

ULSTER SUPPORTED EMPLOYMENT LTD

(Company Limited by Guarantee and not having a Share Capital)

Minutes of a Board of Directors Meeting held on Tuesday 27 February 2018 at 09.00
at 182-188 Cambrai Street, Belfast

Present

Mr J Perry	Chairman
Mr T Hinds	Director
Mr D Mackay	Director
Dr G Adams	Director
Mr A Bennett	Director
Ms C Magill	Director
Mr W Atkinson	Chief Executive
Mrs SJ Mowbray	Company Secretary/Head of Corporate Services
Mr A Savage	Head of Operations

1. Conflicts of Interest

No conflicts declared.

2. Minutes of the meeting held on 24 January 2018

Minutes were approved.

Actions from previous meetings were noted:

- Event dates were shared with Board, such as “Championing Ability” event in April
- To explore possibility of availing of ICO “health check”. Checklists have been identified so assist in preparation. Unable to source any other form of assistance.

3. Chairman’s Business

The Chairman raised the following business:

- Accountability meeting referred to during January 2018 meeting has been postponed to 6 March 2018
- Colm Boyle will be replacing Denis McMahon from April 2018 as Deputy Secretary responsible for Usel
- The Public Appointments panel is meeting on Friday 2 March 2018 to discuss plans for recruitment of new Chair and Board members
- The Chair was interviewed by DfC auditors conducting Triennial Governance Review
- The event held for official signing the Prosperity Agreement between Usel and NIEA was a successful event and very well attended

- The CEO radio interview with Wendy Austin on BBC Ulster was informative and useful in highlighting the good work ongoing in Usel

4. Chief Executive's Report

The Directors reviewed the Chief Executive's Report for **February** activity which had been circulated with Board papers. The following was noted:

Stakeholder Engagement

The event signing the Prosperity Agreement with NIEA on 15 February showed our shared commitment with NIEA in environmental best practice. The event was held at our head office and was attended by over 30 guests. Guests who attended the event included William Humphrey MLA, Councillor Brian Kingston, Deputy Mayor Mid and East Antrim Council, Cheryl Johnston, CEO of NIEA David Small, Belfast City Council, Mid and East Antrim Council, Chartered Institute of Waste Management and ACM Environmental.

Friday 16 February, we issued a formal press release alongside photography on our recent success at the Green Apple Awards. The press release drew significant attention with a number of outlets keen to run features on it. To date it has been picked up by BBC Radio Ulster news, BBC Evening Extra Drive Time Programme, BBC Online, Business First Online Magazine, Belfast Hour, and BBC Inside Business with Wendy Austin. We have also had significant online engagement through social media platforms.

Health and Safety

14 February 2018, we had a follow up inspection from HSENI Manufacturing Inspector in the factory. HSENI was impressed with our commitment and approach towards managing Health & Safety and highlighted a few best practice areas including the H&S Committee, Employee consultation and Training.

A few areas were identified for potential attention such as the guarding on the older sewing machines and a plan has been agreed to address these issues. Overall, very positive feedback.

Voluntary Exit Scheme

As previously advised we formally closed the call for VES applications and can now confirm we have had 6 applications and have confirmed acceptance of the individual applications. All staff who are successful in their applications will leave the business by 31st March.

New Business

We have been approached by a TFS provider in the North Down area regarding an opportunity for this provider to transfer their TFS contract to Usel. They currently service approx. 54 students with 85% of this cohort requiring additional support due to a disability or health condition. They have been a long-standing provider of training in vocational areas such as catering, retail, warehousing and due to changes in their Board and leadership team they feel they are unable to continue with this provision.

To date we have had an informal discussion as to Usel desire to formally investigate this opportunity and carry out the required due diligence. As to move this forward we would need to engage our sponsor team and formally engage the various contract managers within the Department of Economy regarding the possibility of transferring the current contract and the related students.

