



Scrutiny Office

Senator Ian Gorst
Minister for External Relations
By email

24th December 2019

Dear Minister

Economic and International Affairs Scrutiny Panel

**P.81/2019 “Draft Banking Business (Depositors Compensation) (Amendment No.2)
(Jersey) Regulations**

I write in relation to the above proposition regarding the Depositors Compensation Scheme. As you are aware, we have been communicating regularly with officials from within External Relations as we have a number of concerns relating to the sharing of data. In that regard, we are grateful to you for deferring the debate until 21st January.

Primarily, our concerns relate to Regulation 7, which amends the primary regulations by inserting Regulation 35B (Disclosure of information). We note that the draft regulations set out the instances in which the Jersey Bank Depositors Compensation Board could disclose information it had collected for the purposes of administering the scheme as well as those individuals or organisations with whom it can share such information (i.e. the Minister, Jersey Financial Services Commission or any person enabling or assisting the Board). The Panel questions whether it is necessary to allow access to individuals’ personal data by such a wide range of entities. In that regard, we have instructed the Legislative Drafter to draft an amendment to remove the Minister from the information-gathering powers, as we see no reason as to why a Minister should be included.

In order to provide extra safeguards for the transfer and storage of such sensitive data, we have also instructed the Legislative Drafter to draft an amendment to insist that such data is held in an encrypted format.

The Panel intends to lodge both amendments in time for the debate on 21st January. So that you are able to see the amendments in their drafted format, I have attached them to this letter. I appreciate that time may be limited over the Christmas period, but the Panel would really value your views on each amendment.

As part of our work, we have also consulted with the Information Commissioner and he raised similar concerns. We have been advised that government officials have been in contact with the Commissioner in order to find a way forward to address his concerns. We understand that the Information Commissioner is content should there be a commitment by the Jersey Bank Depositors Compensation Board to consult with him prior to implementing a new Scheme.

We look forward to receiving your views on our proposed amendments.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kirsten Morel', with a stylized flourish at the end.

Deputy Kirsten Morel
Chair
Economic and International Affairs Scrutiny Panel