

AJ/AM/JB/49

MINUTES OF THE BOARD OF DIRECTORS OF JERSEY BUSINESS LIMITED ("JBL" / "the Company")**(46th Meeting)****30th July 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) (until 10.25am only)
 Mr G Smith (GS)
 (the "Board" or the "Directors")

In Attendance: Aimee Maskell, AM to PM Secretarial Services (Minutes) (AMa)

1. **Apologies** – Apologies were noted from Allam Zia, the Company's Board apprentice
2. **Declarations of Interest** – No new interests were declared.
3. **Minutes of previous meeting - IT WAS RESOLVED** to approve the minutes dated 20th May 2020, copies of which were circulated with the agenda, subject to a minor amendment.
4. **Matters Arising** – Updates were provided on the outstanding actions from the previous meeting as follows:
 - (A) **4Insight Slide Deck of 2019 Results** – AM advised that she had not yet instructed 4Insight to amend the slide deck. However, she noted that this has not yet been shared publicly.
 - (B) **4Insight 2019 Results/2019 Accounts** – GS confirmed that the development of a marketing plan around the 4Insight 2019 Results/2019 Accounts had been reviewed with Orchid and was nearly complete. He added that feedback received had also been from clients on the support JBL has provided during the Coronavirus Pandemic (CV19) and **IT WAS RESOLVED** that GS would arrange a separate Board meeting on Friday 21st August 2020 at 9am (at Chamber) at which AM would provide (a) a presentation on the work that she and Rosie Lempriere (RL) have undertaken with Orchid on the marketing plan and (b) an update on lessons learned from CV19. **Action: GS**
 - (C) **Economic Forum** – GS/JC agreed to provide an update on their attendance at recent Economic Forum/ Senior Officer Group Meetings at an additional agenda item below.
 - (D) **Staff Thank You Gift** – GS reported that a nominal thank you gift had now been received by all staff to thank them for their hard work during CV19. He highlighted that the considerable pressure staff have been under recently, due to the emotional aspects of the work they are doing with some clients and noted that this gift, whilst unexpected, was very well received.
 - (E) **Board Skills Review** – **IT WAS RESOLVED** to carry out a further Board Skills Review focussing on corporate governance and sectors by the year end. **Action: GS**
 - (F) **Insurance Policies** – **IT WAS RESOLVED** that GS would present a paper on JBL's insurance policies for discussion at the next meeting. **Action: GS**
 - (G) **Return to Work Risk Assessment** - **IT WAS NOTED** that AM and Chris Settle (CS) had prepared a risk assessment for JBL's return to the office, a copy of which had been circulated with the agenda for the Board's review. GS advised that a similar risk assessment had also been received from the owners of the building.
 - (H) **Microsoft Teams** – AM confirmed that she had now set up a "team" on Microsoft Teams for storing Board related documentation, including future Board Packs. **IT WAS NOTED** that some had difficulty accessing this and **IT WAS THEREFORE RESOLVED** that AM would put them in contact with Prosperity 24/7, for support in this regard. **Action: AM**

GS noted that Board Packs were previously provided by way of a combined PDF of documents and he queried whether the Board would prefer this format rather or individual documents being placed in Teams and, due to the

access issues experienced, it was agreed that whilst individual documents should be placed in Teams, a combined PDF board pack should also be prepared by way of back up. **Action: GS**

5. **Update on Economic Council and Senior Officer Group Meetings** – JC and GS provided a brief verbal update on their attendance at recent Economic Council and Senior Officer Group Meetings, respectively. JC reported that four meetings of the Economic Council had taken place to date and that their timeline was to provide a recommendation to the Minister by the end of September 2020.

6. **2021 Draft Business Plan** – GS provided the Board with a summary of the draft 2021 Business Plan, a copy of which had been circulated with the agenda. He reported that he presented Dan Houseago (DH) with the Business Plan and financial modelling last Thursday, 23rd July 2020 and confirmed that whilst he did not raise any challenges, he did suggest some areas where additional items could be included, particularly around data collection and Brexit.

