

Jersey Business Main Board Meeting

24 July 2014

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Agenda

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| • Welcome and Apologies | PCF |
| • Declaration of Interests | PCF |
| • Minutes of the last meeting held on 20 th May 2014 | PCF |
| • Matters arising from the minutes | PCF |
| • Report from the Finance and Audit Sub-Committee | BS |
| • Proposed Organisational Changes & CEO Recruitment | EL |
| • Delegation of Authority | EL |
| • Events and Comms Update | MR |
| • Services Rollout Plan | EL |
| • Emerging themes meetings | EL |
| • Retail Plan | EL |
| • Any other business | |
| • Date of next meeting 18 Nov 2014 | |

Report from the Finance and Audit Sub-Committee

- Activities overview and client statistics

2014	Jan	Feb	Mar	Apr	May	Jun
Phone enquiries	51	45	46	38	33	29
Email enquiries	29	20	24	36	27	33
General Enquiries Total	80	65	70	74	60	62
Drop in clients	53	38	37	40	26	42
Pre booked meetings	117	83	96	80	69	58
Meetings Total	170	121	133	120	95	100
Trailing 12 Month Totals						
Phone enquiries	403	433	450	471	476	462
Email enquiries	435	414	397	377	370	374
General Enquiries Total	838	847	847	848	846	836
Drop in clients	401	402	405	423	408	426
Pre booked meetings	969	986	1008	1025	1042	1043
Meetings Total	1,370	1,388	1,413	1,448	1,450	1,469

Operations Report

- Staffing
 - CEO Search was not successful. Agenda item later to consider ongoing process
 - Chris Settle starts with us 4th August. Ex B&Q Manager (Jersey & UK) and ran Home Ideas in the Powerhouse
 - Vikki Pennington started 13th May 2014 – Financial Controller

Finance & budget

Profit and Loss Account - YTD June 2014 vs YTD Budget 2014

	Actual	Budget	Growth
Income	<u>£346,630</u>	<u>£395,000</u>	-12%
Staff Costs:-			
Board Costs	£20,745	£21,624	-4%
Staff Costs	£191,473	£218,772	-12%
Total Operating Expenditure	<u>£84,238</u>	<u>£61,084</u>	38%
Programs & Promotions	£28,682	£44,000	-35%
Net Expenditure	<u>£325,138</u>	<u>£345,480</u>	-6%
Net Operating Surplus/(Deficit)	<u>£21,491</u>	<u>£49,520</u>	-57%
Jersey Enterprise Awards:-			
Income	-£180,440	-£187,000	-4%
Expenditure	£147,999	£177,000	-16%
Total Enterprise Awards	<u>-£32,441</u>	<u>-£10,000</u>	224%
Total Expenses	<u>£292,698</u>	<u>£335,480</u>	-13%
Net Surplus/(Deficit)	<u>£53,932</u>	<u>£59,520</u>	-9%

- Income approximately £50k less than budget due to adjustment for 2013 surplus of EDD funds
- Decrease in Staff Costs due to:-
 - Delay of recruitment of Financial Controller – commenced in May
- Overall increase in OPEX of £20k due to:-
 - Recruitment costs of CEO approx. £15k
 - Increase in Marketing spend (£5k) due to new website and re-brand
- Jersey Enterprise Awards expenditure less than budget due to timing of Jersey Potteries invoice (approx. £30k) – booked in July

