

**MINUTES OF THE TWO HUNDRED AND FORTY FORTH MEETING OF THE COMMUNITY
RELATIONS COUNCIL BOARD HELD ON FRIDAY 5th July 2024 10:30AM
ONLINE**

4042/24 Present: Mr M McDonald (Chair) Mr M McDonnell (Board Member), Ms M Braniff (Board Member) Ms N Tandon (Board Member), Mr D Mercer (Boardroom Apprentice) Ms A Simpson (Board Member),

4043/24 In Attendance: Dr J Irwin (CEO), Mr B McDonald (Funding Director), Mr P Garrity (Finance Manager), Ms J Adamson (HR Manager), Ms N Woodside (EA to CEO and Board).

4044/24 Observers: none

Apologies: Mr J McCallister (Board Member), Mr R Campbell (Board Member), Mr Peter Day (Engagement Director)

4045/24 Welcome

The chair welcomed everyone to the meeting.

4046/24 Minutes

Members reviewed the minutes of the 243rd meeting of the Board which took place on 24th May 2024. The Board approved these minutes.

4047/24 Matters Arising

The Board reviewed the list of Matters Arising circulated with the Board papers, two out of three of the points are ongoing.

4048/24 Correspondence

The Chair advised the response to the letter he had written to Gareth Johnson at TEO was included in the Board papers. The Chair noted in his letter he had requested a meeting however one was not offered in the response from TEO. The Chair informed the Board, there is a new interim head of TEO, David Malcom.

The Chair also noted the correspondence from the CEO to Chris Gardner in TEO, expressing CRC's concern at having no confirmed budget and the impact on funded groups as CRC is unable to release Letters of Offer, Chris Garder provided a response to say TEO is still awaiting approval on opening allocation letters but if these are not released they will try to put an interim measure in place.

Since then, the CRC has received the opening allocation letter which is also included in the correspondence for this Board meeting.

In relation to Board members' Term of Office, the Chair informed the Board there are other bodies whose Board members are also awaiting notification from Ministers about this matter. As there has been no indication from TEO that the members are to be asked to leave their

positions, and it's just awaiting attention from ministers, it seems appropriate to continue especially as members are also company directors and trustees of the charity.

The CEO advised there was a pre-arranged meeting with Chris Gardner from TEO earlier this week on another matter, the CEO brought this issue to his attention again and Chris was hopeful that now the assembly is in recess, there may be more time for matters like this to be finalised.

The CEO advised this is an issue that has also been raised at our Audit and Risk Committee and is red on our risk register. CRC reached out to NIAO for clarity, and Mr Andrew Allen has advised they haven't come across an issue like this before.

The CEO informed the Board, it has been discussed with Gareth Johnson at the last T:BUC Forum meeting and he advised that if necessary anything that is above the CEO's financial authority level, could be passed to Gareth for signature as TEO Accounting Officer. The Chair agreed this was the best way forward in this situation.

4049/24 Chair's Update

The Chair informed all he attended the T:BUC Forum in Craigavon Civic Centre and the funding subgroup on the 11th June, hosted by Maire Braniff in Ulster University. The Finance and General Purposes Committee took place on 4th July 2024.

4050/24 Chief Executive Officer's Update

The CEO took the Board through her update paper. There is no further update on the CRC draft Strategic Plan as there is still no Programme for Government or revised T:BUC strategy. The formal return of Ministers probably needs to take place before we will hear anything on this. The review of T:BUC will hopefully make some progress over the summer months.

The staffing position in general is better than we have been able to report for a while. However, the DFAP Director and Finance Manager post remains unfilled. CRC continues to have the interim support of Mr Garrity which has been an enormous help on the financial side. There was a detailed discussion at the Finance and General Purposes Committee on the recruitment for the two posts and the Chair will discuss this later in the meeting.

