

Business Isle of Man Agency Board Meeting Minutes

Date: 10th August 2023

Time: 2:00pm until 4:00pm

Venue: The British - Embassy Room, North Quay, Douglas

INVITED ATTENDEES - VOTING MEMBERS			
Steve Pickett, Chair, Business Isle of Man	SP	Janna Horsthuis, Sector Champion, Local Economy (Apologies)	JH
Alex Fray, Sector Champion, Biomed & Medicinal Cannabis	AF	Ollie Neale, Sector Champion, Drink Production	ON
Carol Glover, Sector Champion, Small Business & Entrepreneurship	CG	Stephen Smyth, Sector Champion, Construction (Apologies)	SS
Dave Hester, Sector Champion, Engineering & Manufacturing	DH	Dr Michelle Haywood MHK, Political Member	MH
Findlay Macleod, Sector Champion, Food Production	FM	Tim Cowsill, Head Of Business Isle Of Man, DfE	TC
Ieda Yell, Sector Champion, CleanTech	IY		

INVITED ATTENDEES - NON-VOTING			
Mark Lewin, Chief Executive, Department for Enterprise (Apologies)	ML	Kirree Gooberman, Development Manager, Export Sectors, DFE	KG
Hira Modan, Marketing Manager, DFE	HM	Rob Green, Business Development Manager, DFE	RG
Katy Ashwell, Business Development Co-Ordinator, DFE	KA		

Timing	Agenda item	Owner(s)
14:00 - 14:05	Chair's Welcome & Introduction	SP
14:05 - 14:15	<p>Standing items:</p> <ul style="list-style-type: none"> a. Apologies - ML, SS, JH SP welcomed KA b. Code of Conduct - nothing raised c. Declarations of new/potential conflicts of interest - TC noted that AF will be attending the Medical Cannabis Europe Conference in Portugal this September to support with sector development. d. Additions to Gifts/Hospitality Register - nothing raised e. Previous minutes to be signed off by board – June 23 – approved with no comments. f. Action tracker taken as read. 	SP
14:15 - 14:25	<p>Initial Briefing:</p> <ul style="list-style-type: none"> A. Chair; <p>SP gave update on upcoming events, reminding the board that the Government conference is taking place in September and requested members confirm</p>	SP



	<p>whether they can attend. The format for Business IOM at the event is still under consideration.</p> <p>TC & SP are due to present to the Economic Policy Review Committee in October and will begin preparing for this shortly. TC explained the role of the committee, to which the agencies provide an update each year. The hearing is in an open court setting and will be broadcast on radio.</p> <p>SP also referenced the survey on the Local Economy and High Street is still open, with approx. 700 responses to date. SP encouraged a target in the 1000s representing a measurable percentage of the population.</p> <p>B. DfE Chief Executive; No update - ML not in attendance.</p> <p>C. Head of Business Agency; <u>MUA & DEFA Update Event 12th September</u></p> <p>TC notified the board of the planned cross-agency event with presentations from DEFA and MUA, invitations have been sent out prior. The aim of the event is to give visibility to the MUA's future plans and in turn understand from the agencies what questions need to be addresses and what challenges are faced by businesses.</p> <p><u>Freeport Funding - Up to a £20,000 cost to Business Isle of Man Revenue</u></p> <p>TC referred the board to the decision paper submitted to the June 2023 board meeting, where approval was given to proceed with the review but sourcing joint funding. TC has not had a response from Customs and concerned with the time this is taking, and instead recommended the project progresses using revenue budget. There was no objection to this proposal.</p> <p>A discussion followed regarding a paper on Freeports in the North West of England and whether either this contains the required insights. TC replied that while it is a useful document, it is important the review considers the "Manxisms" and whether they will be a benefit or not to the continuation of the site as a designated Freeport.</p> <p>AF requested a copy of the NW paper.</p> <p>Action: TC to send AF copy of the NW Freeports paper.</p> <p><u>Event Fund Treasury Decline and plans to re-open the scheme</u></p> <p>TC provided an update on the future of the Domestic Events Fund explaining that Treasury declined the request to use the contingency funds. This was a disappointing decision due to the proven success of the scheme and the known returns. TC proposed that rather than not run the scheme, or delay re-launching while trying to source funding elsewhere, to instead take £50k from revenue and open applications next Wednesday (16th August). TC illustrated the scope for this against existing commitments for this financial year.</p> <p>It was asked why the request was rejected, TC responded that it didn't meet the terms of the contingency fund, with SP adding that these terms have changed since previous applications.</p> <p>Discussion followed around potential constraints for applications to the fund, with a board member suggesting it be based on match funding. TC replied that the intention is to not be so prescriptive and instead matching the level of support to the amount of economic benefit. The fund can support smaller events, however should a promising large application come in then this can be brought back to the board.</p>	<p>TC</p>
--	---	-----------



