

"A" MINUTES OF THE BOARD OF DIRECTORS OF JERSEY BUSINESS LIMITED ("JBL")

(39th Meeting)

7th March 2018 at 11am

Present: Mr J Day (JD)
Mrs K Le Feuvre (KLF)
Mr E Lincoln (EL) (Chair)
Mr G Smith (GS)
(the "Board" or the "Directors")

In Attendance: Aimee Maskell (AM), AM to PM Secretarial Services (AM)

1. **Apologies** – Apologies were received from Mrs W Lambert (WL).
2. **Chairperson** - **IT WAS RESOLVED** to appoint EL chair of the meeting.
3. **Declarations of Interest** – A number of declarations were noted by the Directors and **IT WAS RESOLVED** that GS would update the declarations register accordingly.
4. **Minutes of previous meeting** - **IT WAS NOTED** that the previous Minutes dated 10th January 2018 had been circulated with the agenda and **IT WAS RESOLVED** to approve them, subject to a minor amendment.
5. **Matters Arising** - GS took the Board through the following action points from the previous minutes of 10th January 2018 which were not otherwise included in the agenda:
 - 1) **Cyber Security Presentation** – **IT WAS NOTED** that a cyber security presentation was received by the Board, Nick Steele (NS) and Alexia McLure (AMc) on 15th February 2018 at 9.30am
 - 2) **Board Pack Software** – EL advised that he had not had an opportunity to forward details of various Board Pack software to the Directors for their information. However, **IT WAS NOTED** that JD had prepared a PDF version of the Board Pack for today's meeting which the Directors found helpful. **IT WAS THEREFORE RESOLVED** that JD would work with GS to install a version of Foxit Phantom PDF or Full Adobe Acrobat to enable him to prepare the same going forward. **Action JD/GS**
 - 3) **Safe Link** – JD confirmed that AM had provided him with contact details for Safe Links. However, this provided more of a data room facility which was not necessary for JBL's purposes.
 - 4) **Management Accounts as at 31st December 2017** – GS confirmed that he had circulated the management accounts dated 31st December 2017 following the previous meeting.
 - 5) **Future Surveys** – GS confirmed that he would raise the inclusion of a request for details of how long respondents to surveys have been trading in future questionnaires with 4Insight at the next review meeting.
6. **EDTSC 2108 Agreement** – GS referred to the 2018 Schedules to the Partnership Agreement which he is required to sign prior to receipt of the grant money from EDTSC. He advised that he has no concerns in this regard, save for the request for partner corporate governance and an amendment required to state that staff pay reviews were undertaken by the JBL Board rather than the Finance Committee as the latter no longer exists.

The Board discussed Schedule 6 in more detail, which requires JBL to demonstrate value for money. GS advised that he requested the inclusion of additional narrative in this schedule to reflect the fact that the information sought regarding JBL's clients is a significant request and may be difficult to obtain. He

therefore welcomed the additional wording which states that whilst JBL will try its best to provide this information it is not documented as a performance requirement

KLF expressed concern that this will be the type of information government will be seeking in the future. However, GS noted that going forward all clients will be allocated an annual review date and this will either be 12 months after they initially sought advice from JBL or the date when their annual accounts are issued. Therefore, it will only be possible to provide answers to the questions sought by government at this stage so the information required will have to be retrospective and built up over a period of time. He added that it will be a challenge to record this appropriately in Sales Force to enable meaningful information to be extracted at a later date. However, work is currently taking place with C5 Alliance in this regard.

GS reported that work is also taking place to amend JBL's terms and conditions for "growth" clients to make it clear that going forward, if they agree to work with JBL, certain information will need to be provided. However, he reiterated that whilst JBL have agreed to start collecting this information now, it will need to be cumulative and built up over time and he suggested that this was made clear in the additional wording in Schedule 6.

EL expressed concern regarding the use of the term "best endeavours" rather than "reasonable endeavours". However, GS advised that he was comfortable with this on the basis that advisory clients will be asked to sign a contract going forward. He accepted that information may still not be provided despite a contract being signed but proposed re-visiting this in due course. In answer to a question from JD, GS confirmed that the contract would include non-disclosure clauses.

The method of submitting information was discussed and GS advised that whilst this would be requested by way of a template format, he acknowledged that some clients may still choose to reply by email. However, he stressed that a full set of audited accounts will not be required from clients to answer the questions required.