Since the papers for this Board meeting were issued there has been a further Funders Forum meeting on 3rd July, the topic on this meeting was consultation and engagement. This is part of the series of quick meetings over the summer, the last two remaining are grant processes and monitoring and evaluation. The process of the information gathering sessions is to ensure everyone on the Forum is aware of what everyone else does. Two lists will be circulated after these meetings, one will contain small changes that don't require any approval or additional resources. The second list will contain wider proposals that will probably require approval at a higher level. They will go back to the ALB Forum for decisions on whether they can be taken forward under the wider Executive Office transformation plans.

The CEO advises she will keep the Board updated throughout this process.

There was a meeting with SEUPB to discuss potential bids coming forward from CRC and The Executive Office. The funding streams that are appropriate and of interest to CRC do not open until the end of the summer. The CEO will keep the Board updated on discussions with SEUPB and TEO.

In relation to the 2022-23 pay remit, there will be an update later in the meeting. The CEO paid tribute to the work Mr Garrity has done on the pro-forma and responses to queries. As reported previously, CRC received an additional 26 queries on this matter, Mr Garrity has responded to all of these, and hopes to receive an update on this shortly.

Mr Garrity has also finalised the 23/24 pay remit, TEO confirmed yesterday that CRC can submit this.

The Board funding subgroup took place on 11th June in Ulster University, chaired by Board member Maire Braniff. The CEO thanked Ms Braniff for convening the group and facilitating the discussion.

The CEO updated on the FLOURISH project, which has requested CRC to be a member of the project advisory group. This project is bidding to the Peace Plus programme. CRC have advised, in principle that it is content to be part of this group.

The Chair thanked the CEO for her report.

4051/24 Funding and Development

Mr McDonald advised core funding for 23/24 is 80% closed off. Intercom remain an issue but is progressing to the verification report being issued and claims being issued.

Core 24/25, now in a position with budget confirmation to move to Letters of Offer stage. If the Board is content the aim is to get the letters out within the next week with the view of funding being issued in August, this also applies to North Belfast funding.

CRCD opening allocation is £105K, 80% of this money has been called upon already due to grants for which CRC has already received applications. At present we are processing applications in excess of £90K.

In terms of staffing, Ms Pieteron has joined us and is settling in well and its clear she is a good addition to the team.

The Chair thanked Mr McDonald for the update.

i) Funding Subgroup

Mr McDonald took the Board through the funding subgroup paper. The specific issues that were addressed at the meeting with the hope of changes being made.

- 1) Cap on running costs, we had suggested a maximum cap of 25% on running costs. It was suggested the maximum is allowed in forth coming applications should this recommendation be approved by the board.

The Chair asked for members input, all members content and Chair approved.

- 2) Specify the types of roles funded – meaningful funding or CR focused roles rather that a cocktail of posts funded a relatively low percentages; focus should be on CR roles, not finance/admin posts

The Chair asked for members input, all members content and Chair approved.

- 3) Time/Term limits on CORE funding – at assessment day queries raised regarding repeat funding of same groups; option to restrict funding beyond 2 consecutive CORE cycles

The Chair asked for members input, all members content and Chair approved.

It was agreed if the applications are ineligible, notification should be given following Board approval at an earlier stage possible.

The Chair asked for members input, all members content and Chair approved.

Ms Braniff advised the funding subgroup is committed albeit the Board members tenure isn't confirmed. The funding subgroup discussed issues around medium-term priorities. Mr McNally is drafting outcomes and ensuring the range of indicators available to us are being used.

The Funders Forum, as well as the funding subgroup are two great examples of what can be achieved whenever we aren't working in silos.

A recurrent discussion took place in and around the expansion of what good relations is, how it links to other work and how we can expand this in our funding moving forward.

