

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

(52nd Meeting)

10th February 2021 at 9am via Teams Video Conference

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) (AMa)

1. **Welcome and Apologies** – AJ welcomed everyone to the meeting and apologies were noted from Allam Zia (AZ).

2. **Declarations of Interest** – GS reported that he had been offered, and accepted, a non-executive director role on the board of Channel 103. He noted that this required his attendance at three meetings per year and advised that whilst Channel 103 was owned by an Irish Media Group, his involvement only related to the Jersey operation.

3. **Minutes of previous meeting - IT WAS RESOLVED** to approve the minutes dated 18th November 2020, copies of which were circulated with the agenda and AJ confirmed that he would forward a signed copy to GS in due course.

4. **Matters Arising** – Updates were provided on the outstanding actions from the previous meeting (which were not otherwise included on the agenda) as follows:

(A) **Skills Review** – GS proposed deferring the skills review for the Board until Q2 given that the review was not a priority as the Directors currently had a good mix of skills. This was supported by the Board. **Action: GS**

(B) **Microsoft Teams** – AJ confirmed that he was now able to access the JBL Teams Site. However JC was still unable to gain access. **IT WAS THEREFORE RESOLVED** that AM would liaise with Prosperity 24/7 to resolve this. **Action: AM/JC**

JD referred to very helpful training he recently received on Teams from Prosperity 24/7 and **IT WAS RESOLVED** that AM would ask them if they could also provide this to the Board. **Action: AM**

(C) **Gap Analysis between JBL's Annual Report and Controller and Auditor General's (CAG) best practice recommendation** – GS reminded the Board that preparation of a gap analysis had been deferred pending the release of a further report by the CAG. JD reported that this further report had still not been released. However, he was aware that the gap analysis was required prior to finalising JBL's annual accounts and queried the deadline for this. GS advised that the audit process was currently underway with a view to completing the accounts by the end of April for presentation at the AGM on 12th May 2021. **IT WAS THEREFORE RESOLVED** that JD would work to this deadline for preparing the gap analysis. **IT WAS FURTHER RESOLVED** that AJ would complete his Chair's Report for inclusion in the annual accounts this week. **Action: JD/AJ**

(D) **Marketing Strategy** – GS confirmed that the marketing strategy would be completed by the end of Q1. This was echoed by AM who reported that JBL's annual review document had now been completed and that the marketing strategy was a work in progress. She added that a marketing campaign was due to start today and run for the next six weeks with Channel 103. She noted that this includes a JBL podcast and **IT WAS RESOLVED** that she would circulate a link to where these can be found on the website. **Action: AM**

Referring to the Channel 103 campaign, GS' reassured the Board AM has made all arrangements in this regard, to avoid any conflict of interest.

(E) **JBL Presentation to Chamber – IT WAS RESOLVED** that JC would liaise with Murray Norton regarding the appropriate timing and format of a JBL presentation to Chamber. **Action: JC**

(F) **Delegated Authorities Policy** – An updated version of the Delegated Authorities Policy was tabled to the meeting and GS summarised the amendments made following discussions at the last meeting. He confirmed that a cap of £25k had been set. Therefore, any contracts/expenditure above this amount will require Board approval. Furthermore, he advised that details of any contracts/expenditure entered into between £10k and £24,999 will be circulated to the Board retrospectively and details of all contracts/expenditure will be reviewed annually.

JD referred to item 4.7 of the Policy (“Changes to the organisation structure and reporting lines”) and suggested that no changes should be made in this regard, or to headcount, without being reviewed by the Board. He acknowledged that whilst this was not a financial issue, and that the Board’s concerns were more focussed on financial issues, the Board should be updated at each meeting on any changes in this regard. This was welcomed by the Board and **IT WAS RESOLVED** that GS would provide this update going forward. **Action: GS**

(G) **Risk Register** – GS advised that he had updated the Risk Register to only reflect 2020 and present risks and had circulated a copy of the same for discussion at item 10 below.

(H) **Reputational Risk** – GS confirmed that he had increased this risk from green to amber.

(I) **Strategic Planning Risk** – **IT WAS NOTED** that this risk was reduced from amber to green following the Government Plan debate.

