# ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting

Wednesday 31st May 2023 at 09.00am at Millfield

# Present

Mr W Leatham Chairman

Mr D O’Hara Director

Ms J Cowan Director

Mrs S Wakfer Director

Mr R Donnelly Director

Mr D Duffy Director

Mr R Havlin 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. No apologies noted.
2. **Conflicts of Interest**
	1. Conflict of interest noted for SMT with regards discussing the pension, salaries, and honoraria.
	2. Conflict of interest noted for three board members (J Cowan, D O’Hara, and R Donnelly) in the discussion of the legal case who are members of NILGOSC pension scheme.
3. **Minutes of the previous meetings held on 26th April 2023**
	1. **Approval** – few amendments made to the minutes on request of various board members. M Hegarty to send out revised minutes to board, board to respond via email with any further updates, otherwise approved.
	2. **Matters Arising** – on agenda or action log.
	3. **Action Log** - action log reviewed and updated accordingly.
4. **Chairman’s Report**
	1. Chairman provided update on the Departments ALB Senior Leader conference which he attended; slides have been shared with the board. Chairman noted that USEL did the catering at the event and feedback around catering was excellent in terms of food and service.
	2. Chairman noted that the FY22.23 audit has been postponed by the NIAO and would likely take place in the autumn. M Hegarty noted that information required for the RoFP was submitted to the department in line with their deadline however USEL figures will now be unaudited by the time the consolidated accounts and annual report are filed.
	3. Chairman noted that the voucher scheme which has been discussed with the department may be classified as irregular spend. S Jackson noted that a business case is underway.
	4. Chairman noted that the department have requested USEL to take NICS policies and implement for USEL with department reviewing the policies before they go to the board for review. R Donnelly noted that we need to be able to design policies that are appropriate for USEL. D O’Hara noted that Cathy has been liaising with him as chair of ARAC, he will share the correspondence with board. Chairman noted the concerns SMT, and board have raised. Chairman to discuss in quarterly assurance meeting the relationship between sponsor branch and USEL. Board agreed that USEL policies should come to the various committees for 1st review, then to department for 2nd review, then to board for approval. Board requested that a list of all USEL policies is compiled to identify which policies should go to which committees, to be presented at June’s board meeting.
	5. Chairman noted the Empower event was launched in May and noted the excellent feedback that has been received in relation to the event. D Cowan noted 120 people attended and there has been great social media attention for USEL as a result.
5. **Written procedures**
	1. **Budget FY23.24 –** Chairman noted new budget was approved by written procedures. D Duffy requested that going forward the finance committee could have delegated authority for approval of budget. Board happy to delegate approval but still request sight of it.
	2. **USEL draft adapted Raising a Concern Policy -** Chairman noted he had emailed the draft version to Andrea Orr (Head of Governance) for review. Chairman noted that Governance provided some correspondence and noted no approval either way. M Hegarty noted the NICS policy has been taken to update USEL’s, but the bits highlighted in yellow were areas the payroll manager wanted additional advice from the board. It was agreed that the Raising a concern should go to the POD in June for review, then it will be sent to sponsor branch for review before coming to the board for approval in July 23.
6. **Chief Executive's Report**
	1. S Jackson noted that a tender is underway for the completion of the DMR for whole of NICS where the focus is to increase the recycling for NICS and ALB’s. S Jackson noted that it is anticipated that if successful it will commence 1st August and the contract will be for 3 years, with the potential of an extension for a further 24 months. S Jackson noted that the DMR tender was discussed at the finance committee and a comprehensive business plan for DMR as a new line of business is being prepared which will be reviewed by the finance committee and subsequently the board. S Jackson noted there is nothing in the FY23.24 budget for the DMR.
	2. S Jackson noted USEL received excellent feedback and satisfaction results with a call with DfC around all the confidential shredding SLAs. DfC have confirmed some sites are closing and staff are being diverted, however whilst sites will drop off hoping confidential shredding at other sites will increase.
	3. S Jackson noted correspondence received from industrial tribunal. S Jackson noted at present USEL have appointed John Elliot. S Jackson noted that DSO have no scope to represent USEL, Chairman noted clarification should be sought as to why DSO can’t represent given our initial legal advice that we have already received and that they are dealing with other ALB’s. S Jackson to raise with department. R Donnelly noted that USEL is a secondary body in this, the claim is in relation to design of pension scheme itself. D Cowan noted the claimants are all employment support employees. A discussion took place by the board around using the insurance for the claim. S Jackson noted that insurers have noted we must use their solicitors under the employment insurance. S Jackson noted that our solicitor is of the opinion that we are not the employer, they understand USEL and ES programme including advice around DB scheme. J Cowan stated we could we go back to tribunal and note that as the claim is to do with NIGLSOC scheme and USEL employees were never in NIGLSOC there is no case. S Jackson noted the ET3 response has been prepared by Graeme which has not yet to be sent in, deadline end of August. Board agreed should use insurers where at all possible and speak to DSO.
	4. USEL’s classification as a public corporation vs ALB was discussed. S Jackson provided an update, USEL are waiting on DfC legal advice, would be an additional cost of £150k in relation to the PPF. The advice received at time of tailored review was if USEL moved to public corporation they would lose their special category status. S Jackson noted the department has spoken directly to Pension Regulator and thought we could retain our special category status. Chairman noted that is stepping above the mark of trustees and board.