	<p>A board member also asked whether Visit Isle of Man could run this fund, TC advised that this is the ultimate plan and there was a meeting around this earlier in the week with the new CEO who is happy to take this on.</p> <p>A board member raised the concern that the fund may be used to bolster commissioner budgets. TC countered this saying that some are doing great things and the fund helps, reminding as well that the fund will only support new events, or new additions to existing events. MH noted that local authorities are limited in the amount that can be spent on events.</p> <p><i>A vote was taken to allocate £50,000 of revenue budget to the Domestic Event Fund, re-opening applications on Wednesday 16th August.</i></p> <p>Vote supported unanimously.</p> <p><u>Update on 2023 Programme</u></p> <p>TC stressed the need to reflect on the progress made to date on the actions identified in the BIOM 2023 Programme and ensure everything is on track. Board members have been provided with an overview document and requested to review, speak to the sector officer(s) and report back on any issues or potential blockers.</p> <p>A discussion followed around the need for data, with a board member requesting KPIs. It was debated what this would look like and broadly recognised that it would need to vary depending on the sector. The relevance of jobs as an indicator of success was debated with SP pointing out that investment can be needed to maintain levels as they are, so work will be done but no increase in jobs will be evident. TC added that seasonality is a factor, as is persons with multiple jobs.</p> <p>The need for a measure of success against both other areas and the Island Plan was raised by board members. TC advised there is going to be a quarterly update which will be shared with the board and officers can produce a pipeline with expected jobs etc. if required.</p> <p>Action: Share Quarterly update with board once available</p> <p>Board members were reminded of the data in the economic dashboard and it was agreed that the data relevant to BIOM be pulled out and drilled down in more detail. TC cautioned that some of this data is only released quarterly or less.</p> <p>The need for businesses to share their data was discussed, with TC noting the reluctance and mistrust of many to share their data with Government. Progress has been made with Food and Drink with the new export group agreeing to share data as part of their terms of reference.</p> <p>It was agreed that a data subgroup be formed with SP, DH, and CG.</p> <p>Action: Create Data Subgroup. KA to set up first meeting with SP, DH, and CG. Action: Extract BIOM data from Economic Dashboard for Review by Data Subgroup</p>	
<p>14:25: 15:15</p>	<p>Papers for Decision</p> <p><u>BB20230828 Medicinal Cannabis Update Report and Promotional Proposition</u></p> <p>RG spoke to the paper, beginning with a status update and the challenges currently being addressed.</p>	<p>RG</p>



	<p>A paper recommending amending the Proceeds of Crime Act (POCA) has faced some resistance from technical officers across government. An external consultant is supporting the Agency through this discussion with the Department Chief Officer</p> <p>Planning routes to markets for new businesses was discussed, with the board querying how much information should be publically available, stressing caution. TC advised there is a meeting tomorrow (Friday 11th) with GSC and DHSC where this will be discussed.</p> <p>TC advised that a Memorandum of Understanding has been submitted to the UK Medical and Healthcare Products Regulatory Agency but is currently stalled with their legal team. Options to get this moving again will also be discussed in the meeting tomorrow, with using the relationship with the Minister for Justice if required.</p> <p>The board raised the difficulties experienced with Planning, and a frustration that if something is strategically important it should go to front of queue but doesn't. SP queried whether the major applications process was supposed to stop this. TC reflected that being involved in the Built Environment Reform Project (BERP) has been an education, the planning Team is holding together an old system with only a few officers. There is sign off for a UK based system for planning which will allow greater transparency as to exactly what stage each application is up to.</p> <p>The board questioned whether submitting an application through the Council of Ministers would be quicker. TC responded that while they get applications of national importance do take longer as the process requires an inspector from the UK. TC requested an action for SM to produce a paper to explain the planning system/processes to help the board with understanding.</p> <p>Action: Steve Moore to produce a guide/overview to planning processes for Board Members' information.</p> <p>RG continued presentation, detailing the updates to the targets for the sector. These are now pushed out over a longer term with the focus on building consistent growth and a strong niche sector. These will be included in the program for 2024. A board member suggested that it is the jobs target is reduced so should the licence holders target. RG was cautious not to make such changes without consulting the board. Discussion followed around what sizes potential businesses will be.</p> <p>Discussion continued around the marketing plans and the need to approach the right type of businesses and making sure it is clear the business is medicinal to keep the regulators happy. RG continued that the promotional plans include a strong focus on myth busting the industry.</p> <p>TC informed the board that TC and RG are attending the Medical Cannabis Europe Conference in Portugal next month and members of the GSC are joining to keep them up to date with the regulations and increase understanding of the industry.</p> <p>The board encouraged this approach, noting the opportunity to pick up leads to be had from networking. It was suggested that the biggest event, Marijuana Business Conference and Cannabis Expo in Las Vegas would be worth attending in the future.</p> <p>Discussion returned to the current challenges, with TC reassuring the board the MOU is very close to being signed. TC advised that POCA is more of an issue but also not as essential. A board member agreed with this but cautioned that without it there will be restrictions. Concern with the tagline of "medical first"</p>	
--	---	--



