

**MINUTES OF THE 397<sup>th</sup> MEETING OF THE LABOUR RELATIONS AGENCY  
BOARD HELD AT 9.30 am ON THURSDAY, 26 JUNE 2014  
IN ROOM 5, ASSEMBLY BUILDINGS, FISHERWICK PLACE, BELFAST**

**Present:** Jim McCusker (Chair)  
Lyn Fawcett  
Sally McKee  
Gary McMichael  
Alison Millar  
Albert Mills  
Trevor Morrow  
Pauline Shepherd  
Gordon Parkes  
Neal Willis

**In Attendance:** Bill Patterson (Chief Executive)  
Gerry O’Neill (Director, Corporate Services)  
David McGrath (Director, Advisory Services)  
Penny Holloway (Director, Conciliation & Arbitration)  
Alison Wolfe (Minutes Secretary)

		<i>Action</i>
<b>1.</b>	<b>CEO Retirement</b>  The Chairman indicated that there was an additional item of business and asked the Chief Executive to address the Board. The Chief Executive then announced his intention to retire from the Agency with effect from Friday, 31 October 2014. The Chairman thanked the CEO for the advance notice of his retirement. Following a brief discussion the Board agreed to meet in closed session at the end of today’s formal meeting in order to discuss the arrangements for the appointment of a new Chief Executive.	<b>Chair</b>
<b>2.</b>	<b>Apologies</b>  There were no apologies. However, Alison Millar had indicated late arrival.	
<b>3.</b>	<b>Minutes of Previous Meeting held on 22 May 2014</b>  The minutes of the meeting held on 22 May 2014 were proposed by Albert Mills, seconded by Gary McMichael and agreed as a true and accurate record of the meeting.	<b>Secretariat</b>
<b>4.</b>	<b>Matters Arising from the Previous Minutes not listed on this Agenda</b>  <i>Item 1 Tom Evans – Update on DEL Review of Employment Law</i> As agreed at the May Board meeting the CEO wrote to the DEL Committee indicating that the Agency was available to clarify any matters arising from the	

<p>Department's update. In response the DEL Committee has asked the Agency to provide a written brief on the review by 10 September 2014.</p>	<p><b>Chair/CEO</b></p>
<p>It was agreed that the Chairman and CEO prepare a written submission to the DEL Committee reflecting the main points of the Boards' position on certain aspects of the DEL Review.</p>	
<p><b><i>Item 2 Board Self-Assessment</i></b>  Following the Board self-assessment exercise the CEO had identified matters arising as follows:</p>	
<ul style="list-style-type: none"> <li>✚ Review Board content and image on Agency website.</li> <li>✚ Agree MSFM and develop relations between the Agency Board and DEL.</li> <li>✚ Follow up on a meeting between LRA Audit Chair and DEL Audit Chair.</li> <li>✚ Ensure regular skills audit for Board Members.</li> </ul>	<p><b>CEO/DCS</b></p>
<p>The CEO and DCS are to discuss the matters arising and take these forward with the new Board Chair.</p>	
<p><b><i>Item 5 5.1 Corporate Plan 2014-17</i></b>  <b><i>5.2 Business Plan 2014-15</i></b></p>	<p><b>CEO/DCS</b></p>
<p>DEL approval of the draft Corporate and Business Plans submitted February 2014 has been recorded in the minutes of the last quarterly accountability meeting and will be confirmed in writing by DEL with the proviso that a small number of high level critical success factors are identified for the Business Plan 2015/16. The Agency awaits formal written approval of the Plans.</p>	<p><b>CEO/DCA</b></p>
<p><b><i>Item 5.4 Review of Promotion of the Generic Statutory Arbitration Scheme</i></b></p>	
<p>It was noted that the CEO had issued a paper on Early Conciliation to Board members for discussion at the briefing on Thursday, 3 July.</p>	<p><b>DAS</b></p>
<p><b><i>Item 5.2 LRA Code of Practice on Disciplinary and Grievance Procedures</i></b></p>	
<p>The Agency awaits DEL approval of the proposed revised wording. It was noted that ACAS was facing similar delays.</p>	
<p><b><i>Item 8.2 Audit Committee Meeting Meeting held on 7 May 2014</i></b></p>	
<p>The CEO indicated that he had raised, with DEL, the Board's concerns in relation to the reporting of Certification Office Internal Audit reports. DEL has recognised the ambiguity and potential problems associated with the situation and undertook to review the matter and respond to the Agency. It was agreed that the CEO confirm the Board's view i.e. that Certification Office Audits should be initiated by and submitted to the LRA Accounting Officer and reported to the DEL Accounting Officer with no Agency Audit Committee or Board involvement.</p>	<p><b>CEO</b></p>