GS advised that the Business Plan seeks a pre-CV19 budget plus RPI to cover CV19-related activity rolling forward for at least the next twelve months (because the crisis is anticipated to continue until the end of 2021); support for businesses in stress; and other items such as data collection, sector development and whatever the Economic Forum recommends.

AJ thanked GS and AM for a very well-presented Business Plan and GS credited AM for her significant contribution in this regard. He reported that Nick Steel and Kenny ~~Wheaton~~ ^{Siwars} also had input in preparing the Business Plan and confirmed that whilst the rest of the JBL team were aware of it, they did not know any of the detail.

IT WAS NOTED that in preparing the Business Plan and budget, consideration was given to the pre-CV19 budget and Plan initially and this was broken down into the following three areas:

- Supporting Start Ups; and
- Innovation and Sharing of Best Practices; and
- Productivity in Core Sectors.

AM suggested that these three areas remain important in 2021 and reported that start-ups are starting to be seen again post-CV19. This was echoed by AJ who noted that those who have been made redundant as a result of CV19 may look to set up their own business and therefore suggested that JBL promote this message. However, AM noted that whilst more start-up activity may take place than prior to CV19, JBL only has resource based on past expectations.

The Board acknowledged that more people now see JBL as a source of information. Therefore, it should roll forward its plan for productivity in core areas. Referring to the business hub, JD suggested that this would become self-fulfilling. He commented that this was something Digital Jersey had seen success with, noting that their Digital Hub was promoted by word of mouth and with introductions being made between members.

KLF queried where export featured in the Business Plan and GS confirmed that it was part of the programmes (“growing new and export markets”) which was currently funded by Skills Jersey. AJ highlighted that productivity will be key in 2021 and he therefore suggested that activity in this area will be dependent on whether it forms part of JBL’s core funding or Skills Jersey’s budget and GS advised that he anticipates JBL receiving something similar to last year (i.e. a core budget plus a “top up” for CV19 funding).

AM highlighted that JBL’s core budget basically covers staff costs. JD therefore stressed the importance of JBL’s core budget being increased to enable it to continue providing its current service, without being curtailed, before it can start considering extra top ups. He suggested that JBL must be able to commit to a project (e.g. the business hub) and not be forced to close it down six months after opening it due to lack of resource/funding and reminded the Board that JBL will be competing with the other ALOs for GOJ funding.

AM reported that consideration is being given to JBL retaining its core advisors to focus on servicing JBL’s clients and bringing specialist skills in to provide support in certain support when required. She advised that this model worked very well during CV19, noting that the core advisor team fully understand what it takes to set up, run and grow a business and are supported by specialists who can provide specific advice on areas such as financial planning, business improvement, productivity, skills development or training.

JD stressed the importance of JBL providing examples of best practice to the business community and expressed concern that JBL may not secure the right skills/talent by only offering short term contracts. However, based on experience during CV19, GS reported that although JBL was able to appoint some people using zero hours contracts, others were given three-month contracts. He explained that in 2021, JBL will be working with more stressed businesses and, to ensure JBL can resource this, he suggested that the current banking team will “morph” into a stressed business team. The Board noted that Kenny Sillers (KS) has been secured as part of this already recognising that if he or the additional zero hour contractors left, JBL would be highly vulnerable. Therefore, it is proposed to secure them, possibly on 12-month contracts, as soon as possible but once our 2021 budget is clearer.

GS advised that if JBL needs to expand further, consideration would be given to further zero hours contracts or short-term contracts. He explained that whilst permanent contracts could be offered, after CV19 consideration needs to be given to JBL’s clients’ needs and he suggested that a permanent team in the stressed business space who can provide financial advice will need to be retained.

