**ULSTER SUPPORTED EMPLOYMENT LIMITED**

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

Minutes of a Board of Directors Meeting

**WEDNESDAY 31st January 2024 at 10.45am at Cambrai Street**

***In Attendance***

Mr W Leathem Chairperson

Mrs S Wakfer Director

Mr D Duffy Director

Mr R Havlin Director

Mr R Donnelly Director

Mr S Jackson CEO

Mr D Cowan Head of Employment Services

Ms M Hegarty Head of Finance

Ms N Donnelly Head of Manufacturing & Recycling

Ms R Smyth Minute-taker

1. ***Welcome and Apologies***
2. Apologies were received from Mr D O’Hara.
3. The Chair also welcomed Ms N Donnelly and Ms R Smyth to the meeting.
4. ***Conflict of Interest***
5. Conflict of Interest noted for SMT with regards to discussing the pension, salaries, temporary promotion/additional payments and job evaluations.
6. ***Minutes of the previous meetings held on 20th December 2023***
7. **Approval** – One small amendment to spelling of ‘safety’ section 6d.

Section 6f in relation to the cafes closing at Belfast Castle and Ballycopeland, the minutes should reflect that there is no additional £50k in funding and there is one potential redundancy. The minutes were approved for publishing after these amendments.

1. **Matters Arising** on agenda or on action log.
2. ***Action Log Items – For Review and Discussion -*** The meeting discussed and updated a number of action log items.
	1. D Duffy queried Item 180, the Departmental view of USEL. The Chair stated that this was detailed in the public corporation template that M Hegarty worked on. S Jackson stated that they see us as a NDPB that operates social enterprise models.
	2. Chair noted for item 196-199 that he would liaise with the CEO re action plan on recommendations for board effectiveness.
	3. Chair noted that Item 98, it was now agreed that the job evaluation business case should be submitted before the pension business case.
	4. **Raising a Concern Policy** – The meeting agreed this could be formally signed off by the Chair and CEO and issued to all staff and the Department for Communities. The Chair signed.
	5. **Public Corporation Template** - M Hegarty noted this template had been completed and reviewed by Sponsor Branch, it is now with DfC departmental finance for review before going to DoF. M Hegarty noted it had been compiled using figures for FY 2023/24, and they may request this be changed to the last set of audited figures. The Chair reminded the board that DoF are waiting on this to finalise the partnership agreement.
	6. **ARAC Self-Assessment checklist** - The Chair stated that this was completed as part of the ARAC self-effectiveness review in line with guidance from the Northern Ireland National Audit Office.
	7. **ARAC Fraud Risk Assessment -** S Waker referenced the arac risk assessment included with the board papers and asked if there were any queries. M Hegarty stated that this was one of the internal audit open issues and should now be able to be closed.
	8. **Segregation of Duties -** M Hegarty stated this paper was part of the fraud assessment. S Waker, addressing the chair asked if any change of permissions or updates were required in relation to M Hegarty leaving. M Hegarty noted that S Jackson would have to review any journals by the finance manager in her absence. M Hegarty stated the management account review would still be done by the Senior Management Team and that dual bank authorisation was still in place with other senior managers able to approve.
	9. **Letter from Emer Morelli DfC -**The meeting discussed a letter received for information from Emer Morelli, Deputy Permanent Secretary in terms of whether collaboration was feasible for ALBs and what it would entail. D Duffy stated it was interesting to see this paper from the Department’s perspective and that there was a will for DfC and DfE to collaborate together to achieve better outcomes. More learning was required but the Board were pleased to see this. D Duffy responded that there were no conflicts or issues.
3. **Chairman’s Report**

**(a) Board TOR** - The meeting discussed the document in detail. Page 1 no changes were deemed required. Page 2 – in relation to attendance by others, this would be the CEO along with SMT. Section on minutes is to be redacted. Page 3 – the quorum to be changed to four. Page 3 in the absence of a chair, the old process has now changed, and the Board have a rotating Vice Chair, in the absence of the vice chair a board member would act as Chair. The other committees to be amended to note Audit & Risk Committee, the Finance Committee and POD are established. The changes were agreed**.** R Smyth to update on board TOR and updated TOR to come back to February board meeting.

1. In relation to one of the business cases discussed, it was proposed a meeting be arranged between the Chair, C Duff of Sponsor Branch, B Smyth and M Hegarty before she finishes with USEL to hand this over.

(c)The Chair noted that interviews took place on 9th January for the replacement Head of Finance and J McClintock has been appointed and noted start date is still to be confirmed with her recent accident.

