

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

(48th Meeting)

20th May at 9am

Present: Mrs J Carnegie (JC)
Mr J Day (JD)
Mr A Jehan (AJ) (Chair)
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)

1. **Apologies** – No apologies were noted.
2. **Declarations of Interest** – **IT WAS NOTED** that AJ was no longer CEO of Paul Davis Freight Services.
3. **Minutes of previous meeting** - **IT WAS RESOLVED** to approve the minutes dated 19th February 2020, copies of which were circulated with the agenda.
4. **Matters Arising** – JC queried whether the Senior Management Team (SMT) had finalised JBL's values and AM confirmed these as Responsible, Empowering, Authentic, Collaborative and Honest (REACH). She noted that the website has been updated with the new visions and values and confirmed that the posters displayed around the office will be re-designed in due course. She added that screen savers with the "REACH" values on them will also be created to support a campaign on how JBL operates around them after the Coronavirus (CV19) crisis and she suggested that the way JBL has dealt with CV19 has shown that it is able to "practice what it preaches" in terms of its values.

Updates were provided on the outstanding actions from the previous meeting (which were not otherwise included on the agenda) as follows:

- (A) **Board Apprentice** – GS reported that a new Board apprentice, (Allam Zia from BDO Greenlight), had been appointed as a Board Apprentice and would join the next meeting.
- (B) **Engagement with Digital Jersey's (DJ) Digital Academy** – JD reported that Rory Steele (RS) was happy to open a dialogue and move things forward with JBL regarding the provision of marketing support for JBL from DJ's Digital Academy.
- IT WAS NOTED** that Tony Moretta also put JBL in touch with RS for assistance with the podcasts it prepared in relation to CV19, in particular the ones prepared by Law at Work by Richard Plaster and GS welcomed his helpful support and the positive collaboration JBL has had with DJ during this period.
- (C) **Enterprise Week/IOD Debate Week** – AM reported that whilst she had been collaborating with the Policy Forum and IOD in relation to this year's Enterprise Week, no discussions were taking place at this stage. She welcomed the positive relationship JBL had built with the two organisations. However, due to CV19 she did not anticipate Enterprise Week happening this year and suggested that the plans would need to be revisited.
- (D) **Reference to JBL in client's advertising material** – The Board discussed JD's concern regarding a client's reference to JBL in their marketing material and what JBL's policy was in this regard. AM explained that after the client created a booklet for JBL (regarding IT infrastructure for small businesses) they asked if they could use JBL in their promotional material. She advised that whilst their advertising material was not negative towards JBL, the promotional wording was not as expected and she acknowledged that it was a lesson learnt for JBL to ensure it was clearer about what clients should and should not do in the future.

JD advised that he raised the matter as he was unsure whether it was something JBL should allow more of or not, noting that that it could be a way to raise the profile of JBL without JBL incurring any costs, particularly as this client

used the radio for its advertising which was very effective. However, GS noted clients will only be allowed to refer to JBL in their marketing material if they are prepared to work with JBL. He added that JBL will be able to capitalise on the use of its name more now as its profile has increased due to the support it has provided to businesses during the CV19 situation.

Referring to the use of radio as a marketing tool, AM acknowledged that whilst this was not something JBL has previously considered due to the expense, she accepted that it does raise a question for JBL's broader marketing strategy. She added that it may be worth considering this type of advertising in a different way (i.e. more of a brand generation issue). KLF supported the use of radio advertising, given how powerful it can be, and suggested that consideration should be given to JBL investing in it in the future. However, JD stressed that if JBL allows more clients to refer to it in its marketing/advertising material as a way to increase its profile/get benefit, it should ensure appropriate terms and conditions are in place which state that any promotional wording needs JBL sign off.

AJ referred to the results of the 4Inight Survey which noted that 4% of respondents came to JBL through an advert in 2020 compared to 13% in 2017 whereas 51% of the respondents came to JBL following a personal recommendation in 2020. He therefore stressed that whilst it was important to build a brand, care must be taken to protect it and he therefore suggested that JBL be cautious in this regard going forward.