(J) **Away Day/2021 Update** – AM acknowledged that the JBL team need to receive an update on the 2021 Business Plan and Covid Plan. She therefore agreed to arrange the same when Covid restrictions allow. **Action: AM**

(K) **2021 Meetings** – GS confirmed that the 2021 meeting schedule had now been agreed and meeting invitations had been sent to the Board.

5. **2020 Year to Date Financial Review** – The Board reviewed the profit and loss account as of 31st December 2020, a copy of which had been circulated with the agenda and the following points were discussed:

(a) **GST** – GS advised that the Company no longer had charity status and is therefore subject to GST. He noted that this totalled £20k in 2020, which JBL had not budgeted for and explained that JBL is unable to register for GST exemption status because it does not make any sales. The Board sought further clarification in this regard, given that other arms’ length organisations are GST exempt. **IT WAS THEREFORE RESOLVED** that GS/AM would make further enquiries with Treasury. **Action: GS/AM**

(b) **Covid Grant** – **IT WAS NOTED** that JBL’s Covid grant from the Government of Jersey (GOJ) for 2021 was still outstanding but expected to be received in the next couple of days.

(c) **Training / ICT Costs** – JD noted that the payment of GST and one-off training and IT costs were the main reasons for JBL exceeding its budget and he queried whether an increase in IT costs was likely to continue going forward. AM confirmed that costs were incurred by transferring to the MSDynamics CRM system and changing IT providers (to Prosperity 24/7). Furthermore, whilst she anticipates costs being higher going forward (to enable JBL to invest in the system and training), she does not expect them to be as high as 2020. However, she stressed the importance of investing in IT to ensure the new system is used correctly and this was acknowledged by the Board.

(d) **Other Property Costs** – KLF noted that £4.1k was spent on painting the JBL office and she queried whether this amount was the lowest of three quotes received. AM advised that £4.1k was not the lowest. However, it was the only quote which included special certified fire proofing paint on the emergency doors. Furthermore, the decorator was able to undertake the work when no one was in the office. GS commented that the landlord completed his annual visit recently (in advance of the lease expiring at the end of 2021) and he was very complimentary about the condition of the office and how well the painting work had been done.

6. **Update on 2021 Covid Recovery Plan** – The Board reviewed Covid 2021 Plan, a copy of which had been circulated with the agenda, and GS summarised the same. As noted in 5(b) above, funding for the Covid 2021 Plan was still outstanding and GS stressed that he was not prepared to commit to any contracts until it had been received.

GS advised that total funding for 2021 is £1,075,000 for 2021 and JBL propose breaking this down into the following four areas:

1) **COVID-19 Business Recovery Programme - £800k** – The Board noted that JBL will continue providing HR and property support in 2021 via external providers. However, whilst it is proposed to go out to tender for external providers for the provision of HR support, as there is narrow support available in terms of property, it is proposed to roll over the existing arrangement. Referring to financial support, in particular insolvency, GS noted that some dedicated third-party support may be required around this. GS advised that JBL also requires some health and well-being expertise. JBL will therefore go out to tender for this to ensure the necessary support is available for SME business owners. GS added that technology is also an area in which JBL may require external expertise, although he suggested that JBL should also have skills and resource in this area too.

The Board noted that Nick Steel is working on developing support around e-commerce and logistics and GS advised that whilst JBL may start working with an external partner to provide this initially, he expressed the hope that it will be a service JBL will be able to provide in the future internally.

GS advised that JBL will start to consider which external providers they are able to work with as soon as GOJ funding has been received and he reassured the Board that the appropriate tender processes will be undertaken in this regard, noting that JBL made a commitment to Scrutiny in this respect.

2) **Business Hub - £170k 2021 (£95k ongoing)** –

AJ and KLF expressed an interest in working on the project and **IT WAS THEREFORE RESOLVED** that GS would engage with them further in due course. **Action: GS/KLF/AJ**

3) **Business Efficiency Specialist Support - £70k ongoing** – GS highlighted the importance of having business efficiency programmes as an ongoing service. However, as GOJ are only providing 12 months of funding, JBL will only be able to offer 12-month contracts to any specialist support they appoint.

