

MINUTES OF THE BOARD OF DIRECTORS OF JERSEY BUSINESS LIMITED ("JBL" / "the Company")

(55<sup>th</sup> Meeting)

22<sup>nd</sup> September 2021 at 12pm at Jersey Business, The Parade, St Helier

**Present:** Mrs J Carnegie (JC) (Chair)  
Mr J Day (JD)  
Mrs K Le Feuvre (KLF)  
Mrs A McClure (AM)  
Mr G Smith (GS)  
(the "Board" or the "Directors")

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

1. **Welcome and Apologies** – No apologies were noted.
2. **Declarations of Interest** – JD noted a possible conflict of interest in respect of item 8 below (Workforce Housing Project) given his directorship on the Andium board.
3. **Minutes of previous meeting - IT WAS RESOLVED** to approve the minutes dated 14<sup>th</sup> July 2021, copies of which were circulated with the agenda, and JC signed the same.
4. **Matters Arising** – The following updates were provided on the outstanding actions from the previous meeting (which were not otherwise included on the agenda):
  - (A) **AGM Minutes** – GS advised that he had uploaded a copy of the AGM minutes to Teams to enable the Board to review them prior to the next AGM.
  - (B) **Board Apprentice** – GS advised that a previous JBL Director had recommended an individual for the role of Board apprentice who was currently being reviewed by Board Apprentice Scheme. **IT WAS THEREFORE RESOLVED** to carry forward the action to appoint a Board apprentice until the end of the year. **Action: GS**
  - (C) **Board Skills Review/Review of Directors' Remuneration/JBL Organisational and Pay Structure Review** – GS recommended carrying forward completion of these three actions until December 2021 pending completion of the exercise which is being undertaken with Polymetrix on JBL's grade/salary structure. He also suggested asking Polymetrix to review the Directors' remuneration, noting that they have a process which can assist JBL with the management of this.

GS proposed inviting Polymetrix to present on the findings of their work in due course and suggested completing a skills review when their work is complete. The Board supported GS recommendations and **IT WAS THEREFORE RESOLVED** to carry these actions forward. **Action: GS/AM/JD**
  - (D) **Industry Group** – **IT WAS NOTED** that an industry group had not yet been established. However the target completion date for this was not until 31<sup>st</sup> December 2021. **Action: GS**
  - (E) **Gap Analysis between JBL's Annual Report and Controller and Auditor General's (CAG) best practice recommendation** – JD confirmed that he would prepare a gap analysis between JBL's Annual Report and the CAG's best practice recommendations prior to the year end. **Action: JD**
  - (F) **JBL Presentation to Chamber** – The Board agreed that due to JBL's closer relationship with Chamber, a JBL presentation to the Executive Council of Chamber was no longer necessary.
  - (G) **GST Exempt Status** – AM advised that whilst she had discussed this topic with the IOD she did not propose taking any further action and recommending continuing to account for GST. This was supported by the Board.
  - (H) **Tender for Auditor** – The Board noted that JBL is currently reviewing its financial set up. It is therefore proposed to defer tendering for a replacement auditor until next year (rather than changing auditor mid-year). JD acknowledged the importance of maintaining continuity throughout the year in terms of auditors and given that there were no changes in the business during the year, he accepted that there was no risk continuing with the

existing auditor for a further year. **IT WAS THEREFORE RESOLVED** to extend the target completion date to Q2 2022. **Action: GS**

JD sought an update on JBL's activities by way of the Dashboard Report and GS advised that this was circulated to the Board quarterly following submission to the Government of Jersey (GOJ). However, due to the timing of today's meeting, the Q3 Report was not yet complete. **IT WAS THEREFORE RESOLVED** that he would forward a copy of the same to the Board when submitted to the GOJ. **IT WAS FURTHER RESOLVED** that GS/AM would try to schedule Board meetings shortly after each quarter going forward to enable the Dashboard Reports to be reviewed. **Action: GS/AM**

5. **2021 Year to date Financial Review** – The Board reviewed the year to date financial report, a copy of which had been circulated with the agenda. AM acknowledged that due to the increased complexity of the accounts, they were difficult to read when printed. **IT WAS THEREFORE RESOLVED** that AM would simplify the accounts to make them easier to read and add anything worthy of note to the accounts for the Board's attention when circulated. **Action: AM**

GS explained that it will be necessary for JBL to continue reporting on a split basis for the "core" and "Covid" budgets for another (approximately) two years.

6. **Covid Recovery Programme Update** – GS provided an update on the Covid Recovery Programme from a recruitment perspective. He advised that he was updating the GOJ as appointments were made and reported that the following people had recently accepted offers:

- Filipe Jardine (FJ) - Marketing Assistant;
- Simon Soar (SS) - Industry Specialist for Hospitality; and
- Rebecca Barton (RB) – Head of Service Delivery.

