# ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting

Wednesday 30th August 2023 at 10.30am at Cambrai Street

# Present

Mr W Leatham Chairman

Mr D O’Hara Director

Mrs S Wakfer Director

Mr D Duffy Director

Mr S Jackson Head of Manufacturing & Recycling

Mr D Cowan Head of Employment Services

Ms M Hegarty Head of Finance

1. **Welcome and Apologies**
	1. R Havlin and R Donnelly send their apologies.
	2. Chair noted the boards thoughts and sympathies to R Havlin on the passing of this mother.
2. **Conflicts of Interest**
	1. Conflict of interest noted for SMT with regards discussing the pension, salaries, and temporary promotion/additional payments.
	2. Conflict of interest noted for D O’Hara in the discussion of the legal case who are members of NILGOSC pension scheme.
	3. Conflict of interest noted for D Duffy with regards discussing the Belfast Met SLA.
3. **Minutes of the previous meetings held on 26th July 2023**
	1. **Approval** - few amendments made to the minutes on request of various board members. Minutes approved post amendments.
	2. **Matters Arising** – on agenda or action log.
	3. **Action Log** - action log reviewed and updated accordingly.
		1. Mercer DC Pension Benchmarking Report was discussed.
			1. Chair noted the report concludes USEL rate is low in comparison to other organisations and NICS.
			2. Discussed additional cost of increasing the pension and the affordability for USEL.
			3. Chair noted Mercers offered to come and speak to board members to explain the report, D Cowan to arrange.
		2. Staff Survey Action Plan was presented to board by D Cowan.
			1. Chair noted that the actions in red are in relation to salary and pension.
			2. The process for this year’s staff survey was discussed and there was a debate on whether it should be carried out internally or externally.
				1. D Cowan noted there is money set aside in budget for external survey. A business case would be required.
				2. Survey usually scores the questions 1 to 5.
				3. Survey to be sent to staff end of November/start of December.
				4. Board agreed to keep staff survey internal but want input into the questions and want to change the scoring 1 to 10.
4. **Chairman’s Report**
	1. Chair provided update to board on meeting with sponsor branch, which was attended by Chair, vice chair and SMT, around procurement and additional acting up payments.
		1. Sponsor branch have advised honorariums or additional payments will not be approved.
		2. Potential for irregular spend as honorariums were not approved.
		3. Several other policies in relation to overtime, deputising and temporary promotion are to be used instead.
		4. Sponsor branch have since provided feedback as guidance on USEL procurement manual.
	2. Chair provided an update on quarterly accountability meeting held on 31/07/23 which included:
		1. USEL appointments and skill matrix, CEO pay review, Partnership agreement and Business performance update and budget vs actuals**.**
		2. Going forward Department have requested to review risk register as part of the accountability meetings.
		3. Feedback from the department has been positive on the meetings and the financial information being presented.
	3. Chair noted a follow up meeting was held with Sponsor branch to discuss USEL becoming a public corporation.
		1. Two issues previously identified – PPF levy and charitable status.
		2. D Cowan noted benefit would usually be less governance.
		3. D Cowan noted proforma to be completed and sent to Sponsor branch.
		4. D Cowan noted it is DoF decisionon whether USEL become a public corporation.
	4. Chair noted that BI-Annual assurance statement to June 23 was signed off by Acting CEO and Chair but not presented to board or ARAC, department understood the reasoning for this.
	5. Chair noted that R Donnelly has volunteered to become a pension trustee and Mercers have been informed. Chairman noted his thanks.
	6. Chair noted on 28th July a press inquiry was received. Chair alerted the board and a response to the inquiry was issued post legal advice. There have been no further inquiries since.
	7. Chair noted that board assessments have been sent out to be completed by end of September. Chair noted J Cowan assessment has been signed off.
	8. Chair noted POD meeting took place on 23.08.23. Vice-Chair of POD provided an update to the board and noted the following was discussed:
		1. Several policies were noted and reviewed; they are included in today’s board papers.
		2. Recruitment and retention issues were discussed.
		3. HR and payroll manager presented beneficial information on USEL pay scales in comparison to NICS and NJCS pay scales. It was noted that there are grades in our existing pay scales which are not being used. Option could be to utilise USEL’s existing scales and move people up the scales.
		4. Board approved job evaluations to be carried out by independent company. Post this can then look at our existing USEL scales and look to include as part of next year’s pay remit process.
		5. SMT job evaluations will be carried out post middle management and below.
		6. A current employee has handed in her notice and has asked to be paid her increment and cost of living in her last pay. The board discussed this issue and agreed employee is entitled to the money. Chair requested D Cown to check with Department whether we can pay employee before business case for pay remit is signed off. Board agreed that we should pay all people who have left who are entitled to it but to check with Payroll manager re GDPR implications.
		7. Need for more administrative support was discussed for the board and SMT. Board in agreement that needs reviewed and discussed at next POD.
5. **Written Procedures**
	1. Several policies were discussed.
	2. Updates on formatting and various comments were noted.
	3. Final version post updates to be sent to board via email and to be approved by written procedure with closing date (3 weeks).
	4. Once policies are approved by written procedure can be sent to department for noting.
