

**MINUTES OF THE 485th MEETING OF THE LABOUR RELATIONS AGENCY BOARD
HELD ON 23 JUNE 2023 AT 10.30AM
AT THE LABOUR RELATIONS AGENCY HEAD OFFICE,
JAMES HOUSE, 2-4 CROMAC AVENUE, BELFAST, BT7 2JA**

Present: Gordon Milligan (Chair)
Geraldine Alexander
Clare Duffield
Kevin McCabe
John Taylor
Lee Wilson

In Attendance:	Don Leeson	Chief Executive
	Mark McAllister	Director of Employment Relations
	Paul Lowe	Director of Corporate Services
	Christine Magill	Boardroom Apprentice
	Eugene McPolin	Business Support Team
	Tommy Wright	Adviser (agenda item 12)

Apologies: None

Declarations of Interest: None

1. Chair's Opening Remarks

1.1 The Chair provided an update on the appointment of new Board members.

1.2 It was decided to hold a Board Strategy Day in September 2023. A draft programme will be discussed at the next Board meeting.

Action: Chief Executive

1.3 The Board reflected on the Risk Workshop held on 19 May 2023. It was considered to be a successful exercise, which provided deeper insights into risks facing the Agency. It was agreed that this annual workshop should open to all Board members to attend rather than limit it to the Audit and Risk Assurance Committee (ARAC), as in previous years.

1.4 The Chair reported that the Head of Civil Service has asked the Agency to convene a meeting of the Engagement Forum on 28 June 2023 to allow her to update business and trade union leaders on governance arrangements in the absence of the NI Executive. There will also be a briefing on current economic issues. A report back will be given at the next Board meeting.

Action: Chair

2. Horizon Scanning for Opportunities and Risks

- 2.1 Board members noted that it was agreed at the recent Risk Workshop to include horizon scanning for current opportunities and risks as a standing item on Board meeting agendas.
- 2.2 The Chief Executive reported on ongoing engagement he is having with Melted Parents, a group campaigning for affordable childcare. While it was noted that childcare is beyond the Agency's remit, it is a key issue for the economy that impacts on levels of economic inactivity. There is an opportunity for the Agency to raise awareness of flexible working to employers and those wishing to remain or join the labour market. It was noted that the possibility of co-hosting a conference on flexible working is being discussed with CIPD NI.

Action: Chief Executive

- 2.3 The Board noted that, while the NI Executive and Assembly remains in suspension, budgetary pressures are a continuing risk (see agenda item 8).

3. Minutes of Previous Board Meeting

- 3.1 Minutes of the Board Meeting held on 19 May 2023 (paper BP01-06/23) were agreed as an accurate record of the meeting for publication on the Agency's website.

Action: Executive Assistant

4. Action Points from Previous Board Meetings

- 4.1 The Chief Executive presented the progress report on actions from previous Board meetings (paper BP02-06/23), which was noted by the Board.
- 4.2 The Board noted that a National Cyber Security Centre approved contractor will carry out a penetration test of the Agency's IT systems during the week commencing 17 July 2023. Feedback on the outcome of this will be presented to the next Board meeting.

Action: Director of Corporate Services

- 4.3 The Board noted progress with the current external review of the Agency's case management and records system (CMRS). A draft options paper is being considered.

Action: Director of Corporate Services

- 4.4 The Chief Executive reported that the 'Cost of Conflict' research report has now been designed and is ready for publication. A suitable launch date, probably in August 2023, is being considered to seek to maximise media engagement on this issue.

Action: Chief Executive

- 4.5 The Board noted engagement with the Department for the Economy (DfE) on the revised draft Partnership Agreement with the Agency. DfE officials are reflecting on feedback provided by the Agency. It is hoped that a final iteration of the Agreement will be presented for Board approval later in the year.

Action: Director of Corporate Services

5. Chief Executive's Report

- 5.1 The Chief Executive presented the report (paper BP03-06/23), which was noted by the Board.
- 5.2 Board members passed on their appreciation and best wishes to two staff members who were retiring.
- 5.3 The Director of Employment Relations Services gave an update on current collective conciliations. The Board noted ongoing work to develop a Code of Practice on Collective Bargaining.
- 5.4 The Chief Executive reported on a planned panel discussion on 'respectful conversations', which the Agency is holding on 26 July 2023 as part of the Belfast Pride Festival. An invitation will be sent to Board members.

Action: Chief Executive

6. Audit and Risk Assurance Committee

- 6.1 The Chair thanked Lee Wilson for acting as interim Chair of the Audit and Risk Assurance Committee (ARAC).
- 6.2 The interim Committee Chair thanked the former Committee Chair for participating as an adviser in the two ARAC meetings held in June 2023.

Annual Report to the Board for 2022-23

- 6.3 The interim Committee Chair presented the annual report on the ARAC's work in 2022-23 (paper BP04-06/23), which was noted by the Board.

