

STATES OF JERSEY



SHADOW BOARDS AND MINISTERIAL BOARDS: APPROVAL BY THE STATES

Lodged au Greffe on 11th November 2010
by Deputy P.V.F. Le Claire of St. Helier

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) to request the Minister for Economic Development to bring to the States for approval the proposal announced by the Minister on 3rd November 2010 for the formation of a Shadow Board to oversee all aspects of the Harbours and Airport;
- (b) to agree –
 - (i) that no such similar bodies shall be established by Ministers until the proposal to establish the body has been agreed by the States in all cases where payment of remuneration is to be made to members of the body concerned and where members are to be permitted access to information and financially sensitive data held by the Department and where the body is to be established with a view to shaping government policy or informing the delivery of change;
 - (ii) that Ministers should, before finalising any proposals to establish bodies of this nature, consult the Public Accounts Committee, the Privileges and Procedures Committee and the relevant Scrutiny Panel to ensure appropriate oversight of the proposals;
- (c) to agree that any proposals by Ministers to establish Ministerial Boards of elected members to advise them should be subject to prior States approval of the –
 - (i) proposed membership of the Board;
 - (ii) terms of reference of the Board;
 - (iii) financial and manpower implications;
 - (iv) scope of the policies to be considered by the Board.

DEPUTY P.V.F. LE CLAIRE OF ST. HELIER

REPORT

I have dwelled upon the recent move by the Minister for Economic Development and whilst the move may be the right way forward for Jersey, it certainly lacks what I would view as the appropriate checks and balances of democracy.

I believe the fact that in under 3 weeks the Minister has demonstrated a remarkable conversion on the road to Damascus about the way he wishes his States appointed Ministry to function.

In just a little over 2 weeks this Assembly has seen him vote against Ministerial Boards and yet go on to appoint, in what can only be described as significant by any means, a shadow board with considerable powers, privileges, and influence.

A board whose remit surpasses the economic potential of all others to date, including in my view the SOJDC and WEB.

All of this without so much as a Statement to the Assembly on the day it was announced to the media (see Appendices 2 and 3).

In fact, it was mooted in a Statement earlier this year, but so vague and passing was this reference I include it within the proposition's report (see Appendix 4).

I asked him the day after he circulated the press release at 19.05hrs on the Tuesday that the States sat, why he had not made this significant decision subject at the very least to a Statement in the Assembly.

This Board, consisting of no less than the former Chief Minister and a former Chief Executive, escaped even the normal sharp-eyed scrutiny of the Deputy of St. John, who e-mailed, asking where were the CVs of the Board?

Of course they were typed into the very bottom of the press release in such a way as one might expect the producers and stunt-men of a film to appear, rather than at the heading where the stars are normally given their prominence.

I attach for members' perusal (see Appendix 1) an extract of what I consider to be significant factors in the preceding decision of the States 2 weeks earlier, where neither the Minister for Treasury and Resources nor the Solicitor General were entirely certain as to gifting involvement, at any such level as described within the press release, to Boards who would work with Ministers as proposed by Senator Breckon.

The Minister for Treasury and Resources and others did not support the move for democratically elected politicians to be empowered in any such way, to effect changes that the community had mandated them in fact to do, but instead spoke in such strong terms against it that one wonders if the States of Jersey has now become a private company. The Minister for Economic Development was silent on the matter but voted against it.

Financial and manpower implications

There are no financial or manpower implications arising from this Proposition.

Extract from Official Report ('Hansard') – 20th October 2010

1. Machinery of Government: establishment of Ministerial Boards and revised system of Scrutiny (P.120/2010) – as amended (continued)

The Deputy Bailiff:

Very well we now return to P.120 as amended which is open for debate. Does any Member wish to speak? Deputy Duhamel.

