

ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting
10.30, Thursday 30 May 2019
Cambrai Street, Belfast

Present

Mr J Perry	Chairman
Dr G Adams	Director
Mr A Bennett	Director
Ms C Magill	Director
Mr R Donnelly	Director
Mr D O'Hara	Director
Mr W Atkinson	Chief Executive
Mrs SJ Mowbray	Company Secretary/Head of Corporate Services
Mr S Jackson	Head of Manufacturing & Recycling
Mr D Cowan	Head of Employment Services

Apologies

None

1. Conflict of Interest

1.1.A perceived conflict of interest was noted for the SMT in relation to the pension benefit re-design.

2. Minutes of the meeting held on 30 April 2019

2.1. Minutes from meeting on 30 April 2019 were approved.

2.2. Actions from previous meetings were noted as cleared:

- Query has been raised with the Department re: attendance at next Chair of ARAC's meeting.

3. Chairman's Business

3.1. The Chairman updated members in relation to:

- June's Board meeting will include Usel's annual AGM and will be off site, details to be communicated over the following month;
- The Chair has written to Deirdre Ward, senior official within DfC, to update DfC on a number of issues including confirmation that new Board

members have attended induction; a professional Trustee has been chosen and will be appointed following necessary approvals of business case; and outlined Usel's preferred next steps following the Tailored Review;

- DfC's Permanent Secretary, Tracey Meharg, visited Usel a few weeks ago. The meeting was extremely productive;
- The Chair acknowledged the successful tender of the café at ECOS Centre, in Ballymena and congratulated all those involved.

4. Pension Scheme Update

4.1. The Chair updated members in relation to:

- The Department's actuary is due to return the pension benefit re-design business case, with comments by 7 June 2019;
- As noted above, the Chair has written to DfC to remind it of deadlines etc;
- The CEO and Ms Mowbray have sought additional legal advice in relation to the pension deficit liability of ES participants

5. Chief Executive's Report

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

Strategic Partnership Development

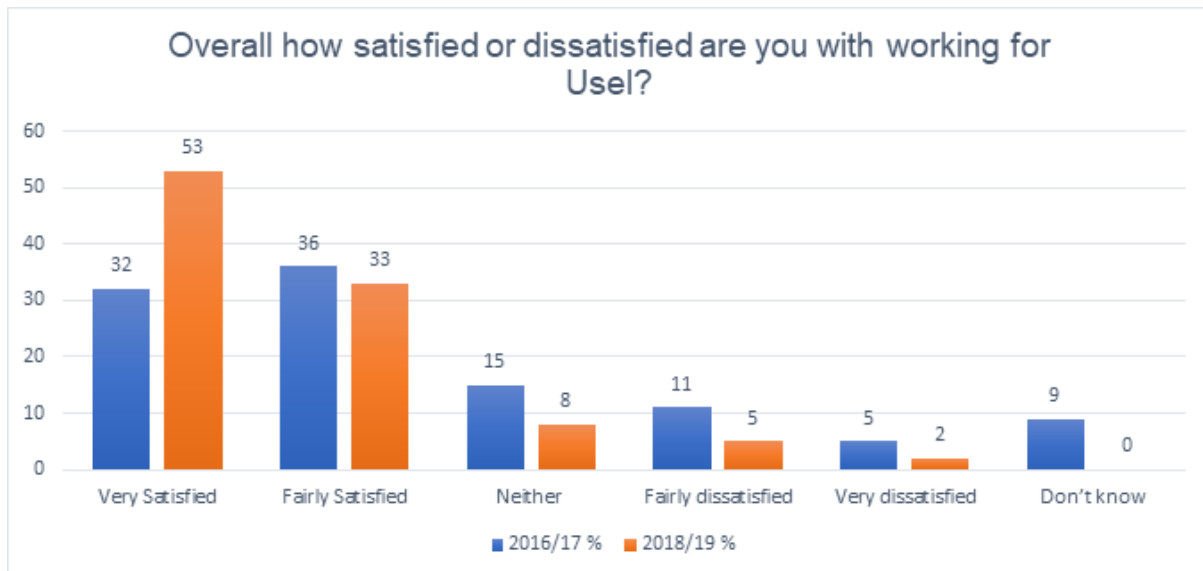
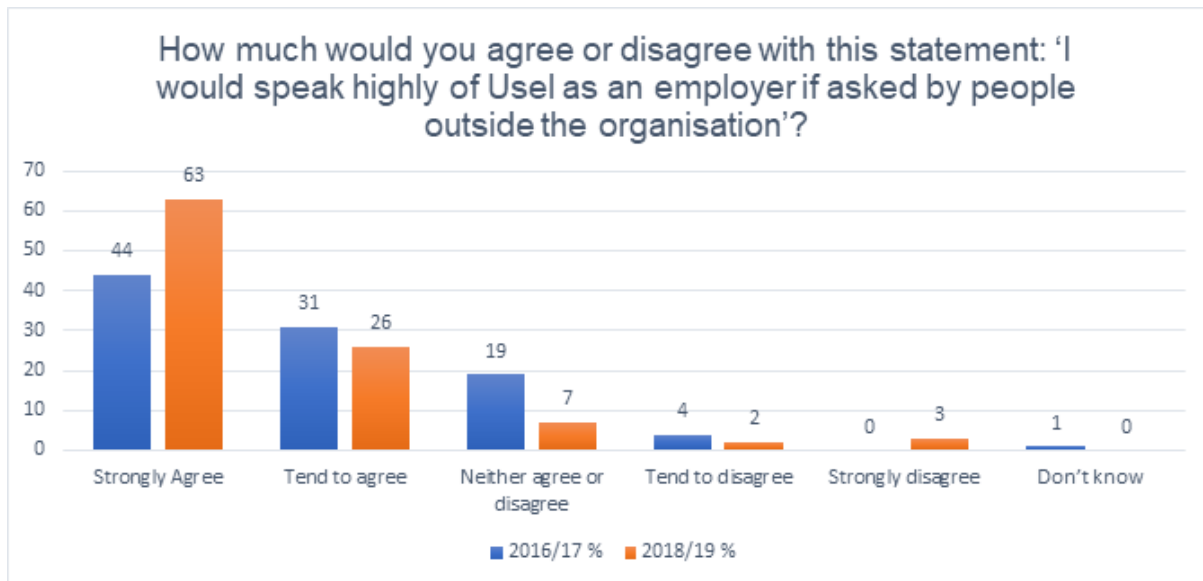
5.2. We have been selected as the hospitality delivery partner of the Belfast Trust. The Trust is due to open their new mental health unit based at the City Hospital and within this new unit there is a need for hospitality outlet. This will facilitate the opening of second Ability Coffee shop. The new site is fully equipped with the project proposed initially as a 12-month pilot, with the opportunity to move to a formal service level agreement.