At this point the Usel senior team would be seeking approval to explore this approach with a view to assessing if this is a viable option to grow our current TFS provision.

The Board approved for Usel to explore the opportunity further and carry out the required due diligence. An extraordinary Board meeting will be convened if required.

Triennial Governance Review

We have now completed the triennial governance review and following a wash up meeting with the audit team a number of areas have been highlighted to be included within the final report. The areas for recommendations will include:

- Corporate Governance & Risk Management
 - Board terms of reference required
 - Audit Committee terms of reference required
 - More detailed briefing papers should be provided to the Board highlighting options, risks and recommendations and a clear decision process should be recorded stating the Boards required outcomes
 - More detailed minutes should be taken
- Grant in Aid
 - Internal Audit were unable to get a suitable response from DfC in relation to how GIA is calculated. They are going to seek further clarification from DfC (no action for Usel)
 - Consideration to be given to more detail financial information should be provided to the Board, including cashflow forecasting and balance sheet
- Procurement
 - Sign a SLA between CPD and Usel
 - Agree a process with CPD around procurement of raw materials to ensure Public Procurement Policy is adhered to
- VES 2016-17
 - Internal Audit expected to see pay bill savings of £231k and headcount reduction of six, in 2016-17. Whilst Usel have not back filled the posts, other areas of business have seen increased recruitment e.g. recycling. Internal Audit are of the opinion that they would have expected to see a reduction in the overall salary bill and in real terms the salary bill has increased.

New Structure

We went to press to advertise the new roles to facilitate the revision to the management structure. We had a strong response to the recruitment campaign. Interviews took place on 22 and 26 February.

Café Provision

We have been shortlisted to present coffee shop provision to two host organisations over the following weeks. This is a new area of development for Usel. The Board will be kept informed of progress.

Balmoral Show

Usel have been offered a stand at Balmoral Show by DfC.

5. Head of Corporate Services' Report

Finance

The Directors reviewed the summary financial position against budget, for **January**, and noted an operating surplus of £7k. Budget forecast for January was £7k surplus, therefore we are in line with budget.

YTD we have delivered a surplus of £143k – the members note this is a positive result. Budget forecast for YTD position, as at 31 January was a surplus of £75k. This is a positive variance of £68k.

HR

Discussions, regarding contracts of employment, with individuals on STRIDE project have taken place. Those staff on permanent contracts should all be redeployed within the organisation. The staff on fixed term contracts have been given formal notice of dismissal, that contracts will not be extended beyond 31 March 2018.

ICT

There were no incidences of ICT Breaches to report.

In addition to delivering the ICT Strategy, February activity included:

- Commenced 'Training Needs Analysis' process with Invest NI
- Procurement process for 20 new computers, to improve the equipment for office based staff
- Design of new main office layout, including sourcing quotes for prospective work and office furniture
- Oversee the painting and branding of reception and offices areas
- Drafted business case for new HR digital recruitment portal. This portal is now being implemented
- Managing the GDPR process, including advertisement for DPO support and establishing a GDPR committee
- Innovation Room launched for all staff, including internal booking system

Business Development and Marketing

In addition to delivering the Communication Plan, February activity included:

- Organising and delivering the Prosperity Agreement event
- Working with PR agent in relation to drafting a press coverage for Green Apple Award. The exposure which followed the press release has been significant and required substantial liaising with BBC
- Completion of various award submissions e.g. Belfast Business Awards and National Recycling Awards
- Conducted some desktop market research on mattresses and factory shop. Further to the research, a three month marketing activity planner and PR for the factory shop has been agreed and is scheduled for implementation
- Continued development of E-Commerce websites, including sourcing SEO expertise to optimise the websites
- Drafted Gallaher Trust tender, seeking financial support for the new site in Ballymena
- Business development opportunities by engaging with Shaw Trust, exploring a possible partnership
- Organising “Championing Ability” Awards which are planned for April 2018. A committee has been established to take forward the project
- Initial conversation with UJJ in relation to Digital Stories – a project which targets its students to deliver a video which will depict a customer journey in supported employment. The video should be available for use at the Championing Ability event
- Assumed responsibility for product development. Working with Product Development Interns to develop new range of beds and, potentially, pet bedding

Communications to staff continues to operate in line with plan. No issues or concerns have been raised.