GS suggested that the main data required relates to GVA. However, KLF suggested that information on job type would also be of value. She therefore proposed seeking details of whether clients have employed staff on a full time or part time basis; whether they required a licence; and whether they were previously employed or unemployed and **IT WAS RESOLVED** that she would provide GS with the questions she was recently required to answer as part of an audit which GS could use by way of precedent. JD also proposed establishing which clients contribute to GST and **IT WAS RESOLVED** that GS would include this in the request for management information from clients. **Action: KLF/GS**

The Board agreed that whilst JBL should seek to provide as much information on clients' GVA and the jobs they have created, they should initially focus on answering questions I – VII as set out in Schedule 6 with a view to expanding on that as necessary thereafter. However, GS noted that whilst statistics regarding jobs are very powerful, care must be taken to ensure that the questions asked are consistent across all sectors. He explained that although information from clients is very helpful it is sometimes difficult to obtain, noting that because JBL are not providing loans to clients they are not always willing to provide financial information. That said, he remains confident that it will be possible to obtain the required information over time.

7. 2017 Annual Report – Draft Chair and CEO Statements – The Board noted the draft statements by the Chair and CEO for inclusion in the 2017 Annual Report, copies of which were circulated with the agenda. GS advised that the figures in his report still required finalising and noted that the Auditors were in the process of auditing the graphic on page 2 of his report. The Board provided a number of minor comments/amendments on the two reports and **IT WAS RESOLVED** that GS would amend them

accordingly. Action: GS

8. YTD Financial Review – GS summarised the management accounts as at 28th February 2018, a copy of which were circulated with the agenda. Referring to the cash flow position, he noted that despite EDTSC having been invoiced for the Q1 grant and this appearing in the P&L, JBL has not yet received the physical cash. He advised that the payment of the grant has been signed off by EDTSC but as they only have one payment run per week (on a Wednesday) receipt of the same is not expected until this Friday 9th March or the following Monday 12th March 2018. The Board noted that if the grant was not received by the end of the month, there was a risk that JBL would be unable to pay the March salaries and it was agreed that the delay in receiving the grant payment (which should have been received in January) was unacceptable. However, GS confirmed that an invoice for the next grant payment will be submitted the following Monday 12th March 2018.

The variances to budget in the accounts were noted and GS advised that these are due to phasing.

9. December 2017 Full Client/Market Feedback Survey – GS reminded the Board that although the focus groups' and clients' feedback on the 2017 survey was discussed at the previous meeting, this did not include feedback from non-JBL users. **IT WAS NOTED** that results from all three groups had now been received and GS confirmed that there was no duplication between the stages/samples. The Board reviewed the summary of the survey results, a copy of which had been circulated with the agenda and GS drew their attention to the following slides:

(a) Slide 8 – GS reported that those respondents who use JBL are more positive about the services than those who don't and JBL's portfolio clients were even more positive. He noted that the portfolio clients were also more positive about employing more staff in their businesses going forward. GS proposed including this statistic in a summary of key messages from the results and he invited the Board to suggest any other statistics or statements from the results which should also be included.

(b) Slide 9 – GS suggested that the growth predictions referred to in this slide were very powerful, noting that whilst non-JBL clients expect to stay the same, JBL clients expect more growth.

(c) Slide 15 – The Board noted that non JBL clients appear to undertake more export activities. However, GS reported that JBL has started to develop the JBL export club which is trying to create initiatives and actions. He noted that the first session took place at Jersey Post recently and was very well attended with 37 people present.

(d) Slide 17 – **IT WAS NOTED** that respondents who undertake export activities do not believe JBL would be able to assist them in this regard. GS suggested that a number of businesses may wish to seek advice on export but do not see JBL as having the necessary experience. He therefore stressed the importance of securing the necessary funding to ensure that JBL can provide this service for them. The Board noted that 65% of non-JBL clients were undertaking export activities and it was agreed that if JBL had the appropriate funding, there was a possibility that JBL could provide support to these businesses.

(e) Slide 19 – GS reported that unsurprisingly personal recommendations were the main way JBL received business.

(f) Slide 22 – **IT WAS NOTED** that 7.8/10 users found the website useful. However, this score increased to 8.2/10 and 8.6/10 for clients and portfolio clients respectively and reduced to 6.9 for non-users.

(g) Slide 25 – GS noted that this slide records reasons why respondents have not used JBL in the last 24 months and he suggested a further reason for this could be that the respondents are medium to large companies whose perception is that JBL is not set up to support them or concerned about them.

