

Community Relations Council 111th Audit and Risk Assurance Committee
Wednesday 15th April 2026 11am
Online

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

In attendance: Dr Jacqueline Irwin (CEO) Mr P Garrity (Finance Manager), Mr A Allen (NIAO), Mr R Falls (Cooper Parry), Mr C Telford (SCC), Mr N Lynas (TEO), Ms A Galbraith (TEO), Ms H George (Governance Manager).

Apologies: None

1. Welcome

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

2. Conflict of Interests

Mr R Campbell works at the same firm as CRC's legal advisors assisting with the NILGOSC pension case and pre-action to judicial review set out in the Risk Register. Mr R Campbell's firm also represents Equality House's current IT support providers. There is no conflict as Mr R Campbell was not involved in the procurement process and is not involved in these legal matters.

For transparency, Mr J McCallister declared that he is currently a Commissioner for the Equality Commission for Northern Ireland, who leads on Equality House's lease arrangements, which currently sits as a red risk on CRC's Risk Register. While this is not a conflict of interest, it is being declared for transparency purposes.

3. Minutes

The Minutes of the 110th Audit and Risk Assurance Committee were reviewed and approved.

4. Matters Arising

Ms H George informed the Board that of one matter arising from the previous meeting. The action was to provide papers from the next IT Operational Board meeting. She noted that this had not been completed as there had been no meeting of the IT Operational Board since the last ARAC. She assured the Committee that when that Operational Board meeting takes place, those papers will be included in the ARAC pack and agenda.

5. External Audit

i) 2025/26 Audit

Mr A Allen and Mr R Falls informed the Board that CRC's 2025/26 grant testing has begun. The formal audit will begin after the summer period.

Mr P Garrity added that, due to faster closure and the input into the Whole of Government Accounts, CRC's Annual Report and Accounts will be ready for audit earlier than in previous years.

The Committee thanked Mr A Allen and Mr R Falls for this update and noted the NIAO paper.

ii) NIAO 2026-27 Plan of Work

Ms H George presented correspondence which was provided by TEO, setting out the reports that NIAO will produce during the 2026/27 year.

6. Internal Audit

Mr C Telford presented the Committee with a number of updates:

i) Grant Administration and Management Audit Terms of Reference

Mr C Telford presented the Committee with the draft Terms of Reference for the review of Grant Administration and Management.

The Committee approved the Terms of Reference.

Mr C Telford thanked the Committee and stated that this review will begin in the next week.

ii) IT Controls Audit

Mr C Telford provided the Committee with the Report on the audit of CRC's IT Controls. The Report found that CRC has good levels of IT controls, governance and practice. The IT providers have a very high level of accreditation with good engagement with ALBs, with performance reviews taking place at the Operational Board meeting quarterly. The review was marked as 'satisfactory' with three priority three recommendations being made.

Ms H George took members through the recommendations and the Management Responses:

1. Recommends that CRC review the DPO training support on offer to ensure the Interim DPO can take forward controls evaluation and wider development
Management Response - When CRC recruit a permanent DFAP Director we will pursue DPO training, and in the meantime, as set out in the Data Protection and GDPR regulation, staff members are keeping up to date with best practice and regular refresher training

sessions. We also have legal advisors whom we can seek assistance from if any complex requests are made, along with a data protection specialist on our Board and Audit Committee.

2. Recommends the creation of overarching digital governance document.

Management Response - CRC will compile an IT Governance Document. This document will include details of the processes, the organisation structure including details of the IT team and helpdesk, the IT ethics, and requirements of staff. While the governance document itself will not combine all IT policies and procedures, as that would create a document over 100 pages long, we will instead link to each of the relevant IT policies and include a summary of each.

3. Recommends increased randomised phishing testing

Management Response - CRC representatives will ask the IT providers at the next IT Operational meeting whether it would be feasible and within the current contract to increase the Phishing tests, carried out every 6 months, to quarterly

Ms H George thanked Mr C Telford and his team for their work on this review.

The Committee asked if the disaster recovery approach was reviewed and what the process was. Ms H George informed the Committee that the system is taken down for a period, and the length of time to recover the system is tested. Phishing tests are also conducted as part of the whole disaster recovery testing every 6 months. Mr C Telford added that there is a strong approach with good oversight of this process and the reports produced are very detailed. .

The Committee added that CRC should consider how staff may use AI, and in particular, ensuring that they do not input any CRC data into generative AI systems. Ms H George assured the Committee that this will be included in the governance document being compiled.

iii) Internal Audit Progress Report

Mr C Telford presented the Committee with a report showing the progress of the 2025/26 audits. The audit of IT Controls and Financial Controls are complete, and the Grants audit is due to take place this month.

The Committee thanked Mr C Telford for these reports.

7. Risk Register

The CEO presented the Updated Risk Register to the Committee, which shows CRC's amber and red risks.

Risk one 'Implementation of DoF Guidance' remains rated red. Following an update from TEO stating that SIB were now in a position to assist with the Business Case, CRC met with SIB on 18th March. At this meeting SIB indicated that they did not have the expertise to complete the pension actuary aspects of the business case and therefore external expert assistance would need to be procured. CRC has informed TEO of this cost implication. The Pension Sub Group met on 1st April and agreed the MoU and Data Sharing Agreement in principle, however they are not in a position to sign this off until the budget is provided. In addition, the Sub-Group agreed that a meeting should be set up with TEO's Permanent Secretary to discuss further. A meeting with Mr G Johnston TEO has been arranged for Wednesday 22nd April. The CEO added that the 2024/25 and 2025/26 pay remits were approved, following the Board's approval of the Business Case timeline/delay reporting conditions, and staff were moved onto their correct pay scales in March. Backpay will be paid in the April salary.