Compliance

In addition to managing the daily HR function e.g. inductions, recruitment, February activity included:

- Manage preparation for the ISO assessment, including updating ISO processes and register
- Attended “Safeguarding Policy Workshop” to inform the update of Usel Safeguarding policy
- Researching and drafting appropriate GDPR policies
- Reviewing and updating Disability Action Plan
- Arranging presentation of employee benefit initiative - Benenden

Procurement

- Ensuring sufficient raw materials in stock to complete large orders, such as McAleer & Rushe, Gilbert Ashe, Nurses bags
- Stores management improvements- including better management of available storage space through improved housekeeping and preparation of stores area prior to deliveries in order to receive and store goods more efficiently

- Usel procurement procedure and manual update and improvement process ongoing
- Preparation for leaving the organisation, such as a raw material/supplier mapping exercise, stock count procedures etc

A new Procurement Officer has been appointed and should be in post within the next week.

6. Head of Operations Report

a. Employment Services KPI Report

The KPI Report circulated with Board papers was analysed and it was noted that YTD, for Workable, we are approximately £147k better than budget.

YTD STRIDE is approximately £14k better than budget.

b. Manufacturing/Sales KPI Report

The KPI Report circulated with Board papers was analysed and it was noted that in January, bedding sales were £6k under budget.

This results in a YTD position of sales of £21k better than budget.

Industrial sewing for December was in line with budget. YTD, we are in line with budget.

In January, circular economy was £13k over budget. YTD, we are £39k better than budget.

Action: New organisation structure to be presented to Board for next meeting

7. GDPR update

We are in line with our plan:

- Policies have been drafted and are ready for review. Policies will go to Board in March
- DPO tender closes on 28 February 2018. We are hopeful that two applications will be received. Once the DPO is in place, staff training etc can be conducted

Internal Audit are currently conducting a review of our plan and progress against implementation.

Action: GDPR policies to be sent to Board well in advance of next meeting, to allow Board members sufficient time to review, prior to approval.

8. Adult Safe Guarding Issues

No new issues to report. CEO updated Board on issue raised during January meeting.

9. Health & Safety

Health & Safety forum continues to operate on monthly basis. See Section 4, CEO Report.

10. Balanced Scorecard

The Board received an update on the Corporate Balance Scorecard for Q3 and forecast for Q4.

11. Social Impact Report 2016-17

Final Social Impact Report 2016-17, produced by Stephen McGarry, provided to Board highlighting the social value delivered by Usel.

12. Policies for Approval

- a. The following policies were approved:
 - i. Draft Learning & Development Strategy
 - ii. Draft Sickness Absence Policy

- b. The following policies were presented to the Board for review and approval in February Board:
 - i. Capitalisation Policy
 - ii. Draft Marketing Strategy

13. Risk Management

New/Emerging Risks

Description of Risk Detail	P	I	P x I	Management Action
No suitable appointments to recent recruitment campaigns	4	4	16	1. Options have been considered, including SMT carrying the responsibilities in short term, until post(s) are filled
				2. Engage a recruitment agency to fill the post(s)
Safe guarding risk	4	5	20	1. HR & Legal advice has been sought and implemented

Changes to Existing Risks

- None

Risks Realised

- None

14. Final Draft Budget 2018-19

Ms Mowbray presented the final budget to the Board, based on the paper included in the Board pack.

The Board approved the budget.

15. Any Other Business

The Board agreed to conduct the Staff Satisfaction Survey later in year due to Staff Engagement Sessions being held in December 2017.