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# STATES OF JERSEY



## JERSEY COMPETITION REGULATORY AUTHORITY: SHORT-TERM APPOINTMENT OF CHAIR

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Presented to the States on 27th November 2019  
by the Chief Minister

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STATES GREFFE

## REPORT

### Background

The Chief Minister (the “**Minister**”) intends to appoint Mr. Paul Masterton for a transitional period as Chair of the Jersey Competition Regulatory Authority (“**JCRA**”) under powers conferred by Article 3(1)(a) of the [Competition Regulatory Authority \(Jersey\) Law 2001](#) (“**the Law**”).

The period of appointment is from 1st January 2020 for a maximum term of 6 months, while the Government completes the recruitment process for a new permanent Chair of the JCRA. The appointment will therefore expire on 30th June 2020, or at such earlier time that a new Chair can be appointed. On expiry of Mr. Masterton’s term as Chair of the JCRA, he will resume his current roles as Non-Executive Member and Senior Independent Director of the Authority.

Under Article 3(1)(a) of the Law, it is for the Minister to appoint one member of the Authority as its Chair. Article 3(3) of the Law provides that Article 2 of the [States of Jersey \(Appointment Procedures\) \(Jersey\) Law 2018](#) shall apply to the appointment of the Chair of the Authority. Under Article 2 of that Law, the Chief Minister is required to notify the States of the intended appointment at least 2 weeks before the appointment is made.

The intended appointment of Mr. Masterton as Chair prevents the position of JCRA Chair from being vacant upon the expiry of the current term of office of Mr. Michael O’Higgins on 31st December 2019. Mr. Masterton’s short-term appointment as Chair safeguards the organisational and operational stability of the Authority during the year, and ensures the continuation of the important work of the Authority, particularly its regulatory functions and role in making markets work in the interest of Islanders.

Under normal circumstances, the States would have been notified of an intention to appoint a new permanent Chair for a term of 4 years. However, a short-term appointment is necessary to ensure the operational continuity of the JCRA, and to allow time for the recruitment process for a new permanent Chair of the JCRA to conclude.

The Department recognises the importance of diversity in the recruitment of a permanent Chair for the JCRA. The Government of Jersey believes that public bodies have a responsibility to demonstrate the principles of equal opportunities and diversity. Applications from all sectors and groups, especially from those who are under-represented at senior levels within public service, will be encouraged. A strong commitment to promoting gender equality, diversity and inclusion will also be a factor in the selection of the external search consultant to undertake the search and advertising assignment for this role.

States Members will be aware that the JCRA shares a Chair, Board, and staff with the Guernsey Competition and Regulatory Authority (“**GCRA**”), under the joint heading of the Channel Islands Competition and Regulatory Authorities (“**CICRA**”). The JCRA and the GCRA administer different Laws in each Island respectively, but share resources and co-operate on pan-Channel Islands issues.

On 6th November 2019, Guernsey's Committee for Economic Development submitted a Policy Letter for debate and decision by the States Assembly, in which they propose to appoint Mr. Masterton as the Chair of the GCRA for the period 1st January 2020 to 30th June 2020, or until such earlier date that a new Chair could be identified and appointed.

### **Mr. Masterton as Non-Executive Director and Senior Independent Director**

In February 2017, Mr. Masterton was appointed as Non-Executive Director of the JCRA for a term of 2 years. The process leading up to this appointment was overseen by the Jersey Appointments Commission. It commenced with adverts placed locally in the Jersey Evening Post and in the Guernsey Press. By the closing date, 28 applications had been received. Applications were made subject to a shortlisting process undertaken by the recruitment Panel. The appointment process resulted in the recommendation of Mr. Masterton.

Mr. Masterton has subsequently been recommended to serve as Non-Executive Director for a further term of 3 years. By letter dated 11th December 2018, the current Chair of the JCRA and the GCRA emphasized Mr. Masterton's valuable contribution to the Authority since his initial appointment in 2017. The Chair furthermore stated that he would be grateful if Mr. Masterton would be considered for re-appointment for a further 3-year term.

Mr. Masterton was subsequently appointed as Non-Executive Director *and* Senior Independent director for a term of 3 years, to expire on 12th February 2022. Mr. Masterton takes on the duties of the Senior Independent Director of the JCRA in addition to the duties of a Non-Executive Director of the Authority.

### **Recommendation of Mr. Masterton**

Following Oxera's 2015 "Review of the Jersey Regulatory and Competition Framework", the Board of the JCRA identified the need to reinforce the level of local business knowledge at non-executive level.

Mr. Masterton, a resident of Jersey, has strong ties with the local business community, acting as Non-Executive Director and Senior Independent Director for the Jersey Development Company, Non-Executive Chair for the Insurance Corporation of the Channel Islands, and Non-Executive Director and Senior Independent Director for 3i Infrastructure plc. Mr. Masterton also serves as the Governor of Highlands College, is a Trustee of Digital Jersey, and is the Director and President of Jersey Hockey Limited.

Mr. Masterton has previously held Non-Executive Chair positions at Digital Jersey and Allied Irish Banks International, and was Chief Executive of the Durrell Wildlife Conservation Trust between 2008 and 2013. Prior to this, he spent 25 years with R.R. Donnelley, a leading global provider of print, digital and supply-chain solutions, where he ascended to the role of President of the European business.

The Jersey Appointments Commission has confirmed agreement for Mr. Masterton's short-term appointment as Chair of the JCRA.

**Resource implications**

The Chief Executive's Office provides the Authority with an Annual Grant to administer the [Competition Regulatory Authority \(Jersey\) Law 2001](#) (£300,000 in 2019).

Fees payable to the Chair of the JCRA are sourced from the Annual Grant made to the JCRA, as well as from the JCRA's own accounts.

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