1.1 Deputy R.C. Duhamel of St. Saviour:

Yesterday I think we had for one of the first times in this House, or certainly one of the first times that I have been witness to, a rare glimpse of the elephant that sits in this House and sits on that table. Before Members start thinking that I have possibly contacted the spiritualists **[Laughter]** I need to explain. I was one of those Members who participated fully in the Shadow Scrutiny process and indeed in the setting up of the Scrutiny Panels of which I was chairman overall. All during that time when we moved to the introduction of Ministerial government one thing kept on nagging me and my members, and that was how the States had been changed by the move to Ministerial government. Now I need to just recollect for those Members who were not in the House or privy to some of the arguments. I will not dwell on them at any great length but the issue has to be drawn out. Under the previous administrative organisation this House reigned supreme. You may ask where the seat of power is, although some might say it is beneath your rear, Sir, but it is not there, nor is it on my right-hand side beneath Deputy Power's rear. **[Interruption]** The seat of power lay in this House in its entirety and that is to make policies in light of strategies that this Island wants in order to forward how we deliver services and improve society for all of those who elect us. In moving to Ministerial government, during the debate advice was not really given and nor was it sought, to be fair, in any great measure by those who took part in the debate as to what would happen significantly if we moved to Ministerial government to the collective responsibility of the House. In subsequent conversations indeed with you, Sir, and other legal Members it would appear that an interpretation of this move to Ministerial government is established by setting out Ministerial government that the Government of this Island is not the States Chamber any more, it is the Ministers. The Ministers have been given a corporation sole status, which effectively underlines this position and allows them in all effect to do whatever they wish to do or whatever they think is needed to be done by those who vote for them. I think that raised at the time I was a member of the Scrutiny Panels the huge issue as to the longevity of the Scrutiny system, and the extent to which any of the efforts that will be made by those Members working on Scrutiny would be useful. Because it seems to me that if Ministers have taken over the House and they are the Government and they can act because there is no collective responsibility that binds them through the Council of Ministers – an amendment saw to that, which I think was from Senator Syvret supported by this House – they are all completely entitled, and this is my understanding of the States of Jersey Law 2005, to act in any which way they please and they are backed up by the law. Now being reasonable Ministers they do on occasion, particularly when there is some significant issue, worry about whether or not they might be re-elected or whether or not they are doing the right thing. Certainly, we can see Ministers wanting to bring some of the strategic and policy issues to this House, not for our decision as to whether or not they can take the decision or whether or not they should be taking a different decision, but for advice and that devalues all of our jobs, I think, unless we are a Minister. So as I say this for

me is the elephant in the House and I think as the saying goes: “If it is not broken, do not fix it” but there must be a corollary to this that if you do wish to fix a system that is broken you must do it properly and that is what is worrying me. If indeed the proposals by Senator Breckon to move in the direction he is moving in is to replace Ministerial government by a Committee system which puts back the responsibilities for taking decisions, or that we have lost or we have not admitted we have lost as yet, then all well and good. But I am not sure the proposals that are being put forward go that far and indeed you were wise to comment and to solicit a response from Senator Breckon to determine whether or not within the body of his report he was wishing to take away the corporation “soleness”, so to speak, of the Ministers and to allow the responsibilities for taking decisions to return to this Chamber. If it does not, and he indicated that that was not his intention, then I feel that the proposals on the table are only half-hearted and will effectively be the nail in the coffin for Scrutiny, for the half-hearted system, the governmental coquetries we have on our table, which is neither one thing nor another. That worries me because we all think that we are elected here to do a job; we all wish to do the job to the best of our ability. But as I say the key issue is one of whether or not we can participate in a meaningful way to the creation of strategies and policies which the Ministers – and I am quite happy for the Ministers to act in this regard – can execute through the departments. Executive Government in my mind means this House still remaining supreme in its decision-making capacity and not just being relegated to a legislature but to rubber-stamp laws that are brought to us by the departments through the Ministers, but is participating in the very big issues, the strategic issues and the policy-making issues, in order to determine what might be best practice for the services that we are delivering to the public. Unless we can go in that direction, I am not sure that the amendments will add anything to, or the main proposition will deliver what all of us perhaps in our hearts would like to see delivered. It is not a case of mistrusting Ministers; it is a case of, I think, putting the genie back in the bottle and outlining in a very particular way, which was not done in the States of Jersey Law 2005, what all of our jobs are, those of us who are not fortunate enough to be a Minister. Now I popped into the Greffe this morning and got out a copy of the States of Jersey Law 2005 and really there must be reference to it at some stage if this proposal goes forward to re-write it to the extent that we write-in the functions for all of those Members who are party to the House and the Assembly in a way that is meaningful.

[09:45]

This was the source of my concern a number of years ago which has not been resolved as yet. At the moment the document is silent when it comes to who makes the strategies and who writes the policies. There are kind of mealy-mouthed words which were not properly, as I say, advised upon as to whether or not we were giving up things, which I think we did when we went to Ministerial government to the effect of who would do these functions. We have already heard a number of Members in the amendments suggesting that there is no seat of power or focus or responsibility that is given to a particular body of members or kept or retained by this House for the bigger picture stuff and that is what we are here for. As I say, in the previous debates we all agreed by a very small majority to go in this direction. There was a surprising lack of legal advice that was given to this House to put it in plain English what we were giving up, what we were going to achieve, and to make it crystal clear for every Member, what it was we were getting into. In that respect before I finish my speech, I would like to ask the Solicitor General to perhaps say a few words as to the legal outcomes or implications of adopting Senator Breckon’s proposition and the extent to which perhaps the States of Jersey Law 2005 might have to be changed and to put Members’ minds at rest, or at least give an indication, as to what it is we are getting

into at this stage if we go along with Senator Breckon or indeed what might remain to be changed if we do not.