The CEO advised discussions have also taken place in relation to the information we are asked for by TEO and in Assembly Questions. The CEO raised the issue of, how well we can respond to fundamental questions that come from the Committee of the Executive Office, and through Assembly questions. At present, we are working on a document that brings together exactly what we have right now. There are gaps in this document, so there are some things we need to do to gather this remaining data on an ongoing basis so that when we receive a request it is not as time consuming to respond as it has been previously. The CEO noted that underpinning these questions are 2 fundamental points: is CRC value for money and what is our added value.

Mr McDonald gave an example and highlighted to the Board we are being asked to document who we fund and what they do, we aren't being asked to specify what within these groups are we funding. We need to be specific in our response.

Mr McDonald presented the list of grant awards to groups in the North Belfast Strategic Good Relations Programme. He noted that the assessments had been carried out by CRC and TEO and the proposed grants were based on no change to last year as CRC had received the same opening allocation as last year. The Chair recommended to the Board that the North Belfast grants be approved and due to the level of funding (which is above the CEO threshold) they be sent to the Executive Office for approval. All approved.

The Chair thanked Mr. McDonald for his papers.

4052/24 Community Engagement

In Mr Day's absence the CEO presented the Community Engagement paper.

In response to a question, the CEO advised the Chair that the planning meetings with the Executive Office form the theme for each T:BUC Engagement Forum.

The Chair thanked the CEO for presenting the report.

4053/24 Finance and General Purposes

The approved minutes from the meeting on are were noted.

The Chair provided a verbal update on the Finance and General Purposes meeting that took place on 4th July 2024.

Committee Terms of Reference: The terms of reference were reviewed and approved with no changes. The membership of the CRC committees will be reviewed when Board members' Terms of Office are confirmed. As reported earlier in this Board meeting, CRC understands from TEO officials that this matter is still with Ministers.

Quarterly Performance Report: the performance in the 1st quarter of 2024-25 was reviewed and the committee noted that TEO correspondence on CRC's opening allocation was received in the last week of June so Letters of Offer to successful grant applicants can now be made. It was noted that the opening budget letter has a cash limit of 65%. It is hoped that by September this cap will be lifted,

Annual Report and Accounts: The draft Annual Report and Accounts 2023-24 were received by the committee. No issues were raised. The Annual Report and Accounts once audited will come to the Board, probably in October 2024.

Solvency and Liquidity Report: the report was received by the committee. It was agreed that the Solvency and Liquidity Report could in future be a shorter document as some of the information is already covered in the annual report and accounts.

June 2024 Management Accounts: The accounts for June were received by the committee. CRC has made a submission to the June monitoring round. The queries on the 2022-23 pay-remit have been responded to and in response to an email to TEO, Chris Gardner has replied to say that he hopes to send a positive communication by the end of the week. TEO also advised that the 2023-24 could now be submitted. This has already been prepared and is being checked before being sent on to TEO.

Expenditure over £10K on Agency staff: this was reviewed and no issues raised.

Vouching and Verification Report: The committee recommended the reduction of the number of signatures on CRC verification reports from 3 to 2. This was approved by the Board.

Staffing Update: The Committee receive a staffing update. The Committee approved the draft responses to union queries on the current pension business case.

DFAP Director Recruitment: The Committee considered a paper from the HR Manager on the difficulties in recruiting to this position. This discussion included the title of the post, the qualifications required, the grading, the potential to mentor a less qualified candidate, and the recruitment process. It was suggested that it may be best to fill the Finance Manager post first before making decisions on the qualifications necessary for the DFAP Director. This suggestion was discussed in a confidential session at the Board meeting and agreed.

Q1 sick absence report for 2024-25: There is a slight increase from this time last year but still a low average. All members who had reported for long term sick have since returned to work.

Health & Safety Update: There will be a H+S site visit during the summer, once this is completed a report will be provided to the committee. The Strategic Investment Board will be

holding a meeting with CRC IT in advance of the next IT tender document being drawn up to ensure all needs are covered in the contracts.

Date of next meeting: not yet confirmed.