GS confirmed that whilst staff are still able to work from home if they wish, they were now spending more time in the office and that every new starter will spend time in the office initially. He suggested that creativity is much better when staff are in the office and that that this was also important for resilience.

7. **Productivity Support Scheme** – GS provided the Board with an update on the GOJ's pilot productivity support project. The Board noted that from the 27 expressions of interest received in the project, JBL is assisting nine small businesses to prepare business cases for submission with their applications.

GS advised that some of the businesses who expressed an interest in the project did not have the time to complete the application process during Covid. However, he anticipates some of them applying if there is another round of funding. He added that other businesses were filtered out of the process by JBL.

**IT WAS NOTED** that a panel meeting to review the applications was scheduled for today. However, this was cancelled due to a panel member being unavailable. **IT WAS THEREFORE RESOLVED** that GS would provide a further update once the meeting has taken place. **Action: GS**

GS reported that four of the nine applications have more than 20 members of staff, despite the fund criteria only focussing applications from businesses with less than 20 staff. However, he noted that the panel can consider applications by exception. GS questioned whether this criterion may be too restrictive and suggested that the amount of work required to apply for funding may deter some small/medium businesses. He therefore highlighted the importance of undertaking a pilot, noting that this provides an opportunity to give feedback to the GOJ.

GS acknowledged that whilst the GOJ needs to know that the grant funding will be accounted for by the end of the year, it was difficult for businesses to come up with "oven ready" projects that necessitated financial support at relatively short notice. He added that the GOJ's internal auditor was also reviewing the pilot and has raised questions around it (e.g. the requirement for audited accounts, credit referrals etc.).

8. **Workforce Housing Project** – The Board reviewed the draft paper circulated with the agenda outlining the Workforce Accommodation Project, which had been prepared by GS, SS and Nick Steele (NS). KLF congratulated GS on a very well written paper and GS agreed to pass her thanks on to SS and NS.

GS noted that the paper highlights that whilst most sectors have an increasing demand for workforce accommodation, there is little or no supply, which is putting further pressure on the cost of housing in Jersey.

Consideration therefore needs to be given to how the Island can create reputable key worker accommodation. GS advised that the paper summarises the short-term technical issues (i.e. what can be done quite quickly) as well as the medium-term strategy which he acknowledged was more complex.

JC reported that Paul Martin and Richard Corrigan (RC) are very supportive of the proposals set out in the paper, it is therefore proposed to send them a copy when finalised with a view to highlighting to them that although JBL has a part to play in progressing the matter, a dedicated GOJ officer will be required to manage it. She added that JBL does not only represent one sector, therefore it will be able to provide information from all areas.

KLF welcomed with interest the proposals set out in the paper, particularly given the current difficulties many businesses were experiencing in recruiting staff following Covid (during which large numbers of Polish and Portuguese workers chose to return home and have not returned). She added that due to difficulties recruiting and increasing "red tape", some accommodation providers have opted to rent out their properties out via Airbnb (which is not captured by the Tourism Law) or sell their properties.

KLF highlighted that people who come to work in Jersey and "put down roots" are no longer prepared to share accommodation and suggested that this has also become more of an issue during Covid. She suggested that lifestyle and family choices were a significant factor for this project and noted that this was not mentioned in the paper. She added that it is very difficult for businesses to obtain approval to build staff accommodation, noting that this is not something that Planning are even willing to consider. She therefore suggested that if the proposals set out in the paper are to succeed, a process will need to be agreed whereby applications can be "fast tracked" through Planning.

To enable the project to progress, GS proposed identifying sites suitable for workforce accommodation which are either:

- (a) GOJ controlled sites; or
- (b) private sites,

and then breaking them down into

- (i) sites that can be used for accommodation quickly;
- (ii) sites where money may need to be invested/work undertaken prior to using them for accommodation;  
and
- (iii) new buildings.

KLF also recommended considering different areas of the Island for when sourcing workforce accommodation, noting that there is a demand for staff accommodation in the West by the businesses located in that area. She added that some businesses owners may also be interested in developing their land/property to provide hostel style accommodation for their staff and/or staff from other local businesses. She suggested that these could be utilised in the winter months by people travelling in groups who require this type of accommodation and stressed that if these types of developments were approved by Planning, the owners were unlikely to have any difficulties filling them.