JD suggested that it was difficult for JBL to budget without knowing what the GOJ is going to be able to provide in terms of funding. He therefore proposed that JBL develops a one, three and five strategic plan which include appropriate resource to ensure JBL does not return to pre-CV19 funding. AJ proposed that JBL should also consider accessing other areas of funding, including the possibility of benefiting from clients’ improvements or profit share arrangements with clients. However, he stressed that JBL should remain a facilitator and not replace what private providers are doing, noting that some clients are able to afford to purchase their services. He added that JBL should not recruit on zero hours contracts when it is known that that resource will be needed for 12 months or more, noting that in this instance they should be offered fixed term contracts.

GS reported that although it is very difficult for the GOJ to commit to anything beyond 12 months at this stage, some ALOs are still committing to projects beyond this. However, whilst it was unlikely that JBL will receive a commitment from the GOJ past 12 months, he still proposed describing JBL’s three-year Business Plan to the GOJ which he anticipates will include an uptick during 2021 and reducing thereafter. That said, as the GOJ require JBL’s Business Plan by the end of July, this was very difficult without making any assumptions. He therefore proposed considering just 2021 for the time being and acknowledged that whilst this was bold, it would evolve and develop. Referring to resource, GS suggested that whilst a balance needs to be struck between permanent and temporary/short-term contracts, the aim should be for staff to be employed on permanent contracts.

JD acknowledged that JBL was unlikely to receive more than a one-year funding commitment from the GOJ. However, he highlighted that the GOJ will be facing significant stress in a year’s time, thereby leading to further competition for funding at that stage. He therefore expressed concern about JBL recruiting staff on a permanent basis if it is not confident of having the funding available to retain them in 12 months’ time, noting that JBL would not advise another business to take this approach. This was echoed by AM who suggested that agreement needs to be reached on what permanent skills JBL requires within its core team. She explained that the current structure is not sufficient for JBL to deliver what is outlined in the Business Plan. Therefore, consideration needs to be given to what JBL fundamentally needs to do a good job. She suggested that this includes a data/statistics expert and proposed that the CV19 effect also needs to be considered. However, she stressed that there must be flexibility around this.

GS suggested that the only work he does not foresee being carried forward long-term is the work of the crisis management team and supporting businesses in stress. Therefore, the only area that will fall away in terms of resource will be the intensive support JBL currently gives to businesses in stress. However, GS proposed that this will change into a higher level, productivity team, supporting medium to large businesses through their journey and suggested that JBL will have the potential to provide that level of support by maintaining that existing resource. That said, he explained that JBL would not do all the work but would link up with others from the private sector for support (i.e. property and HR experts) as has been the case during CV19. He reiterated that JBL does not intend to replace private sector businesses and suggested that that the quicker JBL can pass work on to the private sector, the better. He added that the GOJ were supportive of this approach.

JD proposed that if/when approval of the 2021 budget is received from GOJ, the necessary roles / structure should be considered in more detail and he suggested involving the Board in this process. This was echoed by AJ who questioned whether JBL required a full-time data/statistics resource or whether this role could be shared with the

other ALOs or Statistics Jersey. GS acknowledged that there were possibly smart ways of sharing resource between JBL, Visit Jersey and Locate Jersey and confirmed that he was comfortable sharing resource if it is readily available and JBL can influence its direction.

JD suggested that the GOJ will recognise the benefit of more ALOs working together. However, JC queried whether this would be welcomed by the other ALOs. GS reported that JBL was already works successfully with Genuine Jersey in its office and has a good relationship with the business element of Locate Jersey. He added that JBL also has good relationship with Visit Jersey, noting that he sits on Keith Beecham's recently established Recovery Team.

JC referred to a contact who is looking to develop an app to promote attractions, restaurants and events locally. She acknowledged that VJ's focus was to bring visitors to Jersey rather than promote the Island locally and suggested that this may be something JBL would be interested in working on. KLF accepted that VJ have always made it very clear that whilst it was their role is to attract visitors to the Island, it was the local business owners' responsibility to promote their own products. However, she suggested that local promotion was not a significant issue given that information is already available via several existing sources (e.g. Facebook). That said, AJ confirmed that the visitor economy was JBL's responsibility and it should therefore support businesses in this sector. This was echoed by AM, who stressed that whilst it was not within JBL's remit to attract visitors to the Island, it should work with other agencies or appoint a specialist within JBL to help local businesses improve their products.