4054/24 Audit and Risk Assurance

The CEO provided the below verbal update in absence of the Audit and Risk Committee Chair:

The Committee reviewed and approved the minutes of the Audit and Risk Assurance Committee, which took place on 9th May 2024. These minutes were included in the papers for this Board meeting.

Terms of Reference (TOR): The TOR was agreed subject to amendment of numbering in the document, changing references to OFMDFM to TEO; and the removal of two items that are dealt with by the F+GP committee: quarterly performance monitoring; and the review of the draft accounts and governance statement, all of which are included in our ARA and the first draft goes to our Finance and General Purposes Committee, then the normal process is it goes to the Board following audit.

External Audit: NIAO advised the external audit will be conducted over the summer and the audit opinion will be due in October 2024. Cavanagh Kelly have been assisting with some interim audit work for the CRC input to the Whole of Government Accounts and this was all satisfactory with nothing to report.

The first draft of our ARA has gone to Cavanagh Kelly and the Finance and General Purposes Committee.

Internal Audit: Internal audit reports are now complete for the year and this has brought us to the end of our contract with ASM. CRC will be going back out to tender for a new internal audit contract.

There was discussion about what decisions members can take regarding larger expenditure beyond the limit of the CEO, as CRC is still awaiting the correspondence from TEO regarding Board members' term of office. Mr A Allen (NIAO) advised he was unaware of similar situations.

There was discussion about the fact that although no letters had yet been received it is understood from TEO officials that the recommendation is to reappoint. The Chair of the Committee was of the view that members were still board members until advised that they are not, and there was a duty to continue to do our best and make decisions as Board members have not been asked to step down or resigned. The only question this raises is whether members have authority to make decisions.

The question of who would authorise expenditure beyond the CEO's limit has been raised with TEO (Gareth Johnson) at the last T:BUC Forum and he said if necessary he would.

The TEO delays in other decisions, such as budget, PfG, the TBUC review, etc were also discussed. Ms A Ferguson (TEO) advises that Chris Gardner is trying to get answers from the private office. Ms Ferguson apologised on behalf of TEO for the frustration this has caused.

Risk Register: Following the committee meeting there are 5 risks on the register:

- The long-standing issue on the pension scheme remains red.
- The staffing risk remains red due to the vacant Director of Finance, Admin and Personnel and Finance Manager posts. A paper on this went to the Finance and General Purposes Committee on 4th July. In the mean-time the interim cover provided by P. Garrity continues and he was thanked for his work.
- The McCloud remedy issue remains on the risk register as amber.
 - The resources issue on the risk register which was amber due to not having received our budget for the year was raised to red due to the impact on grant applicants not being able to receive contractual letters of offer.
 - It was agreed that lack of TEO correspondence on the Board members' Term of Office be added to the risk register as red.

Register of Audit Recommendations: There are two items remaining:

- Priority 1: The pension issue
- Priority 3: The review of the terms of reference of the Finance and General Purposes committee which was dealt with at the meeting on 4th July and will now come off the register.

Investigations into Funded Groups: None.

Department of Finance Guidance: 3 items of guidance were noted, Public Sector pay and pay remit for 2024/2025, the accounts for the NI Assembly and the format of remuneration report.

Direct Awards: None.

Small Purchases without a Price Check: CIPD membership, NICVA Membership, and membership of the Chief Executive Forum.

The Assurance Statement for 1st quarter 2024-25: The Assurance statement was circulated to all Board members prior to the meeting.

As usual this requires approval prior to submission to TEO.

The Chair and members advised they were happy for this to be forwarded onto the Department.

4055/24 A.O.B.

The Chair thanked the Boardroom Apprentice, Mr Mercer for his regular attendance at Board meetings. Mr Mercer thanked all Board members and staff. He advised that he had enjoyed his time with CRC and it had been a great learning experience.

4056/24 **Date of Next Meeting**

9th September 2024 2:30pm