4) **Data Analysis - £35k ongoing** -

GS expressed his frustration that it was already February and GOJ funding had not yet been received to support the Covid 2021 Plan. However, he reiterated that it was due to be received shortly. AM added that if any of the Directors were aware of anyone who might be suitable to provide the support/roles referred to in the Covid 2021 Plan to encourage them to apply for opportunities at JBL.

AJ referred to the tech support JBL is proposing to provide and sought confirmation that this would not “step on the toes” of Digital Jersey. GS reassured the Board that when JBL has a clear idea of exactly what support it will be providing it will share this with Digital Jersey as we have done previously.

7. **Draft KPI Framework 2021** – The Board reviewed the KPI Framework for 2021, a copy of which was tabled to the meeting. **IT WAS NOTED** that this has been linked to the GOJ’s priorities and has been prepared with support from BDO.

The Board noted that GS was due to meet with the GOJ next Tuesday, 16th February 2021, to review the KPIs/to ensure JBL was on the right track as far as the GOJ are concerned. He expressed the hope that the framework will resonate with GOJ Officers and confirmed that following their input, he will populate the document and update the Board accordingly. **Action: GS**

IT WAS NOTED that BDO have reviewed the CAG’s reports which criticised the GOJ’s management of ALOs and they have therefore taken this into account when working with JBL on drafting the KPI framework.

GS suggested that following GOJ input, the KPI framework will be a powerful tool and he invited any questions on the same. AJ queried the frequency of reporting to GOJ and GS advised that he believes the currently quarterly reporting will remain going forward.

JC referred to the “People” definition in the blue column and expressed concern that this only states what JBL is going to do, rather than being outcome focussed (i.e. highlighting the difference JBL is going to make). She stressed the importance of JBL being clear why it was doing certain activities and ensuring what JBL is doing in the community

is making a difference. This was echoed by GS who agreed that whatever JBL does, must be measurable.

Referring specifically to diversity and inclusivity in the community, JC queried whether there were any surveys or data currently available which JBL could use as a benchmark. She also referred to the recent Leadership Survey results which highlight that leadership is average at best and whilst she was not suggesting using this, she suggested that it may need to be considered. GS expressed caution in this regard and stressed the importance of JBL only being measured on what it can influence and with this in mind, JC proposed amending the "People" definition to highlight objectives JBL is likely to achieve.

AM explained that the areas in italics on the KPI framework have not yet been worked on by JBL. Therefore, the statements in the purpose column currently focus on what JBL thinks they key priorities are for Jersey. However, going forward, she hopes to have a long-term view in this column highlighting where JBL is focussing its priorities. She therefore suggested amending the "People" statement to read "understanding what levels of diversity are in Jersey and consider what we/JBL is able to do change them".

In answer to a question from JC, AM confirmed that the external outcomes were being used as a starting point because it was the first time this process has been undertaken, noting that the same thought process will be used for other priorities as and when they are agreed.

AJ queried how the new CRM system will fit into the KPI framework and AM reported that some data is not currently being collated. However, with the new system it will be easy to collect the KPI data (if it is designed correctly at the outset).

8. **Update on Fiscal Stimulus Bid – IT WAS NOTED** that JBL's application for funding under the Fiscal Stimulus Fund has been refused. The Board reviewed a letter dated 5th February 2021 from Richard Bell (RB), Director General of the Treasury and Exchequer (a copy of which had been circulated with the agenda) which summarises the reason for refusal as: "*your application was for funding that would create a new Fund for further awards – this passes responsibility for compliance with the aims of the Fiscal Stimulus outside of those charged with governance for the Fund*". GS expressed his disappointment at this response, noting that he was expecting to work with the GOJ in managing the JBL grant funding.

The Board noted that RB, Kate Knutt and Richard Corrigan were on the panel which refused JBL's application and GS noted that any bids they have approved will now advance to stage two and will require the applications to prepare a business case, whereas JBL's application will not be submitted for further/Ministerial review. He noted that he was aware that other ALOs had also been refused and proposed watching with interest at which bids are progressed.