<p><b>5. Chairman's Business</b></p> <p><b>5.1 Declarations of Interests</b></p> <p>Alison Millar declared an interest in item 6.4 and agreed to leave the meeting while discussion took place.</p> <p>No further interests were declared by members.</p>	
<p><b>5.2 Board Member Training</b></p> <p>Gary McMichael reported that he found the CEF Public Accountability &amp; Governance for Board members training very useful. There were many learning points arising from the examples given of individuals brought before the Public Accounts Committee.</p> <p>The Chairman reminded Board members of a seminar he attended earlier in the year on the relationship between Chairs and CEOs. Further research was now being conducted. The Chairman indicated that Board members may be approached to take part in interviews on the subject.</p> <p>The Chairman advised Board members about a forthcoming CIPFA workshop programme on 'Boardroom Leadership Programme'. It was agreed that the new Chair and CEO examine the detail of the programme to assess its relevance to the Agency.</p>	<p><b>Board Members</b></p> <p><b>Chair/CEO</b></p>
<p><b>5.3 Update on Stakeholder Meetings</b></p> <p>The Chairman referred to the 'Engaging for Success' seminar held on Friday, 20 June which he found very useful.</p> <p>Following the seminar a formal meeting of the ER Roundtable was held. It was noted that there were 2 new members of the ER Roundtable, namely Jackie Pollock (replacing Eugene McGlone) and Anne McGregor (replacing Patrick Kearney). James Wood attended the meeting as a substitute for Anne McGregor.</p> <p>The Roundtable members were briefed on the employment law review as reported to the Assembly Committee. Discussion took place on a Joint Declaration of Protection. The Agency is considering the ER Roundtable request for guidance on protected conversations, workplace planning and age of retirement.</p> <p>The ER Roundtable also discussed resources and agreed on 4 projects, namely –</p> <ol style="list-style-type: none"> <li>1) Harmonious and Inclusive Working Environment</li> <li>2) Adjudication</li> <li>3) Alternative Dispute Resolution</li> <li>4) Leadership and workplace skills.</li> </ol> <p>Further consideration was to be given to SMEs, Employee Engagement and</p>	

<p>Monitoring ER Developments.</p> <p>Further meetings have been arranged on a bi-monthly basis in August, October and December.</p>	<p><b>Chair/CEO</b></p>
<p><b>5.4 Management Statement/Financial Memorandum</b></p> <p>In line with the decision taken at the May Board meeting the Chairman and CEO had amended the Department's draft Memorandum of Understanding (MoU). The draft MoU was forwarded to DEL on 3 June. The Agency awaits a response.</p>	<p><b>Chair/CEO</b></p>
<p><b>5.5 Chair of Agency</b></p> <p>It was noted that the DEL selection panel had recommended appointment for the new Chair of the Agency. The decision to appoint is with the DEL Minister. It was anticipated that an announcement was imminent.</p>	<p><b>Chairman</b></p>
<p><b>5.6 Appointments to the Board of the Labour Relations Agency</b></p> <p>The Chairman reported that he and the CEO were satisfied with the criteria for the selection of Board members. It was noted that DEL has added a welcoming statement to the criteria as follows:</p> <p><i>'The Department for Employment and Learning is committed to the principles of public appointment based on merit with independent assessment, openness and transparency of process. The Department is committed to providing equality of opportunity for all individuals. The Department welcomes applications from all sections of society and would particularly welcome applications from Roman Catholics, individuals with a disability and those from an ethnic minority background as these sections are currently under represented on the Board of the LRA'</i></p>	<p><b>Chairman</b></p>
<p><b>5.7 Board Register of Interest Forms</b></p> <p>Board members were reminded to update and return their Register of Interest forms as soon as possible.</p>	<p><b>Board Members</b></p>
<p><b>5.8 Board Appraisals 2013-14</b></p> <p>Board members were reminded to complete and return their appraisal forms as soon as possible.</p>	<p><b>Board Members/ Chair</b></p>
<p><b>6. Audit Committee Meeting</b></p> <p><b>6.1 Audit Committee meeting held on 7 May 2014 (Paper 13/14)</b></p> <p>The minutes of the Audit Committee meeting held on 7 May 2014 were ratified by the Board.</p> <p><b>6.2 Meeting held on 19 June 2014</b></p>	<p><b>DCS</b></p>