The Deputy Bailiff:

That sounds like a fairly broad request ...

Deputy R.C. Duhamel:

It is and I think I have deliberately couched it in those terms because I do not wish to put words in the mouth of the Solicitor General. I think it must be right for him to interpret whatever he thinks needs to be said in legal terms because he is the legal expert and I am not.

The Deputy Bailiff:

Solicitor General, are you ready to deal with this now or would you like to come back later on? It is a fairly wide request that has been put to you.

Mr. H. Sharp, Q.C., H.M. Solicitor General:

Yes, can I make some initial comments and perhaps if other Members want further clarification I can speak later. Obviously these are rather provisional thoughts, and further consideration and more mature reflection will be required if and when this matter is ever referred to the Law Officers' Department, so I should make that qualification from the outset. But of course the starting position now, and indeed in the proposition as I understand it, is that the Minister is a separate legal entity and is responsible for his or her decisions. That being so, there is a potential – and I do not wish to use any stronger word than that – for legal friction between a Minister, a separate entity, being joined on to a Ministerial board. By that I mean, how do you define the legal interaction between the Minister and the board? In other words, when should the Minister consult the board and about which decisions? The wording used in the proposition is in respect of significant decisions or other words are used such as “major” or “contentious”. Speaking as a lawyer, the potential problem is, what do those words mean in reality? Suppose a Minister takes a decision without reference to the board and he does so because he thinks the decision is neither contentious nor particularly major, the decision is then published. Another States Member then takes a totally different view as to the merits of that decision. He thinks it was major or she thinks it was contentious. That States Member perhaps lodges a question or some sort of proposition in the States Chamber. How do you then judge whether or not the decision was major or contentious, whose view is correct, is it the Minister's honestly-held view of the time, does that hold sway or does the very fact that another States Member thinks it contentious, does that render it so and who decides? Is it the Royal Court through litigation, is there a vote in the States Assembly, what is the consequence of this potential uncertainty? If there is a failure to consult, does that render the Minister's decision unlawful? Presumably it does because the Minister would have been required to have taken into account the views of the Ministerial board and did not. So, if that is right, does that mean that another politician claiming that the Minister's decision is in fact contentious; does that mean you have a period of uncertainty whereby you do not know whether or not the decision was lawful in the first place? Can I just take 2 simple examples? There have been questions yesterday about psychic mediums at the Fort. Supposing for a moment the Minister was in charge of making such a decision for the purposes of this advice and had granted the entertainment licence, does the fact that another States Member submitting a question challenging the appropriateness of that, does that render it contentious? If it is contentious, does that mean the decision to issue the licence is now unlawful? Does the performance go ahead, do the public get their money back, should I be prosecuting

people for providing entertainment without a licence? Another example may be 1(1)(k) residents. Does a Minister granting a 1(1)(k) resident licence to Mr. Bloggs... is that major or contentious? It may be that some States Members think it is but again because those words are so subjective, it is difficult, legally speaking, to know quite how the interface works. I suppose those are my initial views, having read the proposition. Plainly, if this proposition was adopted there would need to be a lot of work done on the States of Jersey Law 2005. I cannot properly tell you exactly the extent to which that would happen today but obviously, as I said at the beginning, the Law Officers' Department would need to give very careful consideration to the legal consequences. But I just flag-up today perhaps what might be an obvious legal issue to me which is how do you legally define the interaction between board and the Minister? Thank you.

Deputy D.J.A. Wimberley of St. Mary:

May I ask for a point of clarification on what the Solicitor General has just said? He said that Ministers are separate legal entities and then this new system would adapt to that. Can he explain what the situation is with regard to liability? If a Minister makes a decision which then has an effect which someone else interprets as damaging, then does that liability rest here in the States or with the Minister personally?

The Solicitor General:

Well at the moment the Minister is sued in his own name so if you keep him as a legal separate entity then you would sue the Minister, yes.