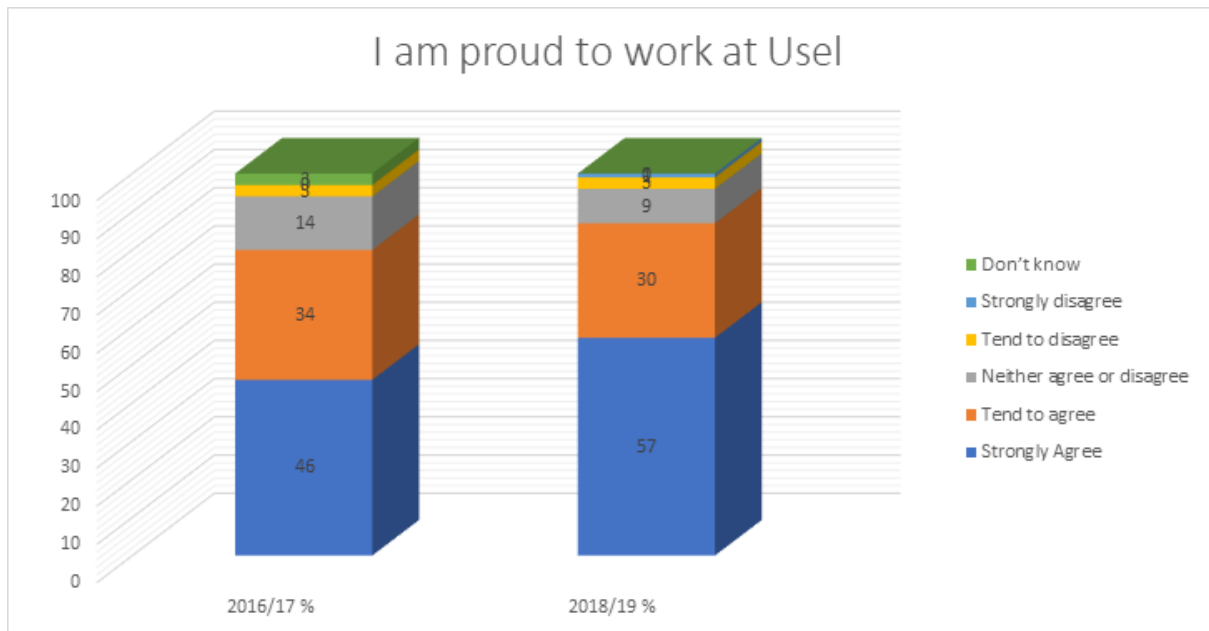
5.3. Initial discussions, with a range of stakeholders, regarding the possibility of a new site within Belfast have taken place. The site would facilitate the proposed growth within our circular economy business. Early indications suggest there would be support for such a project. The proposed location would allow Usel to remain within its current catchment area and would further strengthen several key strategic partnerships.