Risk two 'Staffing' remains rated red. As stated in the previous risk, the 2024/25 and 2025/26 Pay Remits were approved by TEO following the Boards approval of the Business Case timeline. Staff were moved onto their correct pay scales in March 2026, and backpay will be paid in April 2026.

Risk three 'NILGOSC' case remains rated amber, as there have been no recent updates.

Risk Four Board Members Terms. CRC Board members have yet to receive an update from TEO on their proposed extension of members terms. Three members terms are due to expire on 30th April 2026. The Board agreed that this risk should be increased to a red rating.

New Risk Five: Resources 2026/27. Rated red. The CEO informed the Committee that on 30th March TEO wrote to CRC to confirm that no official budget allocation had been made, and gave CRC permission to incur inescapable expenditure only. Following this, on 13th April, CRC received the Indicative Budget from TEO. This is an indication of the budget for planning purposes only, and could be subject to change when the Budget Bill is passed later in the year. The allocation was based on the opening budget of 2025/26. CRC responded to TEO with a list of items that CRC will require additional resource for in the year, including the Pension Business Case. The CEO also reminded TEO that the Core Fund received many applications that reached the fundable threshold, that CRC would be able to support if additional resource was available.

New Risk Six: Premises. The CEO informed the Committee that the Equality House lease expires on 31st July 2026. A Business Case has been drafted by ECNI on behalf of all of the ALBs in Equality House, and is currently with TEO for sign off. This Business Case proposes an negotiated 5-year extension. The Committee discussed this risk and agreed that it should be rated red.

With reference to the Board Terms risk, the CEO thanked members and added that they had been very patient and dealt with the delays with good grace, thanked them for continuing to engage and represent CRC during this limbo. She apologised for TEO's continued delays in finding a solution, and their lack of updates provided to members.

Mr N Lynas TEO informed the Committee that a proposal is currently sitting with Ministers for approval.

The Committee thanked the CEO for presenting this report and approved the risk ratings.

8. Register of Audit Recommendations

The CEO presented the Committee with an update on CRC's 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 issues in the DFAP Team. An update on this was provided earlier in the meeting.

Recommendation three suggests CRC staff and Board take part in refresher governance and risk training. The CEO reminded the Committee that they agreed at the previous meeting that if members terms were further extended, then the governance and risk training should be arranged to take place in 2026. The CEO stated that there is still uncertainty around the Board terms, training will be arranged if terms are extended.

Recommendation four suggests CRC draft a series of guidance documents as a mitigation against the staffing issues in the finance team. The CEO informed the team that a staff member is currently undertaking Accountant Technician certification, with a view to providing cover in the finance team. Guidance has been produced by the Finance Admin on the Payments Process. Guidance is currently being produced on the Procurement Process, and further guidance will be produced once the year end work is complete. The CEO assured the Committee that CRC's 'Single Points of Failure' document, within the Service Continuity Plan, is reviewed regularly to ensure there is adequate cover.

Recommendation Five asks CRC to review the payment process and filing system to ensure there is no duplication of work. The CEO informed the Committee that this review is complete, and a paper has been produced with recommendations for consideration by the Finance and General Purpose Committee. This paper and recommendations will be returned to once year-end work is complete. The Committee agreed to extend the deadline for this recommendation to the 30th June 2026.

The Committee thanked the CEO and noted the report.

9. Investigations into Funded Groups

Ms H George informed the Committee that there are currently no ongoing investigations into funded groups.

10. Department of Finance Guidance

Ms H George presented the Committee with the latest Department of Finance Guidance.

The first publication is a letter to Government Departments requiring them to complete a review of their NDPB's liability cover. This is in advance of a review of a piece of legislation which exempts named bodies from the requirement to possess this insurance. Ms H George informed the Committee that CRC is already a named body on this list and will respond to TEO with that information when they complete their review of NDPBs.

The second guidance is the Accounts Direction for 2025-26. These are aimed at Departments themselves, but sections are still relevant to ALBs.

TEO shared with CRC guidance related to the Department's sustainability reporting in their Annual Report and Accounts. While CRC are not a named body in the recent climate legislation, a number of the reporting directions in the guidance will be included in the 2025/26 Annual Report and Accounts Sustainability Report.

The Committee thanked Ms H George for presenting and noted these reports.

11. Direct Awards

Ms H George informed the Committee that there have been no Direct Awards made in the period since the previous meeting.

12. Purchases Without a Price Check

Ms H George presented the Committee with a paper setting out details of the two purchase CRC made between 11th February to 1st April 2026.

Adobe Software licence at £424.66 and Social Value Engine Software licence at £1,500 were purchased during this period. Ms H George explained that these are included within the 'Purchase Without a Price Check' document as there is no equivalent software available that can provide the functions that these do, and therefore a price check was not possible.

The Committee noted this report.

13. Any Other Business

None

14. Date of Next Meeting

Tuesday 16th June 2026 11am