Report on the Meeting held on 12 June 2023

- 6.4 The interim Committee Chair presented the report on the ARAC Meeting held on 12 June 2023 (paper BP05-06/23), which was noted by the Board.
- 6.5 A further ARAC meeting was convened on 19 June 2023 to consider the draft Report to those Charged with Governance (RTTCWG) (agenda item 7), which had not been available for the earlier meeting.
- 6.6 The Board noted that the Agency's accountant had attended the ARAC meeting to brief Committee members on the draft Financial Statements, which are included in the Annual Report and Accounts (agenda item 7).
- 6.7 It was noted that the Committee had, among other matters, endorsed the Letter of Representation, which is included in the RTTCWG, and was content with the draft Corporate Risk Register for 2023-24 (agenda item 9).

7. Annual Report and Accounts for 2022-23

Annual Report and Accounts for 2022-23

- 7.1 The Annual Report and Accounts for 2022-23 (paper BP06-06/23) was approved.
- 7.2 The document will be signed by the Chief Executive and submitted to DfE for laying in the Assembly, and publication on the Agency's website thereafter.

Action: Chief Executive

Report to those Charged with Governance from the NI Audit Office

- 7.3 The Director of Corporate Services presented the RTTCWG (paper BP07-07/23).
- 7.4 The RTTCWG contains four recommendations, which have been accepted by the Agency. Of these, two recommendations are deemed Priority 2 and two are Priority 3. The NIAO had considered an ARAC request to downgrade one of the Priority 2 recommendations, but decided to maintain its rating.

7.5 The Board noted that the NIAO had identified a number of misstatements, which are set out in the RTTCWG and Letter of Representation. These related in part to a recommendation regarding documentation of accruals, and in part to a change in accounting policy regarding leases. Given that the cumulative value of the misstatements is below the level of materiality, it was proposed to accept these without change; this was approved by the Board.

8. Budget for 2023-24

8.1 The Chief Executive presented the draft budget for 2023-24 (paper BP08-06/23), which was approved by the Board.

8.2 The profiled budget will be the basis for Management Accounts, which will be presented to Board each month for the remainder of the financial year.

8.3 The Board noted that the Agency's funding allocation is provisional, pending the outcome of consultation by DfE on the equality impact assessment of its overall budget. The outcome of this exercise, and any consequential changes to the Agency funding, will be reported to the Board in due course.

Action: Chief Executive

8.4 It was further noted that the Agency's funding allocation, while slightly higher than the previous year's opening budget, represents a real term reduction as the Agency will be expected to absorb pay and price increases. This is particularly problematic as, unlike in recent years, opportunities to bid in-year for additional funding to offset new pressures are likely to be extremely limited.

9. Corporate Risk Register for 2023-24

9.1 The Director of Corporate Services presented the Corporate Risk Register for 2023-24 (paper BP09-06/23), which was approved by the Board.

9.2 The Register will be reviewed monthly by the Senior Leadership Team (SLT), and by ARAC at each committee meeting. Any risks escalated to 'extreme' will be reported to the Board at the earliest possible opportunity.

10. Transformation Programme – Update (Paper BP11-06/23) (for approval)

10.1 The Chief Executive presented the update on the Agency's Transformation Programme (paper BP11-06/23), which included proposals to restructure Employment Relations Services into five multi-disciplinary teams.

10.2 The Board noted that the SLT is consulting closely with the Trade Union Side (TUS) on the Transformation Programme and is committed to working with staff to co-design new ways of working. It was further noted that there will be an opportunity to discuss this with the TUS when they attend the next Board meeting for the annual review of the current industrial relations climate within the Agency.

Action: Chief Executive

10.3 The Director of Corporate Services briefed the Board on a proposed new three-year apprenticeship programme, which will provide a pipeline of trained Employment Relations Officers.

10.4 The transformation proposals were approved.

11. New Name for the Labour Relations Agency

11.1 The Chief Executive briefed the Board on the outcome of surveys of Board and staff members on a possible name change for the Agency.

11.2 It was agreed that stakeholders should also be surveyed, ahead of a discussion on the way forward at the Board Strategy Day in September 2023.

Action: Chief Executive

12. Article 86 Review of Collective Bargaining Arrangements in Local Government

12.1 The Chair welcomed Tommy Wright to the meeting.

12.2 Mr Wright presented the report on Article 86 Review of Collective Bargaining Arrangements in Local Government (paper BP12-06/23), which he had been commissioned to conduct on the Agency's behalf.

12.3 The Board approved the recommendations contained within the report and thanked Mr Wright for his work.

12.4 In terms of next steps, the report will be circulated to key stakeholders. Bi-lateral meetings will be sought with each key stakeholder to gauge reaction to the report's recommendations and, if accepted, what support they may require of the Agency to help implement them.

Action: Chief Executive/Direct or Employment Relations Services

13. Any Other Business

13.1 There was no other business.

14. Date of Next Meeting

14.1 The next Board meeting will be on 23 August 2023. It was noted that the meeting is due to be held in the Regional Office in Derry/Londonderry and followed by a reception for local stakeholders. However, if new Board members have been appointed, it might be appropriate to change the venue to Belfast.

Action: Executive Assistant