(Later in the debate)

1.1.17 Senator P.F.C. Ozouf:

When this proposition was discussed at the Council of Ministers and lodged, I was supportive. Like many Members, I wanted to see an evolution of our system of Government, which tried to deal with some of the divisive elements that have clearly emerged since Ministerial government, to a greater extent than even it existed before. Yesterday I re-read the Clothier Report and I did a straw poll of some of the new Members of this Assembly of those who had read the Clothier Report, and, without revealing any names, there were quite a number of people who had not read the Clothier Report. So I would commend to Members to read the Clothier Report, and it is interesting that many criticisms of Ministerial government, and indeed the way this Assembly operates, have been spoken in this debate today, and in some ways I would say that the conclusion of that is it is probably about the people who populate whatever system of government we have, not the system itself. However, the system is important. I was mildly amused by some of the criticisms of Ministerial government about civil servants running departments, as opposed to committees, and other things, and I would say very respectfully to the Deputy of Grouville that all of that is in the Clothier Report, and in some cases Clothier is right, it is up to Members to decide whether or not that is right in terms of some Ministerial departments. I hope that could not be said for my department. I have worked in both systems, because I believe that politicians should be in charge for the avoidance of doubt of Deputy Le Hérissier. **[Laughter]** I have worked in both systems of government, and I have to say it is very nice to think back to the committee system, of a lovely system of the past in a bygone era, but it had major inefficiencies and faults. I believe that Ministerial government is, for all of its criticism, more accountable; you do know who makes decisions, and the current system of Ministerial government is more responsive, it is more joined-up. From a Treasury perspective it is without question, in my view, more efficient from a financial point of view, and I think that in these times that is important. Indeed, re-

reading the Clothier Report reminded me that Clothier recommended there be a Treasury and Resources Department, well we named it Treasury and Resources, but we did not create the unified resources department, and that is not a grab of responsibility for the Treasury and Resources, it is a structure, which was designed to create appropriate tension between the Treasury and departments in the issues of financial management. I am pleased to say that is going to happen as a result of the Business Plan debate as of 1st January 2011. So the real problem with this proposition is the supporters of it clearly have 2 interpretations, some Members want to go back to the committee system, other Members want to evolve the system of Ministerial government that we have and for it to become more consultative and more engaging. I do not want to go back to what I regard as the nightmare of committee government, I do want to strengthen and see Ministerial government strengthened. I think one of the problems is that this proposition creates some fog on the issue of Deputy Ministers and board members. Using Deputy Ministers and board members on a statutory basis, or to attempt to try and put that on a statutory basis, is one of the core problems – or challenges should I say – of this proposition, because it does create effectively a blur between Executive and non-Executive. For my part, I know that some things have been said about Corporate Affairs, but I think that Corporate Affairs are a good example of Scrutiny working. **[Approbation]** I would not say that the members of Corporate Affairs are lapdogs of the Ministers, certainly if people had been in on meetings, the public meetings or the private briefings, I do not think that Deputy Tracey Vallois ... **[Laughter]** I do not think that Deputy Vallois could be described as a lapdog, neither do I believe that the Deputy of St. Peter **[Laughter]** could be described as a lackey of the Minister for Treasury and Resources. They have been testing, but they are not examples of perhaps topic-based scrutiny that was originally envisaged. The Corporate Affairs Scrutiny Panel do examine me on issues that are across the brief, they hold quarterly briefings and they test, and they know what is going on. They do know what the key decisions within Treasury and Resources are, and they get information, and in some ways that perhaps is a model, and it is not only Treasury in Corporate Affairs, but they have, as other Members have said, as Deputy Lewis and others have said... there are examples where Scrutiny Panels have genuinely worked and engaged and consulted, and I think that is something that I would not want to see an end to. I think that consultative engagement is really important. This proposition has been worked on by the Chief Minister, the Chairman of P.P.C., Deputy Vallois, and indeed I think the Deputy of St. Peter in some of the evolution of some of the work that he did. I want to support this proposition because I agree with the underlying sentiments that it is about, but the proponents of it – the proposers of it – and Senator Breckon, are going to have to make some convincing speeches that this is not a step back to committee government. I look forward to hearing from the Chairman of P.P.C. and the summing-up of Senator Breckon to put Members' fears at rest that this is not a step back; that this is an evolution of what we have, building on the strength of Ministerial government, building on the independence of Scrutiny. I think that, if ever there was perhaps a proposition that ought to have been scrutinised, and examined, this perhaps is one of them, but we are in the last stages of being able to make decisions of the direction of travel of the future system of government, but we are going to have to work on the detail of this if we are to bring the statute forward to bring any changes to this Assembly. I offered... and I hope that other Ministers and Scrutiny Panels, if this proposition is successful, would set up a shadow Ministerial board system, with appropriate learning and experiences of how the system could work, to understand where the wrinkles are and certainly to understand where some of the detailed implementation is going to work, and I think what the remarks of the Solicitor General mean that there are certainly some real

issues about implementation and detail. I really want to support this proposition because I do not want to continue with the system of real division that has become worse in Ministerial government, but the proposer and the other supporters of this are going to have to give me confidence to press the pour button as opposed to the abstention button.

