

**MINUTES OF THE 400th MEETING OF THE LABOUR RELATIONS AGENCY
BOARD HELD AT 9.30 am ON THURSDAY, 30 OCTOBER 2014
IN SYNDICATE ROOM 6, RIDDEL HALL, STRANMILLIS ROAD, BELFAST**

Present: Marie Mallon (Chair)
Sally McKee
Gary McMichael
Albert Mills
Trevor Morrow
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)

Action

<p>1. Apologies</p> <p>Apologies were received from Alison Millar, Lyn Fawcett and Pauline Shepherd.</p> <p>The Chair indicated that today’s meeting would be Neal Willis’s last meeting as a Board member. This will be acknowledged at the end of the meeting.</p> <p>It was also noted that the meeting today was the 400th meeting of the Agency Board.</p>	
<p>2. Minutes of Previous Meeting held on 25 September 2014</p> <p>The minutes of the meeting held on 25 September 2014 were agreed as a true and accurate record of the meeting subject to the following amendment:</p> <p>Page 5, Para: 5.3, 3rd sentence should read ‘The Conciliation section remained very busy’.</p>	<p>Secretariat</p>
<p>3. Matters Arising from the Previous Minutes not listed on this Agenda</p> <p><i>Item 3 2. Corporate Plan 2014-17 Business Plan 2014-15</i></p> <p>The CEO indicated that the Agency had now received written approval from DEL of the submitted Corporate Plan 2014-17 and Business Plan</p>	<p>CEO</p>

<p>2014-15.</p> <p>Item 5.5 Management Statement/Financial Memorandum Addendum (Paper 25/14)</p> <p>It was noted that the revised MSFM and MoU have been formally signed by the Chair, CEO and DEL.</p>	<p>CEO</p>
<p>4. Chair's Business</p> <p>4.1 Declarations of Interests</p> <p>It was noted that those members of staff with an interest in item 4.5 would leave the meeting while discussion took place. It was agreed that Item 4.5 be discussed as the last item.</p>	
<p>4.2 Board Member Training</p> <p>It was noted that the Chair continued to attend the Inspiring Boardroom Leadership course.</p> <p>The CEO reported on his attendance at the 'Engaging with MLAs' event organised by BMF Conferences. The CEO found the seminar useful in practical terms of reviewing the Assembly process and the practicalities of the work done by MLAs. The CEO agreed to circulate the papers from the seminar to Board members.</p> <p>The Chairs Forum was seeking the participation of NI public bodies with a research project concerned with the effectiveness of public sector corporate governance. Board members agreed to complete an online questionnaire. It was agreed that the Secretariat forward an electronic link to Board members.</p>	<p>Chair</p> <p>CEO</p> <p>Secretariat</p>
<p>4.3 Update on Stakeholder meetings</p> <p>The Chair reported on a very constructive meeting with the FSB. FSB members clearly valued the work of the Agency. Learning points were (1) it was unclear whether FSB members were using the services of the Agency as much as they could and (2) some members of the FSB questioned the perceived neutrality of the Agency seeing it as pro-employee (3) it was agreed that further discussion was required on providing funding for, NI specific, employment relations research (4) the need for the promotion of employment good practice in order to stem difficulties or disputes arising (5) a challenge for both organisations was the improvement of FSB engagement with Agency services.</p> <p>Following discussion it was agreed that the Research Committee examine the possibility of undertaking, NI specific, research.</p> <p>The Chair then reported on the Roundtable meeting held on 29 October. The Roundtable had discussed the re-issue of a Joint Declaration of</p>	<p>Chair/CEO</p> <p>Chair/CEO</p>

<p>Protection. Further work is being undertaken on details.</p> <p>The Roundtable was of the view that the public profile of work and working life in NI required more attention.</p> <p>The Roundtable had also discussed the Scottish Working Together Review. The Roundtable suggested that the feasibility of a workshop, to promote progressive employment policies, was examined. There was the potential for using case studies from Scotland and NI to demonstrate the benefits of good employment policies and practice for employers and employees.</p> <p>The Roundtable had noted the progress being made with the DEL Review of Employment Law.</p>	<p>Chair/CEO</p> <p>Chair/CEO</p> <p>CEO</p>
<p>4.4 Appointments to the Board of the Labour Relations Agency</p> <p>It was noted that interviews were currently taking place for the forthcoming Board vacancies.</p>	<p>Chair</p>
<p>4.5 Recruitment of LRA CEO</p> <p>Board members met in closed session to discuss arrangements for the recruitment of the LRA CEO.</p>	<p>Chair</p>
<p>4.6 Proposed Board & related meeting dates 2015 (Paper 26/14)</p> <p>Board members discussed the number of Board meetings held annually and agreed that, as in recent years, to hold 10 meetings per year. It was noted that the Board would also require time to review corporate and business planning.</p> <p>It was agreed to look at the possibility of cancelling the meeting proposed for 30 April 2015 and holding the May meeting earlier in the month.</p> <p>Sally McKee indicated that she may be unavailable for the proposed Finance & Personnel Committee meeting on 26 February 2015.</p>	<p>Secretariat</p>
<p>5. Finance & Personnel Committee Meeting</p> <p>5.1 Finance & Personnel Committee meeting held on 27 February 2014 (Paper 27/14)</p> <p>The minutes of the meeting held on 27 February 2014 were ratified by the Board.</p>	

