
STATES OF JERSEY



JERSEY BANK DEPOSITORS COMPENSATION BOARD: APPOINTMENT OF MEMBERS

Presented to the States on 11th September 2020
by the Minister for External Relations

STATES GREFFE

REPORT

Background

The Jersey Depositors Compensation Board (the “Board”) was established in 2015 under the [Banking Business \(Depositors Compensation\) \(Jersey\) Regulations 2009](#) (the “DCS Regulations”) to administer the Jersey Bank Depositors Compensation Scheme.

Part 2 of the DCS Regulations provides for the establishment of the Board and appointment of Board Members (“Members”). Regulations 10 and 11 of the DCS Regulations provides as follows –

“10 Constitution of the Board

- (1) The Board must have at least 3 Members.
- (2) The Members of the Board shall be appointed by the Minister after consulting with the Appointments Commission.
- (2A) Article 2 of the States of Jersey (Appointment Procedures) (Jersey) Law 2018 shall apply to the appointment of Members of the Board.
- (3) A person shall not be eligible for appointment as a Member of the Board if the person is –
 - (a) a Member of the States;
 - (b) subject to a disqualification order under Article 78 of the Companies (Jersey) Law 1991 or Article 24(7) of the Bankruptcy (Désastre) (Jersey) Law 1990; or
 - (c) bankrupt.
- (4) The appointment of a person as a Member of the Board ceases if the person becomes a person who may not be appointed to be a Member of the Board.
- (5) The rights and obligations of the Board, and the performance of its functions, shall not be affected by –
 - (a) any vacancy in its membership; or
 - (b) any defect in the appointment of a Member.

11 Terms and conditions of appointment of Members of the Board

- (1) A person appointed to be a Member of the Board –
 - (a) holds the appointment on terms and conditions agreed between the person and the Minister; and
 - (b) may be reappointed.
- (2) The terms and conditions must include terms and conditions in respect of –
 - (a) the term of the appointment of the Member, being a term not exceeding 5 years;
 - (b) the manner in which the Member may resign during that term;

- (c) the grounds upon which the appointment of the Member may be terminated during that term;
 - (d) the remuneration (if any) of the Member,
- and may contain such other terms and conditions as the Minister may consider appropriate or necessary.
- (3) The grounds mentioned in paragraph (2)(c) must include –
 - (a) the member being mentally or physically incapable of carrying out his or her functions as a Member; and
 - (b) the Member being convicted of an offence that carries a penalty of imprisonment for a term of 2 years or longer.”

Appointment process

There was open competition for the new appointments, in line with the Jersey Appointments Commission’s Guidelines. An advertisement was placed locally in the print version of the Jersey Evening Post in March 2020, online in both listing format in the Bailiwick Express jobs section and in a Bailiwick Express jobs email. There was also a LinkedIn campaign, and it was advertised on the States of Jersey and the Jersey Depositors Compensation Board websites. The recruitment process was successful in attracting a number of high-calibre candidates.

The recruitment process was independently overseen, and the recruitment panel chaired by Ms Jennifer Carnegie, Commissioner for the Jersey Appointments Commission. Other Members of the recruitment panel were Mr Paul Leary (Chair, Depositor Compensation Scheme), Ms Lynn Cleary (Vice President, Jersey Bankers Association) and Mr James Silverston (Director of Financial Services, Government of Jersey).

Following a shortlisting exercise (undertaken with the approval of Ms Carnegie) by Mr Leary, Ms Cleary and Mr Silverston, 6 candidates were shortlisted for interview for up to 2 positions. Interviews took place through Microsoft Teams in June 2020. Following the interviews, the Panel made a unanimous recommendation to the Minister for External Relations, Senator Ian Gorst, to appoint Mr Ian Henderson and Mr Tom Fothergill as new Members of the Jersey Bank Depositors Compensation Board.

In making the recommendation for appointment, the selection panel carefully considered the merits of all the candidates and their professional and academic backgrounds, with the aim of complementing the experience and background of the other Members of the Board.

The Board noted that Mr Fothergill had recently been employed directly by the Government of Jersey to lead policy on the DCS scheme. It considered there to be no conflict given the time elapsed since Mr Fothergill last worked on the scheme (18 months) and the full independent process that had been undertaken.

The Minister has accepted the recruitment panel’s recommendation. Mr Henderson will be appointed for a term of 5 years and Mr Fothergill for a period of 4 years.

States of Jersey (Appointment Procedures) (Jersey) Law 2018

In accordance with Article 2 of the [States of Jersey \(Appointment Procedures\) \(Jersey\) Law 2018](#), the Minister gives 2 weeks' notice to the States Assembly of his intention to make these appointments.

Biographical details

Mr Ian Henderson is currently Global Head of EFG Fund Services. He is an experienced financial services professional who has held many executive positions with blue-chip institutions, together with directorships on fund boards, all requiring approval by regulatory authorities. His first-hand experience encapsulates many of the business streams that are active in international finance centres in 2020, as well as funds investing in VC, PE, RE, FoF, Debt, Listed investments and an AIFM Super Manco. Through positions held at executive / principal person level, he has had extensive experience of growing businesses, driving change, improving financial performance, remodelling operational structures, implementing systems, motivating teams and improving their performance, achieving regulatory adherence, and managing teams in remote locations both directly and through functional matrices.

Mr Henderson's experience in driving change and implementing systems was considered to be aligned to the Board's need to implement a new outsourced payment system.

Mr Tom Fothergill is a Senior Associate within the Investment Funds and Corporate team at Walkers Jersey. In this role he specialises in regulatory advisory and risk management support alongside a broad portfolio of corporate transactional, funds and structuring work. Until recently, Mr Fothergill was a Lead Policy Adviser in the Government of Jersey's Financial Services & Digital Economy team. Within the first half of his time in Government, the DCS was within his scope of responsibility, he led the creation of the [Bank \(Recovery and Resolution\) \(Jersey\) Law 2017](#) and latterly wrote early-stage proposals regarding the creation of the Jersey Resolution Authority.

Prior to joining Government, Mr Fothergill was a private practice lawyer at Appleby where he specialised in restructuring offshore banking groups across the Crown Dependencies and advising on the creation of recovery and resolutions plans.

Mr Fothergill's in-depth understanding of the law and policy surrounding the DCS and associated topics complemented a need to strengthen the Board's own legal expertise.

Other Board Members

The other Members of the Board are –

Mr Paul Leary (Chairman)

Ms Amy Taylor

Mr Peter Shirreffs

The Government of Jersey is represented on the Board by Mr James Roberts in a non-voting capacity.

Resource implications

The appointed Board Members are paid £5,000 per annum each, raised through DCS levy on Jersey banks. There are no other resource implications.