

AJ/AM/JB/42

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

(42nd Meeting)

8th November 2018 at 9am

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

In Attendance: Mrs V Eastwood (VE) (Board Apprentice)
Aimee Maskell (AM), AM to PM Secretarial Services (AM)

1. **Apologies** – No apologies were noted.
2. **Chairperson** - **IT WAS RESOLVED** to appoint AJ chair of the meeting.
3. **Declarations of Interest** – JC declared that she had recently been appointed Vice Chair of the Chamber of Commerce with a view to taking on the Presidency from May 2019. The Board congratulated her on her appointment and **IT WAS RESOLVED** that GS would update the declarations of interests register accordingly. **Action: GS**
4. **Minutes of previous meeting** - **IT WAS RESOLVED** to approve the minutes dated 23rd May and 19th September 2018.
5. **Matters Arising** – The Board welcomed the use of photographs from Enterprise Week which had been uploaded as a montage on to the website. However, it was agreed that this would have been more effective with a voiceover rather than music. Whilst, this was acknowledged by GS, he explained that this would have required more budget.

The importance of demonstrating to the value of Enterprise Week to stakeholders was noted and AJ proposed using any potential marketing under spends in November and December to create a "snapshot" to highlight what action has been taken either 50 or 100 days since the event. GS acknowledged that output from Enterprise Week has possibly not been as visible as it should have been but due to ongoing 2019 budget pressures he did not recommend allocating any underspends at this stage.

IT WAS NOTED that a key theme of Enterprise Week was the development of a work place plan and GS proposed that whilst this should be reflected in a JBL 2018 review, it was not a JBL message. He suggested that JBL should be more about activity and how this can be supported and explained that Enterprise Week is not necessarily aimed at JBL's client base JBL. Nevertheless, he believes it should still be associated with the development of a work place plan. **IT WAS THEREFORE RESOLVED** that he would push out key themes from Enterprise week using relevant articles in January, February and March to ensure JBL's involvement remains in people's minds. **Action: GS**

The Board also agreed a programme should be developed to promote the key themes that came out of Enterprise Week. Furthermore, from early January JBL should start to "tell the story" for 2019 and **IT WAS RESOLVED** that GS would present ideas to the Board about how these can be achieved (e.g. events). **Action: GS**

Resource was discussed and GS reported that it was difficult for the team to find the time to work on promotion/marketing when they were already under pressure working to support clients. Consideration

was given to outsourcing the marketing of Enterprise Week / JBL to an agency. GS noted that Orchid had previously been engaged by JBL. However, this still requires input from the team and significant budget. He therefore proposed including an amount for marketing in next year's Enterprise Week's budget for the same as he accepted that it was important to leverage from what was a great event but stressed that JBL's finances are currently very tight month to month.

The Board suggested various ways JBL could promote Enterprise Week including approaching an agency with a limited budget and timescale; engaging student support; and engaging tech start up support (i.e. converting JBL data into useful promotional sound-bites). GS suggested that consideration could also be given to recruiting additional staff. He reported that Daniella Perotte (DP) had recently returned to JBL on a part-time basis and noted that she may be able to assist. He reiterated that a larger budget should be allocated to marketing Enterprise Week next year with part of it being used for promotional activities post-event.

AJ stressed the importance of JBL securing long-term funding and suggested that in order to achieve this JBL must highlight what it is doing. He noted that on Monday it will be 50 days since the end of Enterprise Week. Although he acknowledged how busy the JBL staff are, he proposed that JBL send out a post on social media on Monday asking how people are progressing with their work place plans.

The Board welcomed JBL prioritising its clients over self-promotion. However, it was agreed that self-promotion needs to become more of a priority in order to secure funding as this is required enable JBL to support its clients going forward. GS reassured the Board that JBL is working more closely with the "decision makers" in the States. However, AJ stressed that more needs to be done to promote JBL in the wider public audience and suggested that consideration should be given to spending £1k-£2k on this now with a view to including it in the budget for next year. He added that more testimonials from clients were required so that they can promote JBL more.

IT WAS RESOLVED that GS would present a paper to the Board with a long-term strategy on what JBL can do to better promote itself and the most effective way to doing it. However, he stressed the importance of managing expectations, noting that funding would be required for this and he was therefore nervous about doing too much promotion without increasing resource. **Action: GS**

In answer to a question from JC, GS reported that he has a session scheduled with Alexia McClure to discuss JBL's marketing strategy for 2019.

