

ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting
09.30, Wednesday 31 October 2018, Usel, 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 |

Apologies

None

1. Conflict of Interest

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

2. Minutes of the meeting held on 5 October 2018

2.1. Minutes from meeting on 5 October 2018 were approved.

2.2. Actions from previous meetings were noted as cleared:

- Benefits and risks in relation to various business models are under consideration. A re-scheduled date for Board Strategy Day is to be agreed.
- Belfast Business Awards category for Innovative Practice will be considered in the 2019 applications.

AP: Assurance to be obtained from financial well-being organisation in relation to providing services to adults with a disability or health related condition.

3. Chairman's Business

3.1. The Chair updated members in relation to:

- Quarterly review meetings have been organised between senior officials within DfC, Chair of Usel and CEO of Usel;
- The Board congratulated all staff involved in winning the Social Impact Award and Mr Atkinson in achieving highly commended Social Leader in Social Enterprise NI Awards. Mr Atkinson was also a UK finalist in IoD Awards;
- Usel also have the following upcoming awards: Circular Economy Award with Sustainable Ireland; and, Good Governance Awards;

- Ms Magill raised the issue of Board members allowances/entitlements, in particular child care for members when they are attending Board meetings. Ms Magill attended an event with representatives from AFBI which has a policy which supports reimbursement of Board member childcare costs. The Board approved allowances/entitlements to cover the cost of looking after dependents.

AP: Policy to be drafted in relation to Board member entitlements.

4. Pension Scheme Update

4.1. The Chair updated members in relation to:

- A meeting with Chair of Pension Trustees, Mr Atkinson, Ms Mowbray, Mercer and the Scheme legal representatives has taken place, to determine whether Usel or the Scheme is eligible to meet the cost of a Scheme re-design. It was agreed by all parties that such costs should be met by Scheme assets;
- Mercer are pursuing the option of a Professional Trustee on behalf of the Trustees;
- Pension Trustee meeting is scheduled for 16 November 2018.

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:

New Business development

5.2. As previously discussed Usel have started a three month pilot with a new strategic partner regarding a new line of material recycling. The pilot will involve the recycling and resale of a range of components with a key strand being the implementation of one day per month being identified as a community give away day. As this opportunity develops we will provide further detail.

5.3. Usel have also been approached by a potential new council partner regarding the recycling of carpet, mattresses and future re-use. A service proposal has been submitted and the outcome should be known mid-December.

Stakeholder Engagement

5.4. Usel have been successful in being awarded the Social Impact Award by Social Enterprise NI (SENI) and as a result have been shortlisted at the UK finals to be held in London in November. Mr Atkinson received a highly commended award for Social Leader by SENI.

5.5. Usel also attended the UK finals of the Institute of Directors Awards in London. Usel formed part of the NI regional winners' team and as part of this process met with the Irish Ambassador at the Irish Embassy in London, taking part in a round table discussion on the impact of Brexit.

Wider Business Update

- 5.6. The recycling team has had a strong outturn in the first half of the year and have now exceeded the 2017/18 full year out turn. 2018-19 has been re-profiled, with a full year forecast of 50,000 recycled units.
- 5.7. The Employment Support team have confirmed Usel have placed 100 people into employment from April 2018. In addition, the recruitment target for Stride has been achieved, as 200 clients are confirmed on the programme. Strong progress has been made towards the target of 30% into work.
- 5.8. VES 2018-19 has been approved by the Department. Due process has been followed in line with VES guidance. Applications have been submitted and following a cost benefit exercise, offers have made to applicants. It is anticipated that those individuals who accept the offer, will leave the organisation by 30 January 2019.
- 5.9. Mr Atkinson updated the Board in relation to the new Ballymena site.

AP: A paper will be prepared for the Board in relation to the reducing Workable NI budget. The paper will be circulated in conjunction with VES 2018-19 business case.

6. Head of Corporate Services' Report

Finance

- 6.1. The Directors reviewed the summary financial position against budget, for **September**, and noted an operating deficit of £32k. Budget forecast for September was £33k deficit, therefore we were £1k better than forecast. We are therefore in line with budget.
- 6.2. YTD we have delivered a deficit of £10k. Budget forecast for YTD position, as at 30 September was a deficit of £7k, which is a £3k variance. Outturn is largely in line with budget.
- 6.3. Any additional clarification requested by Board members was provided, including long term sickness absence.

AP: Quarterly management accounts to be provided to the Board.

AP: A copy of the aged debtors report to be circulated to the Board.

HR

- 6.4. No substantive issues to note.
- 6.5. Usel are continuing to engage with its out-sourced HR business partner as required and monitor the contract spend each month.

