

STATES OF JERSEY



STATES OF JERSEY DEVELOPMENT COMPANY LIMITED: RE-APPOINTMENT OF CHAIRMAN

Lodged au Greffe on 22nd January 2019
by the Minister for Treasury and Resources

STATES GREFFE

PROPOSITION

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

under Article 21(b) of the States of Jersey Development Company Limited's Memorandum and Articles of Association –

- (a) to re-appoint Nicola Palios as Chairman of the States of Jersey Development Company Limited for a further period from 2nd February 2019 to 19th June 2020, in accordance with the Memorandum and Articles of Association, to take effect from the delivery to the company of the notice referred to in paragraph (b) below; and
- (b) to authorise the Greffier of the States, for and on behalf of the States, to deliver a notice to the States of Jersey Development Company Limited in accordance with Article 21(b) of the Memorandum and Articles of Association, to give effect to such appointment.

MINISTER FOR TREASURY AND RESOURCES

REPORT

Background

The States agreed, at its meeting on 13th October 2010, to establish the States of Jersey Development Company Limited, which forms part of the arrangements for structuring the planning, development and implementation of major property and associated infrastructure regeneration projects in Jersey. The States of Jersey Development Company Limited has a key role in this, as the delivery vehicle for property development on behalf of the States of Jersey.

The States also agreed, at its meeting on 13th October 2010, to approve a new Memorandum and Articles of Association for the States of Jersey Development Company Limited; and authorised the Greffier of the States, for and on behalf of the States to pass, together with the Treasurer of the States, one or more special resolutions of the company to adopt the Memorandum and Articles.

These arrangements required the appointment of a Board of Directors comprising individuals with the skills, technical knowledge and standing to make the company a success. The Memorandum and Articles provide for the Board of Directors of the company to include –

- an independent Non-Executive Chairman appointed by the States;
- 3 independent Non-Executive Directors appointed by the States; and
- a Non-Executive Director appointed by the Minister for Treasury and Resources to represent his interests.

Minister’s recommendation for re-appointment of Chairman

Ms. Nicola Palios was first appointed as a Non-Executive Director of the Company with effect from 20th June 2011, for a 3 year term; and was re-appointed for a further 3 year term with effect from 20th June 2014, expiring on 19th June 2017.

However, part-way through that term she was appointed Chairman. This appointment was effective from 2nd February 2016, for a period of 3 years (to 1st February 2019), and was approved by the States (*see* [P.1/2016](#); States of Jersey Development Company Limited: appointment of Chairman). This resulted from the resignation of Mark Boleat, and followed a robust appointments process overseen by the Jersey Appointments Commission.

The Minister for Treasury and Resources is now recommending that Ms. Palios be re-appointed for the period 2nd February 2019 to 19th June 2020. This is less than the fixed term of 3 years that Article 29 of the Company’s Memorandum and Articles of Association states should be the duration for each Non-Executive Director appointment.

However, this re-appointment term would then bring her time on the Board to 9 years, which is the maximum permitted in accordance with Company’s governance policies and best practice, as set out in the UK Corporate Governance Code, and equates to 3 terms, each of 3 years’ duration. The Minister believes this accords with the intent and spirit of “the 3 year duration” set out in Article 29 of the Memorandum and Articles of Association.

It has been agreed by the Board that, on 19th June 2020, Ms. Palios will retire from the Board. Before this point, the Company will commence a search/appointment process for a new Chairman to ensure that there is a seamless transition between the 2 Chairmen. Mr. Paul Masterton, as the Board's Senior Independent Director, will take the lead on behalf of the Company for this process, with the necessary co-ordination with the Jersey Appointments Commission and the Shareholder.

Ms. Palios' biography is shown in the attached **Appendix**. She has considerable experience and insight into the Company's ongoing activities. During her term as Chairman, the Company has made significant progress delivering, for example, College Gardens, IFC1 and IFC 5, in challenging circumstances.

Ms. Palios has demonstrated that she provides a strong, considered leadership and technical experience, together with excellent communication skills and stakeholder engagement that will contribute to the ongoing success of the Company as it continues its development and progress.

It is further recommended, under Article 21(b), that the Minister authorises the Greffier of the States, for and on behalf of the States, to deliver a notice to the States of Jersey Development Company Limited to give effect to such appointment.

Financial and manpower implications

The remuneration level for the Non-Executive Chairman of the States of Jersey Development Company Limited is £40,000 for a minimum 24 days' commitment per annum. This remuneration level was set in 2011 and has not been subsequently changed.

The cost of remuneration will be borne by the States of Jersey Development Company Limited and not by the States of Jersey. There are therefore no financial or manpower implications for the States.

Ms. Nicola Palios (Chairman)

Ms. Nicola Palios is a Jersey Advocate who lived in the Island for 20 years until returning to the UK in 2007. From an early career in law to 15 years of international business leadership, she brings with her proven commercial insight and success in delivering major strategic projects.

She joined Mourant in 1988, becoming its then youngest-ever partner in 1995. From 2003 to 2010 she was the Chief Executive of Mourant, where she delivered the firm's strategic vision for incorporation, growth and expansion, which transformed the Jersey law firm into a provider of multinational legal and financial services and business process outsourcing.

Now living in the UK, she is the owner and director of a consultancy firm offering a variety of services to private equity houses, primarily relating to governance and due diligence in the offshore financial services industry. She is also joint owner of Tranmere Rovers Football Club, Chairman of the States of Jersey Development Company Limited, and a Non-Executive Director of Sanne Plc.

Ms. Palios has maintained close contact with Jersey and has a detailed knowledge of the issues facing the Island. Her considerable experience working on the Island in the finance sector, coupled with her knowledge of corporate and commercial law, have provided useful input to the States of Jersey Development Company Board during her tenure.

Ms. Palios is a Chartered Director and holds a Law Degree from St. Hilda's College, Oxford, and a Master's degree from Cardiff University. She was admitted as an Advocate of the Royal Court of Jersey in 1991.