

ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting held on Thursday 26 April 2018 at 10.30 at
182-188 Cambrai Street, Belfast

Present

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

1. Conflicts of Interest

The Chair noted a potential conflict of interest, as a Trustee with Gallahers Trust.

2. Minutes of the meeting held on 28 March 2018

Minutes were approved.

Actions from previous meetings were noted as cleared:

- Boards Term's of Reference were referred to DfC on 29 March 2018, regarding the inclusion of roles and responsibilities for Trustees to Usel Pension Scheme. Organisation structure presented to Board during meeting
- Information relating to local initiative was circulated to Board members on 29 March 2018
- A Corporate Social Responsibility Policy has been drafted and included on today's Agenda (see item 9(b)(i))
- Risk register has been updated in line with Board comments

Action: SJ Mowbray to circulate organisation chart to Board members

3. Chairman's Business

The Chairman raised the following business:

- The Board commended the hard work and dedication of the staff involved in delivering the Championing Ability event which members agree was a tremendous success

- Two Board members have received an extension of their appointment to the end of July. Candidate information for new Board appointments does not include reference to new members possibly being required to be Pension Trustees, despite an explicit request from the Chair
- The Chair has sent a request to DfC Senior Officials to convene a meeting to discuss the pension and other issues. He reported that the Department has not yet responded to this request and he gave an outline of various items of correspondence sent to the Department over recent months
- An extra-ordinary meeting of the Board is urgently required to discuss the pension issue, including a potential pension re-design. Advice from pension administrators is that any change to the pension scheme should commence by September 2018, so that changes are implemented by July 2019

Action: Risk register to be updated to reflect the impact of the departure of employer nominated and member nominated Pension Trustees

4. Chief Executive's Report

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

Stakeholder Engagement

Usel hosted a round table meeting with Belfast City Council, NIHE, Invest NI and a few political representatives to discuss Usel's planned growth. We highlighted the need for additional support from key stakeholders to create more sustainable employment in greater Belfast. The key focus of the discussion related to the development of Circular Economy Hub on the Belfast site. Several follow up meetings are to be agreed for more detailed discussions.

New Business

Usel conducted a benchmarking visit to The Shaw Trust in Leicester, with the purpose of reviewing its current health and wellbeing provision. This programme is the follow on from the UK Welfare to Work programme with a key focus on supporting people with health conditions or disabilities into work. The visit was informative as it facilitated a detailed discussion on how the Shaw Trust transitioned to the new programme. We explored some of the challenges and the added value elements within the programme. We are currently reviewing these enhanced service provisions to determine whether we can integrate some ideas into our Stride programme.

We have received confirmation from DfC of their decision to provide approx. £202k pa for the next four years, regarding Usel match funding request for 2017-2021 ESF project. This will allow Usel to support 200 people with disabilities or health

conditions every year. We are now in the process of implementing our new Stride project and will begin the necessary recruitment process with a number of new roles being advertised in the coming weeks.

Workable NI

We are also working with DfC in relation to a reduction in the Workable NI budget. We are keen to ensure any proposed reduction will not prevent new entrants from entering the programme. At this point we are confident we can agree a process to allow us to continue to recruit new entrants. If this situation changes I will provide a further update.

Ability Café (project in partnership with Belfast Trust)

- Trainees in the café will be adults with learning disabilities
- Trainees will be taught all aspects of working in a café, including food preparation, food hygiene, customer service and hospitality
- In relation to marketing:
 - A Facebook page has been set up – Ability Cafe
 - Re-useable mugs will be available for purchase at £3.50 – every time the mug is produced at the café, the individual will receive £0.10 off a tea or coffee
 - There will be promotional material on each of the tables
 - We will be promoting our suppliers “Real Bread” campaign which is in line with the Belfast Trust’s healthy eating campaign

5. Head of Corporate Services’ Report

Finance

The Directors reviewed the summary financial position against budget, for **March**, and noted an operating surplus of £55k. Budget forecast for February was £32k deficit, therefore we are £88k better than budget. This was driven by an accrual for Workable participant costs being reversed, resulting in significant reduction in direct costs for the month.

At this point in time, our full year position indicates that we have delivered a surplus of £206k – the members note this is a positive result. Budget forecast for YTD position, as at 31 March was a surplus of £57k. This is a positive variance of £149k.

Any additional clarification requested by Board members was provided.

HR

As part of a management re-organisation, Patrice Devine (Compliance Manager) will be moving into the Operations Manager role, effective from 1 May.

Chris McMackin will take responsibility for organisational compliance issues.

Mary McCann will take responsibility for Employment Services programme compliance and quality. Mary will also develop and manage a client support framework to add value to Usel staff and programme participants. This is in line with the Shaw Trust model discussed.

ICT

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

- Assisting in preparation for Ability café set up, such as EPOS Setup, mobile app configuration and organising graphics and branding
- Overseeing implementation of GDPR plan
- Managing insurance renewal for Usel
- ICT Assistance with Usel Championing Ability Awards
- ICT Strategy outcomes planning for 2018/2019
- Continued rollout of new staff computers
- Project planning for office renovations including carpet fitting, tarmac replacement and new office infrastructure
- Assisted with Disability Action Plan development
- Commenced handover of compliance responsibilities

There were no incidences of ICT Breaches to report.

