

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
BY DEPUTY T. M. PITMAN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 1st MARCH 2011**

Question

“Will the Minister provide Members with a copy of the job description of the Chairman and Members of the Harbours and Airport Shadow Board and full details of how the financial package(s) were evaluated and by whom; and will he provide details of how many individuals applied for the positions, who oversaw the selection process and when this took place?”

Answer

Details of the posts are to be found in the attached document.

In arriving at the financial packages the Department carried out research into comparative boards such as Jersey Finance Limited and other Shadow Boards in the past such as Jersey Post.

Following an advertisement in the Jersey Evening Post, there were 47 applicants. The recruitment process, overseen by the Appointments Commission, took place between 24th September - 4th October 2010. The appointment panel was chaired by the Chief Officer of Economic Development and comprised a representative from the Appointments Commission and the Chief Officer of TTS. States HR provided administrative support. The appointment panel made a recommendation to the Minister for Economic Development who confirmed the appointment of Shadow Board members in MD-E-2010-0193.

Working for Jersey Recruitment Information

POST: Shadow Board - Chair and Members
DIVISION: Jersey Harbours and Jersey Airport
DEPARTMENT: Economic Development
HONORARIUM: Daily rates circa £650 Chair and £450 members
CLOSING DATE: 10th September 2010

Thank you for your interest in this vacancy.

To apply, please send a CV with a full personal and career history in confidence to: workingforjersey@gov.je

Alternatively via post to;

Recruitment Co-ordinator
HR Business Support Team
Cyril Le Marquand House
PO Box 600
The Parade
St Helier
JERSEY
JE4 8UL

For an informal discussion please contact: Mr Mike King, Chief Executive Officer, Economic Development Department, Tel: +44 (0)1534 448102.

Please note from 3 June 2010

Shortlisted candidates will be contacted within four weeks of the closing date and will receive clear details about the date, time and location of the interview and the selection process. If you have not been contacted within this time you should assume that you have not been shortlisted.

States
of Jersey



STATES TRADING OPERATIONS SHADOW BOARD

Introduction

Jersey Harbours and Jersey Airport are the island's strategic transport gateways that provide vital links to the UK, Europe and beyond. As such, they represent key components of the social and economic well being of the resident and business community.

Jersey Harbours is responsible for the '*administration, management, operation, financing, development and maintenance of the harbours of Jersey and their association facilities*'. It comprises of three business units:

- The Port of Jersey - the commercial port that handles car/passenger ferries from the UK, France, Ro-Ro and Lo-Lo freight operations and a small but growing cruise ship market,
- Jersey Marinas – comprising of 3 Marinas in St Helier and the Island's Historic Harbours
- Jersey Coastguard – providing coastguard services in Island waters

In 2009, the Port of Jersey handled 730,000 passenger movements, 500,000 tons of freight which represents c.99% of all goods consumed in the Island, demonstrating the strategic importance of this vital transport gateway.

Jersey Harbours receives no direct financial support from the States Treasury, indeed in recent times a significant return to the States has been made based on a percentage of profitability of the trading operation.

Jersey Airport is responsible for the '*administration, management, operation, financing, development and maintenance of Jersey Airport, its associated facilities and the Channel Islands Control Zone*'. Operations include commercial and private and general aviation plus air freight services.

In 2009, Jersey Airport handled 1.5million passenger movements through an extensive network of UK and European routes.

Jersey Airport receives c£4.3MM annual capital grant from the States of Jersey capital programme to cover partial costs of the airport capital programme.

At present Jersey Harbour and Jersey Airport, which form part of the portfolio of the Minister for Economic Development are run as two separate Trading Operations defined in the Public Finances (Jersey) Law 2005 and subordinate Regulations. Each entity has a Chief Executive – the Airport Director and the Harbour Master / CEO who fulfil the role of Accounting Officer for their respective operations. Political oversight is provided by an Assistant Minister with delegated responsibility for all Harbour and Airport matters.

Jersey Harbour and Jersey Airport are operationally efficient Trading Operations with a broad and diverse customer and stakeholder base. As a result of rapid and continuous changes in the market place, both face significant commercial challenges which are being met by a root and branch review of operational and commercial activity which may result in a programme of major change.

In recent times, two separate advisory groups have been created to enhance effective management and governance of change and improvement by introducing private sector expertise to assist the respective management teams. The Minister for Economic Development has determined that this arrangement should be formalised by the creation of a single Shadow Board within a new governance structure.