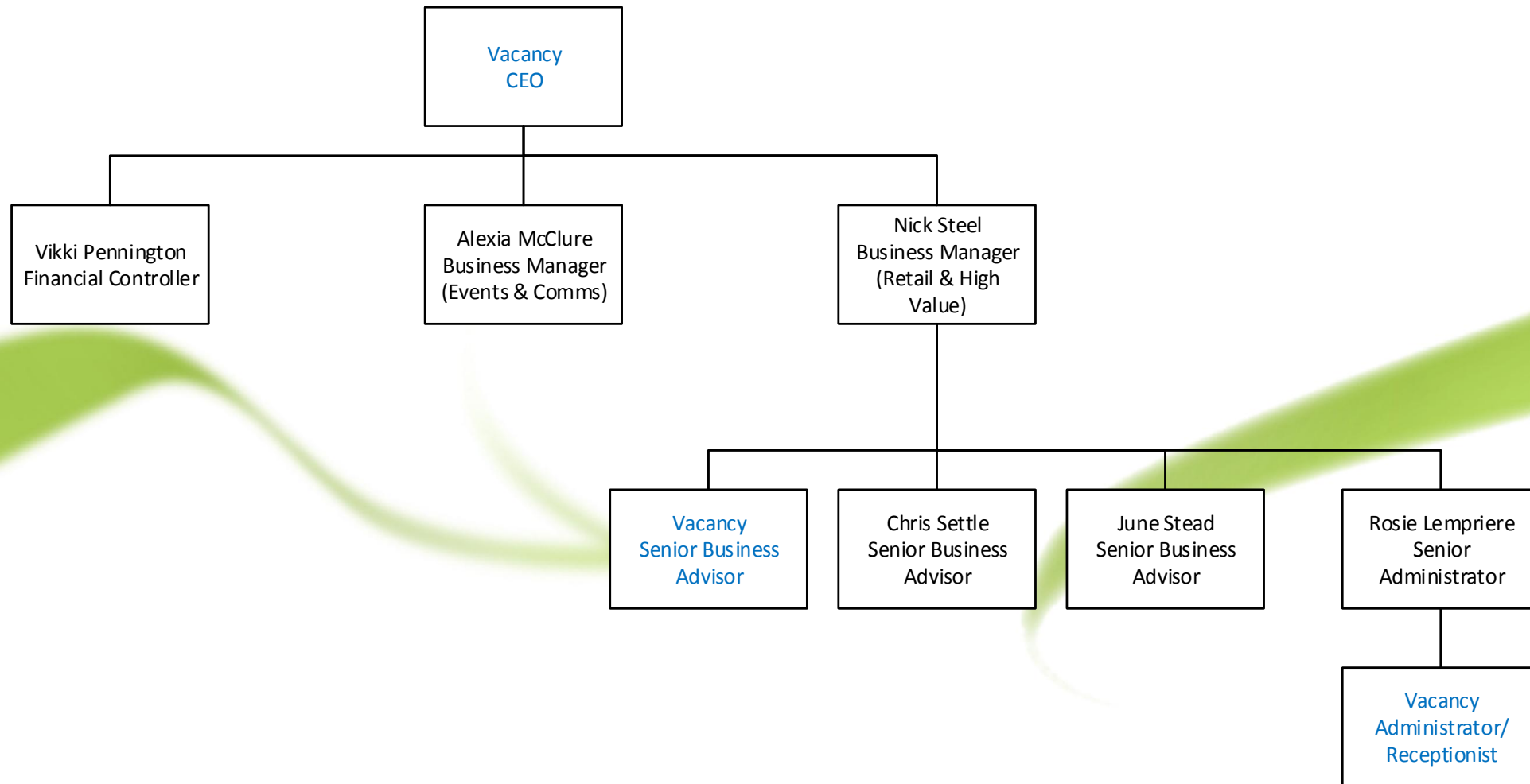
Finance & Budget

- Balance Sheet (to be provided)

Proposed Organisational Changes and CEO Recruitment


- Current organisational structure has been reviewed and changes moving into 2015 are proposed for consideration
- Proposed organisational changes on the next sheet with subsequent changes to the budget proposed – for discussion and agreement before taking formally to EDD
- Options for CEO recruitment
 - Repeat same process (advert, panel etc)
 - Defer the process, but initiate a headhunt for full or part time CEO
 - Develop an alternative management solution, perhaps with ongoing interim/part time CEO and expect existing team to step up

Organisational Change Proposal



	Proposed 2015 Budget	Estimated 2014 outturn	Change	Notes
Income				
SLA	825,000	710,000	115,000	Increase to cover expenditure
Other income	-	6,630	(6,630)	Don't expect any additional income
Total	825,000	716,630	108,370	
Manpower Costs			-	
Board costs	48,000	43,665	4,335	Minor increase due to WL and 3 year agreement is up in Feb for original board
Staff costs	510,000	361,380	148,620	Increase to cover 2 new headcount plus a performance related bonus for team
Total	558,000	405,045	152,955	
Operating Expenditure			-	
Professional fees	10,000	27,626	(17,626)	Large decrease, less need expected than 2014
Training	6,000	4,500	1,500	Modest increase to cover perceived need
ICT Costs	9,000	10,299	(1,299)	Modest reduction, don't expect to need to change ICT
Insurance	4,300	4,398	(98)	
Rent & Rates	33,000	31,942	1,058	Modest increase to cover any changes into 2015
Other Property Costs	10,000	10,505	(505)	
Heat, Light & Water	4,200	3,250	950	
Marketing	48,000	39,927	8,073	Substantial increase to effect significant increase in above the line comms and PR
Equipment hire	3,024	3,024	-	
Depreciation	11,000	11,000	-	
Other	8,000	10,366	(2,366)	
Total	146,524	156,837	(10,313)	Overall non-staff opex reduction from 2014
Programs and Promotions			-	
Grant funding/co-funding	120,000	56,987	63,013	Increase the level of grant funding/co-funding available
Promotional events	-	7,695	(7,695)	Removal of this line item (covered investment fund and enterprise week)
Total	120,000	64,682	55,318	
Total Operating Expenditure	824,524	626,564	197,960	
Net Operating Surplus/(Deficit)	476	90,066	(89,590)	Budgeting for no surplus/defecit
Jersey Enterprise Awards			-	
Income	187,000	180,440	6,560	Expect A4E to cover costs as well as enterprise week
Expenditure	187,000	178,999	8,001	
	-	1,441	(1,441)	
Net Surplus/(Deficit) for the Period	476	91,507	(91,031)	