6. Year to Date Financial Review – The Board reviewed the financials as at 31st October 2018, copies of which had been circulated with the agenda. **IT WAS NOTED** that a deficit of £8k is now forecasted compared to a budgeted deficit of £36k and GS explained that this was mainly due to DP not being replaced, although, as noted above, she is now back with JBL on a part-time basis.

The Board noted that costs are well controlled with the only variance against budget being staff costs. JC queried the costs of £36 and £30 in August and September in relation to Health and Safety and **IT WAS RESOLVED** that GS would revert in this regard. However, he reassured the Board that no health and safety issues had been experienced. **Action: GS**

AJ noted that Health and Safety expenses were listed twice in the profit and loss account. He added that desktop assessments for staff were last undertaken in 2015 and queried when it was proposed to re-do these. GS advised that DP undertook the previous assessments and agreed to ask her to make arrangements to re-do them. **Action: GS**

In answer to a question from AJ, GS advised that no increases were expected against the November and December forecasts and confirmed that JBL were working to budget.

7. **Pay and Reward – Decision** - GS left the meeting at 9.35am and the Board discussed the appropriate pay increase to award JBL staff, details of which are recorded in a separate “B” minute.

GS was invited back to the meeting at 9.45am and advised of the Board’s decision.

8. **2019 Budget Scenarios** – GS summarised the 2019 Budget, a copy of which had been circulated with the agenda. He reported that 2019 Budget has been reduced to £725k in line with the MTFP. However, in order to maintain BAU from 2018, JBL requires a further £65k. GS advised that he has advised both Lyndon Farnham (LF) and Dan Housego (DH) of this and he is scheduled to meet with LF on 21st November 2018. He noted that DH has indicated that LF is likely to approve this additional £65k. However, it may have to be funded from elsewhere and until this is confirmed, GS proposed working on the assumption that next year’s budget will remain at £725k.

IT WAS NOTED that GS and DH are now meeting on a monthly basis and arrangements have also been made for DH, GS, LF and AJ to meet on a quarterly basis which the Board agreed was positive.

GS reported that Charlie Parker (CP) is keen to develop an Enterprise Strategy and he asked for JBL to be included in work Deloittes are undertaking in this regard as he sees JBL as a key partner. GS noted that this was well received by Deloittes and expressed the hope that some budget may be forthcoming as a result of JBL’s involvement.

The Directors welcomed a one page document summarising what JBL would do in the event that additional budget is received to ensure that a consistent response is given if asked. **IT WAS THEREFORE RESOLVED** that GS would re-circulate his “pitch” paper which sets out what can be done with a core budget, plus what any extra budget would allow JBL to do by way of additional programmes and initiatives and the Board would revert to him with any comments they have on how they would describe their “alternative pitch” in the event that additional funding was available. Thereafter, GS will prepare a joint paper to ensure a consistent message. **Action: GS**

The Board discussed alternative funding sources to which JBL could apply and GS advised that JBL had received funding for skills training from a fund established from licence fees. He reported that a further application had been made to this fund for another programme of training and **IT WAS RESOLVED** that he would provide an update on this at the next meeting. **Action: GS**

GS suggested that going forward the Jersey Retail Association (JRA) will need to contribute towards premises/office costs, noting that JBL currently supports them. He added that discussions have also taken place with the Jersey Hospitality Association (JHA) and Genuine Jersey about the possibility of renting space at JBL which could result in some additional income, albeit not substantial. However, AJ suggested that if receives extra budget to appoint additional resource it may be able to support them.

AJ expressed concern regarding the proposed increase in insurance for 2019. However, GS reassured him that this was only an estimate at this stage. He added that an audit was undertaken of all fixed costs last year which resulted in re-tenders and cost savings.

The possibility of charging for events/training was discussed. GS noted that there was a fee for attending the incorporation course and Enterprise Week events whereas JBL’s core services are free. He acknowledged that whilst he was nervous about JBL charging, it does where it can. Consideration was given to charging a membership fee to clients who use JBL. However, GS suggested that this would be difficult to manage. In answer to a question from JC, GS confirmed that sponsorship is received for Enterprise Week, albeit that the Enterprise Awards (for which sponsorship was received) were stopped some years ago due to the significant risk this event had on JBL’s P&L. AJ expressed concern that going forward the States may ask why JBL is not self-generating any income. He therefore stressed the

importance of having a good reason for not charging for JBL courses/events.

