

ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting

10.30, Friday 31 January 2020

Cambrai Street, Belfast

Present

Mr W Leathem	Chairman
Mr R Donnelly	Director
Mr D O'Hara	Director
Mr R Havlin	Director
Ms J Cowan	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

Ms C Magill	Director
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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 18 December 2019

2.1. Minutes from meeting on 18 December 2019 were approved.

2.2. An update on the following actions from December's Board was provided:

- A full set of management accounts were provided to the Board at Agenda Item 7.

2.3. All actions are cleared.

3. Chairman's Business

3.1. The Chairman updated members in relation to:

- The Chair attended the staff Christmas event in December at Crumlin Road Gaol which was very enjoyable and;
- The Chair has sent communication to both Deirdre Hargey, new Minister for DfC, and Paula Bradley, Chair of the Committee, welcoming them to post and inviting them to Usel.

4. Pension Scheme Update

4.1. The CEO provided an update as part of the CEO report – see Section 5.

5. Chief Executive's Report

5.1. The Chief Executive provided the following update:

Continuous Improvement

5.2. Usel continues to strengthen our continuous improvement framework, as the biannual audit with the national bed federation is now complete. The outcome from the audit was a small number of minor non-conformances. An action plan has been developed and will be implemented to close out the required actions.

5.3. Usel have been successful in the accreditation for BSI 15713, which is in relation to confidential shredding. This accreditation will enable Usel to commercially bid for confidential shredding contracts, to support the new business.

5.4. As the senior team continue to review the financial performance across the business, it has become apparent that costs in relation to sickness absence are significant, particularly absences with three months or longer. Although, as an organisation, we remain within our tolerable variance, measures need to be put in place to address the issue. An options paper, outlining four options, was presented for discussion.

5.5. The Board approved Option 4 (to phase out the current contractual sick pay of six months full pay and six months half pay and introduce new contractual sick pay of three months full pay and three months half) for new members of staff. For existing members of staff, a campaign will be planned to highlight the impact of long term absence on the business.

AP: Additional detail in relation to the costs of long term absence to be provided.

New Business Development

5.6. Usel has been successful in securing its first confidential shredding contract with a public sector organisation. The agreement is initially for six months, with the possibility of a long-term extension.

5.7. Usel have been approached regarding the possibility of securing a new coffee shop within the greater Belfast area. Discussions are ongoing.

5.8. Confirmation has been received in relation to a contract for mattress and carpet recycling in partnership with Belfast City Council (BCC), on a three-year term. This will further strengthen the strategic partnership with BCC.

Pension Redesign

5.9. Usel have been made aware of a possible delay in the review of the revised pension business case due to the department being out of contract with the actuary appointed previously. We have again highlighted the need for urgency and await a response from the sponsor team.

6. Head of Corporate Services Report

Finance

6.1. The Directors reviewed the summary financial position against budget, for **December**, and noted a surplus of £44k. Budget forecast for **December** was £13k surplus, therefore this is a positive variance of £31k.

6.2. YTD we have delivered a surplus of £72k. Budget forecast for YTD position, as at 31 December was a surplus of £18k. This is a positive variance of £54k.

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

6.4. A full set of management accounts were presented to the Board.

6.5. No clarification was requested by Board members.

HR

6.6. The average absenteeism rates for 2019-20 are as follow:

	Usel December 2019	Usel YTD Average
Absenteeism rates - short term-National Average 3% dependant on demographics	1.99%	2%
Absenteeism rates - long term (+4 weeks)-National Average 2.5% dependant on demographics	3.64%	3.1%

* This equates to seven staff – two have returned to work and one left the business at the end of December.

6.7. No other substantive issues to note.

ICT & Compliance

6.8. There were no incidences of ICT or data breaches to report.

7. Update from the Chair of Audit and Risk Assurance Committee

7.1. Mr O'Hara provided a verbal update to the Board members.

7.2. Actions from the ARAC were approved by the Board.

8. Draft Budget 2020-21

8.1. Mr Atkinson presented the draft Budget 2020-21.

8.2. The Board approved the budget.

9. Balanced Scorecard 2019-20, Q3

9.1. Mr Atkinson presented the Balanced Scorecard 2019-20, Q3.

10. Adult Safe Guarding Issues

10.1. No new issues to report.

11. Health & Safety

11.1. The Health & Safety forum continues to operate on monthly basis. No issues to note.

12. Risk management

12.1. The risk register was considered in full and comments from the ARAC were noted and approved by the Board.

13. Draft Policies for Approval

13.1. The following draft policies/strategies were submitted to the Board for approval in February Board:

- i. Young People and Adults Safeguarding Policy – Jan 2020 review
- ii. Draft Anti-Bullying Policy – Learner Participants Jan 2020

14. Any Other Business

14.1. The Board resolved that the Danske bank mandates presented for Ms M Davidson, Mr B Atkinson and Mrs SJ Mowbray 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.

14.2. Mr Atkinson updated the Board on progress with the Mackies site.

14.3. Mr Cowan provided the Board with an update on the recent ETI inspection in relation to the STRIDE programme. Usel were awarded the highest level that could be attained.

15. Date of Next Meeting

15.1. 26 February 2020