(d) Chair noted internal recruitment for interim CEO for next 12 months took place and S Jackson has been appointed from 15th January. Chair informed the meeting that he has signed off for D Cowan’s paperwork in light of this appointment and thanked David for stepping in as acting CEO. He notified the meeting that the Accounting Officer role has been withdrawn from D Cowan and has now transferred to S Jackson. Chair noted N Donnelly has been appointed as Head of Operations / Manufacturing for a year in replacement of S Jackson. Chair noted all paperwork in relation to these internal appointments have been signed off with Human Resources in line with our policies. The Chair thanked S Jackson, D Cowan and M Hegarty for their efforts over the past year and welcomed N Donnelly to the senior management team.

1. **Written Procedures:**

A number of policies were noted and discussed:

* 1. **USEL Fraud policy** – This went before the arac in December, board accepted and approved on recommendation of ARAC.
	2. **USEL Fraud Response Plan** - This went before the arac in December, board accepted and approved on recommendation of ARAC.
	3. **USEL Budget setting process -** This went before the Finance Committee on their recommendation it was accepted and approved.
	4. **Gifts and Hospitality-** This went before the Finance Committee on their recommendation it was accepted and approved.
	5. **Car, Travel & subsistence policy -** This went before the Finance Committee on their recommendation it was accepted and approved. **S75**
	6. **Screening** - M Hegarty stated that the template should be completed for policies brought before the Board and uploaded to the website. She asked for clarification on their approach and commented that it had been populated with all policies since April.  R Donnelly enquired how the screening process is conducted.

M Hegarty responded that L Beagan had conducted the screening herself to date. R Donnelly commented that in terms of good standards of governance, the screening process should have two persons to review it. S Jackson agreed that it should be two people. The Chair stated that second person reviewing should be either the Chair or the Chair of the ARAC Committee and that four Board members should confer. The meeting discussed the process for bringing it before the Board, that the template should be correct by the time it came before the Board and ready for approval. The board agreed to delegate the screening to USEL officers and noted that it should be two or three officers conduct the screening before it is presented to the board.

1. **Chief Executive’s Report**

S Wakfer requested that going forward a separate report be received from the CEO and each of head of departments who should present on their own areas. This was agreed.

1. **Contract Register**

Chair noted contract register has been updated. S Jackson suggested there should be another tab added for the February Board for all income contracts. The Chair noted a workshop is planned with D Parkinson on procurement prior to the February board meeting and noted Sponsor branch are also attending. S Jackson informed the meeting that D Parkinson has started to roll out internal training on procurement for managers.

1. **Health & Safety Report & Fire Updates**

Chair noted there are 2 reds on fire updates and asked whether they were addressed. S Jackson noted not yet and informed the meeting that recruitment for a Health & Safety Manager was beginning again internally and externally and that the criteria had been reduced slightly.

S Jackson noted that he has been advised all doors must be kept closed, however need to note that due to staff with disabilities they need to be kept open to allow access but is closed post that. S Jackson noted evacuation training is now booked.

1. **Jan – Dec 2023 Adult Safeguarding Champion Position Report -**

D Cown informed the meeting this is conducted at the end of the year, there were no issues to report.

**Employment service update**

1. D Cowan noted there was a positive visit for SFLW visit and Clem Athanasiou, Director, Apprenticeships, DFE noted he acknowledged there is a big gap for people with disabilities and he was keen re apprenticeships. 2. D Cowan noted that workable has been extended for 12 months to 31 March 25. R Havlin asked about the prospect for further extensions. D Cowan noted that a tender will be out next September for 3 - 4 years and noted they may change the model and the level of funding at this stage was uncertain.

3. Chair noted that job start is undersubscribed. D Cowan noted there has been a very low uptake for job start across the board for people with disabilities D Cowan noted that we hopefully won’t be too far off and noted NIUSE should be a good help with this.

1. **Neighbourhood Regeneration Fund**

S Jackson updated the meeting on the Letter from Belfast City Council and noted USEL was through to stage 3 and had secured funding to build at the rear of the USEL offices at Cambrai Street provided the due diligence checks were completed satisfactory. S Jackson discussed the impact of the FY22.23 accounts on this. S Wakfer inquired whether it would house a new canteen. S Jackson noted no it would be a warehouse and workspace.

S Jackson also updated the Board on the issue of the mezzanine floor and the conflicting information that had been received from CPD and the original structural engineer. A further report was expected in three weeks.