Next steps were discussed, and GS advised that further work was required to finalise the paper to include a reference to the link between visitor numbers and connectivity, given that this was an important factor. He also proposed updating the paper to include the Board's input from today's discussion. GS suggested that whilst the logical and preferred organisation to manage this project was Andium, he acknowledged that they may not be able to take it on due to their existing commitments and due to concerns about being seen to prioritise the project above social housing. **IT WAS THEREFORE RESOLVED** that GS would liaise with Andium (via JD). **Action: GS/JD**

9. **JB Property Papers** – AM reminded the Board that as part of the Covid budget it was proposed to develop a Business Hub (Hub). However, this did not proceed as anticipated (mainly due to JBL having to review its own property needs but also because by the time the Covid funding was received, the floor above the JBL offices (where it had been proposed to locate the Hub) had been taken over by Dandara as their site office for the development of Cyril Le Marquand House).

AM explained that as JBL's current premises are no longer fit for purpose (either as office space or for the Hub) consideration was given to the organisation's needs and a property has been found which the Senior Management

Team (SMT) recommended JBL moves to. However, this will incur fit out and other costs which are not currently available in JBL's budget. It was therefore agreed to submit a business case to the GOJ to secure funding for the new space with a view to developing the Hub there going forward. The Board noted that the business case (a copy of which was circulated with the agenda) was submitted to Government last week and feedback on the same was awaited. A report prepared on JBL's current office space, a copy of which was also circulated with the agenda, was also noted by the Board and it was agreed that this highlights that the current premises are not fit for purposes.

GS reported that following advice from our advisers, heads of terms have been agreed for the new property and he noted that JBL is now under some pressure to obtain approval from the GOJ to enable it to commit to the same, particularly as there are other parties interested in renting the property. JC added that she has discussed the business case with RC and, although he has not yet seen a copy of it, he welcomes the proposals therein and is supportive of the chosen property due to its location. JC advised that RC also welcomes its proximity to Digital Jersey, noting that he continues to support the idea of the arms' length organisations (ALOs) collaborating more. However, following discussions with the Visit Jersey Chair, JC advised that they are not interested in moving, despite their lease expiring next year.

GS highlighted his continued support for JBL working more closely with the other ALOs. However, he accepted that this view was not shared by the other ALO CEOs.

The Board confirmed that they supported the business case and **IT WAS THEREFORE RESOLVED** that as soon as approval for the same has been received from the GOJ, GS would sign a nine-year lease for the new property. JD noted that this included a five-year break clause and suggested that this was unusual in a nine-year lease. However, GS noted that this arrangement works well with JBL's long-term plan. He added that, originally the landlord had not been willing to include any break clauses. He had therefore been required to push quite hard to secure this and he suggested that it was required if JBL wants to consolidate at some point in the future. **Action: GS**

10. **Risk Register** – The Board reviewed the Risk Register a copy of which had been circulated with the agenda and GS summarised the changes made since the last meeting. He advised that the Facilities Management risk had been increased to red, noting that despite some staff still working from home, the space was too small to accommodate everyone. This was welcomed by JC, who suggested that this could lead to health and safety issues and GS confirmed that he had also increased the Health and Safety risk to amber. He added that the Business Continuity risk had also been increased to amber due to difficulties connected with the current office space.

GS reported that the Budgeting and Cashflow Management risk had been reduced to amber. He advised that the process whereby officers can see a line of sight on how things will work was working well; that JBL was in no worse position than last quarter; and he reminded the Board that consideration was given to making this risk red at the end of last year when GOJ funding had not come through. However, this has now been received. Finally, he noted that the Grant Support risk has moved to amber.

#### 11. **Any Other Business**

(a) **Economic Forum Report** – GS provided an update on the status of the Economic Forum Report. He reported that Lyndon Farnham and RC have taken five themes from the Report and allocated responsibility for each of them to GOJ/ ALO officers (each to be supported by a team of individuals, also recommended by LF/RC) as follows

- Growth - GS;
- Sustainability – Tom Knowlle;
- Education and skills – Mark Rogers;
- Infrastructure – Andy Scaite; and
- AI data/new economy – Tony Moretta,

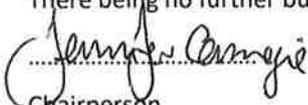
GS advised that the covid recovery budget for 2022/23 has been agreed at between £13m-£15m and each team will be required to provide recommendations as to how this should be used.

(b) **Government Plan** – GS summarised pages 52 and 53 of the Government Plan (relating to economic activity) and welcomed the reference to JBL.

(c) **2022 Meeting Dates - IT WAS RESOLVED** that AM would schedule the 2022 meeting dates and provide the Board and AMa with details of the same. **Action: AM**

12. **Date of Next Meeting - IT WAS NOTED** that the next meeting was scheduled for Wednesday 24<sup>th</sup> November 2021 at 9am.

There being no further business to discuss, the meeting was closed at 1.50pm.

  
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Chairperson

  
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Date Signed