

WL/AM/JB/29

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

(29th Meeting)

25th May 2016 at 9am

- Present:** Mrs W Lambert, (WL)
Mr B Sarre (BS)
Mr J Box (JB)
Mr A Sugden (AS)
Mr G Smith (GS)
Mr J Day (JD)
Mrs K Le Feuvre (KLF)
(the "Directors")
- In Attendance:** Miss A Maskell, AM to PM Secretarial Services (AM)
Mr G Price, Board Apprentice (GP)
- 1. Welcome and Apologies** WL welcomed everyone to the meeting, in particular JD and KLF who had recently been appointed Directors. Apologies from Eliot Lincoln were noted.
- 2. Chairperson** **IT WAS RESOLVED** to appoint WL chairperson of the meeting.
- 3. Declarations of Interest** There were no additional declarations of interest. GS reported that the declarations of interest schedule is updated on a regular basis and confirmed that the declarations received from KLF and JD have been added to the register, a copy of which is available for review by the Directors at any time if required.
- 4. Minutes of previous meeting** The previous minutes dated 9th March 2016 had been circulated with the agenda and **IT WAS RESOLVED** to approve them, subject to a number of minor amendments.
- 5. Matters arising** The Board reviewed the summary of action points (a copy of which had been circulated with the agenda) as follows:
- (a) **Premises** – GS reported that following a discussion with BS it has been agreed to defer any further discussions regarding premises until the outcome of JBL's bid to the Economic and Productivity Growth Drawdown Provision Fund (EPGDPPF) was known, given the potential impact on staff numbers. **IT WAS NOTED** that in order to exit the current premises in December 2017 JBL will need to give notice in March 2017.
- (b) **Non-Executive Director Vacancies** – **IT WAS NOTED** that the recruitment was now complete the result and JD and KLF have been appointed.
- (c) **Video initiative analysis** –**IT WAS RESOLVED** that GS would present a paper on the findings of the video initiative once sufficient feedback had been obtained.
- (d) **Presentation by Ian Skinner (IS)** – **IT WAS NOTED** that Ian Skinner presented to JBL staff (and WL and JB) on Jersey's long-term strategy. GS reported that IS will now circulate a questionnaire to the wider public and he

suggested that JBL should encourage its clients and contacts to take part in this. He therefore proposed promoting it via social media and its website and suggested that the Directors could also direct their personal and business contacts to the questionnaire.

(e) **2015 Report and Financial Statements** – GS confirmed that the 2015 Report and Financial Statements have now been finalised.

(f) **Staff Handbook** – The Board noted that following a formal tender process a local law firm has been appointed to review JBL's Staff Handbook on an on-going basis. They have also been asked to review the Directors Service Agreement (DSA) and Staff Contracts and, as a result, the Directors will shortly be asked to sign new DSA's.

6. JBL Presentations

IT WAS NOTED that GS recently presented to the Economic Policy Officer Group which consists of the Chief Officers of all States of Jersey (SOJ) departments. GS advised that the presentation he made (a copy of which was circulated with the agenda) was based on JBL's 2016-2019 Business Plan save for the last page which provides details of what JBL propose doing if funding from the EPGDPF is forthcoming.

The Board noted that GS was also asked to present to the Economic Oversight Committee which consists of a number of senior politicians including Ian Gorst, Lyndon Farnham (LF), Alan Maclean, and Paul Routier for which the same presentation was used.

GS reported that both presentations were well received and felt it was a very useful exercise ahead of our EPGDPF bid.

IT WAS NOTED that GS gave a further presentation to LF and his Ministers on Monday 23rd May 2016 at which LF expressed his support for JBL's EPGDPF bid. **IT WAS RESOLVED** that GS would provide JD and KLF with a copy of JBL's EPGDPF application.

7. 4Insight Feedback Process on Awards for Enterprise

IT WAS NOTED that 4Insight were engaged to help us review feedback on the future of the Awards for Enterprise event. The final report is expected in two weeks' time and GS proposed discussing the "raw" detail of this at a specific ad hoc meeting of the Board and thereafter reviewing it as a working group. BS queried whether JBL proposed focussing solely on 4Insight's report or whether the JBL staff were also reviewing the process. GS confirmed that the JBL staff are involved and that he would invite Rosie Lempriere (RL) and Alexia McClure (AMC) to the ad hoc Board meeting mentioned above. However, he stressed the importance of undertaking an independent review.

