

# STATES OF JERSEY



## PORTS OF JERSEY LIMITED: APPROVAL OF FIRST BOARD AND TERMS OF OFFICE

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Lodged au Greffe on 30th June 2015  
by the Minister for Treasury and Resources

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STATES GREFFE

## **PROPOSITION**

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

to approve the proposed membership of the first Board, and the first Directors' terms of office, of Ports of Jersey Limited as set out in the attached Report and Memorandum and Articles of Association.

MINISTER FOR TREASURY AND RESOURCES

## REPORT

### Background

Following its review of the Incorporation proposals for Ports of Jersey, the Economic Affairs Scrutiny Panel made a number of Recommendations in its Comments on the proposition – see ‘Draft Air and Sea Ports (Incorporation) (Jersey) Law 201-(P.5/2015): comments’ (P.5/2015 Com.).

Recommendation 6 stated: “*The States should approve appointment of the first Board, including terms of office, etc. Subsequently, the Shareholder should formally agree the appointment of all directors, whether on a permanent or temporary basis.*”.

This Proposition and Report is intended to follow that Scrutiny Recommendation.

The first Board of Directors of Ports of Jersey Limited and their terms of office are included in the proposed Memorandum and Articles of Association, which are attached for information at the Appendix to this Report. The Memorandum and Articles of Association reflect input from the Scrutiny Panel.

The proposed Non-Executive Directors are –

<u>Name</u>	<u>Date of retirement under Article 67</u>
Charles Clarke (Chairman)	31st October 2016
Mike Collett	31st October 2016
Margaret Llewellyn, O.B.E.	31st October 2016
John Mills, C.B.E.	31st October 2016
Allan Smith, M.B.E.	31st October 2016
Frank Walker, O.B.E.	31st October 2016

It will be noted that all Directors are due to retire on 31st October 2016. This reflects the fact the first Board have been acting as a Shadow Board for the Ports of Jersey since 1st November 2010. All were appointed through a formal appointment process overseen by the Appointments Commission. The transition period will ensure continuity post-incorporation.

However, it is recognised that an orderly succession process, which retains and refreshes the required skills and experience on the Board, will need to be developed. This will most appropriately be developed in conjunction with the development of the Ports of Jersey Limited future objectives and its Strategic Business Plan. The future objectives and Strategic Business Plan will be in accordance with the direction set by the Ports Policy Group, consisting of the Chief Minister, Minister for Treasury and Resources and the Minister for Economic Development.

The intention therefore is that Ports of Jersey Limited will conduct a thorough Board effectiveness review and capability match in conjunction with the development of the Strategic Business Plan objectives. This will inform the rotation plan (i.e. which Director will rotate off, at what date, and what type of person/skills should they be replaced with).

### **Financial and manpower implications**

There are no resource implications for the States arising from this proposition.

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### **Re-issue Note**

This re-issue does not amend the Proposition; its purpose is to add 2 Executive Directors to the list of First Directors contained within the Articles of Association, attached at the **Appendix** to this Proposition and Report.

**MEMORANDUM OF ASSOCIATION  
COMPANIES (JERSEY) LAW 1991**

1. The name of the company is: PORTS OF JERSEY LIMITED
2. The Share Capital of the Company is:  
[£1000 (One thousand pounds sterling divided into one thousand shares of £1 each)]
3. The company is a private company and a par value company and the liability of a member arising from his holding of a share is limited to the amount (if any) unpaid on it.
4. We, the persons whose names and addresses are subscribed, desire to be formed into a Company pursuant to this Memorandum of Association, and we agree to take the number of Shares in the Capital of the Company set out opposite our respective names.

NAME AND ADDRESS OF SUBSCRIBER	NUMBER OF SHARES TAKEN	SIGNATURES
States of Jersey Investments Ltd. States Treasury Cyril Le Marquand House The Parade St. Helier JE4 8UL	1,000	
Date		
WITNESS TO THE ABOVE SIGNATURES		

**COMPANIES (JERSEY) LAW 1991**  
**ARTICLES OF ASSOCIATION**

NAME OF COMPANY: Ports of Jersey Limited

1. Subject as hereinafter provided the regulations contained in the Schedule to the Companies (Standard Table) (Jersey) Order 1992, as amended, (hereinafter referred to as “the Standard Table”) shall apply to the Company.
2. All provisions relating to alternate directors shall not apply to the Company and, accordingly, regulations 59, 60, 61, 62 and 63 of the Standard Table are deleted; regulation 79 of the Standard Table shall have its fifth and final sentence deleted; regulation 80 shall have its second and final sentence deleted; and regulation 84 shall have all words subsequent to its semi-colon deleted and that semi-colon replaced by a full stop.
3. Regulations 68, 69 and 78 are deleted.
4. Regulation 2 of the Standard Table shall not apply to the company but the regulation below shall replace it and be applicable to the company:

“Subject to the provisions of the Law –

  - (a) the share capital of the company at the time of incorporation is £100 divided into 100 Ordinary Shares of £1 each;
  - (b) the company may –
    - (i) issue, or
    - (ii) convert,any existing non-redeemable shares, whether issued or not, into shares which are to be redeemed, or are liable to be redeemed at the option of the company or the shareholder, on such terms and in such manner as may be determined by special resolution;
  - (c) unissued shares shall be at the disposal of the company acting by ordinary resolution, which may allot, grant options over or otherwise dispose of them to such persons and on such terms as the directors think fit; and
  - (d) without prejudice to any rights attached to any issued shares, any share may be issued with such rights or restrictions as the company may by special resolution determine”.
5. Regulation 22 of the Standard Table shall apply but the regulation below shall precede it and also be applicable to the Company:

“No share shall be transferred to a person who is not a member unless the written consent of every member to the transfer and proposed transferee has been received by the directors and not been withdrawn.”.

6. Regulation 58 of the Standard Table shall not apply to the Company but the regulation below shall replace and be applicable to the Company:
- “Unless otherwise determined by special resolution, the number of directors shall not be subject to any maximum but shall be at least four.”.
7. Regulation 67 of the Standard Table shall not apply to the Company but the regulation below shall replace and be applicable to the company:
- “The first Directors shall be the persons appointed to the Board of the Company as specified in the Schedule to these Articles. The first Directors shall retire from office by no later than the date specified for their retirement (if any) in the Schedule, but are then, subject to these Articles, eligible for re-appointment. Future Directors shall be appointed as provided in the Articles.”.
8. In Regulation 70, the words, “Subject as aforesaid, the” shall be deleted and replaced with “The”.
9. Regulation 80 of the Standard Table shall not apply to the Company but the regulation below shall replace and be applicable to the Company:
- “The quorum for the transaction of business of the directors may be fixed by the directors and unless so fixed at any other number shall be three.”.
10. Regulation 82 of the Standard Table shall apply, but the following shall be applicable to the Company and inserted after the first sentence of Regulation 82:
- “The directors may not appoint a Chairman without the permission in writing of the Minister for Treasury and Resources.”.

11. SCHEDULE – FIRST DIRECTORS (AS REFERRED TO IN ARTICLE 67)

Name	Date of retirement under Article 67
Charles Clarke	31st October 2016
Mike Collett	31st October 2016
Margaret Llewellyn, O.B.E.	31st October 2016
John Mills, C.B.E.	31st October 2016
Allan Smith, M.B.E.	31st October 2016
Frank Walker, O.B.E.	31st October 2016
Chief Executive – Doug Bannister	Not applicable
Finance Director – Andrew Boustouler	Not applicable