(E) **Business Licensing Unit Funding** – AM reported that funding from the Business Licensing Unit had paused. She advised that whilst she had a further meeting with Skills Jersey scheduled for this afternoon to discuss the future of the funding, she noted that it may not be received in the same way as anticipated.

5. **2019 Audited Accounts and relevant declarations – IT WAS NOTED** that the 2019 Audited Accounts and Letters of Representation had been previously circulated to the Board for their review. GS reported that the audit was well managed and he gave credit to Kay Pearson (KP) for the way in which information at JBL is managed. He confirmed that no issues were raised by the auditor, other than some very minor changes which he advised would be made to a final version of the Accounts. On this basis, he recommended approval of the same to the Board.

AJ asked that GS pass on the Board's thanks to KP for her work in completing the audit and welcomed the fact that GS referred to the good work of JBL in the CV19 crisis in his CEO report. Referring to the latter, GS noted that this was included at the request of the auditor together with details of any additional funding received in this regard.

JC congratulated GS on his ability to plan, noting that the targets and actuals referred to in the accounts were particularly close and GS highlighted that this is achieved due to the whole team's effort. He added that working from home has not impacted JBL from an accounting perspective because it became paperless approximately two to three years ago. He noted that this was the fifth audit he had undertaken with JBL and suggested that they were becoming easier due to the efficient way in which the office operates. However, he advised that he and AJ are required to support any statements they make in their reports as part of the audit work.

JD thanked the JBL team, in particular KP for completing another successful audit, noting that, in his personal view, the adjustments made were unnecessary. However, he noted a typo on page 18 of the draft he had reviewed and **IT WAS RESOLVED** that GS would ensure this had been corrected in the final version. **Action: GS**

There being no further comments or questions on the 2019 Audited Accounts and Letter of Representation **IT WAS RESOLVED** to approve the same for signature by AJ/GS and AJ, respectively. **Action: GS/AJ**

6. **January 2020 JBL Client Feedback Review** – The Board reviewed the results of 4Insight's perception and experiences survey, a copy of which had been circulated with the agenda and GS summarised the same. He suggested that the results highlight the breadth of sectors JBL works with; that it is working with more long established businesses; that it is more focussed on specific areas (e.g. productivity, business efficiency); and that it is delivering more programmes.

The Board noted the project scope, sample and methodology used by 4Insight and welcomed the fact that they are completely independent from JBL. GS reported that the survey focussed on JBL's portfolio clients and he welcomed the positive response rate of 35%.

IT WAS NOTED that the results of the survey were compared with previous year's results and GS confirmed that comparisons made are like for like (i.e. with other portfolio clients only). However, AJ queried why, throughout

the slide deck reference was made to 2017, 2018 and 2020 but not 2019. AM advised that this was because although the survey was undertaken in 2019, the results were not issued until Jan 2020. However, she agreed to amend this so that it showed the full year referred to. **Action: AM**

The Board noted/discussed the following headlines:

- The average number of staff within client businesses had increased over the years (slide 3);
- The impact Jersey Business support has had or will have on a business' operational efficiency/productivity has increased by 13% since 2017 (slide 8) – GS suggested that this will be powerful for JBL when demonstrating value for money to GOJ as it provides an indication of the value JBL gives to businesses compared to the cost of using it. AJ added that it highlights that JBL is having an impact on almost every business it works with in terms of operation efficiency/productivity and suggested that AM refers to this in her meeting with Skills Jersey scheduled for this afternoon.
- Continued high perceptions with increase in all areas (slide 9) – AJ welcomed the increased figures in this slide, noting that they demonstrate the continued progress the JBL team are making and suggested that they are testament to their hard work. KLF noted the increase in the independence score in particular (from 7.9 in 2017 to 9.0 in 2020) as this has sometimes been a negative perception for JBL.
- Growth strategy, productivity and marketing are the top three priorities if looking at weighted scores – The Board agreed that this highlights that JBL are focussing their programmes appropriately.