IT WAS RESOLVED that GS would arrange an ad hoc board meeting to discuss the results of 4Insight's report to also include AMC and RL.

The date of any future awards event was briefly discussed and it was agreed that careful consideration should be given what time of year the event should be held in order to avoid clashes with other events. However, GS stressed the importance of considering the event from a JBL perspective, noting that JBL is not an events planning business. He proposed that the Board should start with a blank piece of paper when discussing the awards and suggested

that it was unlikely that a decision would be reached in one meeting. The Directors agreed that if no firm agreement can be reached between them, GS would be asked to put a number of alternative proposals together on which they can vote.

8. Enterprise Week

The Board noted the high level key facts on Enterprise Week which GS circulated by email on 24th May 2016 and GS advised that a more detailed report would follow following a review of the feedback surveys. **IT WAS NOTED** that very positive feedback had been received from LF.

GS provided the Board with a summary of the week's events. **IT WAS NOTED** that whilst the opening event was very positive, JBL faced challenges when the two main speakers were unable to travel to Jersey due to fog. A decision was made for them to present by telephone and whilst this worked well for the first speaker it was not quite as successful for the second. WL suggested that going forward JBL should be provided slides a week in advance to ensure they are "on point".

IT WAS NOTED that the retail event was sold out, showing the importance of such a high calibre speaker from the UK as was the case with Peter Edwards.

The Board noted that together with Visit Jersey, JBL hosted an event at Tamba Park which included three practical workshops. **IT WAS NOTED** that this proved very successful with approximately 50 people attending.

GS reported that despite some organisational challenges, the joint event with Digital Jersey involving Gerald Voisin and Neil McClusky went well with approximately 45 people in attendance. JD and KLF advised that they received a cancellation notification from Eventbrite for this event and **IT WAS RESOLVED** that GS would look into this.

The Board agreed that the event which coincided with a Chamber lunch at which e-Spark and the CEO of RBSG presented was a success albeit KLF suggested that the event overran slightly, noting that attendees of Chamber lunches are used to them being very well timed.

GS reported that three pitching workshops were scheduled with e-Spark but only two took place as a result of low attendance for the earlier session. He explained that JBL and RBSI were asked to engage clients but this was difficult to achieve. Nevertheless, he advised that the feedback received from those who attended was very good. **IT WAS NOTED** that approximately 30/40 attended the first workshop (including some staff from RBS) and 70/80 attended the second.

The Board discussed the potential of e-Spark establishing a hub in Jersey and it was agreed that this was unlikely, although some aspects of the service could be offered. JD reported that at an open forum hosted by e-Spark for entrepreneurs, e-Spark expressed their disappointment at the level of interest received in Jersey and accepted that if they opened a hub in Jersey it would probably struggle re numbers/ scale. However, they would still welcome the opportunity to help Jersey attract high growth and suggested creating a virtual, remote or satellite office.

GS proposed that Jersey should “cherry pick” certain parts of e-Spark’s service which would work in Jersey. He added that RBS staff are often seconded to e-Spark hubs and suggested that once they have gained this expertise they could be seconded to JBL in order to share their knowledge.

GS reported that the Head of RBSI Retail/ Business Banking for the Channel Islands shares his views with regard to e-Spark and **IT WAS THEREFORE RESOLVED** that he would follow the matter up with him with a view to JBL collaborating with RBSI and e-Spark in the future. GS expressed the hope that this collaboration would form part of JBL’s high growth strategy and that some funding will be received to support it.

**9. Finance & Audit
Sub Committee**

IT WAS NOTED that the management accounts, management information commentary and the Finance and Audit Sub-Committee minutes (dated 20th April 2016) had been circulated with the agenda and BS provided the Board with a summary of the current financial position. He reported that there was a favourable variance of £2,500 against budget in respect of costs.

IT WAS NOTED that the F&A Committee requested an update on the status of the various programmes and GS advised that these are reported in a similar way to the accounts showing the position against budget and the date by which the money has to be spent. He added that details of the various programmes are included in the quarterly updates provided to EDD and **IT WAS RESOLVED** that GS would include the Directors in this distribution going forward.