My own amendment (P.120/2010 Amd) as amended by an amendment of PPC that Board members exercising delegated functions could be referred to as ‘Members with special responsibility for X’ was adopted by 22 votes to 21 with 2 abstentions as follows –

POUR: 22

Senator B.E. Shenton
 Senator J.L. Perchard
 Senator A. Breckon
 Connétable of St. Ouen
 Connétable of St. Helier
 Connétable of Trinity
 Connétable of St. Martin
 Connétable of St. Saviour
 Connétable of St. Lawrence
 Connétable of St. Mary
 Deputy R.C. Duhamel (S)
 Deputy J.B. Fox (H)
 Deputy J.A. Martin (H)
 Deputy of St. Peter
 Deputy P.V.F. Le Claire (H)
 Deputy J.A.N. Le Fondré (L)
 Deputy S. Pitman (H)
 Deputy of St. John
 Deputy of St. Mary
 Deputy T.M. Pitman (H)
 Deputy T.A. Vallois (S)
 Deputy M.R. Higgins (H)

CONTRE: 21

Senator T.J. Le Main
 Senator S.C. Ferguson
 Senator A.J.H. Maclean
 Senator B.I. Le Marquand
 Senator F. du H. Le Gresley
 Connétable of Grouville
 Connétable of St. Brelade
 Deputy of St. Martin
 Deputy R.G. Le Hérissier (S)
 Deputy G.P. Southern (H)
 Deputy of St. Ouen
 Deputy J.A. Hilton (H)
 Deputy of Trinity
 Deputy S.S.P.A. Power (B)
 Deputy K.C. Lewis (S)
 Deputy I.J. Gorst (C)
 Deputy M. Tadier (B)
 Deputy A.E. Jeune (B)
 Deputy A.T. Dupré (C)
 Deputy A.K.F. Green (H)
 Deputy J.M. Maçon (S)

ABSTAIN: 2

Senator T.A. Le Sueur
 Connétable of St. Peter

At the conclusion of the debate members voted as follows on paragraphs (a) and (b) of the proposition of Senator Breckon (P.120/2010) as amended. Following the rejection of these paragraphs the remainder was deemed to be withdrawn –

POUR: 21

Senator T.A. Le Sueur
 Senator P.F. Routier
 Senator B.E. Shenton
 Senator J.L. Perchard
 Senator A. Breckon
 Senator S.C. Ferguson
 Connétable of St. Ouen
 Connétable of Grouville
 Connétable of St. Martin
 Connétable of St. Saviour
 Connétable of St. Peter
 Connétable of St. Lawrence

CONTRE: 28

Senator T.J. Le Main
 Senator A.J.H. Maclean
 Senator B.I. Le Marquand
 Senator F. du H. Le Gresley
 Connétable of St. Helier
 Connétable of Trinity
 Connétable of St. Brelade
 Connétable of St. John
 Connétable of St. Clement
 Deputy R.C. Duhamel (S)
 Deputy of St. Martin
 Deputy R.G. Le Hérissier (S)

ABSTAIN: 1

Senator P.F.C. Ozouf

Connétable of St. Mary	Deputy G.P. Southern (H)
Deputy J.B. Fox (H)	Deputy of St. Ouen
Deputy J.A. Martin (H)	Deputy J.A. Hilton (H)
Deputy of Grouville	Deputy of Trinity
Deputy of St. Peter	Deputy S.S.P.A. Power (B)
Deputy P.V.F. Le Claire (H)	Deputy K.C. Lewis (S)
Deputy J.A.N. Le Fondré (L)	Deputy I.J. Gorst (C)
Deputy of St. John	Deputy M. Tadier (B)
Deputy T.A. Vallois (S)	Deputy A.E. Jeune (B)
	Deputy of St. Mary
	Deputy T.M. Pitman (H)
	Deputy A.T. Dupré (C)
	Deputy E.J. Noel (L)
	Deputy M.R. Higgins (H)
	Deputy A.K.F. Green (H)
	Deputy J.M. Maçon (S)

E-mail exchange with the Minister for Economic Development

(I have had no reply to my e-mail of 3rd November 2010 below)

From: Paul Le Claire
Sent: 03 November 2010 07:35
To: Philip Rondel; Alan J. Maclean; All States Members (including ex officio members)
Subject: RE: Shadow Board - Harbour and Airport

Its on the bottom of the press release Alan I thought this should have been something a Ministerial Statement might have warranted yesterday? The move is significant and the assets no less I am however pleased to see such a strong and experienced group

Kind regards

Paul

From: Philip Rondel
Sent: 02 November 2010 19:27
To: Alan J. Maclean; All States Members (including ex officio members)
Subject: RE: Shadow Board - Harbour and Airport

Alan Can members have the C V s of the shadow board, by return. Kind regards Phil

From: Alan J. Maclean
Sent: 02 November 2010 19:04
To: All States Members (including ex officio members)
Subject: Shadow Board - Harbour and Airport

Dear Colleague,

Please find attached a press release about the new shadow board for the Harbour and Airport. This will be made public tomorrow morning.

