

STATES OF JERSEY



STATES OF JERSEY DEVELOPMENT COMPANY LIMITED: APPOINTMENT OF CHAIRMAN AND NON-EXECUTIVE DIRECTORS

Lodged au Greffe on 2nd March 2011
by the Minister for Treasury and Resources

STATES GREFFE

PROPOSITION

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

to refer to their Act dated 13th October 2010, in which they approved the Memorandum and Articles of Association of The States of Jersey Development Company Limited (the “New Memorandum and Articles”) 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 New Memorandum and Articles, and –

- (a) to appoint the following persons as non-executive directors of The States of Jersey Development Company Limited for a period of 3 years in accordance with the New Memorandum and Articles to take effect from the delivery to the company of the notice referred to in paragraph (b) below –

Baroness Margaret Ford (Non-Executive Chairman)
Roger Lewis (Non-Executive Director)
Nicola Palios (Non-Executive Director)
David Pretty (Non-Executive Director);

- (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 New Memorandum and Articles immediately following the adoption of the New Memorandum and Articles to give effect to such appointments.

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 will form part of new 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 (the “New Memorandum and Articles”) 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 New Memorandum and Articles.

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

- An independent Non-Executive Chairman appointed by the States;
- Three 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.

The Minister for Treasury and Resources recommends the appointment of a Chairman and Non-Executive Directors with relevant experience who will provide strong leadership and oversight of the company in order to ensure it operates within the agreed policies of the States and delivers projects aligned with the needs of the Island.

Appointment process

The candidate search for the Chairman and 3 Non-Executive Directors of The States of Jersey Development Company Limited was performed locally and in the United Kingdom with the assistance of a recruitment consultancy. There were a large number of very strong applicants for all positions, including applicants from Jersey. Overall, 5 candidates were short-listed for the role of Chairman and 8 for the Non-Executive Director roles.

Interviews for the role of Chair and Non-Executive Directors were undertaken over 3 days in February under the auspices of 3 Panels. The strong field of candidates were assessed against a robust competency framework and questioned on their understanding of such important areas as community and stakeholder engagement, the role of the States of Jersey Development Company, leadership and change, as well as their technical expertise.

Interviews were conducted by a main Recruitment Panel chaired by the Minister for Treasury and Resources and supported by the Connétable of St. Peter, the Chief Executive of the States of Jersey and a representative from the Jersey Appointments Commission. In addition, following a practice established with the appointment of the

Treasurer of the States, 2 further Advisory Panels worked in parallel with the Recruitment Panel to interview the candidates. These included a Transition Advisory Panel made up of States Members, and a Technical Panel of local industry experts with specialist financial, commercial and development experience that assisted with the Chairman's appointment.

The Minister wishes to extend his warm thanks to the Chief Minister, Senator S.C. Ferguson, the Connétable of Grouville, the Deputy of St. John and Deputy D.J. De Sousa of St. Helier, as well as the industry members and Jersey Appointments Commission, whose support was invaluable and played a very important role in the selection process.

All the candidates who were interviewed for the roles were of an extremely high calibre and brought with them a very strong set of skills, expertise and experience. However, following a rigorous and transparent selection process overseen by the Jersey Appointments Commission, the Minister recommends that the following be appointed as Non-Executive Directors of The States of Jersey Development Company Limited for a period of 3 years in accordance with the New Memorandum and Articles –

Baroness Margaret Ford (Non-Executive Chairman)

Roger Lewis (Non-Executive Director)

Nicola Palios (Non-Executive Director)

David Pretty (Non-Executive Director).

A CV for each person is attached in the Appendix to this Report.

The Minister is confident that the new Board of Directors will provide a strong balance of skills, expertise and technical backgrounds that will help contribute to the success of The States of Jersey Development Company. The Board will comprise an outstanding mix of both on- and off-Island experience in order to ensure that the complex local environment is well understood and represented at the strategic level.

The New Memorandum and Articles are intended to be adopted by the passing of special resolutions of the company at an Extraordinary General Meeting of the company to be held following the States agreeing to appoint the Chairman and 3 additional Non-Executive Directors to the Board of Directors of the company. The appointments would take effect following the adoption of the New Memorandum and Articles by the delivery to the company of a written notice by the Greffier of the States in accordance with Article 21(b) of the New Memorandum and Articles.

The Jersey Appointments Commission is satisfied that the appointments process has been properly conducted.

Financial and manpower implications

The remuneration levels for the Chairman and Non-Executives of the States of Jersey Development Company are set as follows –

- Chairman – £40,000 for 24 days' commitment per annum;
- Non-Executive Directors – £15,000 for 15 days' commitment per annum.

An additional per diem rate will be available should additional commitment be required.

The proposed remuneration levels are regarded as appropriate given the size of the organisation and the need to attract the right calibre of individuals to the roles. The remuneration broadly reflects that of other comparable organisations.

