

Ports of Jersey

Many thanks for your request, and we are pleased to have been asked to contribute. We would have liked to have given more consideration, but due to the timescales we wished to provide an initial view.

Ports of Jersey absolutely supports the envisaged changes in respect of establishing the role of Principal Accountable Officer, as we believe it will improve the coordination and decision making within the Public Sector. As for the changes to the functions of Ministers, we do not have any firm opinion.

As we see it the Principal Accountable Officer, and the further creation of Accountable Officers, follows best practice from elsewhere and enables required improvements to the operations of the Public Sector.

The area where we will be most interested in is how the responsibilities of a Principle Accountable Officer may extend to separately incorporated States Owned Entities, such as Ports of Jersey. We do not immediately see any linkage for Ports of Jersey, and do not believe we should be captured by the changes to the Law.

The primary reason for incorporating Ports of Jersey was to ensure the long term self-sustainability of the gateways, which includes considerable funding for infrastructure investment. By incorporating Ports of Jersey, the States Assembly decided that this could be best accomplished through separating Ports of Jersey from direct government control. As with other State Owned Entities, we are governed by the Law which brought us into being and a Memorandum of Understanding (MOU) between the Shareholder and the Board. Having only recently incorporated Ports of Jersey with a full scrutiny review and debate, including governance and oversight arrangements, we do not believe the States Assembly would be considering any changes to this structure.

We can see the need for oversight of public money to arm's length bodies who's primary income stream is public money (i.e. grant funded entities), as there would be a requirement to ensure these bodies are using public money in the most efficient manner to achieve their aims, and to ensure proper governance around the administration of these public monies.

However, where a States Owned Entity does not receive any public money, Companies Law ensures the Board of Directors have specific accountabilities and these should be preserved if we are to achieve our strategic objectives whilst maintaining proper governance. We produce an annual report, with externally audited accounts, which would provide all the necessary assurances.

Our relationship with States of Jersey is multifaceted, but principally it is through a Shareholder Function in Government. From the draft legislation, we understand States Owned Entities would be consulted with prior to making any suggestions for change. We would be very pleased to participate in any process required, but fundamentally feel Ports of Jersey (as with other SOEs who are not grant funded) should not be captured within these proposed changes.

Any review of the relationship between the SOEs and the Shareholder should be informed by the various studies and recommendations which have taken place over the years, including the current review being undertaken by the Comptroller and Auditor General into the operations of the Shareholder Function.

We hope this is of benefit to your review, and look forward to seeing progress made. As I said, we are firmly behind the objectives of improving the decision making and accountabilities, and would want to support the Chief Executive of the States of Jersey in any way we can to help bring about the necessary improvements for the Island.

Best regards,
Doug

Doug Bannister
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Ports of Jersey