

Community Relations Council 85th Audit and Risk Assurance Committee
Thursday 24th February 11am 2022, held online

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

In attendance: Ms J Irwin (CRC CEO), Mr P Hynds (CRC DFAP Director), Ms T Wilson (Finance Officer), Ms H George (CRC PA), Mr B Clerkin (ASM), Ms C Burns (NIAO), Ms S Nicholson (TEO).

Apologies: Mr R Campbell (Board Member).

The Chair welcomed Mr. Hynds to his first meeting of the Audit and Risk Assurance Committee.

1. Conflicts of Interest

None

2. Minutes

The minutes of the 84th Audit and Risk Assurance Committee, which took place on the 13th January 2022, were reviewed. The Committee approved the minutes.

3. Matters Arising

The CEO presented the Audit Committee with three actions which were proposed during the previous Audit Committee meeting.

The Committee had asked for the Assurance Statement to be updated to include details of the audit investigations. The CEO assured the Committee that the Statement was updated, approved by the Chair, submitted to The Executive Office, and presented at February's Board meeting.

The Committee also asked for a new risk to be added to the Risk Register titled 'Outstanding Pay Remit and Salary Issue' and for more detail to be added to the 'Recruitment and Retention of Staff' risk. The CEO confirmed that these changes have been made and will be presented at this Committee meeting.

4. External Audit

Ms C Burns informed the Committee that a recent planning meeting took place with the NI Audit Office and the CEO, and the outgoing and incoming Director of Finance, Admin and Personnel. The Audit Strategy will be drafted and presented to the Committee in due course.

The Chair of the Committee thanked Ms C Burns for her work over the years and wished her all the best in her retirement from the NI Audit Office

5. Internal Audit

Mr B Clerkin informed the committee that field work is currently being completed on CRC's three audits: grants; human resources; and a follow up of audit recommendations. Work on the fourth audit of communications and engagement will begin on 7th March.

The Committee thanked Mr B Clerkin for this update.

6. Risk Register

The CEO presented the Committee with the Risk Register.

She highlighted changes to two risks.

A new risk: 'Impact of Delay in implementing Pay Awards' has been added to the Register, rated as amber. The CEO informed the Committee that CRC received correspondence from The Executive Office on 23rd February confirming that all outstanding Pay Remits have been approved. CRC will liaise with TEO on the next steps to complete the payment of Pay Remit 2018/19, 2019/20, 2020/21 and 2021/22.

The Audit Committee welcomed this development and thanked Ms S Nicholson and TEO colleagues for their work resolving this issue.

The CEO presented the Committee with risk six, related to the departure of the Finance Director. She informed the Board that Mr P Hynds has taken over this position on a temporary basis through the agency framework agreement. The Finance Manager role has also been filled on a temporary basis, as has the Policy and Engagement Officer secondment position. The CEO added that the Finance recruits are very experienced and are settling in well.

The Committee thanked the CEO for presenting the risk register and agreed the Risk ratings. Based on the updates in relation to the pay remit and staffing, members noted that it may be possible to reduce the ratings in relation to these risk areas at the next meeting.

7. Investigations into Funded Groups

The CEO presented the Committee with an update on an audit investigation triggered by a whistle-blower which was included in the papers for the meeting.

Since the papers were issued CRC has updated and returned the related Public Disclosure Form, to The Executive Office, as requested. Ms S Nicholson added that this form has been shared with the Grant Fraud Investigation Branch and she confirmed that this investigation can now be closed.

The Committee thanked The CEO and Ms S Nicholson for this update.

The Chair advised members that he had sent an updated Public Disclosure Form to The Executive Office in relation to the second whistle-blowing case which would be discussed in closed session at the end of the meeting.

8. Register of Audit Recommendations

The CEO updated the Committee on the progress to implement the recommendations made during the internal audits process.

Only one recommendation remains outstanding, relating to the implementation of DoF Guidance FD (DFP) 08/14, 09/18. The CEO informed the Committee that this

recommendation will now be updated, following the recent correspondence regarding CRC's Pay Remits. However, the ongoing pension issue remains to be resolved.

The Committee noted this report.

9. Department of Finance Guidance

Ms T Wilson provided the Committee with three pieces of departmental guidance for their information.

Guidance one sets out the procedures for Departmental Accounting Officers should any actions require ministerial direction.

Guidance two sets out the revisions to the directions on preparing the Annual Report and Accounts.

Guidance three set out the revisions to the 'Disclosures Implementation Guidance'. A number of new disclosures that Directors of Finance and Personnel will need to make in remuneration reports.

The CEO added that CRC has today received the newest Guidance on Internal Fraud from the Northern Ireland Audit Office. NIAO guidance reports are always very helpful, and the CEO assured the Committee that CRC's staff teams will be reviewing the new fraud guidance and taking forward any relevant recommendations.

The Committee noted these pieces of guidance.

10. Direct Awards

There were no direct awards.

11. Purchases Without at Price Check

Ms T Wilson reported to the Committee three purchases, completed between 17th December and 11th February, which did not require a price check.

The first purchase was for the office photocopier.

The second purchase was for a twelve month TV licence for the office.

The final purchase was for a Governance and Leadership conference attended by the CEO.

The Committee noted this report.

12. Any Other Business

The Chair, CEO, and Committee members thanked Ms T Wilson for all the work she has done for the Community Relations Council over the years and wished her well in her new role.

13. Date of Next Meeting

7th April 2022 11am

14. Closed Session

The Audit Committee held a closed session to discuss one ongoing whistleblowing case. CRC staff left the meeting, and the following note was shared.

An investigation was completed by CRC's internal auditors. Mr R Campbell, Board and ARAC member met with the whistle-blower on the 4th February 2022 where they agreed that they were content with the outcome and the findings.

The Public Disclosure Form has been passed on to The Executive Office and the draft report from the internal auditors will be signed off by the Chair of the Audit and Risk Assurance Committee. The final report will then be confirmed and issued. The Audit Committee approved the internal auditor's fee for four day's work.