JC proposed that JBL form partnerships with commercial and non-commercial organisations who have available funding and GS reported that part of the High Growth Pilot was the “access to finance” programme which included someone from one of the banks being seconded to JBL to provide support in the financial space. This was welcomed by the Board and it was suggested that a similar approach could be taken in respect of marketing around Enterprise Week and JBL (as discussed above). However, although they are very good at doing this, GS explained that input would still be required from the JBL team to oversee and control this. He therefore proposed that additional resource was required first. AJ queried whether the 2019 budget for Enterprise Week was sufficient and GS agreed that additional budget should be allocated to market it. However, he suggested that the appointment of an additional part-time member of staff rather than engaging an agency would be a more beneficial way of utilising this.

AJ proposed using the guests from Enterprise Week for more promotional work (e.g. tweeting about JBL or providing voice overs following the event). However, GS advised that although every effort was made in this regard, their agents charge for any additional work. That said, he accepted that any additional costs in this regard would be good value. **IT WAS THEREFORE RESOLVED** that GS would present a plan for Enterprise Week next year with a view to agreeing an increased budget for the same. **Action: GS**

Timing of Enterprise week was briefly discussed and AJ proposed liaising with the IOD to try and link it with the IOD debate again next year. GS reminded the Board that this year’s Enterprise Week was moved from May to September due to the elections. However, he suggested that it was too soon to arrange next year’s event for May and due, to the success of this year’s event, it is proposed to hold 2019’s event after the school holidays again.

JC proposed encouraging other organisations to hold their own events during Enterprise Week. However, GS advised that although this has been done historically, it has resulted in JBL taking control to ensure they are up to standard.

As noted above, GS anticipates receiving some additional budget in relation to JBL’s involvement in the Enterprise Strategy. However, he does not believe that will be forthcoming in the short term. He therefore proposed that focus should be placed on increasing the budget for Enterprise Week and demonstrating value for money. Referring to the latter, GS advised that David Edwards from Visit Jersey has provided him with the details of a number of third parties who can provide assistance in this area, noting that they are able to undertake a review to ensure the right data is being collected. However, he suggested that a specific funding request will need to be made for this. **IT WAS THEREFORE RESOLVED** that he and AJ would discuss this with LF on 21st November 2018. **Action: AJ/GS**

GS proposed that budget should also be allocated to general JBL promotion, noting that additional funding together with a marketing strategy will assist and enable the JBL team to step away from the day to day activity of supporting clients.

IT WAS NOTED that a deficit of £56,349 had been budgeted for 2019 and GS highlighted that this would increase if more budget is allocated to Enterprise Week and marketing of JBL as discussed above. He therefore proposed reviewing the current marketing budget to determine whether any of this budget could be allocated towards general JBL promotion. **Action: GS**

AJ queried whether JBL were permitted to budget for a deficit under the terms of its Memorandum and Articles of Association. GS advised that he believed this was permitted. However, he agreed to check. **Action: GS**

Given the balance sheet position, AJ stressed the importance of JBL receiving timely payments from the States and JC queried whether any improvements had been seen in this regard. GS reported that no real

improvements had been seen and **IT WAS THEREFORE RESOLVED** to raise this issue with LF / DH. **Action: GS**

GS highlighted that during 2019, JBL will need to consider making money available to “make good” the premises in accordance with the lease. **IT WAS NOTED** that discussions are ongoing regarding the possible co-location of a number of arms’ length organisations (ALOs) and AJ reported that he has recently discussed this with DH and LF and noted that Frank Walker has scheduled a meeting of all ALOs to discuss the matter further. GS reminded the Board that he previously raised the issue of co-location with John Richardson but no response was received. However, AJ suggested that government may be more supportive now and he proposed mentioning this when meeting with LF on 21st November 2018. **Action: AJ**

The Board noted that if no additional funding is received from government, it is assumed that the 2019 grant will be £725k. However, the pay increases agreed in item 7 above will be paid regardless and a contingency plan will be implemented if no additional funding is received. **IT WAS RESOLVED** that AJ / GS would provide a further update on the budget position following their meeting with LF on 21st November 2018. **Action: GS/AJ**

9. Five Year Draft Plan – The Board noted the Five Year Plan, a copy of which had been previously circulated to the Board and send to CP and DH.