Delegation of Authority

- Document attached to the Board Pack for review
 - Now we have a Financial Controller, we need to review levels of authority and ensure we have appropriate delegation across the organisation
 - Proposed DoA to be reviewed and agreed
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Events & Comms Update

- No formal E&C committee meet since the last Main Board or Awards for Enterprise
- Website development and analytics being worked on to support product roll-out and collateral development
- 2014 Survey has been commissioned to understand current brand perception
- Event programme for 2014-15 being developed around the core product themes
- Planning for 2015 Enterprise Week and Awards starting in August with a view to a paper for the Event & Comms meeting in September
 - Looking at a three year strategy rather than year-on-year planning
 - Involving suppliers in the developing the events at the planning stage
 - Want to engage with/confirm sponsors in late September in order that they get more involved particularly in marketing and PR planning

Services Rollout Plan

- Key that we understand and deliver consistent repeatable service
- Important to our ability to track and measure what we do and for whom – integrated closely into CRM processes and tools
- To that end we have defined and are developing 14 Jersey Business Services with more to come
- Services will roll-out with PR & Marketing alongside Guides, Blogs, Talking Heads, and Social media, recommended books and apps
- Services map against our Business Stages
 - Start-up
 - Improve
 - Grow
 - Exit
- And our four areas of focus
 - Strategy & Planning
 - Finance
 - Operations
 - Customers

Services Rollout Plan

	July	August	September	October
Strategy and Planning				
Service 1: Start-up advice and support	Drafting collateral	Defined and signed off	Launch, marketing & PR	
Service 2: Business Advice - Your Confidential Sounding Board	Drafting collateral	Defined and signed off	Launch, marketing & PR	
Service 3: Business Plan Development Support	Drafting collateral	Defined and signed off	Launch, marketing & PR	
Service 4: Company Winding Up Support	Drafting collateral	Defined and signed off		
Service 5: Access to Professional Services	Drafting collateral	Defined and signed off	Scope framework agreement	Launch, marketing & PR
Finance				
Service 6: Financial Planning Support	Drafting collateral	Defined and signed off	Launch, marketing & PR	
Service 7: Accounting for Beginners	Drafting collateral	Defined and signed off		Launch, marketing & PR
Operations				
Service 8: Property Advice & Support		Drafting collateral	Defined and signed off	Launch, marketing & PR
Service 9: Eco-Active Accreditation Support		Drafting collateral	Defined and signed off	Launch, marketing & PR
Customers				
Service 10: Digital Marketing Development Support	Drafting collateral	Defined and signed off	Launch, marketing & PR	
Service 11: Market Research Support		Drafting collateral	Defined and signed off	Launch, marketing & PR
Service 12: Branding & Packaging		Drafting collateral	Defined and signed off	Launch, marketing & PR
Service 13: International Sales Visits		Drafting collateral	Defined and signed off	Launch, marketing & PR
Service 14: Improving your Customer Service programme		Drafting collateral	Defined and signed off	Launch, marketing & PR

Emerging Themes

- Last year we repurposed Emerging Themes to hold the Investment Committee meetings
- Propose that we reinstate Emerging Themes, looking to the future for themes and agree what we should be supporting
 - September 16th 2014
 - December 9th 2014

Retail Plan

- Full “Retail Development Plan” attached to the pack for review
- Key points for Jersey Business extracted here – EL proposal is that we accept and assist the following providing that EDD make funds available
- Propose we agree to the “direction of travel”
- Propose NS to assist on an interim basis whilst resource is secured

Customer & Service Development				
Customer Service Training	An accredited scheme to be selected - 2 one day workshops in 2014, 6 in 2015	JBL	July	£2,000
Training events	Hold 1 events for 30 in 2014 and 3 events in 2015	JBL	July	£2,000
Set up templates for Facebook, Twitter, E-mail newsletters	Set up 50 outlets per year	JBL	July	£1,000
Digital Literacy Programme	6 to 10 retailers to be invited to join a programme to develop and improve their digital literacy. Coordinated by JBL and delivered with Digital Jersey graduate coders	JBL	Sep	£4,000

Any other business

- Date of next meetings:
 - Main board 18th November 2014
 - E&C 9th September 2014
 - FA&O 21st October 2014