

Community Relations Council 112th Audit and Risk Assurance Committee
Tuesday 16th June 2026 11am
Online

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

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

Apologies: Mr M McDonnell (Board Member).

1. Welcome

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

2. Conflicts of Interest

Mr R Campbell works at the same firm as CRC's legal advisors assisting with the NILGOSC pension case. 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 111th Audit and Risk Assurance Committee were reviewed and approved.

4. Matters Arising

The CEO reminded members that at a previous meeting they asked to be provided with the papers presented at the latest meeting of the IT Operational Board. These papers were included in the packs for today's meeting.

Committee members noted these papers.

5. External Audit

Mr P Garrity informed the Committee that the 2025/26 grant testing has begun.

The draft 2025-26 Annual Report and Accounts will be presented to the Finance and General Purposes Committee on 25th June for decision, and will then be passed on to NIAO and Cooper Parry for audit.

6. Internal Audit

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

i) Grant Administration and Management Audit

Following the Committee's approval of the Terms of Reference at the last meeting, the audit of CRC's Grants Management took place.

Committee members were provided with the Report on the Grant Management review. The review found that CRC has a robust system in place for managing and administering grants, that showed a strong control framework. The review found this area to be 'satisfactory' which is the highest rating. No recommendations were made.

The Chair and CEO thanked Mr C Telford and his team for their work on this audit. The administration of grants would be CRC's highest area of potential risk, and this report assures Board and staff that this area is well managed.

ii) 2026-27 Internal Audit Strategy

Mr C Telford presented the Committee with a Plan setting out the areas for consideration in the 2026-27 audit.

SCC propose to review: Grants Management and Administration; HR Management, and Sustainability and Environment.

The Committee reviewed and approved the Plan. They welcomed the review of HR Management, given CRC's recent difficulties recruiting.

iii) Internal Audit 2025/26 Progress Report

Mr C Telford presented the Committee with the internal audit yearly progress report for 2025-26. This shows that all audits are now complete, have been presented to the Committee and have received a 'satisfactory' rating.

The Committee thanked Mr C Telford and noted the report.

iv) Quality Assessment

Mr C Telford presented the Committee with the annual internal quality assessment, which shows SCC's delivery of CRC's internal audit measured against the Global Internal Audit Standards.

SCC will undergo the External Quality Assessment this year, and has begun liaising with the Chartered Institute of Accountants on beginning this process. It may involve engaging with the Chair of the Committee and will likely be delivered in quarter three.

The CEO welcomed this update. The external quality assessment is a requirement and has to be reported to the Executive Office, so CRC should be notified as soon as it is complete.

The Committee thanked Mr C Telford and colleagues for all of the reports presented today and the work they represent.

7. Risk Register

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

Risk One 'Implementation of DoF Guidance' remains rated red. A meeting with Mr G Johnston, TEO, took place on 22nd April to discuss the funding and approval of the Business Case. TEO confirmed, and followed up in writing, that the resource would be provided to CRC to cover this work in a future Monitoring Round. TEO also confirmed that while SIB are drafting the business case, it will go to CRC's Board members, TEO and DoF for final approval. The MoU and Data Sharing Agreement were then signed and returned to SIB. A meeting with SIB took place on Wed 13th May, and a catch-up meeting took place with TEO on 27th May. SIB have been provided with the first draft of the Business Case, which includes the long list of options, along with the most recent, slimmed down draft. Ms J Adamson also provided SIB with details of the options considered in other ALB's business cases. On 27th May SIB provided CRC with an Action Schedule which showed a brief breakdown of the 33 days work proposed. SIB highlighted that the schedule is indicative at this stage and subject to change. On 1st June SIB provided CRC with a list of questions/documents required to begin this work. A meeting of the Pension Sub-Group took place on 10th June where the responses were discussed and agreed. This was submitted to SIB following the meeting, and have heard no further word from SIB since.

In addition, the Pay Remit was approved by TEO and staff were moved onto their correct pay scales in March 2026. All backpay was included in April's salary.

The Committee asked if the July deadline imposed by TEO for completion of the Business Case was now unrealistic. The CEO assured the Committee that catch-up meetings are regularly being held with TEO, and that they are aware of all delays. The CEO added that the Chair continues to raise with TEO the Board's desire to have this issue resolved in conjunction with the other affected ALBs.

Risk two 'Staffing' remains rated red. As stated in the previous risk, Staff were moved onto their correct pay scales in March 2026, and backpay will be paid in April 2026. The CEO thanked Mr P Garrity for his significant amount of work to resolve this, and the cover he provides for the finance area. The temporary Governance Post is due for review at the upcoming Finance and General Purposes Committee.

Risk three 'NILGOSC' case remains amber as there has been no recent update.

Risk four 'Board Members Terms' was reduced to an amber rating from red. At the previous meeting Members had not received an update from TEO on the status of the three members due to leave in April 2026. However, following that meeting, on the 28th April, CRC received confirmation from TEO that Ministers had approved the extension to the terms of the three Members, Mr R Campbell, Ms A Simpson, and Ms S McClelland, to 31st May 2027. Committee members welcomed this extension, but again expressed concern that the terms were all extended to the same period, and not staggered. The Committee also expressed concern that with the upcoming election the recruitment of members may be delayed further. The CEO assured the Committee that both points were raised with TEO at the Accountability and Liaison meeting on the 18th May, and will continue to be raised at all opportunities.