Kind regards,

Alan

Senator Alan Maclean

Minister for Economic Development
Economic Development Department
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t. +44 (0) 1534 448824 | f. +44 (0) 1534 448171
email: a.maclean@gov.je | www.gov.je

Press release from the Minister for Economic Development

2nd November 2010

**Economic Development Minister announces membership of
Jersey Harbours and Jersey Airport Shadow Board**

The Minister for Economic Development has appointed members to a new board which will oversee all aspects of Jersey Harbours and Jersey Airport activity.

During a States sitting on 6 July 2010, Senator Alan Maclean, announced the intention to create a Jersey Harbours and Jersey Airport Shadow Board which would have the following objectives:

- to define the optimum operational and governance structure and make recommendations to the Minister for Economic Development to implement changes as necessary
- to strengthen governance and good practice in all areas of Harbour and Airport operations
- to challenge and support the executive teams
- to develop strategy and business operations and ensure they are subject to rigorous independent commercial challenge in a manner which enhances governance at a pivotal time
- to protect the interests of Jersey Airport and Jersey Harbours in moving towards the aims and objectives agreed by the States of Jersey
- to ensure trading operations meets the aim of being self-funding and sustainable
- to undertake other appropriate roles agreed with the Minister

Following a recruitment process overseen by the Appointments Commission, Senator Maclean has announced the composition of the Shadow Board:

Chair	Mr. Charles Clarke
Non-Executive Director (Marine)	Mrs. Margaret Llewellyn OBE
Non-Executive Director (Aviation)	Mr. Mike Collett
Non-Executive Director	Mr. Frank Walker
Non-Executive Director	Mr. Alan Smith MBE
Non-Executive Director	Mr. John Mills CBE
ED Minister's Representative	Mr. Mike King, Chief Officer, EDD

Shadow Board meetings will also be attended by the airport director, chief executive and harbour master and the finance directors of Jersey Airport and Jersey Harbours.

Senator Maclean commented: “I am very pleased that the appointment process has delivered a Shadow Board with great strength and depth. Both Jersey Harbours and Jersey Airport face significant challenges as they seek to combine their role as the Island’s strategic transport assets with sustainable commercial operations. I am confident that both organisations, working with the Shadow Board and the EDD Ministerial team, are well placed to rise to the challenge and deliver success.”

Charles Clarke, newly appointed Chair of the Shadow Board, said: “I am delighted to have the chance to work with such capable executive and non-executive teams in the further development of these key strategic assets.”

-ends-

Notes to Editors:

1. For further information please contact Senator Alan Maclean 07797 719202
2. Biographies of the Shadow Board members:

Charles Clarke – Chair

Charles Clarke is a chartered accountant. After 30 years with KPMG in London, Malaysia and Jersey, he retired in 2005 having been Senior Partner of the Channel Island firm and Chairman of KPMG's grouping of firms in offshore jurisdictions. His current appointments include NED roles at SG Hambros, Phoenix Group Holdings and Thomas & Dessain, as well as being President of the Jersey branch of the Institute of Directors, Chairman of the statistics Users' Group and a member of the Durrell Wildlife Conservation Trust Governance Committee.

Mike Collett

Mike Collett has been in the aviation business for many years. He started Air Atlantique in Jersey in 1969 and has experience in air taxi, cargo, passenger scheduled services and charter, professional flying training, and airport management and operation. Mike is a qualified pilot with an Air Transport Pilots Licence (ATPL).

Margaret Llewellyn OBE

Margaret Llewellyn has been in the shipping and port industry for over 30 years. For nine years she was Deputy Chairman of the Port of Dover, as well as their senior independent director and Chairman of the Pension Fund. She was a ship owner and operator of an integrated container shipping Line on the Irish Sea and managing director of two container terminals in Ireland and Wales. She was also vice chairman of the Welsh Development Agency and is presently a Ministerial Advisor to the Welsh Assembly

John Mills CBE.

John Mills' career was spent in the public service. He held several senior positions in Whitehall, UK local government and overseas, including a member of the Prime Minister's Policy Unit and as Chief Executive of Cornwall County Council. He was Chief Executive of the former Policy and Resources Department in Jersey.

He is vice-chairman of the Board of the Port of London Authority. Last year he undertook a public inquiry for Cornwall Council into the temporary closure of Newquay Cornwall Airport.

