

Dear Panel Members

Sincere apologies for not having provided a written submission in the deadline that the Panel asked for concerning the Transfer of Functions. Unfortunately matters beyond my control have meant that I have had to perform additional duties which, in turn, has meant that I am late in providing the answers to the Panel's questions which I wanted to do personally from a political perspective as opposed to officers.

I will provide a more detailed overview later. However I would signal the main points and rationale as follows:

1. I think no one would doubt in hindsight that the bringing together of financial services into one department has not resulted in a significant almost game changing outcome for financial services in Jersey. The single ministerial centralised focus commissioned a detailed report of what has worked well and what was likely to be needing to be changed. The different organisations involved in financial services, government, the JFSC and Jersey Finance previously were not working to an agreed "national finance plan" The McKinsey report not only identified what needed to happen but set out a work programme and an action plan to implement it. When the report was issued the action plan had not only been negotiated, consulted and agreed between the different parties. Its implementation started straight away. As a result we now have an identified, joined up plan for financial services which is producing good results that otherwise would not have been secured. Jersey and the people of Jersey would now be worse off. The lives of the people working in financial services would be affected with potentially hundreds not being able to reach their full potential.
2. The challenge for any government is to prioritise what needs to be done and put delivery systems in to get it done. Government does not pick winners and build business, it's an environment which sets out a can do, business friendly can do attitude which is efficacious helps drives jobs and growth.
3. The digital agenda has many features of the same opportunities for improvement that were required for financial services. Placing digital at the heart of government and marshalling the agencies which include both government, regulators and promotional agencies need to be joined up with prioritised agreed plans to deliver on their objectives.
4. Accordingly an equivalent to the financial framework is now planned and will be delivered by the end of the first quarter of next year. It will be game changing for Jersey.
5. Innovation is about generating good ideas and having a climate which turns them into reality. It drive productivity, jobs and growth. Done well it will secure Jersey's economic future and in the public sector provides the services that people need efficiently and an increasingly technology based world. I refer the Panel to a blog

published today and the action plan and the report by Tera Allas which shows and evidences the importance of innovation.

6. A completion and regulatory policy is vital to any government policy. Jersey was late in putting in place the prohibition of anti-competitive behaviours and regulating appropriately sectors which cannot have for reasons of size or otherwise many competitors. Professor Sir John Vickers' introduction to the Oxera report published this week explains in clear and better terms than I can, why this agenda matters. There has been a lack of political focus on competition and regulation which needs to change. It requires dedicated political time and energy and sits very much alongside the centralised political dossiers of productivity innovation, digital and the biggest sector of our economy financial services.

I apologise again for the lateness in the submission and I am happy to provide, if the Panel wishes, a more detailed written submission or to attend upon the Panel to explain more clearly the reasons why the transfer of these important responsibilities into the CMD with dedicated political drive and support will be game changing.

Regards, Philip

Senator Philip Ozouf

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Government of Jersey**