The 2020 net promoter score (NPS) of 97.59 was discussed and AJ congratulated all involved in achieving such positive survey results and suggested that consideration now be given to how, and to whom, they are communicated. This was echoed by JC, who noted that JBL's "stock" had increased significantly following its valuable support to so many businesses during CV19. AJ proposed arranging a briefing for States Ministers either online or in person (when possible) on 4Insight's presentation and stressed the importance of not missing the opportunity to promote the continued improvement of JBL with high profile politicians, noting that if it is highlighted to them now it will be at the forefront of their minds when considering GOJ investment in the future

AM reported that consideration was previously given to preparing an infographic around the annual accounts for uploading to the website. However, she welcomed the Board's views in this regard, noting that given the work that JBL has undertaken in the last two months, this may now be considered historic. She suggested that if JBL undertakes any comms / campaigns it should include figures in relation to its work around CV19 as these are so positive and proposed that these could be balanced out with figures from the 4Insight survey.

AJ suggested that the survey results provide a great opportunity to present to a whole range of stakeholders about what JBL does and what it has done in the last few months, noting that they will all have undoubtedly heard more about JBL recently. JC queried whether politicians' perception of JBL has changed in recent months or whether it should not be complacent in this respect and AJ suggested that it should still not be complacent. KLF noted that JBL has a very high profile at the moment and is consistently being mentioned on the Jersey Small Business Forum on Facebook. She therefore stressed the importance of capitalising on this with the GOJ. However, whilst AM acknowledged that JBL has a lot of respect from the GOJ officers it is working with, she was not confident that this would translate into the ongoing long-term support it requires as she believes funding decisions are being made by others within the GOJ. She therefore suggested that whilst JBL should continue building on relationships at all levels, it should not be complacent.

GS recommended using the 4 Insight, Cv19 impact and future JBL priorities in a briefing that could be tailored to politicians, with a more detailed and analytical summary for officers. Also he agreed that we should look to develop a infographic summarising the key themes we want to promote. **IT WAS THEREFORE RESOLVED** that GS and AM would prepare a marketing and communications strategy for the Board's review comment. **Action: AM/GS**

7. **CV19 Update** – GS summarised the CV19 update, a copy of which was circulated with the agenda. AJ referred to the positive feedback received from the Scrutiny and Ministerial hearings on the work of JBL and thanked GS and the JBL team in this regard.

GS reported that JBL were included in the economic advisory group at the start of the crisis and he expressed the hope that a similar approach will be taken in respect of the recovery plan as it included a good mix of sectors.

GS outlined JBL's approach to the crisis. He explained that initial focus was placed on ensuring the well-being of the JBL team, noting that this was important as they were required to deal with clients in significant stress. He added that focus was also placed on ensuring that the appropriate safety measures and operational resilience was in place to ensure the office could continue to function. GS noted that the JBL website has become the "go to" place for information during the crisis and advised that he could not be prouder of the way the staff have dealt with the situation. He explained that the team have dealt with clients that they know very well which has included dealing with their business as well as emotional stress and he expressed amazement at how strong they have been.

This was echoed by KLF, who, as a small business owner herself, compared the situation to the various stages of bereavement: shock, denial and anger. She noted that she was aware of how desperate some business owners have become and added that she, too, was proud of the JBL team for being able to help them. She also echoed GS' comment regarding the website, describing it as a "lifeline". She reported that every comment she has heard regarding JBL recently has been positive and congratulated the JBL team for doing a great job in exceptional circumstances.

AJ endorsed KLF's comments and thanked GS' for his efforts in particular. He noted that whilst all members of staff had worked long hours, weekends and bank holidays recently, GS had led them through this particularly difficult time. AJ also welcomed JBL's relationships with other bodies during the CV19 situation, in particular Chamber (which regularly referred to JBL in its daily email) and the IOD and he advised that he was scheduled to join a JBL team call the following day to thank the staff on behalf of the Board.