GS suggested that Jersey needs to consider some loan support to support business growth, noting that other jurisdictions are already doing this and expressed concern that the panel will favour construction/building projects which will not lead to a stimulation of the economy. He also expressed frustration that he was not given the opportunity to present JBL's proposals to the panel or explain the proposal to them, particularly as the GOJ would have been closely involved. GS reported that he has already contacted LF about the panel's response. However, he accepted that he was very busy and was therefore unsure whether he would have the opportunity to consider it. He added that he and AJ recently met with Kirsten Morel (KM) who recognised the need for the fund. However, GS acknowledged that KM's portfolio was now heritage, arts and culture.

GS invited the Board's input on whether he should appeal the decision and revert to RB with specific comments. AJ echoed GS' disappointment at the outcome of JBL's application. He also shared GS' concern that the Stimulus Fund will result in major building projects. He suggested that construction was not an area which requires stimulating whereas JBL's project would help the areas that really need it.

KLF also expressed concern about the Stimulus Fund favouring building applications. She suggested these may take time to get going and were therefore unlikely to have the desired effect of the Stimulus Fund. She therefore proposed reverting to the panel with a list of bullet points outlining why JBL is disappointed with the response received/why it should be reconsidered and asking for an opportunity for JBL to meet with them to discuss the matter further. This was echoed by JC.

AM reminded the Board that one of the criteria for funding is that money must be spent in 2021 and she suggested that some applications may or may not be able to do that. However, she expressed concern that JBL's proposal

cannot be time lined and stressed the importance of providing grant funding for the next two to three years, not just for one year. She therefore proposed that when questioning the panel(s) and/or Ministers about why JBL's application was refused, the opportunity is also taken to ask where else JBL could source funding from and highlighting that the provision of grant funding is necessary to stimulate the economy going forward. She expressed concern that had funding been awarded, the GOJ may have expected JBL to distribute grant funding for a 12-month period only and therefore suggested that by reverting to the panel about their refusal of JBL's application could result in a better outcome.

JD noted that JBL's application was made under the first tranche of the funding process which was oversubscribed and that a second tranche was planned. However, GS confirmed that the second tranche had already taken place and was now closed. JD added that he would be surprised if the panel favoured building projects, given the current backlog/delays in Planning. However, GS whilst accepted that the Fiscal Stimulus Fund was short term funding for "shovel ready" projects, he reported that the construction industry was not struggling and that we could be at risk of inflationary pressures if the flow of Govt funded capital projects was not appropriately managed.

IT WAS THEREFORE RESOLVED that GS would revert to RB/the panel with a summary of the Board's comments from today's meeting. **Action: GS**

9. **Delegated Authority Review – IT WAS NOTED** that this item was discussed at 3(F) above.

10. **Risk Register** – GS advised that this had been reformatted to only reflect the last 12 months and highlighted the changes made since the last meeting. The Board agreed that based on discussions at today's meeting the budgeting and cashflow management risk should be increased from amber to red. **IT WAS THEREFORE RESOLVED** that GS would further update the Risk Register accordingly. **Action: GS**

11. **Any Other Business**

(a) **2020 Year End Review – IT WAS RESOLVED** that GS would circulate a copy of the JBL 2020 year end review to the Board, together with the video of Covid statistics and AM invited them to share this content with their contacts. **Action: GS**

(b) **Statistics and Insight** – JC referred to a contact she recently made with someone who has set up their own statistics and insight business. She noted that their main services are (1) providing customer service reviews; (2) advising on the customer journey; (3) collating insights; and (4) providing training on what to do with insights received. She acknowledged that JBL already uses a company to provide support around its statistics and insight. However, she welcomed the different take this person had on data analysis and **IT WAS THEREFORE RESOLVED** that she would forward her details and make an introduction to GS/AM. **Action: JC**

(c) **2020 Customer Satisfaction Research** – The Board reviewed the survey results presentation from the 2020 Customer Satisfaction Research, a copy of which was circulated with the agenda, and GS summarised the same. He advised that a different survey model was used to previous years due to Covid; some of the questions were changed; and the survey was sent to a wider group of people (including the Chamber, IOD and JHA databases). Therefore, some respondents may not have had much interaction with JBL or may have only had their first interaction during Covid.

