbell (Board Member).

1. Welcome

The Chair of the Committee, Mr J McCallister welcomed everyone to today's meeting.

2. Conflict of Interests

None

3. Minutes

The Minutes of the 106th Audit and Risk Assurance Committee were reviewed and approved.

4. Matters Arising

No matters arising to review.

5. NI Audit Office

i) NI Audit Office Good Practice Guidance

Mr A Allen presented the Committee with the NIAO Good Practice Guide. The guidance sets out best practice on the makeup and schedule of Audit Committees, role of the chair, and management of risk. The document also contains an Audit Committee Self-Assessment Checklist. Mr A Allen offered to share a word version of this checklist with CRC.

The CEO thanked Mr A Allen for presenting on this guidance.

ii) 2024/25 Audit

Mr A Allen informed the Committee that, following the approval of the Finance and General Purposes Committee, CRC shared the draft Annual Report and Accounts with the NIAO. The review is underway, with the final testing to be completed in

August. The final Report to Those Charged with Governance will be ready for CRCs October meeting of the Audit Committee.

The Committee thanked Mr A Allen for this update.

6. Internal Audit

Mr C Telford presented the Committee with the following reports:

- i) Corporate Governance & Risk Review Report
- ii) Good Relations Awards Governance Review
- iii) Internal Audit Progress Report
- iv) Internal Audit Annual Report
- v) Internal Audit Quality Assessment & Self Assessment Tool

He highlighted that the review into Corporate Governance received a 'satisfactory' assurance rating, with two priority three business development recommendations. The Good Relations Awards review received a 'satisfactory' assurance rating with one priority three business development recommendation.

He thanked the CEO and CRC team for their work on these reviews. The 2024/25 overall Annual Report Assurance Rating is 'Satisfactory'.

Mr C Telford stated that an Internal Audit Quality Self Assessment was conducted, using the new Global Internal Audit Standards. The mandatory independent quality assessment will take place at the end of 2025/26.

The CEO thanked Mr C Telford for his work on these reviews. She informed the Committee that Mr C Telford was very thorough in getting to know the organisation, meeting with Directors, the Audit Committee Chair. CRC welcomed the business development recommendations made during these audits. She thanked SCC for completing this work under the tight time pressure caused by the timing of the procurement of the contract. The Committee thanked Mr C Telford, noting the detail contained in the Reports.

7. Risk Register

The CEO presented the Committee with CRC's Risk Register.

Risk One 'Implementation of DoF Guidance' remains rated red. TEO indicated at the last Accountability and Liaison meeting that they are pursuing the proposal that a member of the Strategic Investment Board complete the financial aspects of the Pension Business Case. CRC have not received an update from TEO on this, and therefore are keeping the request open with temp agencies in case a potential individual is identified.

Risk two 'Staffing' remains rated red. The F&GP Committee approved a temporary structure in the DFAP Team which continues to work well. The Finance Manager Job

Spec was reviewed at the April Finance and General Purposes Committee, and the job was advertised with a closing date of 27th May. No applications were received. The position will be advertised again once CRC's Pay Remits have been implemented and staff scales are in line with NICS.

Risk three 'NILGOSC Pension Scheme' remains rated amber as there has been no update on this issue.

Risk four '2025/26 Resource' remains rated amber. CRC received the 2025/26 opening budget from TEO, which included a £60k increase on the 2024/25 opening budget. However, this is still significantly below CRC's 2024/25 closing position. CRC will bid into the Monitoring Rounds for additional resources. The Opening Budget letter also contained details of a 45% cap on cash spend, which cannot be lifted until the budget is passed in Westminster. Mr P Garrity is monitoring the spend closely.

Risk five 'Board Members Terms of Office' remains rated red. Board members have now received their letters setting out the details of their second terms. Three members are due to end their second terms at the end of November 2025. CRC were recently notified that one Board member needed to step down effective from 1st July, and another in December 2025 due to work commitments. This would leave the Board below quorum. This risk remains red, as TEO indicated at the last meeting that they have not yet begun to recruit new members. The three members due to finish their second terms in November 2025 and the member wishing to step down in December were all asked if they would consider staying on until recruitment was complete. These members kindly agreed to stay on.

Risk six 'Pre Action to Judicial Review' was agreed to be downgraded to an amber risk. The deadline for progressing of the Judicial Review options has now passed, according to CRC's legal representatives. The file is being kept open in case of any late response from the group's legal representatives. The group also advised TEO that they plan to make a bid to CRC's Pathfinder Scheme, however, they have not yet been in touch with CRC with regards submitting an application to this grant.

8. Register of Audit Recommendations

The CEO presented the Committee with the register of audit recommendations.

Recommendation one relates to the outstanding Pension issue. An update on this was provided earlier in the meeting.

Recommendation two relates to the staffing issue in the DFAP Team. An update on this was provided earlier in the meeting.

Recommendation three relates to the completion of a pension report form. While the recommendation has been implemented, it will remain on the register until the audit is complete.

Recommendation four was recently added following the internal audit review of governance and risk. The recommendation advises that CRC add a column to the governance policies document control tables, setting out the details of any updates that

have been made. This recommendation has been implemented and will now be removed from the register.

Recommendation five was recently added following the internal audit review of governance and risk. The recommendation suggests that CRC staff and Board members should complete refresher training on governance and risk. The CEO confirmed that CRC staff have recently completed this training. Board members will receive this training when new members have been appointed.

Recommendation six was recently added following the internal audit review of the Good Relations Award process. The recommendation proposes that a document should be compiled setting out the whole award process. The Engagement team have begun work on this, which is due to be completed before the next award process begins in quarter three.

The Committee thanked the CEO for presenting and noted the report.

9. Investigations Into Funded Groups

The CEO informed the Committee that there are no current investigations into funded groups.

10. Department of Finance Guidance

Ms H George presented the Committee with the latest Department of Finance and other guidance.

The first piece of guidance is the NIAO Good Practice Guide which Mr A Allen spoke of at the beginning of this meeting.

Guidance two is the update to the HM Treasury Orange Book on risk management. Ms H George informed the Committee that a review of this update has been conducted and has informed a number of updates that have been made to CRC's own Risk Strategy. This updated Strategy will be presented to the Committee prior to the Annual General Meeting in October.

Guidance three provides direction on the Pay Remit approval process. Ms H George reminded the Committee that CRC's outstanding Pay Remits have been submitted to TEO for review.

Guidance four sets out the process for the laying of Annual Repots and Accounts with the NI Assembly.

The Committee thanked Ms H George for this update and noted the report.

11. Direct Awards

Ms H George informed the Committee that there have been no Direct Awards in 2025/26.

12. Small Purchases without a Price Check

Ms H George presented the Committee with a report on the recent purchases which did not require a price check. These included:

- CIPD - £191C.00 – HR Manager Membership
- Chief Executives Forum - £804 – CEO Membership
- Linen Quarter Bid – £278.25 – Annual Fee
- Belfast Exposed - £3,000 – Conference speakers

The Committee thanked Ms H George for this update and noted the report.

13. Any Other Business

None

14. Date of next meeting

28th August 11am