GS described the quality of the JBL team and the relationships that have been built as "amazing". He noted, in particular, AM, who translated complex structures (such as the GOJ's co-funding payroll scheme) into layman's terms for inclusion on the website. He advised that JBL was inundated with requests for support when phase one was launched and noted that phase two was even more complex because of the inclusion of additional sectors. However, whilst queries still continued to be received on phase two, these reduced materially because of the quality of information JBL was able to put out on it. He added that JBL fed back consistent questions it received from clients on the payroll scheme to the GOJ which enabled responses to be turned around quickly and updates to be provided on the situation. However, GS suggested that the "team" goes beyond JBL and includes bodies such as Chamber, the IOD and GOJ.

The Board noted the four phases of CV19 from JBL's perspective as outlined in CV19 update and GS advised that phase one (Crisis Management) was now complete; phase two (Delivery of Support Schemes and Cash Flow Planning) was live and running; and phases three and four (Safe Management of "Hibernation" Period and Rebuild) had just started to be planned / were yet to be planned, respectively. Referring to the Rebuild, GS stressed that planning in this regard would need to be more targeted and strategic.

The Board reviewed the statistics collated during the CV19 crisis period, details of which (as at last week's date) were included in the CV19 update and GS noted that this did not capture the number of calls received during the period.

The Board noted that JBL required specialist third party advice from subject matter experts on certain issues. Pilot schemes were therefore established with Law at Work (LAW), BCR Law and Paul Ellison who were engaged to provide HR advice, employment law advice and property and tenant/landlord advice respectively and **IT WAS NOTED** that 258 people benefit from this.

GS reported that JBL's podcasts were very successful, particularly the one by Rosie Lempriere which walked people through how to apply for phase two of the GOJ co-funding scheme. He noted that whilst JBL also undertook some work in relation to the Business Disruption Government Loan Guarantee Scheme (BDGLGS), take up for this has been low to date, although it is expected to become more popular during the recovery phase.

The Board noted that a team of five additional members of staff have been engaged on short term, zero hours' or secondment contracts to support the existing JBL team and GS reported that they have integrated into the business very well, overseen by Nick Steel. However, he noted that this team may change into a restructuring team to provide support to clients going forward.

Funding to support JBL's work in relation to CV19 was discussed and GS reported that although a bid for £200k was submitted to GOJ, £300k was allocated, with £200k paid now and £100k to be drawn down at a later date if required.

This was welcomed by the Board, who noted that other arms' length organisations (ALOs) have been required to return some of their funding.

IT WAS NOTED that a high level recovery paper has been presented to the Council of Ministers by senior officers and GS expressed the hope that JBL becomes involved in the development of this so that it can understand how best to provide support. He also expressed the hope that JBL is able to continue partnering with subject matter experts where required to assist with the recovery going forward and noted that upon receipt of a recovery plan consideration will be given to drawing down the additional £100k to support this. However, he stressed that JBL will continue to work on the model of resolving issues in house and only seeking professional assistance where required. Referring to JBL's pilot scheme with BCR, GS noted that JBL was able to provide most advice sought without the requirement for legal advice or the advice sought related to HR or property which was dealt with by LAW or Paul Ellison. Therefore, at this stage, it is not proposed to continue with a contract with a law firm. He also added that whilst some minimal new business is starting to be seen, this can be resourced from JBL's core grant.