- (h) Slide 27 – **IT WAS NOTED** that portfolio clients scored the business advisors, website and events higher than non-portfolio clients. The Board noted that the scores in relation to events were quite low (7.5 for portfolio and 6.9 for non-portfolio). However, GS advised that the scores for Enterprise Week specifically were high (see slide 31 below) and JBL ensures that this includes both JBL clients and non-JBL clients. Consideration was given to creating banners for use at events which replicate the testimonials on the wall in reception or ask clients to provide products at events. However, GS suggested that care should be taken to ensure that JBL does limit itself to only promoting the new/small businesses which it has supported, noting that it also needs to highlight the support it can provide to existing companies who may be looking to grow.
- (i) Slide 29 – The Board agreed that this slide was particularly strong, noting that JBL had consistently increased its scores in relation to credibility, expertise, integrity, independence and business advice and support for established businesses for the last three years. **IT WAS NOTED** however, that the score in relation to business advice and support for start-ups had remained static for the last two years.
- (j) Slide 31 – **IT WAS NOTED** that 38% of the respondents attended an event during Enterprise Week in 2017 and the Board agreed that this highlights that the events held during Enterprise Week are of value to both JBL Clients and non-JBL clients.
- (k) Slide 36 – GS proposed building up the next survey to ask more detail about the impact of JBL’s input on a business’ profitability, turnover, operational efficiency/productivity, noting that it was extremely positive that some respondents have stated that JBL has had a “significant” or “material” impact on these areas of their business. Consideration was given to whether a further measurement in relation to strategy or business confidence should be included in future surveys or whether a drop-down box could be added where respondents reply “none” asking where JBL did have an impact (e.g. business confidence).
- (l) Slide 37 – GS noted that generally the clients with whom JBL spends more time (portfolio clients) receive more of a benefit. However, non-portfolio clients reported more of an impact on profitability and turnover. GS therefore suggested that JBL may be more effective with non-portfolio clients even though the advisors spend less time with them and he noted that it would be of interested to break down the detail of this slide into further detail (e.g. number of employees).
- (m) Slide 38 – The overall net promotor score (NPS) of 59.31 was discussed and the Board agreed that this, and the NPS for portfolio clients of 72.92, was very positive. GS reported that a number of organisations were now using NPS as a key metric and he stressed the importance of government understanding it. **IT WAS THEREFORE RESOLVED** that GS would undertake some research to establish whether any national or international government departments/bodies are using NPS as a key benchmark. **Action: GS**
- (n) Slide 39 – GS reported that the most called for area of support from JBL is in relation to funding and whilst he accepted that JBL was the best placed organisation to provide this, it does not have the necessary resources to do so. He added that there are also practical issues around this
- (o) Slide 40 – **IT WAS NOTED** that respondents also stated that they would welcome access to a business mentor and GS accepted that JBL does not provide an official mentoring programme. However, he noted that whilst a number of different people are providing them, they are not appropriately structured and if JBL was to offer this service he would want to ensure it was done in a more structured way whereby JBL would simply facilitate introductions. JD noted that there were a number of individuals offering mentoring services and he recognised the importance of bringing them all together. He proposed establishing a “one stop shop” consisting of a list of individuals with details of their interests/experiences. KLF proposed placing such a list on the JBL website. However, GS noted that

resource and funding (albeit not a significant amount of the latter) was required to achieve this and he therefore expressed the hope that following the re-structure within the States which was recently announced by Charlie Parker (CP), funding may become available for this.

Referring to States funding, GS reported that funding for the JBL high growth programme has been signed off by EDTSC. He therefore expects that the high growth programme will proceed and he noted that this will enable JBL to undertake a mentoring programme. However, prior to releasing the funding, an internal review needs to be undertaken to demonstrate value for money. He added that if the funding is not forthcoming, consideration will be given to re-prioritising current activities in order to fund a mentoring programme from the existing budget.

(p) Slide 42 – The Board noted that more respondents called for “developing a growth strategy” as a future service of JBL in 2016 and GS suggested that this highlights the importance of securing States funding in order to start the high growth programme. He noted that GDPR was raised in the 2017 results and the Board noted that a number of the advisors are working in this space.

The recommendations and conclusions to the survey were noted and the Board agreed that although the results indicate that JBL could do other things, based on its existing (tight) budget, it is doing very well. As noted above **IT WAS RESOLVED** that GS would “cherry pick” a number of key messages from the results for release via social media and use them to lobby government for funding and GS invited the Board to advise him if there are any particular messages they would like him to focus on. **Action: GS**

10. Operations Report – GS summarised the operations report as at 28th February 2018, a copy of which was circulated with the agenda. He advised that JBL were approached by the landlord of the premises regarding wheel chair access to the building and noted that alterations to accommodate this would require some of JBL’s reception area being lost. The Board noted that the landlord would be willing to compensate this by offering a reduction in rent or providing additional office space upstairs and although they accepted this would not be ideal, it was agreed that JBL would need to work with the landlord in this regard. However, the landlord has since decided to defer undertaking any work on the premises for the time being.

