

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

(13th Meeting)

19th February 2013

PART A

Present:

Mr P Funk (Chairman) (PF)
Mr J Box (JB)
Mr E Lincoln (EL)
Mr B Sarre (BS)
Mr A Sugden (AS)

In Attendance:

Mr A Cook, CEO, Jersey Business Limited (AC)
Miss A Maskell, AM to PM Secretarial Services (AM)

- Apologies** **IT WAS NOTED** that apologies were received from James Filleul and Matthew Robbins.
- Declarations of Interest** AS declared his interest in the Enterprise Strategy which was an item for discussion on the agenda.
- Minutes of Previous Meeting held on 20th November and 6th December 2012** The Board noted that the previous Part A minutes dated 20th November 2012 had been amended as discussed at the previous meeting and **IT WAS RESOLVED** that PF would sign them as Chairman.
IT WAS NOTED that the Part A minutes dated 6th December 2012 had been circulated with the agenda and, subject to a manuscript amendment on page 4 amending "the Enterprise Board" to "Jersey Enterprise" **IT WAS RESOLVED** that PF would sign them as Chairman.
- Matters arising** **IT WAS NOTED** that there were no matters arising from the previous minutes not covered elsewhere on the agenda. AC advised that now the Sub-Committees have been established the Board agenda would change slightly to include a review of what was discussed at those meetings and **IT WAS RESOLVED** that upon approval of the Sub-Committee minutes, they would be circulated to the Board.
- Report from the Finance, Audit and Operations Sub-Committee** **IT WAS NOTED** AC had circulated and presented his report and financial statements to the Finance, Audit and Operations Sub-Committee (F,A & O Sub-Committee) at its first meeting on 5th February 2013 copies of which had been circulated to all Directors prior to this meeting. As chairman of the F,A & O Sub-Committee BS provided the Board with an update from the first meeting.
He advised that the Partnership Agreement and Enterprise Awards were discussed at the F,A & O Sub-Committee meeting. However, as these appeared on today's agenda he would raise any relevant points at that stage.
- Operations Report** The Committee noted that a lot has been achieved in relation to staffing and premises recently and BS advised that a hand over is due to take place in

respect of 33 Gloucester Street shortly.

BS advised that the F, A & O Sub-Committee are still working on JBL's internal protocols and processes and these will be further developed when the four new members are staff start. In addition, the measuring of JBL's activity, quality and statistics will also develop with improved IT and additional staff.

Auditors/Lawyers **IT WAS NOTED** that the F, A & O Sub-Committee has appointed two lawyers to act on JBL's behalf: Stephen Crane for day to day issues and Ogiers for more detailed legal advice.

The Board noted that the AC has also met with three potential auditors and is meeting a fourth following this meeting. AC advised that he had asked all of the firms to submit their proposal by 4th March, following which he would circulate their proposals to the F,A & O Sub-Committee in order for them to take a view on who to appoint as JBL's Auditor.

Finance & Budget BS advised that the F, A & O Sub-Committee proposed to discuss the budget and accounts in further detail at their next meeting. The Committee noted that the draft management accounts indicated a surplus of income over expenditure of £34k as at 31 December 2012. AC stated that it was likely that further accruals would be required when he prepared the financial statements after which he expected the surplus to be in the region of £25k. Consideration was given to the requirement of JBL to maintain a surplus for cash flow purposes.

Whilst recognising that the draft management accounts are likely to change, the Board noted the following details for the year ended 31 December 2013:

Income - £352,384

Manpower Costs - £122,854

Revenue Expenditure - £231,258

Capital Expenses and Prepayments - £87,054

Net Surplus for the year - £34,072

AGM/Stakeholders Meeting AC advised that he would like to hold a "meet the team" evening for Shareholders, Directors and Staff. By doing so he hoped to be able to organise an EGM where the Board would invite Shareholders to amend the Articles of Association to remove the restriction on the number of Directors that JBL is entitled to have so that additional directors, in particular someone with a financial background, can be appointed. It was also noted that the Board was unable to appoint AC as a Director due to the restriction. AC hoped that after an EGM, it would be possible to carry out the transfer of shareholder from the Chairperson of Jersey Business Venture to the President of the Chamber of Commerce. AC also hoped that he could arrange for the new staff of JBL to be present to meet the Board and Shareholders. The Committee noted that it was proving difficult to schedule so many diaries in February. **IT WAS THEREFORE RESOLVED** that AC would try and coordinate the meeting for March and if this was not possible, hold a separate shareholder meeting when convenient.