AJ expressed the importance of ensuring realism versus optimism during phase three (Safe Management of "Hibernation" Period). He acknowledged that whilst some people may find this difficult, they have to be realistic and suggested that experts from the banking sector will be able to help with this. He queried whether JBL proposed offering any online events to support phase three or whether it wished to review the GOJ's recovery plan first. AM suggested that the GOJ's recovery plan and the Island's economic development were separate, it was not yet clear what they will be. She stressed that whilst JBL wants to support whatever they are, it also needs to have its own views of what support should be provided. On this basis, she explained that consideration is being given to running a one day online/webinar workshop looking at how to remodel or restructure. She added that other literature on this subject will also be produced which will encourage businesses to consider how they currently operate; different ways in which they may be able to do things going forward; and how JBL can support them to grow using those different ways of working. She referred to her meeting with Skills Jersey scheduled for later this afternoon and noted that the agenda includes a discussion around what skills the Island may want to develop for the future and what the next phase should look like. She suggested that JBL is likely to help two distinct groups during this phase: (1) companies who have the ability and capacity to move forward; and (2) companies who are unable to survive and need help making decisions in this regard. Referring to the latter, she stressed the importance of managing this process carefully, noting that it may require some businesses to be wound down which requires appropriate advice and support. She reported that JBL also propose revisiting their business plan to reassess the different workstreams.

KLF suggested that more redundancies were likely to occur during May and June and expressed concern that JBL had not yet had any involvement with the GOJ's recovery plan and she queried whether one had yet been developed. AJ referred to a previous speech by the Chief Minister when he mentioned various groups being established to start discussions around the recovery plan and JC noted that Chamber had been invited to join the same. However, she was unsure who else was involved. **IT WAS THEREFORE RESOLVED** that she would make enquires with Ian Gorst and Lyndon Farnham (LF) when she meets with them later today. GS also agreed to raise the question with Senior Officers. **Action: JC/GS**

JC noted the importance of clients obtaining appropriate advice if they are required to wind-down their businesses and advised that a local lawyer, specialising in insolvency has expressed concern that some businesses are being provided with incorrect information regarding insolvency which could be detrimental. She therefore stressed the importance of JBL staff not promoting themselves as experts in this (or any other) regard. However, GS reassured the Board that JBL are working closely with GOJ and that the JBL Team are well aware when to bring in expert advice, noting that this model is used repeatedly, not only for insolvency advice but on various issues when JBL acts as facilitator between clients and experts. AJ acknowledged that some small businesses may not be aware of their legal responsibilities as directors when it comes to insolvency. He therefore stressed the importance of highlighting this and GS confirmed that JBL was in the process of putting something on this subject on the website.

The Board noted that GS has been in dialogue with an ex-Partner of a local law firm who is acting for a major global foundation who has offered the possibility of providing funding for mental health/well-being support for business leaders and he stressed the value in this type of support being included in the recovery plan.

JC advised that Simon Soar (SS) from the Jersey Hospitality Association (JHA) has arranged a meeting to discuss the recovery of the hospitality and inbound tourism sectors to which she has been invited in her capacity as President of Chamber and she queried whether GS was aware of the same. GS explained that SS was asked by LF to set up the meeting, which includes representation from Chamber. However, he reported that Keith Beecham (KB) from Visit Jersey has also set up a group to consider the recovery of the visitor economy on which he/JBL has a seat and JC welcomed some further clarity around the work that KB is doing.

AJ stressed that JBL must take a "tough love" approach with clients when required and reiterated the importance of being realistic versus optimistic. This was acknowledged by GS who reassured the Board that the staff were aware of this and would be appropriately supported through it. Consideration was given to sending the staff a small token of appreciation for their work to date and although it was accepted that more hard work will still need to be undertaken to support businesses in their recovery, **IT WAS RESOLVED** that GS would arrange to send each member of staff a local, modest, gift. **Action: GS**

8. **Year To Date Financial Review -** The Board noted the financials for the year to date, copies of which had been circulated with the agenda. GS confirmed that these were on target and that any variances were immaterial. The Board also reviewed the CV19 related finances which GS advised were also on target. He added that whilst it was expected that JBL would spend all of this funding by July, the GOJ are aware that additional funding will be required to support the next phase.