***Update on POD meeting***

R Donnelly provided an update on the recent POD meeting and noted that the redundancy policy was discussed, and it was proposed that the consultation period be reduced. R Donnelly noted the POD discussed the impact of the closing of Ballycopeland and Castle.

It was also noted that it was agreed to remove the use of TMS and replace with spreadsheets for a 6-month pilot.

He noted that there were a number of other policies discussed that will be included in the February board papers.

***Additional ARAC Special Meeting Update***

S Wakfer gave an update on the additional ARAC Meeting held on the 22nd January and noted that the accounts were to be qualified on regularity and an action plan would result from this. A written report as opposed to verbal updates had been requested by Sponsor Branch. This was expected to take the form of an annual report by the Chair of the ARAC Committee which had been signed by the Chair of the ARAC and included in the January board papers. S Wakfer also referenced the cash management audit which is underway and noted the next internal audit reviews will be the contract/procurement in September followed by corporate governance in October. S Wakfer noted that B Mitchell was impressed and noted thanks to M Hegarty and the finance Team. The meeting agreed.

1. **Finance Report**
	1. The Chair stated that M Hegarty had set up a good template. M Hegarty informed the meeting that she had also set up process notes on the reporting and will train J Davy on these.
	2. M Hegarty updated the meeting on the Finance Report and noted latest forecasts looked like a small underspend which could affect future grant and aid requests for the rest of the FY.
	3. The revised budget for FY24.25 was discussed, It was noted it had been approved in December but needed to be amended for IT hosting costs and the closure of Ballycopeland and therefore been brought back before the Board. The meeting discussed how the programs had been grouped together. D Duffy requested these be separated to show the position on the individual programs. D Duffy queried the amount of the insurance. S Jackson stated he was looking into procuring the insurance which could result in cheaper costs. M Hegarty alerted the meeting to the fact that insurance costs were rising and noted the insurance costs include life insurance which is high because of the age profile and health of some of the people on employment support programs. Board agreed to approve the amended budget. M Hegarty to include in the business plan alongside the on the cost of roof repairs as capital and forward to Sponsor Branch. Board requested that M Hegarty also send to them the full business plan submission.
2. **2022.23 Annual Report and Accounts** - S Wakfer proposed to approve the FY22.23 Annual Report and Accounts and R Havlin seconded, this was carried. Management rep letter was discussed, and board agreed happy to approve and S Jackson as accounting officer to sign. Chair noted annual report to AO from ARAC had been completed and noted his thanks to D O’Hara, S Wakfer and all the team involved. The report was approved unanimously.
3. **HR KPIs**
	1. The meeting discussed the HR issues raised and long-term sickness statistics. R Donnelly noted the LTS levels were ok.
	2. S Wakfer commented that there could be issues around confidentiality and suggested the report be password protected. The meeting discussed if details needed to be recorded and whether HR KPIs should go to the POD Committee on a quarterly basis and then an update given to the Board. It was agreed that the HR KPIs would go to the POD on a quarterly basis but at a high level and a verbal update on KPIs could be given to the Board post this.
4. **Risk register**
	1. D Duffy commented on the length of the risk register and requested S Jackson to review the risk register to see if there was any duplication of risks and an analysis of risks been done re operational or corporate. R Donnelly concurred stating that the risks should be overall, giving a health check.
5. **Any Other Business**
6. **Charity Commission Trustee declaration**

a. The Chair raised the progress of registration to attain charity status. M Hegarty informed the meeting that R Smyth has been put in as the main contact in the application process. The form was circulated for signature.

1. **Lessons Learnt Report**

a. The Chair briefed the meeting on the report, developed by the panel which had been issued to the Chair and circulated to a lawyer for a legal perspective. Chair noted a special closed session would be held by the board to discuss report and recommendations. Board will then discuss with CEO and link to the Fraud Risk Assessment and action plan coming out of the FY22.23 audit and accounts. R Donnelly commented that it would also be good to review policies in light of the Lessons Learnt Report. Chair to correspond via email to organise meeting with board.

1. M Hegarty noted a credit card application is underway for S Jackson and requested approval. The board approved, M Hegarty to progress application.
2. There was a brief discussion around temporary solution for Head of Finance via use of a framework for temporary resource until Jacqui comes on board.

The Chair closed the meeting by thanking M Hegarty for her service and welcomed RS & ND.

Date of the next meeting is set for 28th February 2024. R Donnelly sends his apologies for that meeting.