Action Plan Timelines The Board discussed progress against the JBL Action Plan included in JBL's Business Plan. AC had circulated with the Agenda his report including his view of percentage of progress against planned actions. AC advised that the report had been reviewed by the F, A & O Sub-Committee but had been circulated to

all Board members in order for the Directors to raise any issues that they may have.

EL expressed his concern that a number of the actions had not reached 100% and stressed that the Action Plan Timeline should be a key measure of how well the business is operating and whether additional support is required. He queried if when writing the initial actions the Board were too optimistic or whether AC requires assistance from the Board in order to achieve the actions listed. He stressed that reading the document as it stands without any additional detail is a worry to him as it indicates that JBL have failed by not completing certain actions within the required timeframe.

AC stated that he was not concerned by the percentages and explained that operational delays have occurred on a number of actions due to larger projects such as the Enterprise Awards taking priority. In addition the lack of resources available to him and the extended process for recruiting staff required by the Board had also caused delays. He also pointed out that although four new members of staff have been recruited, their start dates in April and May will have an impact on what he is able to deliver in Quarter 1. AC stated that he remained optimistic that they could still deliver the key actions included in the plan by the year end.

JB suggested that whilst he recognised that there would be variations between what was planned and actual what was important to him was to know if such delays increased the overall risk of achieving the task. He suggested that the percentages could be RAG rated (red, amber, green) to provide an indication of a change in risk. In addition, BS noted that there was a lack of priority in the timelines and this should be rectified as it is sometimes necessary to focus on the more important actions first.

EL suggested that Action Plan should be updated now that the start dates of the four new staff are known and treat the plan as a "live" document from which actions can be added or removed on a monthly or quarterly basis, prioritising them accordingly. However, AC stressed that Plan has already been published and the detail contained therein is what JBL has put into the public domain and against which it needs to report its progress. AC agreed that the RAG rating would be helpful and would enable the Board and the public to interpret the document more easily. He accepted that if actions are not achieved valid reasons should be given and suggested that this should be expanded in his written report. However, he stressed that it would not be acceptable just to "restate the base line".

PF queried how JBL can measure the actions that have not yet been achieved and the Committee agreed that a risk profile such as the RAG rating would be useful for this purpose. **IT WAS RESOLVED** that AC would raise any issues (i.e. those that are not green on the RAG rating) in his Operational Report in order to highlight them to the Board who can then assist in rectifying them.

EL asked what mechanism is in place to measure AC's success and to ensure that JBL's strategic objectives have been met if the Plan isn't followed. AC stated that later in the Agenda he was proposing that the date set aside for the first Emerging Themes meeting (scheduled for 19th March 2013) be used to discuss the strategic objectives for 2014 and that he wanted to include the issue of workable KPI's as part of that discussion. **IT WAS RESOLVED** that the

issue of performance measurement would be discussed alongside the Board's proposals for key strategies at the suggested meeting.

**Report from the
Events &
Communications
Sub-Committee**

In the absence of Matthew Robbins, AC updated the Board on the recent Events and Communications Sub-Committee ("E&C Sub-Committee") meetings. **IT WAS NOTED** that a launch event was held on 25th January 2013 to launch the awards and the website came online on 29th January 2013.

AC advised that seven sponsors are now confirmed and he is in negotiations with another two. **IT WAS NOTED** that the budget total for sponsorship was £144,500 and the current shortfall was £44,500 and that even if the current negotiations resulted in sponsorship it is likely that there will be a shortfall of £20,500. The Board expressed considerable concern with the shortfall and PF suggested that JBL should raise the issue with EDD to try and obtain an underwriting of costs.