9. **Board Skills Review – IT WAS RESOLVED** that the Board would complete a further Board Skills Review with a focus on corporate governance and sectors towards the end of the financial year. **Action: Board**

10. **JBL's Name Being Used For Commercial Advertising Purposes – IT WAS NOTED** that this item was discussed in 4(D) above.

11. **Risk Register –** The Board reviewed the risk register, a copy of which had been circulated with the agenda, and GS summarised the red and amber risks and those which had moved since the previous meeting as follows:

Partner Referrals – IT WAS NOTED that this risk had been amended to amber following possibility of perceived conflict of interest with the use of third-party subject matter experts. GS reassured the Board that there were no conflicts in this regard, but felt there was a heightened risk as JBL were asked to front more business support measures.

Reputational Risk – The Board noted that this risk had been amended to amber following the increase in JBL's profile. In answer to a question from AJ, GS confirmed that whilst clients do not sign a contract prior to receiving advice from JBL, they do receive terms and conditions. Furthermore, JBL's position is very clear on its website. AM added that all JBL emails include a disclaimer which states that JBL does not provide professional advice (the wording of which has been endorsed by a lawyer) and this has been expanded to include any CV19 related advice. JC queried whether JBL has liability insurance and GS confirmed that a policy was in place in this regard. He also confirmed that JBL's additional resource are included on JBL's policies. However, he reported that JBL is due to go out to tender for all its insurance policies as one of the providers of one of its policies is withdrawing from the market. **IT WAS THEREFORE RESOLVED** that he would revert to the board with an update in this regard in due course.

Action: GS

Budgeting and Cashflow Management – GS reported that this risk had been reduced from red as JBL's budget for 2020 has now been confirmed.

EDD Grant Support Reduced – The Board acknowledged that this would always continue to be a risk.

Payments – GS explained that this would continue to remain on the Register due to the HSBC online banking platform used by JBL.

A discussion took place regarding how GS intends to manage the return of staff to the office and GS explained that as long as staff can continue to safely work from home, in accordance with current guidance, this will remain the preferred option. He advised that when this guidance changes and the CV19 crisis quiets down, consideration will be given to how the office returns and a plan for the same will be developed. However, in the meantime, he noted that the staff work well from home and productivity is good. AM added that JBL has a template risk

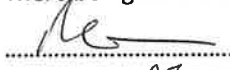
assessment which is CV19 related which it will use for guidance. However, she suggested that a gradual approach will be taken. She noted that the template was on the JBL website and **IT WAS RESOLVED** that she would send a link to their Board for their input and comments. **Action: AM**

12. **Any Other Business – IT WAS RESOLVED** that AM would establish a “team” on Microsoft Teams for the purpose of storing Board related documentation going forward. **Action: AM**

IT WAS RESOLVED that GS would continue in the role of Company Secretary. **Action: GS**

13. **Date of Next Meeting - IT WAS NOTED** that the next meeting was scheduled to take place on Wednesday 8th July 2020 from 9am to 11am.

There being no further business to discuss, the meeting was closed at 11.40am.


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Chairperson

30 July 2020
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Date Signed

Actions:

- 1) GS to amend typo on page 18 of 2019 final accounts (remove extra 54)
- 2) GS/AJ to sign 2019 final accounts
- 3) AJ to sign 2019 letter of representation
- 4) AM to correct 4Insight deck
- 5) GS/AM to prepare a marketing and communications strategy around the 4insight results/2019 accounts
- 6) GS/JC to enquire who is on the Chief Minister’s group(s) to discuss the GOJ recovery plan
- 7) GS to arrange to send all staff a modest thank you gift for their work to date on the CV19 crisis
- 8) Board to complete a further Board Skills Review with focus on corporate governance and sectors by Y/E
- 9) GS to provide the Board with an update on JBL’s insurance policies in due course
- 10) AM to send template risk assessment for JBL’s return to the office to the board for their input/comments.
- 11) AM to set up a “team” on Microsoft Teams for Board related documentation
- 12) GS to remain as Company Secretary