AM left the meeting at 10.25am

JC acknowledged that people come to JBL when they need help or have a problem and, given current financial forecasts, she queried whether JBL should be more proactive in highlighting the possible issues that may arise over the years to come. GS welcomed this idea and whilst he did not propose duplicating the work of Jersey Finance Limited (JFL) he was aware that the finance industry needs to improve its productivity. He therefore proposed liaising with Joe Moynihan (JM) from JFL about JBL and JFL undertaking a joint piece of work. JD supported this joint initiative, noting that going forward most start-ups are likely to come from finance and, as JFL only has a marketing skill set / only undertakes activities for the benefit of its members, JFL could highlight the support available from JBL to its members, thereby raising JBL's profile and benefiting JFL members at the same time. GS also proposed suggesting to JM that he join some of JFL's recovery discussions, particularly for medium and small businesses. **Action: GS**

GS reported that he has suggested to Gov that surplus office owned by SoJ could be repurposed via "pop up shop" concept for a Business Hub, this to be established quickly and at low cost. However, he noted that upstairs at the current JBL premises was also an option with a view to moving the offices upstairs and creating the hub on the ground floor. He has therefore included a 50% increase in rental plus a £50k fit out fee for this in the 2021 budget. The Board agreed that the business hub would provide positive PR for JBL and, although an extension of the current lease would be required to take on additional space at The Parade, the budget required was not a big ask and the GOJ are likely to be supportive.

AJ sought further clarity around the reference to grant administration in the Business Plan and GS noted that, previous JBL Boards have been reluctant about JBL providing support around grant funding. However, although various GOJ departments currently administer grants or loan programmes, he believes this should be JBL's role, albeit he does not propose JBL holds the budgets for the grants. He suggested that JBL should be the GOJ's administrative arm in this regard with a view to JBL agreeing a criteria / process with the GOJ that applicants would need to meet / follow to obtain (CV19 or business related) grants or loans and that JBL should provide holistic support around them.

In answer to a question from KLF, GS confirmed that he would anticipate this working in a similar way to the Tourism Development Fund (TDF) which appointed a board that dealt with the applications but were signed off by the Minister. However, he suggested that JBL would be delegated authority to sign off any applications under £25k that met/ followed the agreed criteria/process. He added that all applications would be appropriately assessed and documented and any applications over £25k would be referred to an independent panel for sign off.

GS explained that when grant applications are received, JBL will be able to provide applicants with other support at the same time. JC queried whether JBL staff will have the capability to administer grants and GS confirmed that an evaluation process will be introduced which will include a pre-assessment of whether grant funding should be

provided which will also enable value for money to be demonstrated. The Board noted that this will create an administration and evaluation capability within JBL, and GS suggested that this will result in JBL becoming the “go to” place for the GOJ. JC expressed concern about JBL’s independence from the GOJ in this event and GS reassured the Board that an appropriate dividing line will be put in place.

KLF proposed a possible “hybrid” alternative to the process outlined above, similar to the Planning Department whereby JBL could be the facilitator rather than the administrator of grant applications with the Minister retaining responsibility for the final decision. However, GS explained that it is proposed that the Minister will delegate responsibility for any applications up to the value of £25k based on an agreed criteria/process and any applications over this amount will be reviewed by an independent panel on a case by case basis.