10. Operations Report - GS summarised the Operations Report as at 30th September 2018, a copy of which was circulated with the agenda. **IT WAS NOTED** that all KPIs had been met and activity in the health care sector had increased. KLF highlighted that trading clients were higher than start-ups and suggested that this statistic was important to show that JBL has moved away from only supporting start-ups, albeit that JBL was still perceived as a start-up advisor. She added that this was particularly important in light of government’s increased focus on productivity. This was echoed by the Board and consideration was given to creating an infographic to highlight this and the various sectors JBL supports. With this in mind, **IT WAS RESOLVED** that AJ would introduce GS to Daniel Rowles from Target Internet who may be able to assist as part of their digital marketing courses. **Action: AJ**

AJ, on behalf of the Board, thanked the JBL team for their continued good work.

11. Risk Register – The Board reviewed the risk register as at 30th September 2018, a copy of which had been circulated with the agenda and the following was noted:

(a) **EDD Grant** – **IT WAS NOTED** that this had been changed from “green” to “red” due to the ongoing uncertainty around next year’s budget.

(b) **Health and Safety** – As noted above DP would be asked to undertake desk top assessments for all staff.

(c) **Data Management** - **IT WAS NOTED** that JC and AJ were required to undertake cyber security training and **IT WAS RESOLVED** that they would complete this as soon as possible. **Action: JC/AJ**

JD queried whether JBL have a plan in place in the event that a hack or breach occurs and GS advised that in the context of what JBL does and the data it holds, it is unlikely to receive a fine in the event of a breach. He added that due to JBL being a very small team, they are able to react and deal with any issues quickly. He reported that when an attack occurred historically, C5 were engaged to assist and they confirmed that this did not result in any data being compromised.

AJ stressed the importance of ensuring that any third party providers engaged by JBL who act as data processors have appropriate processes in place and that JBL has appropriate policies and procedures in place for customers if they request the “right to be forgotten” or request data under the terms of the

Data Protection Law. **IT WAS THEREFORE RESOLVED** that GS would share a copy of JBL's policies and procedures in this regard to ensure they cover everything required from a corporate governance perspective. **Action: GS**

(d) People – The Board agreed that the commentary in respect of this risk should be revisited as it still refers to the risk remaining “amber” whereas it is now “green”. **IT WAS THEREFORE RESOLVED** that GS would update the same and review the commentary for each risk to ensure it is current. He also agreed to remove any duplications (eg. EDD Grant and Budgeting and Cash Flow). **Action: GS**

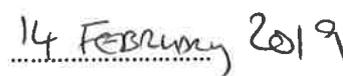
12. Any Other Business – The Board noted that CP had been very complimentary about GS' contribution in the recent States recruitment process and AJ suggested that this reinforces the positive work JBL is doing.

IT WAS RESOLVED that AM would draft a 2019 meeting schedule for GS/AJ's review and circulate meeting invites thereafter.

13. Date of Next Meeting - IT WAS NOTED that the next meeting was scheduled to take place on 7th February 2019 for from at 9am to 11am.

There being no further business to discuss, the meeting was closed at 11am.


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Chairperson AJ


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Date Signed

Actions:

- 1) GS to push out key themes from Enterprise week using relevant articles in January, February and March to ensure JBL's involvement remains in people's minds
- 2) GS to present ideas to the Board about how to develop a programme to promote key themes from Enterprise Week how to “tell the story” for 2019
- 3) GS to present a paper to the Board with a long-term strategy on what JBL can do to better promote itself and the most effective way to doing it.
- 4) GS to establish what the £66 expenditure for H&S relates to
- 5) GS to ask DP to repeat desk top assessments for all staff
- 6) GS to recirculate his “pitch” document in the event that additional funding is received; collate comments on the same from the Board; and prepare a revised document to ensure a consistent message
- 7) GS to provide an update on the further application for training being made to the “licence” fund
- 8) GS to present a plan for Enterprise Week next year with a view to agreeing an increased budget
- 9) AJ/GS to raise the issue of timely payments being received from SOJ with LF at 21st November 2018 meeting
- 10) AJ to raise the issue of possible co-location with other ALOs with LF at 21st November 2018 meeting
- 11) AJ/GS to provide the Board with an update on the budget position following meeting with LF on 21st November 2018
- 12) AJ to introduce GS to Daniel Rowles from Target Internet
- 13) JC/AJ to complete cyber security training asap
- 14) GS to share JBL's data protection policies and procedures to ensure they cover everything required

from a corporate governance perspective, particularly in relation to third parties

15) GS to review and update / refresh commentary in Risk Register and remove any duplications

16) AM to draft a 2019 meeting schedule and send out invites – Complete save for May meeting date