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.

APPENDIX

Baroness Margaret Ford (Chairman)

Baroness Margaret Ford is a nationally recognised figure with excellent experience of working at the public-private interface, specifically in respect of nationally important and localised regeneration and development projects.

She is currently Chair of the Olympic Park Legacy Company, a role to which she was appointed in 2009 by the Government and the Mayor of London. In this role she is responsible for fulfilling some of the legacy promises made in the bid to host the London 2012 Olympic Games, and is tasked with securing the long-term development of the Olympic Park after the Games. Baroness Ford is also Chair of the Irvine Bay Development Company, a body charged with the regeneration of 5 towns on the West Coast of Scotland with a combined population of around 90,000. In 2008 she was appointed as a Non-Executive Director of Grainger Plc., the UK's largest residential property company.

Among her previous non-executive roles, Baroness Ford has been widely recognised for her strong leadership of English Partnerships, where she was Chair of the UK Government's housing and regeneration agency for England between 2002 and 2008. She has recently retired as the Senior Independent Director of Serco Plc., one of the world's largest public service providers.

From 2007 until 2009 Baroness Ford was Managing Director of the Royal Bank of Canada's Global Infrastructure Group, from which she joined the Olympic Legacy Company. Prior to this she had a long career in management consultancy, having worked for Price Waterhouse and also establishing her own consultancy firm.

She is Chair in Real Estate Financing at Glasgow University and is an Honorary Member of the Royal Institute of Chartered Surveyors. She was awarded a Labour peerage in 2006.

Roger Lewis (Non-Executive Director)

Born and raised in Jersey, Roger Lewis has been involved in residential and commercial property development for nearly 40 years. He began his career in the finance function before moving onto general management roles in the construction sector, where he remained for his whole career.

Between 1991 and 2007 he enjoyed significant success on the executive board of The Berkeley Group, one of the UK's leading urban regenerators, where he held various senior positions, including Corporate Finance Executive and Group Chairman. During this time, The Berkeley Group established itself as a consistent and strong performer in the property development sector. Although now retired, he still acts in an advisory capacity to the Group.

Before taking up his role at The Berkeley Group, he worked for the UK developer, Crest Nicholson Group. From 1972 to 1991 he held various senior positions, including Finance Director of Crest Homes, Managing Director and Group Chief Executive.

He brings specialist knowledge of waterfront developments, especially in the context of marinas, where his most recent non-executive appointments have been focused. He was formerly in charge of The Berkley Group's development of Gunwharf Quays in Portsmouth during his time as Chairman, and also now holds non-executive positions at Camper & Nicholsons Marina Investments and Grand Harbour Marina plc., Malta.

Roger returned to the Island in 2002 as a permanent resident, having been away for much of his working life. He has a wealth of expertise in the development world and this remains his passion in life.

Nicola Palios (Non-Executive Director)

Nicola Palios is a Jersey Advocate who lived on the Island for 20 years. 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.

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 multinational financial services and business process outsourcing business.

She joined Mourant in 1988 as an Advocate, becoming its youngest ever partner in 1995. She has also held the positions of Deputy Managing Partner and Director of Mourant International Finance Administration.

Now living in the UK, she is co-owner and director of consultancy firm offering a variety of services in the private equity industry. She 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, would bring substantial experience and expertise to the States of Jersey Development Company Board.

She is a Chartered Director and an experienced non-executive board member. She has a Law Degree from St. Hilda's College, Oxford, and a Masters from Cardiff University. She was admitted as an Advocate of the Royal Court of Jersey in 1991.

David Pretty CBE (Non-Executive Director)

David Pretty retired as Group Chief Executive of Barratt Developments plc. in October 2006 after 40 years in the property development industry. During that time, his roles included Group Marketing Director, Chairman of Barratt Southern, Group Managing Director and, lastly, Group Chief Executive.

He is a well-known figure, having been active at senior management level for over 25 years. In 2007, he was made a CBE for services to house building.

He is also considered a pioneer of social housing partnership development in UK inner-cities. He undertook one of the first private-public partnerships in London 25 years ago and, as CEO of Barratt, headed the nation's largest house-builder.

Since retirement he remains active in the property and regeneration sector. He has been a Non-Executive Director of the Home Builders Federation and Non-Executive Chairman of the New Homes Marketing Board until December 2010. He remains a trustee of The Prince's Regeneration Trust and is a member of the advisory board at the NHBC Foundation.

He has, for many years, campaigned to highlight housing issues, including the need for more social housing, help for first-time buyers and changes to the planning system. He contributes regularly to trade publications, is an occasional advisor to the UK Government on property and regeneration issues and recently co-chaired a review of the planning application process in England (The Killian Pretty Review).

Now aged 66, he lives in South West London & Hampshire.