AJ suggested that the Business Plan required more detail in relation to the business hub and the grant administration and requested that the wording in the Business Plan be consistent throughout (e.g. productivity or business efficiency). **IT WAS THEREFORE RESOLVED** that GS would include additional narrative around the business hub and grant administration proposals and ensure consistency of wording. Thereafter he would circulate a revised copy to the Board for their further review at the ad hoc meeting on 21st August 2020. **Action: GS**

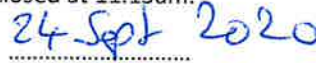
IT WAS NOTED that a draft of the Business Plan had already been sent to the GOJ as the deadline for submission was the end of July. Whilst the Board understood the operational reasons for this, they expressed disappointment that they had not had sight of it prior to submission. GS noted that he quite often provides DH with an early view of papers (and suggested that by not doing so may send him the wrong message) and reassured the Board that DH was aware the Business Plan was still in draft and yet to be approved. AJ added that DH was aware that the Board were due to discuss the Business Plan today and, given the deadline for submission and the current situation with CV19, he supported the approach taken by GS. However, he agreed to ensure the Board are kept updated more going forward.

7. **Marketing Plan re Covid/4Insight** – **IT WAS NOTED** that this was discussed in item 4(B) above.
8. **Q2 KPI Return to GOJ** – GS confirmed that he would circulate a paper on JBL’s Q2 KPIs when prepared, by way of information only, as no formal Board approval was required prior to submission to the GOJ.
9. **Risk Register** – **IT WAS NOTED** that the Risk Register had been circulated with the agenda and GS confirmed that this had not been materially updated since the last meeting. **IT WAS RESOLVED** that the Board would provide any comments via email and discuss the same in more detail at the next meeting, in particular any outcomes from CV19.
10. **Insurance Review** – **IT WAS NOTED** that this was discussed in item 4(F) above.
11. **Return to Work Risk Assessment** – The Board noted the Return to Work Risk Assessment a copy of which had been circulated with the agenda.
12. **June Year to Date Financial Review** – GS summarised the year to date Financial Review, a copy of which had been circulated with the agenda. He confirmed that this was in line with budget and although some areas were over budget, he did not have any concerns to report. GS reminded the Board that JBL received additional GOJ funding for CV19. However, as that this would only last until October, **IT WAS RESOLVED** that he would revert to the GOJ for further funding for November and December. **Action: GS**
13. **Any Other Business** – JC reported that she was due to meet with LF to discuss phase three of the GOJ’s co-funding scheme which is due to be extended until March 2021 and queried whether she should raise anything regarding JBL administering grant funding at this stage. GS suggested that JC highlight the importance JBL becoming the interface for all sectors and growing the relationships that have already been developed with certain sectors. Referring to the co-funding, JD proposed that this be made more flexible, noting that it can be quite difficult for businesses to determine whether they are within the 30% detriment threshold when they do their books on a monthly or quarterly basis or depending when they issue their invoices. As a result, JBL could possibly be advising more clients to seek support. However, GS noted that BDO are responsible for auditing the scheme and he confirmed that JBL are assisting in this regard.

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

There being no further business to discuss, the meeting was closed at 11.15am.





Chairperson

Date Signed

Actions:

- 1) GS to arrange a separate Board meeting on 21st August 2020 at 9am at Chamber for AM to present on the marketing plan for 4Insight's 2019 results/2019 Accounts and lessons learnt from CV19
- 2) GS to undertake a further Board Skills review focussing on governance by the year end
- 3) GS to present an update on JBL's insurance policies at the next meeting
- 4) AM to put AMa and JC in touch with Prosperity 24/7 for help resolving Microsoft Teams access issues
- 5) GS to prepare a "back-up" combined PDF board pack for future meetings as well as upload individual documents into Teams
- 6) GS to liaise with Joe Monyihan at JFL regarding the promotion of JBL's services to JFL members
- 7) GS to suggest joining some of JFL's recovery discussions
- 8) GS to include additional narrative around the Business Hub and Grant Administration proposals and ensure consistency of wording in the Business Plan and circulate a revised copy to the Board for their further review.
- 9) GS to circulate a paper on JBL's Q2 KPIs when prepared, by way of information only
- 10) GS to revert to the GOJ for additional CV19 funding for November and December