

ULSTER SUPPORTED EMPLOYMENT LTD

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

Minutes of a Board of Directors Meeting held on Wednesday 20 December 2017
at 9.30 a.m. at 182-188 Cambrai Street, Belfast

Present

| | |
|-----------------|--|
| Mr J Perry | Chairman |
| Mr T Hinds | Director |
| Mr D Mackay | Director |
| Dr G Adams | Director |
| Mr A Bennett | Director |
| Ms C Magill | Director |
| Mr W Atkinson | Chief Executive |
| Mrs SJ Mowbray | Company Secretary/Head of Corporate Services |
| Mr A Savage | Head of Operations |
| Ms L Warrington | Business Development & Sales Manager |
| Ms K Gilgunn | Business Development & Marketing Manager |

Apologies

| | |
|--------------|----------------------------|
| Ms S Russell | Department for Communities |
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1. Conflicts of Interest

Agenda 13 – potential conflict of interest declared by Senior Management Team.

2. Minutes of the meeting held on 30 November 2017

Minutes were approved subject to minor amendment.

Actions from November meeting were noted:

- Regarding bank overdraft facility – Mrs Mowbray met with Danske business partner. The business partner advised that Usel getting an overdraft could be problematic due to the large liability on the balance sheet. Alternative solution is to manage internally with improved financial controls and obtaining an ‘excess’ on the account if a shortfall is anticipated.
- Results from Board Effectiveness Review to be considered – paper attached
- Policy approval process will be discuss in January Accountability meeting with Sponsor Team
- Minutes from September Audit and Risk Committee have been included in December Board papers
- Post project evaluations will be provided to Board when completed
- CO3 is a personal membership. CO3 have agreed for Board members to attend an event. Ms Magill to identify a CO3 event she would like to attend

3. Chairman's Business

The Chairman raised the following business:

- Mrs Mowbray updated the Board in relation to GDPR. Training will be provided in New Year
- Usel were awarded Bronze Green World Award for Waste Management
- A letter from the Department was received regarding future budgeting pressures in 2018-19 and 2019-20. A response to the letter was discussed

Action: GDPR to be included as an Agenda Item

Action: GDPR presentation to be organised for Board

Action: Include deficit in General Reserve on Risk Register

4. Chief Executive's Report

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

Stakeholder Engagement

- Social Return on Investment has been calculated as £9.83 for every £1 invested in Usel. A social impact card will be developed to promote social value contribution.
- Usel are working with NIEA in development of a Prosperity Agreement, which will be formally signed on 25 January by Chief Executive of NIEA and Usel. This is recognition that our approach to driving the circular economy is helping to drive sustainability in both environmental impact and job creation.

New Business

- Usel have received confirmation in success for new ESF bid, commencing 1 April 2018. The project aims to support up to 800 individuals, over a four year period. Total project value is £4m across the four years. Focus now is to secure match funding
- TfS Disability Support is steadily growing, supporting approximately 170 young people across a number of training providers. We have extended our partnership with Bryson Skills, supporting 70 of their students
- We are in process of bidding for contract with Gilbert Ash for 600 bedding units

Products/Circular Economy

- We have been successful in extending our partnership with Belfast CC for re-use of furniture and bicycles
- We have secured a new contract with Scottish Fire to supply trauma packs, the contract is for a term of 24 months

- We have just delivered our first order of mattresses to Madisons Hotel, for both Belfast and Dublin

5. Head of Corporate Services' Report

Finance

The Directors reviewed the summary financial position against budget, for **November**, and noted an operating surplus of £2k. Budget forecast for November was £6k surplus, therefore we are £4k behind of budget.

YTD we have delivered a surplus of £123k – the members note this is a positive result. Budget forecast for YTD position, as at 30 November was a surplus of £65k. This is a positive variance of £58k.

HR

The Board discussed the service provided by outsourced HR partner.

Heads Together conducted three focus groups re Staff Engagement. A number of recommendations were outlined which will be implemented.

Action: Analysis in relation to HR activity and associated costs to be presented to Board in January

ICT

There were no incidences of ICT Breaches to report.

