

**MINUTES OF THE 424th MEETING OF THE LABOUR RELATIONS AGENCY BOARD HELD AT
10.00 am ON THURSDAY, 23rd FEBRUARY 2017
IN THE AGENCY'S OFFICES, GORDON STREET, BELFAST**

Present: Marie Mallon (Chair)
Louise Crilly
Deirdre Fitzpatrick
Michelle McGinley
Gary McMichael
Albert Mills
Jill Minne
Daire Murphy
Pauline Shepherd

In Attendance: Tom Evans Chief Executive, (CEO)
David McGrath (Director, Advisory Services (DAS))
Penny Holloway (Director, Conciliation & Arbitration (DCA))
Alison Wolfe (Minutes Secretary)

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| <p>1. Apologies</p> <p>An apology was received from Alison Millar.</p> | |
| <p>2. Conflicts of Interest</p> <p>There were no interests declared.</p> | |
| <p>3. Chair’s Opening Remarks</p> <p>The Chair confirmed that the new Director of Corporate Services, Don Leeson, will join the Agency on 1 March 2017 having already attended the recent meeting of the Sub-Committee Chairs to discuss the NIAO’s Guide to Board effectiveness; he will also attend the Finance & Personnel Sub-Committee meeting on 28 February.</p> <p>The Chair confirmed that she had also met with Deirdre Fitzpatrick, Chair of ARAC, to discuss Board effectiveness prior to the meeting of Sub-Committee Chairs; and that the outcomes from both meetings were very positive.</p> <p>Governance training for Board members will take place following the Board meeting on 30 March. Board members agreed that the training would be facilitated by Ricky O’Rawe and that the Chair and CEO should now work with him to draft a programme for the day.</p> <p>The Chair reported that she delivered the keynote speech at a QUB HR Insight dinner on 20 February. This had provided a useful forum for discussion with QUB staff about potential joint research with the Agency and had also provided a very positive opportunity to promote the work of the Agency.</p> <p>The Chair will also be presenting the LRA prize to the successful MSc HRM student at the UU Business School Management and Leadership Prize Event on 28 February 2017.</p> | <p>Chair/CEO</p> <p>Chair</p> |

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| <p>4. Minutes of 26th January 2017 Meeting (Paper BP01-02/17)</p> <p>The minutes of the meeting held on 26th January 2017 were agreed as a true and accurate record of the meeting.</p> | <p>Secretary</p> |
| <p>5. Matters Arising from the Minutes</p> <p>5.1 Rent Review</p> <p>The CEO reported that he continues to press the Land and Property Services to bring closure to the negotiations on the rent review that fell due in 2014. The CEO had also raised this issue as well as the approval process for any accommodation proposals at the recent accountability meeting with DfE.</p> <p>The CEO explained that the accommodation group had already identified a range of options including to remain in the current premises; the weighting of this option would be heavily influenced by the outcome of the rent review.</p> <p>Board members enquired whether staff had been asked for their input. The CEO indicated that the accommodation group was representative of all business areas and that he had regular discussions with TUS and that no concerns had been raised.</p> <p>It was agreed that an Outline Business Case should be prepared for consideration by the Board at the June or August meeting. The issue will be discussed further at the F&P meeting next week.</p> <p>5.2 Industrial Strategy</p> <p>Board members were asked to forward comments to the Secretary on the Industrial Strategy consultation paper which had been circulated following the January meeting. A draft response will then be prepared by SMT for approval at the April Board meeting. It was agreed that the consultation provided an important promotional opportunity.</p> <p>5.3 Board Appointments</p> <p>The Chair reported that two Board members will end their second terms of office later this year. The CEO confirmed that DfE had already commenced preparations for the recruitment process and that the Chair will chair the panel.</p> <p>5.4 CIPFA Governance Standard</p> <p>The Chair reported the outcomes from the recent meetings with Chair of the ARAC and the Chairs of the three Sub-Committees to discuss the NIAO Board Effectiveness Guide. The meetings covered all of the main sections of the guide and confirmed that the Board is broadly in compliance with the guide but that an ongoing process of self-assessment is critical. Two issues were highlighted as being good practice; the Chair seeking feedback from Board members at the end of each meeting; and agreed actions being highlighted in the minutes to be circulated no later than two weeks after each meeting.</p> <p>It was agreed that the March Governance Workshop should cover the following: formal input on good governance; a review of the Board's self-assessment exercise; and consideration of the issues identified at the Sub-Committee Chairs meeting. The Chair and CEO should now work with the agreed facilitator to draft a programme for the day.</p> <p>Board members were reminded to return their self-assessment forms in advance of the governance workshop.</p> | <p>CEO/DCS</p> <p>BMs/SMT</p> <p>Chair</p> <p>Chair/CEO</p> <p>BMs</p> |