	5. It was discussed and agreed that the Mental Health & Well Being policy is not a policy but more a guidance document. To be renamed to guidance. Does not need board approval as not a policy.
6. **Chief Executive’s Report**
	1. S Jackson noted tender submitted to BSO for confidential shredding. Starts 1st October 4-year contract. S Jackson to email board outcome, should know within few weeks.
	2. S Jackson noted recycling selling prices, continue to drop due to the war in Ukraine and export prices are down in China. Cardboard price may increase as closer to Christmas as more demand for cardboard.
	3. S Jackson provided update on Neighbourhood Regeneration Fund timeline presented for new building. Site visits organised. If successful procurement process will likely begin April 24 and for 6-8 weeks, all handled by the council.
	4. Carpet recycling was discussed. S Jackson noted our waste license only allows us to handle NI carpet. Plan was to turn carpet into a recyclable product and keep within NI, but it would require capital investment of £365k and our current infrastructure won’t allow it, need new building first. To be revisited post Neighbourhood Regeneration Fund decision and with proper business plan.
	5. S Jackson noted Industrial sewing orders continue to be strong with order book filled to Jan 24, however we are struggling with current capacity of existing staff. S Jackson noted there is a risk on whether we make budget due to labour, but we are advertising for stitchers under job start scheme.
	6. S Jackson noted the Translink contract has started, signs have now been collected and income will be generated in August.
	7. D Duffy discussed additional locations for USEL, S Jackson to conduct a site visit to see suitably for waste license.
	8. S Jackson provided update on Health & Safety and noted Health and Safety manager leaving but H&S officer is doing a great job. 1 incident incurred in July offsite, minor inquiry, RIDDOR reported. Employee returned to normal operational duties.
	9. S Jackson noted that he has made inquiries as previously discussed around enclosing the canteen which is currently located on the mezzanine floor to reduce the dust and noise. S Jackson provided update on discussions with previous contractor and architect and noted that the canteen needs assessed for weight and fire safety and needs signed off by building control. Board agreed that canteen on Mezzanine floor should be closed immediately as does not meet health & safety regulations and should be reported to ARAC as a health & safety risk. S Jackson to look at alternatives for canteen such as hiring portacabins.
	10. D Cowan provided an update on Empower and noted we have now received 9 months payment.
	11. D Cowan provided an update on MIW and SFWL nothing that we have recruited 20 people and have hit our target.
	12. D Cowan noted that USEL has been allocated additional budget for workable.
	13. D Cowan noted that job start referrals are starting, with 25 referrals and a similar pipeline.
	14. D Cowan provided an update on the Step-Up programme which USEL will deliver with Belfast Met.
	15. D Cowan noted that the Ability Cafes have been quiet in July due to weather and noted Belfast Zoo have been down 40% on their numbers.
	16. D Cowan provided an update on an incident of fraud that took place. Noted included on fraud log and will be discussed at ARAC.
	17. D Cowan provided an update to the board on IT and noted we are in the process of moving the servers to the cloud.
	18. D Cowan provided an update on recruitment and noted it continues to be challenging and noted that a further 5 staff have handed in their notice and left. D Cowan noted looking at other options such as apprenticeships. D Cowan provided an update on live recruitment posts and noted we have been successful in filling the procurement manager post.
	19. D Cowan provided an update on Safeguarding and noted there is a new initiative out by DfE and noted that this will be incorporated into the safeguarding update in the next few months. D Cowan noted there have been no safeguarding returns.
7. **Balance Scorecard Q1**
	1. The balance scorecard was presented by SMT, the board reviewed and confirmed happy with new format.
8. **Finance Report**
	1. M Hegarty provided an update of July’s performance against budget and the YTD position.
	2. D Duffy provided an update on the finance committee held on 23/08/23:
		1. Noted the slides being used to present the financial position are easier to follow. Noted income is down but so are costs.
		2. Profitability of individual areas are now being looked at, especially helpful to see which cafes are making money.
		3. Noted 2 policies were presented to be reviewed by written procedures before coming to the board.
9. **HR KPIs**
	1. KPIs noted and reviewed by board.
10. **Risk register**
	1. Risk register was noted by board and the following items need updated:
		1. Risk item 3, USEL’s charitable status was discussed. USEL to follow up with Charities commissioner.
		2. Risk item 8, GDPR was discussed, to be updated to note board undertaking training.
		3. Risk item 13, to be updated to note ARAC reviewing fraud arrangements in September.
		4. Risk item 17, a formal assessment of USEL’s risk appetite for risk to be completed.
		5. Risk item 23, procurement risk was discussed to be updated post discussion with Sponsor branch.
11. **Any Other Business**
	1. USEL Statement of Investment Principles DB scheme – was noted. D Cowan has signed off as acting CEO and the USEL website has been updated.
	2. Honorarium & additional payments in place plan going forward – Chairman requested to put on agenda for next month and continue with current additional payments that are in place.
	3. ES Markel legal response – noted for information.
	4. Strategy day in November was discussed. D Cowan to investigate hiring Belfast Castle and hiring an external facilitator. SMT recommended including managers in strategy day, Chair to discuss with board.
12. **Date of next meeting** – 27th September 2023