Frank Walker

Frank Walker has held senior positions in business and politics most recently as Jersey's first Chief Minister. In addition to his business and political interests.

Frank Walker became the first Chief Minister of Jersey on 5 December 2005, following the implementation of a new system of ministerial government for the Island. He was formerly President of the Policy and Resources Committee. He retired from politics in 2008. Frank's business career has largely been involved with the Jersey Evening Post. He worked in various departments before being appointed Managing Director of its parent company, the Guiton Group Ltd. In addition, Frank has a life-long interest in boating and in aviation.

Allan Smith MBE

Allan Smith has been in a number of senior management positions including General Manager/Chief Executive of The Channel Islands Co-operative Society for over 27 years. He has also been a Director and Deputy Chairman of the Co-operative Group in Manchester. Allan has an MBE for services to Jersey and overseas along with an Honorary Master of Arts for services to education and training. He is also a trustee and Chairman of Community Savings Limited.

Extract from Official Report ('Hansard') – 6th July 2010

9. Statement by the Minister for Economic Development regarding Jersey Airport**9.1 Senator A.J.H. Maclean:**

I wish to make a statement regarding Jersey Airport. I wish to inform Members that Julian Green, the Airport Director, has tendered his resignation with effect from 1st October. I would like to take this opportunity to thank Mr. Green for his leadership and management of Jersey Airport over the past 4 years. During his time as Airport Director, Mr. Green has delivered a significant improvement to airport operations and infrastructure and I wish him well in his future. Clearly, in the current environment, where cost reduction and efficiency gains are an absolute prerequisite of sustainable future for all States departments and trading bodies, Mr. Green's departure provides an opportunity to review the current governance and operational activity at Jersey Airport and, by extension, Jersey Harbour. Jersey Airport and Jersey Harbours are both performing well. They are operationally efficient and suffer little or no operational downtime. In this way they provide gateways to the Island to bring in goods and visitors on which the Island's economy depends while providing vital transport links for all Island residents. That being said, I believe that Jersey Airport and Jersey Harbours must evolve. I see 2 areas that I feel must be addressed immediately. Firstly, during 2009 and 2010, Jersey Airport and Jersey Harbours have increased the level of private sector involvement in the oversight of operations through the formation of 2 separate advisory groups. In the coming months I plan to formalise this arrangement within a revised government structure by the appointment of a single shadow board with a chair and non-executive members drawn from the private sector to provide additional governance to both airport and harbour operations. Expressions of interest will be sought for membership of the shadow board in the immediate future. Secondly, integration, in recent months Economic Development has delivered the integration of harbour and airport human resources functions. Following consultation with colleagues in the Treasury, I have instructed officers to investigate options for further integration and to deliver a proposal to me, in early course. I have specifically asked that no stone is left unturned and no option should be ruled out, including the full integration of Airport and Harbours into a combined trading entity, subject to States approval.

The Deputy Bailiff:

Does any Member wish to ask questions of the Minister in relation to this statement?

9.1.1 Deputy P.V.F. Le Claire:

The Minister speaks about far ranging integration in relation to this recent announcement of the resignation of Mr. Green. While I acknowledge, as do other people, no doubt, the significant improvements, there is a suggestion that operationally efficient may not necessarily mean economically efficient. Will he be undertaking to investigate whether integration, within these departments, Harbours and Airports, and also integration within the department itself, because I have not had answers to questions in relation to the structures, but I certainly believe there is duplication, if not triplication, occurring in the Minister's portfolio?

Senator A.J.H. Maclean:

I am not entirely sure I follow that question completely. I will attempt to answer it and I am sure the Deputy will tell me if I do have it quite right. As far as integration is concerned, I think, I made the point in my statement that we have already moved, recognising that there was a human resources function carried out at the airport, there is a human resources function at the harbour and there is a human resources function within Economic Development. We are consolidating, we have consolidated that. I think that recognises, clearly, we see opportunities for removing duplication, and yes, there will be further moves towards that and that could well lead to full integration of a Harbour and an Airport Department as one entity with better governance under a shadow board, which I have also announced this afternoon.

9.1.2 The Deputy of St. John:

Could the Minister tell us when he was notified of the resignation and whether or not it was expected, given the changes which have been put in place for October?

Senator A.J.H. Maclean:

The notification came through last week and it was not expected. I think it is a great shame. I think Mr. Green has carried out his duties in an extremely proficient and professional manner. I think the airport is a far better place now than it was when he took over, in all respects, both operationally, financially and so on. I believe that moving forwards there is a very good and sound foundation to work from.