In addition to delivering the ICT Strategy, December activity included:

- Developing a barcode solution, for stock management in the factory
- Taking the lead on facilities management, including procurement of new boiler, CCTV solution, new carpets, rates exemptions for outlying offices etc
- Drafting a number of business cases, for purchasing of capital equipment such as new tablets, new office PC's, floor coverings
- Developing GDPR implementation plan, such as organizing GDPR committee
- Creation of "Innovation Room" which is a new concept to Usel – the room will be painted white, with an inspirational quote. One wall is magnetic and can be written on. The room will include a 50" television which can be connected to a laptop. If successful, we will roll out names for rooms on Cambrai Street site, such as The Cambrai, The Lavery etc

Business Development and Marketing

In addition to delivering the Communication Plan, December activity included:

- Organising a number of staff events, such as Christmas breakfast (raffle raised over £500 for Cash for Kids- Mission Christmas), Christmas lunch, Toy Collection for Cash For Kids – Mission Christmas, Christmas Jumper Appeal
- Finalising detail in Social Return on Investment report and developing Social Impact Card
- Drafting business case to demonstrate business need for website redevelopment
- Working closely with Sales Manager to design E-commerce for Factory Shop and NI Beds Direct
- Drafting Business First article – January Issue (Covered by Work West)
- Collating good news stories for Newsletter Edition 5
- Continuing to seek new/alternative funding, such as CO-Innovation Programme

Compliance

In addition to managing the daily HR function e.g. inductions, recruitment, December activity included:

- Attended ISO and Section 75 Screening training
- Drafted Disability Action Plan 2017-18, which will be submitted to Board in January for approval
- Health & Well Being Plan created and presented to senior team for approval. Will be implemented from January 2018
- Continuing to manage Balanced Scorecard updates from management team
- Sourcing various training, such as NVQ Training for factory, Disability Awareness and Suicide Awareness
- Assisting in GDPR Planning, such as drafting a tender for Data Protection Officer

Procurement

- Drafting business case for purchase of new lorries
- Updating Procurement Manual in line with best practice
- Developing procurement forms to stream-line process
- Establishing procedures for purchasing of non-production items
- Sourcing appropriate machine as a bag sealer

6. Head of Operations Report

a. Employment Services KPI Report

The KPI Report circulated with Board papers was analysed and it was noted that YTD, for Workable, we are approximately £100k better than budget.

YTD STRIDE is approximately £15k better than budget.

b. Manufacturing/Sales KPI Report

The KPI Report circulated with Board papers was analysed and it was noted that in November, bedding sales are in line with budget.

This results in a YTD position of sales of £23k better than budget.

Industrial sewing for November was in line with budget. YTD, we are £6k under budget.

In November, circular economy was £9k over budget. YTD, we are £39k better than budget.

7. Chair of Audit & Risk Committee Report

Dr Adams updated the Board in relation to December Audit and Risk Committee:

- ALB Assurance Statement was formally approved by the Audit & Risk Committee. The Board formally approved the Statement
- Implementation of audit recommendations is progressing
- Revised Risk Management Framework was presented to ARC – no issues were raised in ARC. The Framework will be reviewed as part of the Triennial review
- A summary of Dear Accounting Officer (DAO) and Finance Director (FD) guidance was provided to the Committee
- The risk in relation to Ballymena site was discussed – Ms Fox (DfC) will formally request a meeting between economists and Usel management.

8. Demonstration of E-Commerce Website

Ms L Warrington and Ms K Gilgunn presented Usel's new e-commerce website. The website will be piloted for three months, from mid-January.

9. Adult Safe Guarding Issues

No issues were reported to the Board.

10. Health & Safety

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

11. Policies for Approval

- a. The following policies were approved:
 - i. Shared Parental Leave and Pay Policy

ii. Risk Management Framework

b. The following policies were presented to the Board for review and approval in January Board:

- i. Draft Maternity Policy
- ii. Draft Circular Economy – Security Policy & Procedures
- iii. Draft Whistleblowing Policy & Procedures

Action: Whistleblowing Policy to go to Audit & Risk Committee

12. Risk Management

New/Emerging Risks

| | Risk Detail | P | I | Pxl | Risk Strategy | Management Actions |
|---|--|----------|----------|------------|----------------------|---|
| 1 | E-commerce platform - new sales channel - risk of poor sales | 3 | 1 | 3 | Tolerate | 1. Minimal spend on pilot website 2. SEO 3. Seek independent, impartial advice on effectively creating and managing e-commerce site |
| 2 | Redundancy risk if current ESF staff cannot be redeployed to role in new ESF project | 3 | 3 | 9 | Treat | 1. Complete business case to ensure appropriate approvals in place, if required 2. Try to find suitable redeployment opportunity |

Changes to Existing Risks

- Risks relating to ESF have been updated to reflect risk changing from successful award of ESF to achievement of match funding

Risks Realised

- None

Risk Register was formally reviewed and approved.

13. Pension Update

First draft of business case has been started.

14. Any Other Business

None