Risk five '2026/27 Resource' remains rated red. CRC has not yet received the 2026-27 Opening Budget, and is currently working from an Indicative Budget which is based on the 2025-26 opening budget figure, and well below the final outturn. As there is no official budget CRC cannot enter into new contracts, including grant contracts, therefore 2026-27 awards cannot be paid or made. CRC are also restricted to a 45% spend cap until the Budget Bill has been passed. Mr P Garrity is monitoring spend very closely and ensuring CRC stay within this restriction, but as we approach August this will become very challenging.

The Committee asked if this was putting pressure on the funding team, in terms of not being able to pay 2026-27 grants. The CEO informed the Committee that groups are being kept up to date on the situation, and understand that the delay is out of CRC's hands. However, it is putting some groups at risk, especially those with low reserves. As we move into the summer this will become a bigger issue for groups.

Risk six 'Premises' remains rated red. The Equality House Lease Business Case has yet to be approved by TEO, although we have been informed that it is to be heard at TEO's Major Business Case Panel this month. Land and Property Services are assisting with the negotiations with the landlord, on behalf of the Equality House tenants.

The Committee agreed the risk ratings and thanked the CEO for this update.

8. Register of Audit Recommendations

The CEO presented the Committee with the ongoing recommendations that emerged from CRC's internal and external audits.

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. The CEO informed the Committee that the temporary arrangement with Mr P Garrity covering finance and Ms H George covering Governance is working well. The arrangement will be reviewed by the F&GP Committee later this month. All staff are now on their correct pay scales, and therefore, if F&GP are content, CRC will begin testing the market for the Finance Manager position.

Recommendation three relates to the governance and risk training for staff and Board members. Staff have already completed this training, and do so annually. In terms of Board member training, CRC were waiting to hear the outcome of the term extensions before pursuing. When this issue was resolved a costing exercise was completed. However, without an opening budget CRC cannot move ahead with this procurement. It will be returned to once the budget is received.

Recommendation four suggests CRC draft a series of guidance documents as a mitigation against staffing issues in the finance team. The CEO informed the Committee that payments process guidance has been drafted by the Finance Admin, and a Procurement Guidance is currently being drafted. Once the year end work is complete this recommendation will be returned to.

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 drafted with proposed amendments to the process. This paper will be presented to the F&GP Committee later this month along with the updates to the Financial Procedures Manual for review and decision.

Recommendation six asks that CRC review the DPO training on offer to ensure that the interim DPO can take forward controls evaluation and wider development. The CEO informed the Committee that when a DFAP Director is recruited, they will undertake DPO training. In the meantime, the

Governance Manager has complete level 4 Accountancy Technician training, which included a module in Business Law and Business Management which covered training on Data Protection and GDPR. The Governance Manager has also undertaken the following CAL training: Data Protection Essentials; Freedom of Information and Environmental Regulations Essentials; Anti-Fraud Awareness Training; Applying redactions to Fol's module; Drafting Fol's module; Public Interest Disclosures and Public Interest Test Module; and Records Management Training. This risk is well covered with the CEO, Governance Manager, access to external legal advice and CRC's own Board and Audit Committee member's expertise.

The CEO added that the Governance Manager has done a large amount of work on CRC's governance policies this year updating and ensuring they follow best practice. She thanked Ms H George for her work in this area.

Recommendation seven states that CRC should produce a 'Digital Governance Document' summarising the whole policy area. The CEO stated that these policies already exist, and this recommendation is asking that they are brought together into one place. This recommendation will be actioned in quarter 2.

Recommendation eight asks that CRC consider increasing the phishing testing completed by the IT support providers. This issue was raised by Ms J Adamson at the April meeting of the IT Operational Board. CRC await an update on this proposal. The CEO assured the Committee that a series of phishing tests were completed by the IT support providers, with just one person, out of staff, agency workers and the Chair, clicking on the link. That person will be notified and a cyber security refresher will be conducted.

The Committee thanked the CEO for these updates 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.

Guidance one: ‘Laying of Annual Report and Accounts in the NI Assembly’ sets out the formatting and instructions for the submission of Annual Reports and Accounts.

Guidance two ‘Format of the Remuneration Report’ sets out updates on how Government Departments should incorporate details of special advisors’ salaries and Ministerial pensions into their Annual Report. This guidance is not application to CRC.

The final piece is the publication of the Government ‘Annual Theft and Fraud Report’. This sets out details of reported actual, attempted, and suspected theft and fraud between 2022-23 and 2023-24. This publication is available on the Department of Finance’s website.

The Committee thanked Ms H George and noted the report.

11. Direct Awards

Ms H George informed the Committee that there have been no Direct Awards made in 2026-27.

12. Purchases Without a Price Check

Ms H George presented the Committee with details of one purchase made following the previous meeting that did not require a price check. This was the 2025-26 quarter four printer costs.

13. Any Other Business

None

14. Date of Next Meeting

2nd September 2026 11am