ICT & Compliance

6.6. In addition to delivering the ICT Strategy, October activity included:

- Assisting in finalising Usel social impact measurement for 2017/2018;
- Manage Usel Connect developments, such as user videos and intranet;
- Oversee the migration of ESO hot desk area and rollout of final new desktop computers;
- Introduction of a new informal meeting room to use in Cambrai Street (The Hub);
- Initiate project planning for new Ballymena site;
- Meeting with CPD awarded mobile contract supplier to prepare for contract renewal next year;
- Manage the development of a new e-miles solution for staff to submit and approve mileage claims digitally;
- Quarterly meeting with ICT Support Provider;
- Google AdWords advice and setup for Factory Shop;
- Coordination of Employee Performance Review Process and review training identified by staff.

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

Business Development and Marketing

6.8. In addition to delivering the Communication Plan, October activity included:

- Launch of new website;
- Upgrade of factory shop website;
- Launch of Portadown Factory Shop;
- Organising Hospice Coffee Morning;
- “Keep up with Karen” Employment Services Stories;
- NI Street Soccer Partnership;
- Attendance at CIWM Conference;
- Belfast City Council Employability Fair;
- Belfast Telegraph Coverage – Social Enterprise Awards;
- Ikea Press Coverage – Belfast Live, Cool FM, Citybeat, Belfast Telegraph Business;
- Communicating the coverage of Social Impact Awards and 100 jobs.

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

Environment, Quality & Health and Safety

6.10. October activity included:

- Preparation for ISO 9001 surveillance audit;
- Assisting in audit by Furniture Recycling Network;
- Updating company risk assessments;

- Undertaking H&S walk arounds with managers in factory and recycling;
- Obtaining quotes for a solution to ongoing issues with roof;
- Continuing to train Sam on sewing machine maintenance.

Quality & Policy

6.11. October activity included:

- Planning for Health & Wellbeing (H&W) initiatives and developing plan for the remainder of the financial year;
- Establishing H&W Committee;
- Reviewing progress of Autism Impact recommendations;
- Developing a “quality cycle” for all employment services programmes;
- TFS room set up; and
- Recreation area set-ups, such a Quiet Room and Pool Room.

7. Action Plan – Triennial Governance Review

7.1. Mrs Mowbray updated the Board:

- All recommendations have been implemented (fully/partially) as far as possible, within the prescribed timeline;
- One is partially implemented as clarification is outstanding from the Department in relation to the calculation of Usel’s Grant-in-Aid;
- There are ongoing discussions in relation to procurement and securing an appropriate derogation for procurement of production items. This will be noted in our Procurement Policy, for approval by Board.

7.2. The Board note that the implementation of the recommendations have been progressed as far as possible, within the prescribed timeline.

8. Post Project Evaluations

8.1. Eight post project evaluations have been completed in the period April-September 2018 and were presented to the Board.

8.2. Status of objectives achieved and lessons learned from the projects were noted by members.

9. Adult Safe Guarding Issues

9.1. No new issues to report.

10. Health & Safety

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

11. Policies for Approval

11.1. The following policies were approved:

- Draft Bereavement Policy
- Draft Mental Health & Well Being Policy

- Stakeholder Engagement Strategy
- Finance Manual

11.2. The following policies/strategies were submitted for approval in November's Board:

- Draft Anti Money Laundering Policy
- Draft Capability Policy
- Draft Revised Disciplinary Policy

11.3. The Board raised queries in relation to Draft Revised Disciplinary Policy, which will be referred to Usel's HR business partner.

AP: Draft Revised Disciplinary Policy and Draft Capability Policy to be referred to HeadsTogether to ensure they are complementary.

AP: Draft Revised Disciplinary Policy to be referred to HeadsTogether with Board member comments.

AP: List of Policies to be provided to the Board.

12. Budget 2018-19: re-profile

12.1. Following a review of six months performance, a revised budget was presented to the Board for the remaining six months.

12.2. Amendments to the profile were discussed and approved by Board members.

13. Risk Management

13.1. The following new risks were identified and discussed:

- Departure of Non-Executive Directors - loss of corporate knowledge. The importance of succession planning has been raised with the Department;
- Financial risk that if the £2.3m debenture is not removed from the Usel balance sheet, the balance sheet will continue to carry a large liability which cannot be removed without Departmental agreement. This is detrimental to Usel growing the organisation as other stakeholders consider Usel a risk to engage with. This impacts both external financial support and stakeholder relationships;
- Usel is making use of greater ICT resources, both via networks and mobile platforms. There is therefore an increased risk of threat from a cyber attack, potentially resulting in a breach of information security or data loss. Usel continues to monitor this situation.

13.2. The following existing risks were noted as changed:

- Removal of risks following the Departmental review of ALB's;
- Removal of the risk relating to injury of staff or loss of cash on delivery of sales of bed units; and
- Removal of risk in relation to approval for Ballymena site.

14. Any Other Business

14.1. None

15. Date of Next Meeting

- 15.1. Two dates have been provisionally suggested for revised Board meeting and Strategy Day, on 28 and 27 November respectively.