Questions were invited on the presentation and KLF referred to slide 15, the headline of which was "40%+ of respondents being optimistic that the size of their business would grow to some extent. Very few predicted a reduction in the size or closure" and suggested that this was slightly misleading as it was more of a 50/50 split. She expressed concern that the GOJ may interpret this as JBL support not being required and therefore proposed highlighting that 40% of respondents were not optimistic about growth. However, GS stressed that he would make it clear to the GOJ that JBL also needs to support business which are looking to grow (not just those which are struggling). He added that Jersey tends to target weaker businesses for support rather than those with growth position and proposed that the 40%+ figure looking to grow should be taken as a positive. This was echoed by JD who noted that whilst 60% of respondents need JBL's help, it must also help the 40% that are wanting to grow.

AM advised that JBL can amend the headlines of the slides as they see fit and **IT WAS THEREFORE RESOLVED** that she would delete the second sentence of slide 15 ("Very few predicted a reduction in size or closure"). **Action: AM**

AJ congratulated GS, AM and the whole JBL team on the results of the survey and asked that the Board's thanks be passed on to them.

AJ noted that slide 22 (what additional help clients require) highlights the requirement for a Business Hub. He added that the Net Promoter Score remains world class at 52% and this was echoed by GS who noted that this has been set at 40% for JBL's KPI with the GOJ

JC commented that JBL has come out of the survey very well, despite the wider circulation and Covid both of which increased its exposure.

GS referred to the opportunities that businesses foresee in the next 12 months (listed in slide 26) and highlighted that these correlate with the programmes being provided by JBL.

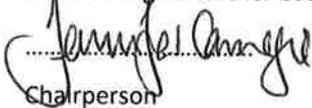
GS described the results as "positive and powerful" and agreed to share them with GOJ Officers and Ministers.

Action: GS

In answer to a question from AJ, AM confirmed that the data from the results have been incorporated in the 2020 year end review. She added that the results will also be used in a campaign and wider communication plan to ensure that stakeholders are made aware of them.

12. **Date of Next Meeting - IT WAS NOTED** that the next meeting was scheduled for 12th May 2021 at 9am and would be followed by the AGM at 11am.

There being no further business to discuss, the meeting was closed at 11.20am.


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Chairperson

12/5/21.....
Date Signed

Actions:

- 1) GS to defer Board Skills Review until Q2 2021
- 2) Microsoft Teams
 - a. AM to liaise with Prosperity 24/7 to resolve JC access issues
 - b. AM to liaise with Prosperity 24/7 to provide Board with advanced Teams training
- 3) JD to prepare Gap Analysis between JBL's Annual Report and Controller and Auditor General's (CAG) best practice recommendation in line with completion of year end accounts
- 4) AJ to prepare Chair report for inclusion in year end accounts
- 5) AM to provide Board with link to website/marketing campaign to include podcasts
- 6) JC to liaise with Murray Norton regarding suitable timing/format for JBL presentation to Chamber
- 7) GS to provide an updates on any changes to the organisation structure, reporting lines or headcount at future Board meetings.
- 8) AM to arrange a JBL team meeting to receive an update on the 2021 Business Plan and Covid Plan
- 9) GS/AM to make further enquiries with Treasury regarding GST exempt status for JBL
- 10)
- 11) KLF to provide GS/AM with CV of suitable candidate to work at JBL
- 12) GS to populate KPI Framework following meeting with GOJ on 16th February 2021 and update Board accordingly
- 13) GS to revert to Richard Bell with a summary of the Board's comments regarding the refusal of JBL's Fiscal Stimulus bid
- 14) GS to seek input on JBL's Fiscal Stimulus bid/proposal from Tony Taylor/Lisa Springate
- 15) JC to seek input on JBL's Fiscal Stimulus bid/proposal from Chamber's Executive Council
- 16) GS to update the budgeting and cashflow management risk from amber to red
- 17) GS to circulate 2020 year end review and Covid Statistics video to Board for sharing with their contacts
- 18) JC to introduce/provide details of new statistics and insights contact/business to AM/GS
- 19) 2020 Customer Satisfaction Research Results
 - a. AM to delete second sentence of heading of slide 15
 - b. GS to prepare a summary of same (with conclusions at the start) for sharing with GOJ Officers and Ministers

- c. GS arrange a brief presentation of the results with LF, KM and key officers