5.2 Finance & Personnel Committee Meeting held on 25 September 2014

The Chair provided an account of the meeting held on 25 September 2014 highlighting the following areas:

- Premises – the Committee was of the view that, in order to preserve its perceived neutrality the Agency should be accommodated post-2019 in premises dedicated to the LRA. As agreed at the meeting, the CEO had raised the matter at the recent quarterly meeting with DEL. It was noted that the lease for the Regional Office was also due for renewal in 2019.
- Finance – an update to the budget would be discussed later in today’s meeting. The Committee had noted that Management continued to update TUS on the budget situation.
- HR Strategy - It was noted that considerable work was being carried out in respect of IiP. A Staff Conference was held on 17 October. The conference centered on health and well-being of staff. Staff feedback was very positive.
- JNCC – a self-assessment had taken place. The response had been very positive. Improvement was being made on foot of the self-assessment results. The exercise is to be carried out annually.
- Health & Safety risk assessment had been completed and an action plan drawn up.
- Section 75 Progress Report was completed. The Report contained a high level of detail. The Committee agreed that the Report should be submitted to the Board for information.
- ICT – progress continued to be made with the new ICMS system which is scheduled for use in January 2015. The new system would be rolled out through all parts of the Conciliation section with linkage to the Advisory Helpline service.

6. Chief Executive’s Business

6.1 Budget Position

Board members were reminded of the letter received from DEL regarding the 2015/16 financial position. The letter requested Arm’s Length Bodies to commence planning for cuts of up to 15% to be applied in the 2015-16 financial year. The CEO paid credit to the DCS for his assistance in assessing the impact of cuts. The CEO made the following points:

- 1 Currently 2014-15 the Agency was structurally underfunded. The capping of the Agency budget for the last 4 years had resulted in radically reduced discretionary spend to the point of the Agency front-line services not being adequately supported.
- 2 If cuts were implemented of more than 1% the Agency would not be in a position to fill vacant posts on a permanent basis. The CEO regrettably recommended that, subject to discussions with DEL, the Board suspend the current policy of filling all vacancies on a

<p>permanent basis in order to allow the SMT, during the rest of 2014-15, to take anticipatory action which would reduce the impact of risk on the management of the 2015-16 budget.</p> <ol style="list-style-type: none"> 3 The CEO considered that the most telling point was that, given the current budget position and let alone further cuts, the Agency could not take on additional work deriving from the DEL Review of Employment Law. Additional funding and resources would be required, to the current budget, for the Agency to consider the effective implementation and maintenance of additional work particularly when such work constituted a statutory duty. 4 The CEO emphasised the disproportionate impact of percentage cuts on small organisations such as the LRA. The Agency had no budgetary flexibility whatsoever this being demonstrated by the fact that funding for the international conference 2013-14 was funded by DEL as is the replacement of ICMS. The Agency is being financially drip-fed by DEL in order to maintain operational viability. There is absolutely no room to financially support innovation. The position, at present, is about damage limitation. <p>Lengthy discussion followed at the end of which the Board determined:</p> <ol style="list-style-type: none"> 1 That the Chair express to DEL the grave concern of the Board regarding the current budget position of the Agency. This position needs to be addressed. 2 It was noted that even a substantial cut in the Agency budget would be an insignificant and negligible contribution to the overall DEL budget cutback. 3 That the Chair emphasise to DEL and relevant stakeholders that the pending cuts in public services (which will also impact across the economy on the private and voluntary sectors) could result in considerable organisation change including redundancies which in turn will raise issues of good employment practice and dispute. In such circumstances the services of the Agency will be in greater demand. 4 That an increase in the Agency budget be sought before any consideration is given to maintaining the status quo or considering the impact of a regime of cuts. 5 Regrettably the Board endorsed the CEO recommendation that, subject to discussions with DEL and as a matter of prudence, the Agency preferred policy of filling all vacancies on a permanent basis is suspended. 6 That the Chair and CEO immediately request a meeting with DEL in order to discuss the current and future budget positions of the Agency. 	<p>Chair/CEO</p>
<p style="text-align: center;">6.2 Annual Section 75 Progress Report (Paper 28/14)</p> <p>The Board noted the contents of the Annual Section 75 Progress Report.</p> <p>It was noted that the query about a trade union side ‘Disability Champion’</p>	

would be raised at the December meeting of the JNCC.	CEO
<p>6.3 <i>Employment Law Update</i></p> <p>The Board noted the contents of the table.</p>	
<p>7. Corporate Correspondence Received Relevant to Board</p> <p>None.</p>	
<p>8. Any Other Business</p> <p><i>7.1 Presentation to Neal Willis</i></p> <p>Following the Board Meeting the Chair made a presentation to Neal Willis who retires from the Board after six years. The Chair formally thanked Neal for his long service to the Agency and in particular for his expertise in the early stages of the CEO recruitment exercise. The Board recognised and appreciated Neal's contribution to the work of the Agency and wished him well for the future. In response Neal thanked the Board and staff of the Agency for their help during his time as a Board member.</p>	
<p>9. Date of Next Meeting</p> <p>The next meeting of the Agency Board will take place on Thursday, 20 November 2014 at 2pm in Room 5, Gordon Street.</p>	Secretariat