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| <p>5.5 CMRS Update</p> <p>The CEO advised that the SMT had agreed to prioritise the implementation of Phase 2 due to the continuing uncertainty around Early Conciliation.</p> <p>The CEO confirmed that a number of residual Phase 1 issues such as work diaries and bulk cases have now been resolved. The DCA explained how the work diaries will be used to monitor work flows. Board members agreed that the information generated from the work diaries could be used positively by HR to identify staff pressures and recruitment/deployment priorities.</p> <p>The CEO confirmed that he has discussed the residual data migration project with SFW and that SFW has agreed to complete as soon as possible.</p> <p>The CEO confirmed that he had submitted to DfE a capital bid for CMRS Phase 2, EC-related enhancements and business as usual capital requirements.</p> <p>5.6 Early Conciliation Business Case</p> <p>The CEO confirmed that at the recent accountability meeting DfE officials agreed to seek the Minister's approval of the business case and that Early Conciliation (EC) would continue to be promoted as a Departmental priority post the 2017 Elections.</p> <p>The DCA reported that the Agency has responded to queries raised by Alan Scott, DfE in respect of the EC draft regulations. The DCA also reported on her recent meeting with Eileen McBride, President OITFET, at which it was agreed that if EC does proceed a tri-partite meeting to discuss the revisions to the Tribunal rules will be arranged.</p> <p>The DCA advised the Board that critical aspects of the EC implementation project are being progressed to ensure that the Agency is able to respond as quickly as possible once approval of the EC business case has been secured.</p> <p>The CEO advised the Board that he has had initial discussions with TUS about a further extension of the life of the reserve lists for the recruitment competitions that had been held to meet the demands of EC.</p> <p>5.7 Executive Transformation Fund</p> <p>The CEO advised that DfE had confirmed that all business cases required Executive approval and therefore there will be no progress until a new Executive is formed.</p> | <p>SMT</p> |
| <p>6. Update on Roundtable/other stakeholder meetings</p> <p>The Chair and CEO will meet with a number of key stakeholders in advance of the Corporate Planning day in April.</p> <p>The CEO confirmed that the draft Joint Declaration of Protection had been cleared at the recent meeting of the Roundtable Employment Relations Skills sub-group; and that each member of the Roundtable should now clear with their individual constituency in advance of a formal launch.</p> <p>The DAS reported on the other business discussed by the ER sub-group at which it was agreed that a scoping exercise should be conducted to identify providers of IR training in Northern Ireland. The Board raised some concerns about the development of a register of training providers. The CEO advised that the sub-group had been very positive about the Agency's scope and quality of the Agency's events programme.</p> <p>The CEO advised that he is due to meet Oonagh Buckley, WRC and Anne Sharp, Acas on 27 February in Dublin and will take the opportunity to discuss arrangements for a joint meeting with WRC later this year.</p> | <p>Chair/CEO</p> <p>Roundtable</p> <p>CEO/DAS</p> <p>CEO</p> |

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| <p>7. DfE Quarterly Accountability Meeting (Paper BP02-02/17)</p> <p>The CEO reported that the recent quarterly accountability meeting with DfE had been very positive. The CEO confirmed that DfE officials were very interested in the proposed ER/IR scoping study discussed with Esmond Birnie from Ulster University and that they understood the reasons for and impact of the ongoing pressures on the Agency's budget. Subsequent to the meeting the Agency the CEO has submitted a bid for additional monies.</p> <p>The Chair indicated that she intended to invite Chris Stewart, DfE, to provide some input to the Board's Corporate Planning workshop in April.</p> <p>The Chair commented that the CEO's paper setting out the issues discussed at the accountability meeting was informative.</p> | <p>CEO</p> <p>Chair</p> |
| <p>8. Board Sub-Committees</p> <p>Finance & Personnel Sub-Committee meeting – Monday, 27th February Audit & Risk Assurance Committee meeting – Tuesday, 7th March Research Committee – oversight of the ER/IR scoping study could be a key project.</p> | |
| <p>9. Finance Issues</p> <p>9.1 Budget Update (Paper BP03-02/17)</p> <p>The CEO took the Board through the budget update paper which set out the reasons for the very acute pressures on the Agency's current resource expenditures lines and which had also been raised at the recent quarterly accountability meeting. The CEO confirmed that the Agency is seeking in year cover for these pressures.</p> <p>The CEO also confirmed that he was asked to submit bids for 2017/18 based on a steady state position but also to reflect the increased employer pension and national insurance contributions. The SMT will now be meeting to discuss the filling of priority vacancies. The CEO confirmed that some of the pressures faced this year relating to CMRS and Early Conciliation will be non-recurring; the SMT will now start a very detailed budget profiling exercise for 2017/18.</p> <p>Board members asked about the potential impact of a cost increase from the premises rent review. The CEO advised that the SMT has been proactive in trying to have this issue resolved since the rent review became due in 2014. The CEO confirmed that it would not be sustainable for the Agency to cover the backdated costs if the rent is increased and would raise this issue with the Department. The CEO did confirm that Land and Property Services are negotiating with the landlord's agents on a no detriment basis.</p> | <p>CEO</p> <p>SMT</p> <p>CEO</p> |
| <p>10. HR Issues (Paper BP04-02/17)</p> <p>The HR Manager provided an update on all human resource projects confirming that absence levels had risen in January and that absence is being actively managed by HR. Also a revised Absence Management Policy is being considered by the SMT. This will form part of the HR plan for next year which will be informed by the Corporate and Business Plans. The results of the staff survey to be considered by the SMT. The Board noted the finding from the NISRA Equal Pay report which will be considered by the JNCC at its meeting in March.</p> | <p>SMT</p> |
| <p>11. ICT Update (Paper BP05-02/17)</p> <p>The CEO presented the ICT paper which indicated that the operational issues with the mobile app have been addressed and the new HR system is in place. The HR</p> | |

