

**MINUTES OF THE 435<sup>th</sup> MEETING OF THE LABOUR RELATIONS AGENCY BOARD HELD AT  
10.00 am ON THURSDAY, 22<sup>nd</sup> MARCH 2018  
IN THE AGENCY'S OFFICES, 2-16 GORDON STREET, BELFAST**

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

**In Attendance:** Tom Evans Chief Executive, (CEO)  
David McGrath (Director, Employment Relations Services (DERS))  
Alison Wolfe (Minutes Secretary)  
Sarah Lawrence (Boardroom Mentee)

**Action**

<p><b>1. Apologies</b></p> <p>Apologies received from Louise Crilly, Don Leeson and Joanne Toner (Boardroom Apprentice).</p>	
<p><b>2. Conflicts of Interest</b></p> <p>There were no conflicts of interest declared.</p>	
<p><b>3. Chair's Opening Remarks</b></p> <p>The Chair thanked Albert Mills for chairing the February Board meeting and Business Planning Workshop in her absence. The Chair also thanked Board members and the Executive team for their input to what was a very productive workshop.</p> <p>The Chair agreed to follow-up on the issues identified in Michael Riddell's presentation on Board members' training needs.</p> <p>The Chair reported on her recent meeting with Colin Jack concerning Board member appointments; the Department are proposing to extend the tenure of existing members and to launch a competition for new members with interviews provisionally scheduled for September. The Chair asked Board members to indicate to her if they would intend to accept the offer of an extension.</p> <p>The Chair then outlined the core business for discussion.</p>	<p align="center"><b>Chair</b></p> <p align="center"><b>Board Members</b></p>
<p><b>4. Minutes of 22 February 2018 Meeting (Paper BP01-03/18)</b></p> <p>The minutes of the meeting held on 22 February 2018 agreed as a true and accurate record of the meeting.</p>	<p align="center"><b>Secretary</b></p>
<p><b>5. Matters arising from the Minutes of 22 February 2018 Board meeting (Paper BP02-03/18)</b></p> <p>The CEO highlighted the following issues from the progress report on Board action points:</p>	

<p><b>5.1 Research Project</b> Acas has invited the Agency to become involved in a research project on how private sector employers handle conflict. The project may also provide further opportunities for the Agency to work alongside Acas, perhaps looking at a UK-wide approach to SROI.</p>	<p><b>CEO</b></p>
<p><b>5.2 Board Mental Health Champion</b> The CEO to meet with Gary McMichael to discuss the role of Board Mental Health Champion.</p>	<p><b>CEO/GM</b></p>
<p><b>5.3 Staff Conference</b> The Staff Conference rearranged for 20 April.</p>	
<p><b>5.4 Pay Settlement</b> The 2017 pay award not agreed before the year-end but the cost to be accrued in 2017-18 accounts.</p>	<p><b>DCS</b></p>
<p>Board members commented that they found the Progress Report very useful but that it was important to remove completed actions.</p>	<p><b>DCS</b></p>
<p><b>6. Chief Executive's Update</b></p>	
<p><b>6.1 Transformation</b> The CEO tabled the latest staff communication on the Transformation Programme setting out progress on the lateral transfer process and internal promotions. The CEO reported that interim measures have been put in place to address immediate capacity pressures created by the Voluntary Exit Scheme and that the Agency will also be making a number of appointments from the EO11 reserve list which expires at the end of March 2018.</p>	<p><b>CEO</b></p>
<p>The CEO also reported that externally advertised competitions for ERO and ERM posts are being progressed. The CEO confirmed that Management continues to work with the local TUS Branch on all of these issues.</p>	<p><b>DCS</b></p>
<p><b>6.2 Review of the Administrative Function</b> The CEO confirmed that the review would be completed in early April.</p>	<p><b>CEO</b></p>
<p><b>6.3 Senior Management Team Workshop</b> The CEO reported that a planning workshop for the newly constituted SMT will take place on 28 March. The Chair has agreed to present a Board perspective on the role of SMT.</p>	<p><b>CHAIR</b></p>
<p>In response to a query about the Communications Manager post, the CEO confirmed that no decision had been taken but there is a possibility of an appointment through the Interchange Programme. The CEO undertook to keep the Board updated on progress.</p>	<p><b>CEO</b></p>
<p><b>6.4 Budget</b> The CEO reported that the Agency has yet to receive confirmation of its 2018-19 budget allocation but that he was expecting a flat line budget based on the information provided by the DfE Permanent Secretary at a recent ALB workshop; however due to the political impasse this will again be a one year budget.</p>	
<p>The CEO also reported that DfE has recently started its own business planning process and that Department/ ALB business plans will only receive provisional approval in the absence of a Minister. Noel Lavery had indicated that he was content that the public appointments process could commence for current Board vacancies but</p>	