Staff Engagement

5.4. The 2018-19 staff survey is complete and the response will help us improve the Usel experience. Staff engagement was encouraging with 90% completing.

5.5. Highlights from the survey are as follows:





5.6. A structured improvement plan will be created to focus on areas identified for improvement, including perception on salary and benefits offered by Usel and personal development opportunities.

5.7. A full detailed report was included in the Board papers. The full findings will be shared with Usel staff via the employee forum and monthly team meetings.

Stake Holder Engagement

5.8. Usel was awarded “Environmental Business of the Year” by the Belfast Chamber of Commerce.

5.9. The award is further reinforcement of our people’s ability to compete successfully in the private, public or social enterprise sector and again highlights how Usel as a business delivers strong outcomes through our people.

6. Head of Corporate Services' Report

Finance

6.1. The Directors reviewed the summary financial position against budget, for **April**, and noted an operating surplus of £47k. Budget forecast for **April** was £21k surplus, therefore there is a positive variance of £25k.

6.2. YTD is as 6.1.

6.3. It was noted that income and expenditure lines were within 10% variance tolerance.

6.4. Any additional clarification requested by Board members was provided.

6.5. The draft Annual Report and Accounts for Year Ended 31 March 2019 were presented. The following was noted:

- No issues were presented in the Governance Statement;
- The deficit on the balance sheet reduced by approx. £2.5m which was largely due to DfC writing off £1.5m against the debenture.

6.6. A reconciliation between the surplus reported in the 2018-19 management accounts and the "net expenditure" reported in the financial accounts.

AP: Some minor amendments and additional disclosure required in the Annual Report.

HR

6.7. The average absenteeism rates for 2018-19 are as follow

	April 2019
<i>Absenteeism rates - short term-National Average 3% dependant on demographics</i>	1.45%
<i>Absenteeism rates - long term (+4 weeks)-National Average 2.5% dependant on demographics</i>	2.7%

6.8. No other substantive issues to note.

6.9. Usel are continuing to engage with its out-sourced HR business partner as required and monitor the contract spend each month.

ICT & Compliance

6.10. In addition to delivering the ICT Strategy, recent activity included:

- Trialling a new communication tool to assist communication with non-email users i.e. factory and recycling staff. This would be a secure chat group where staff could read messages and content posted by approved people such as CEO, Marketing etc. Other actions such as staff events and polls can be used. If the product is fit for purpose we will implement this method for all User staff;
- Ongoing HR administration management in relation to new vacancies, new starts, leavers and recruitment. Vacancies in Circular Economy Operational Supervisor, Recycling Team Lead and Employment services Officer (Derry/LDerry);
- A new mobile phone contract has been agreed, in line with CPD. Process has now commenced regarding the transfer from 02 existing mobile contracts to Vodafone. This will be take place over the following months to ensure a smooth transfer;
- 2018-19 Equality Commission monitoring return submitted;
- Business insurance renewed for the organisation;
- First months submission on the new digital mileage system is complete and process reviewed. Minor adjustments to system and follow up training and support has been provided to all staff who are using the new system;
- Drafting GDPR refresher training for high risk staff who completed the training over one year ago.

6.11. There were no incidences of ICT Breaches to report.

Business Development and Marketing

6.12. In addition to delivering the Communication Plan, recent activity included:

- Belfast Business Awards – winner of Environmental Best Practice
- Shortlisted for the Inspire Wellbeing Awards
- Tender submission and presentation for pilot at Café at Mental Health Hospital, Belfast Trust
- Reviewing funding options
- Bespoke bag made for Rio Ferdinand for the launch of New Era Global Sports

U Matter:

- Yoga
- Thoughtful Thursdays
- Baby Shower
- Mental Health Awareness Week Campaign

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

Business Improvement

6.14. Recent activity included:

- Preparation is underway for NBF audit and ISO audit over the next few months;
- Project in divan area continues following 5S methodology. Early results are positive with increased production and motivated staff;
- Personal protective equipment checklist has been introduced in production and recycling, on a daily basis.

7. Adult Safe Guarding Issues

7.1. No new issues to report.

8. Health & Safety

8.1. An outsourced provision is in place to undertake structured site reviews, risk assessments and method statement development, until a new resource is appointed, ensuring we have the required level of expertise in place.

8.2. Health & Safety forum continues to operate on monthly basis.

9. Risk management

9.1. The Board noted the changes to the risk register.

10. Policies for Approval

10.1. The following policies were presented for approval:

- Data Protection Policy
- Business Continuity Plan v2

10.2. The following policies were submitted for approval in June's Board:

- Draft Succession Policy
- Draft Remuneration Policy Statement

11. Any Other Business

11.1. The Board resolved that the Danske bank User Authorisation form presented for Ms J Davey should be entered into. The resolution was duly passed in accordance with Usel's Memo and Articles of Association and remains in full force and effect.

12. Date of Next Meeting

12.1. 26 June 2019.