The Incorporation Pilot was briefly discussed and GS advised that attendance numbers were continuing to grow, albeit that some negative feedback is still being received from people who only require their incorporation documents to be witnessed by JBL and do not wish to attend the course. JD advised that following discussion at the last meeting, he followed up on the details of the course in order to provide feedback to the comments received on the Digital Jersey Portal and he noted that attendees on the course receive good advice and are provided with a folder to store their statutory documents. He added that the £75 fee also goes towards the cost of the presenter.

The KPIs for 2018 were noted and GS confirmed that these were currently on track. The Board reviewed the Portfolio Analysis as at 28th February 2018 and GS advised that these include the new categories and will continue to be updated throughout of the year. The wide range of industry classifications were noted and KLF proposed highlighting the diversity of different sectors JBL works with on social media on a weekly basis with a view to changing peoples’ perceptions of JBL. **IT WAS RESOLVED** that GS would implement this going forward and he invited the Board to provide him with any other suggestions for inclusion on social meeting following the meeting. **Action: GS**

11. Risk Register – The Board reviewed the risk register as at 28th February 2018, a copy of which had been circulated with the agenda and the following was noted:

(a) **Data Management** – **IT WAS NOTED** that the cyber security presentation had now been received and the risk score had therefore been reduced from 3 to 2.

- (b) **Budget and Cash Flow** – The Board agreed that this risk should remain amber for the time being.
- (c) **EDD Grant Support Reduced** – GS reported that this risk had been reduced from 4 to 3 on the basis that JBL’s grant from EDTSC for 2018 and 2019 was now known.
- (d) **Payments** – **IT WAS NOTED** that this risk remains amber for reasons previously discussed and agreed.

12. Any Other Business – The Board discussed CP’s statement made the previous day with regard to the proposed restructure of the States departments. **IT WAS NOTED** that part of the proposed restructure involves reducing the number of departments by three and consideration was given to which department JBL would now fall under. GS reported that he had received no briefing or information on the restructure other than what was in the public domain. However, he believes JBL will fall under the “Growth Housing and Island Environment” department.

IT WAS NOTED that there will be a 45 day and 90 day consultation on the proposed restructure and whilst GS has advised Dan Housego that he is available to discuss the proposals if required, he does not want to push the matter at this stage on the basis that they are undoubtedly going to be inundated with requests for meetings. EL reported that he met informally with CP recently who advised he is having to book 25-30 minute appointments with people because he is so busy. That said, he suggested that JBL should arrange to meet with him sooner rather than later. This was echoed by GS and he proposed arranging a meeting with CP and the newly appointed Chair of JBL who would take over from WD following the AGM in May.

GS provided the Board with details of the appointment of the new Chair and NED and advised that discussions have also taken place with a replacement Board Apprentice, albeit this has not yet been confirmed pending them undertaking some further research on the Board Apprentice Programme. **IT WAS RESOLVED** that GS would provide the new Chair with a copy of today’s Board Pack for information and contact the unsuccessful candidates in due course. **Action: GS**

GS advised that he was scheduled to have an operation next week and would be out of the office for two weeks following the same.

13. Date of Next Meeting - **IT WAS NOTED** that the next meeting was scheduled for 8th May 2018 from at 9am to 12pm to include the AGM.

There being no further business to discuss, the meeting was closed at 12.55pm.



Chairperson



Date Signed

Actions:

- 1) JD to work with GS to implement Foxit Phantom PDF or Acrobat for
- 2) KLF to provide GS with details of questions she was recently asked for an audit for use as a template for requesting management information from clients
- 3) GS to incorporate the Board’s suggested amendments into the CEO and Chair’s reports for inclusion in the Annual Report
- 4) GS to undertake research to establish whether any national or international government

departments/bodies use NPS as a benchmark

- 5) GS to “cherry pick” key messages from the results of the 2017 survey for posting on social media/for use to lobby government for funding
- 6) GS to implement weekly social media posts highlighting the diverse number of sectors JBL works with
- 7) GS to provide new Chair with a copy of today’s Board Pack.
- 8) GS to advise applicants for Chair/NED role that they were unsuccessful