<p>that new appointments will still require Ministerial approval.</p> <p>Noel Lavery also referred to the absence of a Public Accounts Committee and the importance of ALBs ensuring that robust accountability and audit systems are in place.</p> <p>There was also a presentation on Brexit issues at the DfE workshop. The DERS reported that he is working with DfE officials on the compilation of a planning log on the potential policy and operational implications arising from Brexit. The Board agreed that Brexit should be a standard agenda item for Board meetings and included in the Agency's Corporate Risk Register.</p>	
<p>The Chair confirmed that she had written to Noel Lavery inviting him to meet the Board. The Board also suggested that the Roundtable may wish to meet with Andrew McCormick in his role as Director General for International Relations for Brexit. The CEO agreed to follow up with the lead official in the Executive Office.</p>	<p><b>DERS / DCS</b></p>
<p><b>6.5 Annual Assurance Statement</b></p> <p>The CEO reported that he had received a request from DfE to complete his 2017-18 End Year Assurance Statement by early April, a copy to be included in the May Board papers.</p>	<p><b>CEO</b></p>
<p><b>6.6 Annual Report &amp; Accounts</b></p> <p>The CEO confirmed that the performance and accountability sections will be considered at the May Board meeting. The full Annual Report &amp; Accounts to come to the June ARAC meeting in advance of being signed off by the Board on 21 June.</p>	<p><b>CEO</b></p>
<p><b>6.7 Early Conciliation</b></p> <p>An Early Conciliation planning meeting arranged for 17 April. The CEO confirmed that it is likely that the EC business case will go before a DfE casework committee in late April/early May.</p>	
<p><b>6.8 Accommodation</b></p> <p>The CEO reported that the accommodation business case had been approved allowing the Agency to seek a 3-year extension to the lease on the Gordon Street premises.</p>	
<p>An options appraisal is now required for the Regional Office.</p>	<p><b>DCS</b></p>
<p><b>6.9 CMRS</b></p> <p>The CEO reported that work on the implementation of Phase 2 has started.</p>	
<p><b>6.10 Employment Relations Pilot</b></p> <p>The CEO confirmed that he had met with senior DfC officials to discuss potential ER projects and that he has offered to host an initial planning meeting involving Management and Trade Union.</p>	
<p><b>6.11 Regional Office</b></p> <p>Patrick McAuley is continuing to work with INI and local councils on a joint initiative linked to business growth and employment development. The CEO will be contacting Alastair Hamilton to emphasise the positive outcomes from the initiative and to suggest involving other NI councils.</p>	<p><b>CEO</b></p>

<p><b>7. 2017-18 Business Plan Progress Report (Paper BP03-03/18)</b></p> <p>The CEO in presenting the performance report indicated that a number of objectives under Strategic Theme 2 will not be achieved by the year-end because of resource pressures and dependence on third party inputs.</p> <p>The DERS provided an update on Strategic Theme 1 highlighting the significant pressures created by staff leaving under VES, increased volume of bulk cases and significant upturn in sick absence levels. Measures such as reducing the number of calls to Enquiry Point are being applied to deal with the pressures.</p> <p>Board members expressed some concern about the DERS comment that there are no agreed mechanisms for dealing with resource pressures. The CEO confirmed that there are plans in place to redirect resources to frontline services but that there is not a Board approved resourcing plan if workloads continue to outstrip available resources. The CEO confirmed that a recruitment competition to fill vacant ERO posts is about to commence and the review of the Administrative functions is almost complete which may identify some efficiency measures. The CEO also indicated that resource pressures will be a priority for the newly constituted SMT and that he will revert to the Board if there is a need to reprioritise work because of resource pressures.</p>	<b>CEO/SMT</b>
<p><b>8. 2018-19 Business Plan (Paper BP04-03/18)</b></p> <p>Board members discussed the feasibility of developing an employment relations skills model for Northern Ireland given the current resource pressures. It was agreed that although this is an ambitious target the work is critical to the long-term sustainability of the Agency. The CEO agreed to contact the ILO about the planned development of a principles-based ER system and will also discuss with DfE.</p> <p>Board members approved the content of the draft Business Plan with the following amendment (Para 2.2 (d) delete 'for public consultation) and agreed that it should be shared with the new SMT for comment.</p>	<b>CEO</b>
<p><b>9. Management Accounts to 28 February 2018 (Paper BP05-03/18)</b></p> <p>The CEO presented the Management Accounts which forecast an underspend of less than 2%. As recommended by internal audit an explanatory note on significant variances is now included in the management accounts.</p> <p>The Board noted the Management Accounts.</p>	
<p><b>10. 2017-21 Corporate Plan (Paper BP06-03/18)</b></p> <p>The CEO presented the revised draft of the Corporate Plan which was approved by the Board. The Plan will be submitted to DfE for provisional approval.</p>	<b>CEO</b>
<p><b>11. Report from Chair of ARAC (Paper BP07/03-18)</b></p> <p>Deirdre Fitzpatrick, Chair of the Audit &amp; Risk Assurance Committee updated the Board on the ARAC meeting held on 13 March highlighting the following issues;</p> <ul style="list-style-type: none"> <li>• Brexit to be added to the Corporate Risk Register;</li> <li>• workshop planned for early May to review the Risk Management Framework and Corporate Risk Register;</li> <li>• the limited assurance rating from the Financial Procedures audit and Management's response;</li> <li>• the HR Manager to liaise with the ARAC Chair regarding Board member induction.</li> </ul>	<b>ARAC</b> <b>ERM/HR</b>

<p>The Chair thanked the Chair of ARAC for her report and members of the Committee for their work.</p>	
<p><b>12. Roundtable/other stakeholder meetings</b></p> <p>The Chair briefed the Board on the agenda for the Roundtable meeting on 29 March 2018.</p> <p>The Chair reported on her meeting with representatives of CPANI to discuss the Board Apprenticeship Scheme.</p> <p>The CEO agreed to follow up with Oonagh Buckley Workplace Relations Commission, with regard to a joint meeting.</p> <p>The Chair reported that the Chairs Forum have been invited to consider the effectiveness of governance arrangements within ALBs and relationships with sponsor departments.</p>	<p><b>CEO</b></p>
<p><b>13. Any Other Business</b></p> <p>There was no other business to report.</p>	
<p><b>14. Date of Next Meeting</b></p> <p>The next meeting of the <b>Agency Board</b> will take place on <b>Thursday, 17 May 2018 at 10.00 am in the Agency's Offices, 2-16 Gordon Street, Belfast.</b></p>	<p><b>Secretary</b></p>