	5. S Jackson noted we are going to look a H&S maturity model, to look at a further integrated ownership of H&S. S Jackson noted there was 5 accidents- 4 minor at café and 1 in manufacturing.
	6. D Cowan noted the Empower programme is still in its inception but the Empower launch went great. We must bring 425 participants on this year, and to date we have 50 people recruited. D Cowan noted we will meet monthly with the partners and have carried out a training day with the partners post the event. D Cowan noted we have still not received any payment; we were told as an ALB we would get 12 months upfront in year 1 and then for 2nd year would get quarterly payments.
	7. D Cowan noted the MIW, and labour market partnerships are coming to an end, with MIW ending in July. USEL must engage 24 people and get 50% into work, at present we have all 24 engaged and 6 into work. D Cowan noted that we expect to overachieve on the targets on this.
	8. D Cowan noted that on SFWL, our target is to recruit 22 participants and at moment sitting on 16. Expect TFS graduation will help recruitment through social media.
	9. D Cowan noted that confirmation has been received from Department that the Job start will start today, which should help with empower programme and job outcomes.
	10. D Cowan noted still waiting on HED coming back on SLA for Ballycopeland, there is a meeting scheduled 1st week of June. Based on the budget we estimate £30k loss for FY23.24 for Ballycopeland.
	11. D Cowan noted Belfast Castle has been steady and noted we received a Hygiene rating level. USEL has full 5 star right across all ability cafes.
	12. D Cowan provided an update on recruitment and noted that we are struggling to attract talent. One area we are struggling to fill is Empower ESO roles, which therefore may impact the income and results we are able to achieve during the year. D Cowan noted Empower income is built on participants, if we can’t get staff, we won’t hit the participant numbers and therefore won’t hit our budgeted income. Chairman inquired about whether we can use associates, D Cowan noted at present we are not allowed to use associates as not in our contract, we would need to be a contract variation. M Hegarty noted that we are unable to attract staff as we can’t compete on salary with other organisations. D Cowan to have a conversation with head of school around the possibility of an SLA between USEL and college. D Duffy to line up a conversation as contingency on essential skills. D Cowan noted on essential skills role we are currently using the associate model at present, as we have gone out 4 times to the market but are getting people who are not qualified. S Jackson provided an update on procurement officer role which we were also unable to fill. S Jackson stressed the importance of USEL needing procurement resource, currently readvertised as a procurement at present. S Jackson noted that we were successful at filling the drivers posts and have employed two who have the licenses we would require for likes of DMR contract which is great.
	13. D Cowan provided safeguarding update to board including a discussion on the recent risk assessment that was completed. Board noted assessment.
	14. D Cowan provided staff survey update on the action plan that was pulled together by the SMT. S Wakfer noted progress should be monitored at POD. Chairman noted the action plan involved all staff and would prefer the action plan comes back to August board so they can monitor progress.
7. **Business Plan**
	1. S Jackson presented the Business plan which SMT have pulled together.
	2. M Hegarty noted the budget included is the FY23.24 the board approved, and the capital forecast has been discussed at the finance committee.
	3. Board approved business plan, S Jackson to submit to department.
8. **Pension scheme update**
	1. Chairman noted that as the DB pension scheme is now closed going forward to remove this item as a standing agenda item.
9. **Finance report**
	1. M Hegarty provided board with update of April’s performance and noted that we are behind budget by £11k. Sales were down across several areas, but costs were also down.
	2. The board noted the ALB Revised Allocation Letter for GIA.
	3. D Duffy and S Jackson attended budget briefing with Perm Secretary where it was noted every ALB was looking at a 5% budget cut. Capital budget significantly reduced for the Department as a whole, £16m available for allocation based on priority and need. DfC have a wide range of ALB’s.
	4. D Duffy provided update on finance committee which was held on 24/05/23. D Duffy noted the adjusted budget for FY23.24 was discussed with the additional GIA and wining empower programme has helped, forecasting small deficit £16k. Provided update on profit/loss and noted that ability cafes are not making money, but if other elements are making money, then right thing to do as putting people with disabilities into employment. D Duffy noted the public corporation was discussed and on the face of the guidance it looks like USEL meet the criteria although it was noted that 86% of our contracts are with NICS. D Duffy noted USEL should consider what does a long-term sustainable business model look like for USEL, given GIA is likely to reduce over next few years, i.e., we should look at potential new business lines.
10. **HR KPIs**
	1. KPIs noted and reviewed by board. M Hegarty noted LTS and STS ratios and noted 1 employee left with no exit interview.
11. **Risk Register/Management**
	1. Risk register was noted and discussed.
12. **Any Other Business**
	1. ALB Assurance Statement Oct 22 – March 23 is overdue. S Wakfer to add commentary and send to Chairman for review. S Jackson comfortable to sign if commentary is added. Chairman noted that it will not go to ARAC in June but, will come back to ARAC September meeting for retrospective approval.
13. **Date of next meeting – 28th June 2023**
	1. POD meeting on 21st June. Extend invite to 12pm.
	2. 28th June ARAC 9.30am and board meeting at Cambrai Street at 10.45am.
	3. AGM at 10.30am, separate agenda and minutes.