In a statement in the States Assembly on July 6th, the Minister for Economic Development recognised the contribution that Jersey Harbours and Jersey Airport make to the economic and social well being of the Island:

“Jersey Airport and Jersey Harbours are both performing well, they are operationally efficient and suffer little or no operational down time. In this way they provide gateways to the Island to bring the goods and visitors on which the Island’s economy depends, whilst providing vital transport links for all Island residents.”

In addition, the Minister announced the formation of a Shadow Board and set a clear strategic objective of a root and branch review of governance arrangements for Jersey Harbours and Jersey Airport.

“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 two separate advisory groups. In the coming months, I plan to formalise this arrangement within a revised governance 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.”

and

“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.”

Purpose and Aims

In the first instance, the Shadow Board will be expected to work with the management of Jersey Harbours and Jersey Airport to define the optimum operational and governance structure and make a recommendation to the Minister for Economic Development. Once this has been approved and any necessary structural and legislative changes are underway, the Shadow Board will assume a normal board governance role for both entities to assure viability and sustainability.

The majority of the Directors will be independent, non-executive Directors drawn from the private sector. It is vital the Minister and the management teams benefit from the ability and experience of a strong Chair and non-executive team, free of any interests or influences that could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Trading Operations.

The key purpose of the Shadow Board is to facilitate governance processes to contribute to an informed view on the ability of Jersey Airport and Jersey Harbours to progress towards incorporation.

The key aims of the Shadow Board are to:

- In the first instance define the optimum operational and governance structure and make recommendations for change to the Minister for Economic Development
- Strengthen governance and good practice in all areas of Harbour and Airport operations
- Challenge and support the Executive Teams
- 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
- Protect the interests of Jersey Airport and Jersey Harbours in moving towards the Aims and Objectives agreed by the States of Jersey
- Undertake any other appropriate roles as agreed with the Minister for Economic Development
- Ensure the ability of the Trading Operations to meet the objective of being self-funding and sustainable.

Shadow Board Composition and Governance

The Chair and other Members will be nominated by the Minister for Economic Development and appointed for a three year term of office.

The Shadow Board will be independent of the States of Jersey, however legal authority for both Trading Operations remains with the Minister for Economic Development and accounting officer responsibility will remain with the senior executives, at present the Airport Director and Harbour Master/CEO.

The Shadow Board will help to set the overall strategic direction of the Trading Operations and exercise oversight of all aspects of harbour and airport operational and commercial activity. Each Trading Operation currently has its own Executive Team reporting to the Accounting Officer. This Team has responsibility for delivering services in accordance with the policies set by the Minister on the recommendation of the Shadow Board and all aspects of operational management.

Role	Candidate
Chair (Independent Non Exec)	
Independent Non-Executive Director	With specific aviation experience
Independent Non-Executive Director	With specific maritime experience
Independent Non-Executive Director	
Independent Non Executive Director	
Chief Executive Officer Harbours & Airports	

Chief Executive Officer EDD*

*Acting as "shareholder representative" on behalf of the Minister for Economic Development

The quorum for a meeting will be half the number of members appointed, except as otherwise provided by the Minister. The Shadow Board will determine its own procedures.

The hours of service to be provided will be a maximum of 300 per annum which is the equivalent of 40 days. It is anticipated that the full Board will meet 4 times per annum. Members will also serve on Committees as appropriate.

Person Specification

- Considerable personal expertise
- A proven track record of professional success in own field
- Experience in managing budgets effectively
- Integrity and transparency in decision making
- Leadership
- Excellent communication and influencing skills
- A strategic perspective on the issues facing the two Trading Operations
- Commitment to ensure that the Island's strategic assets are protected
- Ideally resident in Jersey (although exceptions may be considered)

In exercising their functions, the Shadow Board member will:

- Have a duty to use care and diligence in fulfilling the functions of the office
- Demonstrate commercial reasoning in decision making
- Not take improper advantage or use the position for personal gain
- Not allow personal interests or the interests of any associated person to conflict with the interests of the Trading Operations

- Undertake diligent analysis of all proposals received

The Chair will have:

- Experience of Chairing an organisation effectively during a period of change
- A track record of effective independent governance at a strategic level of a multi-stakeholder, public interest organisation
- A good understanding of the management of commercial airport or port operations.
- A professional accounting qualification, including experience as an Audit Committee Chairman
- Experience of Human Resource issues, including labour relations and experience as a Nomination and/or Remuneration Committee Chairman
- Knowledge of the structure and operation of the States of Jersey and the expectations of the community
- Experience of the effective delivery of major capital projects
- General commercial experience of substantial, customer-focussed businesses at a senior executive level

Sub Committees

It is likely that Shadow Board Committees will be formed. Their role will be to provide oversight and support for the delivery of the strategic direction so determined by the Shadow Board and approved by the Minister.