JD requested an explanation, at a high level, of the Retail Development and other Programmes and WL advised that details of these were included in the Business Plan. GS advised that an explanation was also included in the monthly updates provided to EDD and he invited JD to ask any further questions as required.

GS acknowledged that JBL were currently behind in terms of the Programmes. However, he explained that this was intentional pending the outcome of the funding application to the EPGDPF.

**10. States of Jersey
(SOJ) Internal
Audit**

GS advised that BDO on behalf of the States of Jersey’s Internal Audit process visited the office the previous day, Tuesday 24th May 2016. This was a follow up visit to the previous one in 2013/2014 that had been discussed at the board previously. **IT WAS NOTED** however that GS and WL were not previously aware of this report and the relevant findings as this was prior to their appointment and unfortunately they had not been briefed after joining.

IT WAS RESOLVED that once the follow up report is available GS will share this with the board along with his comments and recommendations.

**11. Board
Evaluation
Process**

The Board noted the template self-assessment review form, a copy of which was circulated with the Board Pack. The Directors agreed to the principle of undertaking an assessment of their performance. However, it was agreed that the wording on the form should tie into the revised directors’ service agreements to ensure that it fits with the obligations set out therein. **IT WAS THEREFORE RESOLVED** to review the form in line with the agreements and

amend it appropriately with a view to implementing an assessment process in due course.

12. Operations Report

GS summarised the Operations Report, a copy of which had been circulated with the Board Pack. He noted that work on Sales Force is on-going to ensure consistency among the users.

IT WAS NOTED that GS is continuing to work on creating a Professional Partners Panel: he has now met with approximately 20 accountants, lawyers and HR Professionals who will benefit from referral opportunities when the panel is fully launched and the partners will be asked provide value/input to JBL in return. GS advised that the new website will include a partners' portal.

The KPIs were reviewed and GS provided an update on the same. He reiterated that progress on various programmes were slightly delayed pending the outcome of JBL's bid to the EPGDPF and the impact that would have in accelerating our plans.

Client allocation was briefly discussed and GS advised that this is dependent on the nature of the client. **IT WAS NOTED** that a weekly staff meeting takes place when all recent client meetings are discussed. Whilst specific advisors are allocated as lead for each client we always ensure they involve others in order to share their knowledge.

In answer to a question from JB, GS confirmed that the reports provided in the Operations Report are automatically downloaded from Sales Force and invited the Board to contact him if they required any specific details. BS suggested that a regular "soundbyte" of JBL's key themes would be interesting. JD agreed, noting that this would highlight any projects that JBL should be addressing and enable appropriate PR to be undertaken. WL suggested that LF would also welcome sight of an informal update in this regard. **IT WAS THEREFORE RESOLVED** that GS would prepare this going forward and circulate it to the Board and LF.

13. Risk Register

The Board reviewed the Risk Register and GS summarised the major movements which have taken place since the previous review as follows:

Facilities Management – GS reported issues are being experienced with the air conditioning. However, under the terms of the lease it is JBL's responsibility to fix them, the cost of which is significant. BS advised that a brand new air conditioning system was installed when JBL moved in. **IT WAS THEREFORE RESOLVED** that GS would revert to the warranty/installation company accordingly.

Data Management/Business Continuity – GS suggested that consideration be given to JBL's risks in terms of cyber security and JB noted that the IOD now recommend that every Board should have a cyber-related committee due to the risks involved. The matter was discussed in detail and **IT WAS RESOLVED** that GS and JB would work together on the following actions:

- 1) researching appropriate insurance to cover JBL against potential cyber

- attacks;
- 2) the creation of a disaster recovery plan;
 - 3) undertaking a cyber security audit;

establish whether JBL has an appropriate back-up process in place (particularly given we use Office 365),

- 4) and provide an update at the next meeting.

The implications of “Ransomware” were discussed and BS stressed the importance of user training in this regard.

Governance – GS noted that he had increased the risk score for this item to 3 pending the results of the recent visit from the Internal Auditor.