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| <p>Manager to provide a more detailed update to the Finance & Personnel Sub-Committee.</p> | <p>HR Manager</p> |
| <p>12. Business Plan Performance Report (Paper BP06-02/17)</p> <p>The CEO presented the Business Plan Performance Report for the period up until 31 January 2017. He advised the Board that the vast majority of service delivery targets continue to be on target and those which were not met were mainly due to dependency on external input. The CEO indicated that the Agency had made significant achievements but perhaps more attention should be paid to future target setting.</p> <p>The CEO reported on a very positive meeting with DfC senior officials who are interested in developing a pilot ER model with the assistance of the Agency. It may also be possible to roll the pilot out to other NICS departments. It was agreed that the Board discuss a review of public sector work at their corporate planning day.</p> <p>The CEO met Sarah Havlin, Certification Officer who would like to include members of her team at the innovation workshops which are planned for March.</p> <p>The Board agreed that it was important to set challenging targets on the understanding that not all targets will be delivered because of a variety of factors. It was agreed to discuss the business plan performance report classification system at the Board away day. SMT to prepare paper to inform that discussion and also to give some thought to the level of information on service delivery that should be provided to the Board, perhaps on a bi-monthly or quarterly basis.</p> | <p>Board/SMT</p> <p>SMT</p> |
| <p>13. Directors' Update</p> <p>The DCA reported that staff were doing an excellent job in dealing with a high level of receipts and reduced staffing. A number of complicated collective cases had been resolved, mainly around the issue of holiday pay.</p> <p>The DAS agreed that holiday pay continued to be a major issue and also the increasing differences between the GB and NI legislation. Helpline staff down by 30% with further reductions imminent which is causing real concerns in the section. The DAS also notified the Board that Paul Blease will be retiring at the end of May. The Agency is running 4 seminars in conjunction with ECNI covering equality and employment law issues.</p> <p>The CEO reported on his recent meetings with staff to update them about the budget position, early conciliation, and current uncertainties and that the key issues raised are concerns about staffing pressures. The CEO also advised that TUS had consulted with its members and received similar feedback about the budget position and unfilled vacancies. The CEO advised that in his response to TUS he will be able to indicate that Management will now be seeking to fill some priority vacancies in the Helpline and Conciliation sections.</p> <p>Board members emphasised the need to include succession planning in the HR Strategy and in next year's business plan.</p> | <p>DAS</p> <p>SMT</p> <p>SMT</p> |
| <p>14. Employment Law Update (Paper BP07-02/17)</p> <p>The Board noted the contents of the Employment Law update.</p> <p>CEO to follow up information about the paper by Kieran Wright 'Workers not paying the price of Brexit' which is due to be launched by ICTU on 29th March.</p> | <p>CEO</p> |

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| <p>15. Any Other Business</p> <p>The Chair confirmed that the Corporate Planning day will take place on 27 April 2017. It was agreed to issue an outline programme to Board members to be considered/approved at the March Board meeting.</p> | <p>SMT</p> |
| <p>16. Date of Next Meeting</p> <p>The next meeting of the Agency Board will take place on Thursday, 30th March 2017 at 10.00 am in the Agency's offices, Gordon Street, Belfast. There will be a short Board meeting followed by governance training.</p> | <p>Secretary</p> |

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