IT WAS NOTED that the budget included costs for £194,500 including a speaker, £15,000 for promotional costs and £50,000 revenue for ticket sales. It was noted that whilst free tickets will still be available to sponsors the number of free tickets available to EDD will be significantly reduced this year.

AC advised that communications had been issued with regard to JBL's move to The Parade, the issue of the Business Plan and the launch of the Enterprise Awards and **IT WAS RESOLVED** that an announcement would be released when the new staff start.

Business Plan 2014

AC advised that consideration needs to be given to preparing the 2014 Business Plan. In accordance with the Partnership Agreement it needs to be submitted to EDD by the end of the end of June. However, **IT WAS NOTED** that EDD would require indicative numbers by the end of May 2013 to ensure that it aligns with the States of Jersey budget requirements.

The Committee noted that AC was not anticipating many changes to the Plan but advised that any changes need to be notified to EDD. In particular, he explained that if JBL needs any funding over and above the current Plan it must be submitted by the end of May as it would be considered against competing demands.

**Partnership
Agreement with
EDD**

IT WAS NOTED that the final version of the Partnership Agreement has been circulated and reviewed by the Board. PF advised that a meeting has been scheduled for 20th February 2013 with EDD in order to sign the agreement and following that, the first tranche of funding will come through.

**Election of Deputy
Chairman**

PF advised that the issue of a Deputy Chairman still requires resolution as he believes a line of succession is important. **IT WAS RESOLVED** to wait for the appointment of an eighth director and consider if the duty of Deputy Chairman would be part of their role.

**Policy Review –
Enterprise
Strategy**

IT WAS NOTED that the latest draft of the Enterprise Strategy had been circulated to the Board for their review. AS advised that the Strategy has not gone out for public consultation but has been previously circulated to JBL and been commented on by the Board but stressed that their further opinion should also be given at this stage.

EL advised that his initial view of the strategy was that it was very "sanitised" and "clunky" and although some aspects of it were very good he questioned how the strategy will be achieved and believes that someone will be needed to

coordinate it. In addition, he feels that technology should play more of a key part in the strategy.

IT WAS RESOLVED that the directors would forward bullet point-type comments, strengths, weaknesses, opportunities and threats on the Strategy by the end of the month to EL who would then meet with AC to collate them and send them to EDD.

**Any Other
Business**

AC advised that there are two potential topics for discussion at the Emerging Themes meeting scheduled for 19th March 2013: (1) access to funding and (2) barriers to business. He explained that he does not believe it is appropriate to consider (1) at present due to the on-going discussions with regard to the Innovation Fund and in respect of (2) he wanted to find out more about what government are already doing so that JBL does not waste time on certain aspects that are already in hand. He therefore suggested that (in view of the fact that the Business Plan needs to be submitted by May and the performance of JBL was raised earlier in the meeting) the 19th March meeting is used to set the strategic direction of JBL for 2014 and to define JBL's measure of performance instead. **IT WAS THEREFORE RESOLVED** to meet on 19th March 2013 to discuss actions from the existing business plan and pin down how to measure them. **IT WAS FURTHER RESOLVED** that the 18th June 2013 Emerging Themes meeting would focus on "access to funding".

PF advised that on 6th February 2013 AC and PF were interviewed by the Scrutiny Committee with regard to the Innovation Fund who were looking for endorsement of the Fund from industry. PF and AC also met with the IOD Industry Committee on 12th February 2013 which proved very useful. **IT WAS RESOLVED** that upon receipt of the transcript of the Scrutiny Committee meeting PF would forward a copy to the Board.

**Date of Next
Meeting**

IT WAS NOTED that the next Board meeting would take place on 21st May 2013 at 9am at JBL.

Termination

There being no further business to discuss, the meeting was closed at 1040pm.



Chairman

10 December 2014

Date Signed