WL queried why the EDD Grant Support risk remained “amber” and GS responded that there are likely to be challenges around budgets going forward with savings having to be made. AS suggested that Sean Pritchard would be in touch shortly following sign off of the MTFP this week. He added that when this is signed off by the SOJ in September JBL should have an indication of their funding for the next three years.

14. Any Other Business

Retail Development Group (RDG) – GS advised that JBL received funding from EDD over the last three years to support the Retail Development Plan. He explained that part of this initiative was to establish a group representing the retail industry in a similar way the Jersey Construction Council supports the building industry. The RDG was therefore established and it has recently submitted a bid to the EPGDPF in order to further support it going forward (JBL assisted with the submission). Unfortunately, LF has indicated he will not be able to support the bid in its current form. Representatives of the RDG are due to meet LF on Friday, 27th May to discuss the matter and he expressed the hope that LF will consider funding at least part from the Departments main budget.

Farm Jersey – AS reported that (subject to final approval) Farm Jersey will become part of Genuine Jersey structure. **IT WAS NOTED** that consideration may be given to inviting one of the JBL team on to the board of Genuine Jersey and the Board agreed that any conflicts in this regard would need to be managed accordingly.

Partnership Agreement Timelines – BS noted that the Partnership includes a number of dates by which certain actions must be completed (e.g. the provision of accounts to EDD by June). He suggested that it would be useful for the Board to have a summary of these so that they are mindful of them. GS confirmed that the accounts have been submitted to EDD and agreed to provide a summary of the dates for the Board.

Jersey Innovation Fund (JIF) – Referring to the KPIs, JD queried why the number of JIF applications dropped in 2016 compared to 2015 and GS responded that the flow of applications has been significantly slower in 2016. Furthermore, the JIF process is due to be reviewed by Government which he believes will result in some fundamental changes. The Board acknowledged that JBL cannot control the number of applications received by JIF. Therefore

the figure was more of a volume statistic than a true KPI.

European Data Protection Law – JB advised that a new Data Protection Law which was ratified in the European Parliament in 2015 came into effect two weeks ago. He reported that this has significant implications for any businesses interacting with/ holding personal data on European entities/individuals (particularly children). Furthermore, he advised that the fines were significant (£10m at the lower end of the scale). **IT WAS NOTED** that every EU state will have to comply with the law by May 2018 and (assuming the UK stay in the EU) this will include Jersey. Therefore, the Jersey Data Protection Office has started to prepare new local legislation. JB advised that preparation of a new law could take 12 months but if the Jersey law is not revised, businesses dealing with European entities will be required to comply with the European and the Jersey Law. He therefore suggested that JBL should lobby for preparation/implementation of the legislation to be a priority and highlight the implications of the new legislation within the business community. **IT WAS RESOLVED** that JB would circulate details of the new law to the Board with a view to discussing the matter in more detail at the next meeting.

15. Date of Next Meeting

IT WAS NOTED that the next meeting was scheduled for 6th July at 11am.

There being no further business to discuss, the meeting was closed at 11.10am.

W. Chamberlain

Chairman

23.1.18

Date Signed

Actions

- 1) GS to present findings on video initiative analysis to Board at next meeting after the full feedback is available
- 2) GS to provide KLF and JD with a copy of JBL's application to the EPGDPF
- 3) GS to schedule an ad hoc board meeting to discuss the results of 4Insight's report on the enterprise awards and include Rosie Lempriere and Alexia McClure
- 4) GS to look into why the Eventbrite invitation for the Digital Jersey/JBL event during Enterprise Week was cancelled
- 5) GS to follow up with the RBSI Head of Retail and Business Banking on a possible collaboration between RBSI, JBL and e-Spark
- 6) GS to include the Board when distributing the quarterly Programme updates to EDD
- 7) Review the self-assessment form in line with the Directors' Service Contracts and update accordingly
- 8) GS to report a quarterly "soundbyte" of JBL's key themes for the Board/LF
- 9) GS to contact the company who installed the air conditioning/review the warranty

- 10) GS and JB to work together on completing the actions around cyber security/disaster recovery
- 11) GS to prepare a list of Partnership Timelines for the Board's information
- 12) JB to circulate details of the new European Data Protection Law