Business Development and Marketing

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

- The top priority has been organising the “Championing Ability”
- Implementation of plan for factory shop
- Continued development of E-Commerce websites, including managing SEO
- Drafted second phase of Gallaher Trust tender, seeking financial support for the new site in Ballymena

Usel have been shortlisted as finalists in a number of awards. This is a fantastic recognition for the Company and staff so early in the year:

- Finalists for the Belfast Business Awards – Social Enterprise Category
- National Recycling Awards – Public Sector/Private Sector Partnership
- UK Government Paperless Awards – Best Use of E-Forms

Congratulations to Karen Gilgunn who has been nominated as one of the top 40 under 40 in business throughout Northern Ireland!

Congratulations also to Bill Atkinson who has been named a finalist in IOD Director of the Year Awards for 3rd Sector Director of the Year.

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 and training, April activity included:

- Section 75 training with Equality Commission
- Managing the implementation of ISO 9001 and introduction of 14001
- Attended various training events, such as Absence Management workshop, Autism NI Training* and GPDR Training
- Managing continuous improvement initiatives, such as Balanced Scorecard, policy development

* A number of key staff attended training in preparation for an Autism Impact Award: provided by Autism NI.

Through attaining the Impact Award, Usel will continue to create a more autism friendly environment across the breadth of the business. Staff will gain a further understanding of Autism and how to adapt the working environment to support this.

- 2 employees have completed accredited AQA exam and act as Autism Champions
- 21 employees completed Fundamentals of Autism Training
- Training covered the difficulties related to Autism and focused on practical strategies to implement.

The Autism Champions have developed and agreed on a plan of adjustments across the business to achieve the Award. Such as:

- Employers Toolkit
- Sensory Box
- Pre meeting / interview information on what to expect

Plan to be implemented over a 3 month period by a working group led by Autism Champions.

Once the award is completed the achievement will be advertised on Autism NI's website and Usel will be able to display the Award Logo on the company website.

Usel will be able to demonstrate having achieved the Award that an excellent standard of service can be provided to individuals with Autism.

6. GDPR update

We continue to implement our plan.

A number of mandatory training sessions have taken place. Remaining staff will receive training by 15 May 2018.

7. Adult Safe Guarding Issues

No new issues to report.

The Board were updated on one on-going issue.

8. Health & Safety

Health & Safety forum continues to operate on monthly basis.

9. Policies for Approval

- a. The following policies were approved:
 - i. CCTV Policy
 - ii. Data Breach Form
 - iii. Data Loss Prevention Policy
 - iv. Data Protection Policy
 - v. Privacy Policy & Notice
 - vi. Usel Income & Debt Management Policy

- b. The following policies were presented to the Board for review and approval in May 2018 Board:
 - i. Corporate Social Responsibility Policy v1 - draft
 - ii. Health & Safety Policy v2 - draft

10. Risk Management

New/Emerging Risks

Description of Risk Detail	P	I	P x I	Management Action
Failure to deliver Championing Ability event	1	4	4	Experienced & suitably skilled project team in place to implement project plan. Regular project meetings to monitor progress against milestones.

Changes to Existing Risks

Description of Risk Detail	P	I	P x I	Management Action
Inability to meet 2018-19 budget	2	4	8	1: Monitor & manage costs and revenue via monthly management accounts and KPI meetings
				2: Managers have budget responsibility for monitoring & managing costs
				3: Liaise closely with sponsor department
Following the referendum result in favour of Brexit, some of the programmes currently funded by the EU can be at risk.	2	4	8	1. If the programmes close, consideration will need to be given to reducing costs.
				2. New staff recruited onto ESF projects are on a four year, fixed term contract in line with ESF timescales
2017-2021 ESF funding bid has been awarded - for full £1m annual project, approx £365k match funding required - approx £300k has been secured	1	4	4	ESF Letter of Offer has been revised to reduce staff recruitment, until all outcomes of match funding are known.
The Usel pension scheme deficit continues to grow due to it being closed. Most recent information indicates potential deficit was £7.8m. If not addressed, employer contributions to increase by 10% to 33% (currently 22.4%) just to maintain 12 year recovery plan. This authority remain outstanding. NIAO	4	4	16	1. Mercers continually review Investment Strategy to ensure it is fit for purpose
				2. Review of current pension arrangements and alternative options for future benefit design. Preferred option has been identified and requires Board approval. Plan would reduce deficit to £2m with a 5 year recovery plan.
				3. Usel formally communicated (6 April) with the Dept around the urgency required for a decision to move this issue forward

<p>have identified this as a significant risk to the audit opinion.</p> <p>Authority of non-exectuives to act as Trustees requires clarification.</p>				<p>Chair has raised this matter with DfC (Oct 17) and has been advised that legal advice is still awaited.</p>
<p>Safe guarding risk</p>	<p>4</p>	<p>5</p>	<p>20</p>	<p>1. HR & two sources of legal advice has been sought</p> <p>2. HR & two sources of legal advice has been implemented</p>

Risks Realised

None

11. Any Other Business

The Board approved a change to Usel bank accounts to Charity Account status.

12. Date of next meeting

24 May 2018