	<p>was also raised and that it could put off potential businesses. RG agreed that more work needs to be done.</p> <p>TC advised there are next steps planned for progressing the POCA amendments and is meeting with ML next week.</p> <p><i>A vote was then taken with the board members unanimously supporting the proposed plan.</i></p> <p>Papers for Noting</p> <p><u>BB20230829 Engineering & Manufacturing Review Options</u></p> <p>TC gave brief introduction to the paper, reminding the board this has been approved previously and has now been brought back to the board for final ratification after going to the Department.</p> <p>KG advised that full procurement has taken place, and expressed confidence in the selected applicant noting their successful experience working with businesses in the UK and their intention to take the same approach here. A review will be done of individual businesses and this will then form a bigger picture.</p> <p>The aim of Phase 1 is to gain a good understanding on health and future of the sector, and serve as a catalyst for those businesses taking part to make any necessary changes, with Phase 2 as the creation of a 10 year strategy. The total budget for both phases is £263k. KG added that this work meets the targets set out in the Department Plan and Business Isle of Man Programme.</p> <p>TC closed discussions advising there is no vote required and reminding the board that the money for this project will be from a separate bid not revenue. No objections were raised to proceeding as outlined in the paper.</p> <p><u>BB20230830 Marketing Update July 2023 & July BIOM Dashboard</u></p> <p>HM presented the marketing update covering the current focus, overall projects and the event plan both on and off island.</p> <p>The small business workshops were recently rounded off with a final event which was well received. The plan for the next series will be detailed in a paper for the board next month this will include suggestions to vary the format and timings as it is difficult to find times that suit everyone. The networking opportunities were beneficial and there is intention facilitate more of these. TC added the goal to include more disrupters next time around with a focus on success stories and examples of overcoming hurdles.</p> <p>A board member raised that a common hurdle raised by small businesses is dealing with Government. TC advised that can be addressed with officer training and it is important to gather this feedback so it can be actioned on.</p> <p>Referring to future events, a board member suggested they be filmed and a library creating on the BIOM website. HM advised this would be considered and more detail will be available in the paper next month.</p> <p>HM continued to say that feedback from the Meet Your Street videos has been positive, and there has been success with shortening the videos to 90 second reels. 30 more videos have been secured using DfE budget with 3fm. These videos will also be added to the new BIOM website. After involvement the businesses are sent a survey asking if they noticed any change in trade following the videos, not many have been received back but verbal feedback has been very positive. The board requested it be a requirement of businesses' involvement that they complete a survey afterwards.</p>	<p>KG</p> <p>HM</p>
--	--	---------------------