9.1.3 Deputy R.G. Le Hérisssier:

Building on Deputy Le Claire's question, again I would like to express our appreciation of Mr. Green's work. Will the Minister be immediately seeking integration at the senior management level in the workings of the 2 departments?

Senator A.J.H. Maclean:

There is nothing counted in and nothing counted out, I think is probably the best way of putting it. We are looking at all options for integration which could well lead ... and I have a feeling that there is significant advantage in creating a one port authority, if you like, which would operate under the shadow board that I have referred to, for good and better governance. Indeed, that would, in itself, lead to integration of other functions at all levels. I do not think we can count out anything at all. There are, without doubt, areas of duplication. I think we must ensure that we remove those and make the entity, whatever it happens to be, both ports, far more efficient, more cost effective and better value for money, as far as the taxpayer is concerned. That is the aim.

9.1.4 Deputy A.E. Jeune:

I hear what the Minister has said and I welcome it all. But, what I would like is, could he give us a timescale on the looking at, to be?

Senator A.J.H. Maclean:

Well, the looking at ... first of all I should say that we have already started with regard to human resources. There are other activities within the 2 areas that we are currently assessing at the moment. Expressions of interest for the shadow board will be going out in a matter of the next few weeks, so this is not something that is a wish list that we are hoping to deliver in the next year or 2. It is something that I want to see moving relatively quickly. I see no reason why we cannot be in a position to progress this in months, not anything longer than that.

9.1.5 Connétable J.M. Refault of St. Peter:

I was just slightly concerned how this may impact on the C.S.R. process and whether the Minister could make any comment to that please?

Senator A.J.H. Maclean:

Well, not really. I mean, quite frankly, the C.S.R. process of both the harbour and the airport is proceeding, both ports have their commitments and they are fulfilling those. In fact, I would point out that both ports, and in particular the airport, were well ahead of the States of Jersey C.S.R. programme. There has been financial modelling going on for about 18 months at Jersey Airport, which gives us a very clear picture of the financial difficulties the airport faces. The very clear choices we have in terms of reducing costs and increasing revenues, to ensure that the taxpayer does not have to bear the cost with the airport in the future. A liability identified of over £100 million through to 2023, through the good work of the management of the airport, has already been reduced down as a future commitment to something like £44 million. To achieve that is going to be difficult. It is tough decisions and it is not going to be an easy thing to progress. This, I see, is an extension of that particular programme and, I think, will ultimately lead to a much more efficient and streamlined and effective ports entity.

[14:30]

9.1.6 The Deputy of St. John:

Can I press the Minister as to when last week he was notified; prior to receiving questions or after?

Senator A.J.H. Maclean:

I cannot give the Deputy, I am afraid, the exact minute and the date. I am happy to supply it, if it is relevant. The reason that I cannot is because I was out of the Island on holiday last week and I was notified – yes, Deputy, I am permitted a holiday – he is looking shocked. But if he feels strongly about it, I am sure we can get it down to the latest, or nearest minute.

9.1.7 Deputy J.B. Fox:

The Minister refers to a new shadow board. Has it been outlined yet of who are, potentially, the people that you would be seeking on that board? Is it directly related to harbours and airport or does it have a wider portfolio? Who decides at the end who is able to be on it, if you have a large number?

Senator A.J.H. Maclean:

Yes, the board is designed to be a shadow board to cover both the airport and the harbour, specifically and nothing outside of that particular remit. It is going to be advertised and we will be seeking applications from members of the private sector. I would anticipate that an expert in aviation matters, that does not necessarily limit it to Jersey, of course, and an expert in maritime matters as well, to give good balance to it. Outside of that, professionals with business, accounting and so on, experience will clearly be sought. I certainly hope that we get a very high calibre of individual to form the basis of this board.

9.1.8 The Connétable of St. John:

My question is really linked to the last question. My question to the Minister is will people with direct interests in businesses operating within the airport be excluded from the board?

Senator A.J.H. Maclean:

I can certainly say that anybody who is conflicted should not be a board member. Obviously, the recruitment process will go through the appropriate channels. The Appointments Commission will be involved and I, certainly, would not expect to see anybody who has a direct interest in trading with the airport or the harbour, for that matter, to be a part of that board.

9.1.9 Deputy J.M. Maçon:

How would the board be remunerated? Who would be responsible for ... to sign that level and if Ministers have that information to hand at the moment, will he circulate that to all Members?

Senator A.J.H. Maclean:

No, I do have the exact details to hand, other than to say: "Yes, the Deputy is correct." Members, to attract the calibre of board member that we would require for such an entity, there will be a remuneration, as you would expect, and it will meet the levels of other similar bodies that exist and will be a matter for the Appointments Commission and others to make due discussion and deliberation on the exact levels that are appropriate.