

Community Relations Council 71st Audit and Risk Assurance Committee
Thursday 14th January 2021 11am, held online

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

In attendance: Ms J Irwin (CRC CEO), Mr G McKeown (CRC DFAP), Ms T Wilson (CRC Finance), Ms H George (CRC PA), Mr B Clerkin (ASM).

Apologies: Mr J McCallister (Board Member), Ms K Doey (Northern Ireland Audit Office), Ms S Nicholson (The Executive Office).

1. Minutes

The Audit and Risk Assurance Committee reviewed the minutes of the 70th ARAC meeting, which took place on the 3rd December.

The Committee agreed the minutes as being a true and accurate reflection of the meeting.

2. Matters Arising

The CEO informed the Committee that all matters arising will be dealt with in other areas of the agenda.

3. External Audit

No update

4. Internal Audit

Mr B Clerkin, ASM, provided the Committee with an update on CRC's internal audit. He stated that the Terms of Reference for CRC's two remaining 2020/21 audits have been agreed. These audits will commence on the 8th March, and the results of these will be presented to the Committee in April 2021.

5. Covid-19 Arrangements Update

Mr G McKeown provided the Committee with an update on the implementation of Covid-19 continuity arrangements. He stated that CRC continue to apply the Covid-19 arrangements effectively. These temporary arrangements were presented and approved at a previous Board meeting.

CRC continue to review and make grants, process and make payments to groups, engage with groups and stakeholders, and hold events.

Internally CRC continue to hold monthly Staff Meetings, weekly Management Team Meetings, and Directors regularly speak to staff about any concerns they have and their morale.

Mr G McKeown added that, with the new Covid-19 Government imposed restrictions, some members of CRC's staff with caring responsibilities are being effected. CRC are taking this

into account. The Chair commended CRC for taking staff members caring responsibilities into account.

The Committee thanked Mr G McKeown for this update.

6. Risk Register

Mr G McKeown presented the Committee with CRC's latest Risk Register, highlighting the status of three risks.

Mr G McKeown updated attendees on the compliance with DOF guidance FD (DFP) 08/14, 09/18. He stated that CRC received a number of queries in December 2020 from TEO on the Business Case submitted in July 2020. The Pension Sub Group met on Wednesday 13th January 2021 to review the queries. The Sub Group agreed that more detail should be sought around the costing and the legal expenses. The Chair will be meeting with Mr M Browne, TEO, in February and will be raising this issue again. This issue will then be reviewed.

The Committee agreed that, as there has been no progress, this risk should remain categorised as 'red'.

Mr G McKeown updated attendees on the 'Staff Morale' risk. He stated that CRC have appointed an independent HR organisation to provide support and guidance to CRC's HR Manager, the Management Team, and staff. This organisation will assist the implementation of the Dignity at Work Charter. He added that CRC staff and the Chair have received the LRA Temperature Check report, and this will be discussed at the upcoming LRA Implementation Group meeting.

The Committee discussed and agreed that the 'Staff Morale' risk should remain amber as there has been no change.

Mr G McKeown update the Committee on the 'Covid-19' risk. He stated that, as part of CRC's Covid-19 arrangements audit, it was recommended that the use of VPNs be monitored. This review is complete, and a report will be presented to the Management Team. Mr G McKeown will update the Audit Committee on the status of this action at the next meeting.

The Committee discussed and agreed that the 'Covid-19' risk should remain amber as there has been no change in the situation.

The Committee thanked Mr G McKeown for this report.

7. Audit Investigation into Funded Groups

Mr G McKeown presented the Committee with a paper updating the status of an investigation into a group who previously received CRC funding. The only outstanding information required to close down this investigation is notice from TEO on the status of the group's outstanding debt to HMRC.

The Committee agreed that CRC should wait until TEO is present and able to provide an update and discuss the status of the outstanding debt, before agreeing to close it down.

The Committee noted the report.

8. Register of Audit Recommendations

Mr G McKeown presented the Committee with an update on the progress to implement recommendations made during CRC's audits.

The first recommendation to resolve the compliance with DOF guidance FD (DFP) 08/14, 09/18 was reported on earlier in the Committee. CRC have submitted a Business Case to TEO and recently received queries. These queries have been discussed at a meeting of the Pension Sub Group.

The recommendation to put in place assurance statements from CRC Directors to assist the Accounting Officer's in completing quarterly TEO returns has been implemented. This completes the implementation of the 'Three Lines of Defence' model.

Mr G McKeown informed the Committee that the audit recommendation to review and update the Finance Procedures Manual has been completed. As the Covid 19 mitigations are continuing longer than was envisaged at the time of the audit, an appendix has been added to the Financial Procedures Manual detailing CRC's temporary procedures. Once there is a degree of certainty on Covid 19 measures or the restrictions are lifted permanently, the Financial Procedures Manual will be updated and presented to CRC's Finance and General Purposes Committee.

A Committee member drew to Mr G McKeown's attention that the audit recommendation related to the pension issue has an implementation date which has now passed. He suggested updating this to 31st March 2021.

ACTION: Mr G McKeown to update the Register of Audit Recommendations to amend the date of the pension recommendation implementation.

The Committee noted this report.

9. Department of Finance Guidance

Ms T Wilson presented the Committee with one piece of Departmental guidance. This guidance relates to the extension of the job retention scheme. It is not relevant to CRC, it is presented for the Committees information only.

The Board noted this guidance.

10. Direct Awards

Ms T Wilson informed the Committee that there were no direct awards made following the previous ARAC meeting.

11. Small Purchases without a Price Check

Ms T Wilson presented the Committee with a report on the small purchases CRC made following the last meeting, which did not require a price check.

This includes photocopier costs, an accountant seminar, and CRC's office TV Licence.

The Committee noted this report.

12. Any Other Business

None

13. Date of Next Meeting

25th February 2021 11am