	<p>Action - Make it a requirement of filming for “Meet your Street” that businesses agree to complete a survey afterwards.</p> <p>HM then spoke about the videos supporting the diversification of the economy with 9 videos filmed, 3 released so far. It was agreed at the start of the project that the board would be updated half way through. These videos were shared organically first, then paid advertising has been used. However there has not been much engagement as a result of the paid advertising.</p> <p>SP noted that it is still useful to have the video assets for future use. Board members noted that the feedback from businesses involved has been positive with the footage being used for their own projects.</p> <p>It was put to the board that the remaining videos are released but no further promotion be paid for, there was no objections to this. A board member commented that it is ok to try things and then stop if it doesn't work.</p> <p>Regarding the Event Plan, HM advised this has been updated and is available to view in the Teams Group Events Calendar. Board members are asked to share any events they feel would be worth attending.</p> <p>HM next updated the board with progress of the new BIOM website which it is hoped will go live ahead of the Government Conference. Referring to the screen shots on the presentation the board raised a number of questions about the branding on the new website and the tender process to appoint the company that provided it. The board was reminded that they stipulated the designer be a local company. TC explained that the tender process is really restrictive and the contract was awarded based on the applications received. The design and website can be a starting point and evolve from there. HM also stressed that the main focal point will be the imagery, and work has been done to ensure a wide catalogue of local imagery with no stock photography.</p> <p>TC suggested that the board are sent more detail of the new website so they may view it fully.</p> <p>Action - HM to share an overview of the new website with the board.</p> <p><u>BB20230831 LoveIOM May Marketing Dashboard</u></p> <p>Taken as read.</p>	<p>HM</p>
--	---	-----------



<p>15:15 - 15:35</p>	<p>Sector Updates</p> <p>Board members were asked to identify any issues and highlights in their sectors.</p> <p><u>Small Business & Entrepreneurship</u></p> <p>One issue currently is there is unrest with businesses in Braddan rates going up 20% and 17 contacted COC in the last week. However these rates are still considerably less than in Douglas.</p> <p>Broader, there is a need to invest in not just smaller businesses but those slightly bigger with scope to grow. Coaching and mentoring could help with this. The topic of AI was discussed with the potential to increase productivity in small businesses. TC agreed that it could really help but needs myth busting. It may be a possible topic for the small business workshops.</p> <p><u>Engineering & Manufacturing</u></p> <p>Productivity in aerospace has picked up which is trickling down to other businesses. Spoke to the difficulty of recruiting and finding that cost of living here is too high for potential employees to relocate.</p> <p>Working with UCM which is going well. College has agreed to run a conversion course to change to manufacturing, it is anticipated this will be taken up by adults already in the general workforce looking to change career. The course is 12 weeks and funded by the industry businesses by whom each respective student is employed by.</p> <p><u>Cleantech</u></p> <p>Discussion was held around off-shore wind and how it is being seen as a part way solution on the way to decarbonisation. The development costs however are very high. The board member has spoken to BP about investing on the island, either through Orsted or by creating a second offshore wind farm.</p> <p>The need for companies to meet net zero targets was discussed, noting how some businesses are importing green energy to the island in order to meet their green credentials.</p> <p>TC advised that MUA will be speaking to this at the event on the 12th September and the hope is they will create a commercial strategy.</p> <p>MH raised the need for businesses to carbon offset on island, and it was agreed there are a lack of schemes to support this. TC advised the innovation challenge hopes to address this.</p> <p>Financial support for cleantech was discussed, and the difficulties faced by businesses when they don't own the properties. TC agreed, noting the £25k Green Grant loan was the only option currently.</p> <p>Action - To find and update on the next round of ESG business support.</p> <p><u>Food Production and Export</u></p> <p>The board member for the sector gave an update, describing difficulties over the summer with recruitment following gaining a new customer in Canada requiring high value products.</p> <p>Noted that the market has dropped again with milk prices falling in the UK. Exporting isn't financially viable unless products are high value. TC said this will</p>	<p>All</p>
----------------------	--	------------



	<p>be a priority to address when there is the opportunity to feed into the Sea Services Agreement. There is also the need to look at filling freight capacity for the Steam Packet. SP added that the Food and Drink Export group have a real opportunity here.</p> <p><u>Drink Production and Export</u></p> <p>Discussion around the new Food & Drink Export Group. Drink is more positive, with existing plans to export. Three local businesses will be attending a London trade show in November supported by the agency. The aim is to first secure UK distribution, with consumer events to follow.</p> <p>SP asked about production with the board member replying that it is difficult, with the challenge of moving from cask beer. They are looking at taking on contracts for packing for other businesses. There will be benefit to having those facilities on island rather than shipping products to the UK for bottling. DEFA are looking to support this project.</p>	
15:35 - 15:45	Overall Program Tracker - referenced in Head of BIOM's update above, not discussed further.	All
15:45 - 15:50	Standing Item: Budget Update - referenced in Head of BIOM's update above, otherwise taken as read.	TC
15:50 - 16:00	Standing Item: AOB Nothing raised.	All
16:45	Meeting Close	SP