<p><b>6.3 Annual Report of Audit Committee Chair</b></p> <p>Gordon Parkes as Chair of the Audit Committee expressed his thanks to the members of the Committee and to the DCS and his team for their work during the past year in which they faced challenges in the area of resources.</p> <p>The Chairman thanked Gordon Parkes for a highly satisfactory written report which was accepted by the Board.</p> <p>The CEO also expressed his appreciation for the professionalism of the Audit Committee during the past few years and for the standard of Audit Committee interrogation reflected in the report.</p>	
<p><b>7. Chief Executive's Business</b></p> <p><b>7.1 Bi-Monthly Management Report April 2014-May 2014 (Paper 14/14)</b></p> <p>The CEO referred to the new bi-monthly reporting format highlighting two strategic objectives which were not on target –</p> <p>Strategic Objective 12 – the Board would be discussing VFM at their meeting today.</p> <p>Strategic Objective 14 – the effective date was revised to 30 September.</p> <p>The DAS reported that the Advisory section was examining the possibility of extending its customer base within the SME sector.</p> <p>The DCA report included a new table. The new table clarified the statistical relationship between cases and jurisdictions i.e. that a case may contain more than one jurisdiction.</p> <p>The Corporate Services report aimed to provide a more concise picture. It was agreed that the DCS would follow up progress on the Capita 'Engage for Success' seminar attended by some members of the Board and senior management in 2013.</p>	<p><b>CEO/SMT</b></p> <p><b>DAS</b></p> <p><b>DCA</b></p> <p><b>DCS</b></p>
<p><b>7.2 Report on Agency Value for Money (vfm) (Paper 15/14)</b></p> <p>The Chief Executive presented the VFM paper indicating that the Agency needed to refine the indicators and be more comprehensive with benchmarking. The Agency was reasonably confident with the current indicators and customer feedback.</p> <p>After some discussion the Board agreed to the following amendment to the ASM report – Para; 11, last sentence should end at 'skills mix'; delete 'may contribute to improved effectiveness of the Board' and in Para 11 line 5 substitute 'noted' for 'consider that'.</p> <p>In discussing competencies for the new Board members the Board emphasised that the criteria for independent members should invite a wide range of skills</p>	<p><b>Secretariat</b></p>

<p>mix.</p> <p>It was reported that the Audit Committee was pleased at the significant progress with VFM. The Agency was good at a micro level but needed to progress at macro level.</p> <p>After extensive discussion the Board agreed to amend the Business Plan 2014-15 Strategic Objective 12 to an effectiveness review rather than an efficiency review.</p> <p>The Board accepted the ASM report subject to the above comments.</p>	<p><b>CEO</b></p>
<p><b>7.3 Annual Report &amp; Accounts (Paper 16/14)</b></p> <p>The Chief Executive thanked the Secretariat, Directors and other staff for their timely inputs to the Annual Report.</p> <p>The Chief Executive presented the Annual Report and Accounts. The Chief Executive reported that the accounts accurately reflected the work carried out during the year as set out in the Annual Report and also accurately reflected the utilisation of allocated funds. There were no matters of formal report.</p> <p>Following discussion the submitted Annual Report and Accounts 2013/14 were approved by the Board subject to the following additions –</p> <p>Page 12 – Add ‘(Vice Chair)’ after Mrs Sally McKee Page 20 – Add SMT names.</p> <p>The Board expressed their appreciation to staff for the years’ performance. It was noted that the Chairman’s recent email expressing the Board’s appreciation of the work undertaken 2013-14 had been well received by staff.</p>	<p><b>CEO</b></p> <p><b>DCS/Sec</b></p>
<p><b>7.4 Staff Reward &amp; Recognition Policy Statement (Paper 17/14)</b></p> <p>Following discussion the Board endorsed the policy statement as a draft to be discussed with the JNCC TUS before resubmission to the Board for approval.</p>	<p><b>CEO</b></p>
<p><b>7.5 Employment Law Update</b></p> <p>The Board noted the contents of the table which were considered very comprehensive and meaningful. It was noted that the report was found very useful by the CBI NI and other stakeholders.</p>	
<p><b>8. Corporate Correspondence Received Relevant to Board</b></p> <p>None.</p>	

<p><b>9. Any Other Business</b></p> <p>There was no other business to discuss.</p>	
<p><b>10. Date of Next Meeting</b></p> <p>The next meeting of the Agency Board will take place on Thursday, 28 August 2014 commencing 10.00 am in the Agency's offices, Gordon Street, Belfast.</p> <p>Members were reminded about the Board briefing on the resourcing of early conciliation which will be held on Thursday, 3 July commencing 9.30 am.</p>	<p><b>Secretariat</b></p>
<p><b>11. CEO Retirement</b></p> <p>In closed session the Board discussed the notice from the Chief Executive that he would be retiring on 31 October 2014. The Chairman expressed his appreciation of the invaluable contribution that Bill Patterson had made to the Agency over the past 18 years and commended him on his dexterity in handling many difficult situations, not least the inadequate budgetary arrangements for the Agency. He congratulated Bill on his promotion of ADR and the high quality of the papers that he had prepared for the Board, particularly on the 2 major reviews of the methods for resolving workplace disputes. He thanked Bill for the personal advice and guidance that Bill had given him as Chairman.</p> <p>The Board accepted the Chief Executive's retirement and decided to have an exploratory discussion on preparatory steps towards recruiting a new Chief Executive. This discussion was scheduled to take place on 3 July after the briefing on the resources needed to implement early conciliation.</p>	<p><b>Chair/ Board Members</b></p>
<p><b>12. Chairman End of Second Term</b></p> <p>It was noted that this was the final meeting to be chaired by Jim McCusker. The Board meeting was followed by an informal lunch at which Sally McKee Vice Chair was to express the Board's appreciation of the work that the Chairman had undertaken and the leadership that he had provided over recent years. It was to be noted that the level of Board confidence in the Chairman's knowledge and appreciation of industrial relations in Northern Ireland was extremely high. His demonstrated integrity and sense of fairness had also been greatly appreciated.</p>	