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# STATES OF JERSEY



## JERSEY BANK DEPOSITORS COMPENSATION BOARD: REAPPOINTMENT OF BOARD MEMBERS

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Presented to the States on 25 February 2021  
by the Minister for External Relations

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STATES GREFFE

## REPORT

### Background

The Jersey Depositors Compensation Board (the “Board”) was established in 2015 under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009 (the “DCS Regulations”) to administer the Jersey Bank Depositors Compensation Scheme. The Jersey Bank Depositors Compensation Scheme aims to prevent hardship by ensuring that in the unlikely event of a Jersey bank failure, depositors will have timely access to funds and will not have to wait for recoveries in the bank liquidation.

Part 2 of the DCS Regulations provides for the establishment of the Board and appointment of Board Members (“Members”). Regulations 10 and 11 of the DCS Regulations provides as follows –

### 10 Constitution of the Board

- (1) The Board must have at least 3 members.
- (2) The members of the Board shall be appointed by the Minister after consulting with the Appointments Commission.<sup>[151](#)</sup>
- (2A) Article 2 of the States of Jersey (Appointment Procedures) (Jersey) Law 2018<sup>[161](#)</sup> shall apply to the appointment of members of the Board.<sup>[171](#)</sup>
- (3) A person shall not be eligible for appointment as a member of the Board if the person is –
  - (a) a member of the States;
  - (b) subject to a disqualification order under Article 78 of the Companies (Jersey) Law 1991 or Article 24(7) of the Bankruptcy (Désastre) (Jersey) Law 1990<sup>[181](#)</sup>; or
  - (c) bankrupt.
- (4) The appointment of a person as a member of the Board ceases if the person becomes a person who may not be appointed to be a member of the Board.
- (5) The rights and obligations of the Board, and the performance of its functions, shall not be affected by –
  - (a) any vacancy in its membership; or
  - (b) any defect in the appointment of a member.
- (6) <sup>[191](#)</sup>
- (7) <sup>[201](#)</sup>

### 11 Terms and conditions of appointment of members of the Board

- (1) A person appointed to be a member of the Board –
  - (a) holds the appointment on terms and conditions agreed between the person and the Minister; and
  - (b) may be reappointed.
- (2) The terms and conditions must include terms and conditions in respect of –
  - (a) the term of the appointment of the member, being a term not exceeding 5 years;
  - (b) the manner in which the member may resign during that term;
  - (c) the grounds upon which the appointment of the member may be terminated during that term;
  - (d) the remuneration (if any) of the member, and may contain such other terms and conditions as the Minister may consider appropriate or necessary.
- (3) The grounds mentioned in paragraph (2)(c) must include –

- (a) the member being mentally or physically incapable of carrying out his or her functions as a member; and
- (b) the member being convicted of an offence that carries a penalty of imprisonment for a term of 2 years or longer.

Paul Leary and Peter Shirreffs are current members of the Bank Depositors Compensation Board. Mr Leary is the Chair. It is proposed to reappoint Mr Shirreffs for a period of four years, and Mr Leary for a period of two years, during which a process will take place to seek an appropriate new Chair.

In accordance with Article 2 of the States of Jersey (Appointment Procedures) (Jersey) Law 2018, the Minister gives 2 weeks' notice to the States Assembly of his intention to make these appointments.

### **Biographies**

Board chairman Paul Leary leads the Risk and Compliance function at the multi-jurisdictional legal firm Bedell Cristin.

He stepped down as Head of Risk at Ocorian in early 2020 after 12 years in the role. His responsibilities included development and implementation of an Enterprise Risk Management framework across the international business. Prior to that he was director of Advisory Services at legal group BakerPlatt where he designed and delivered specialised financial compliance courses in subjects ranging from corporate governance to risk management and anti-money laundering. He also created a national seminar programme for the World Bank examining the criticality for banks of centralised compliance functions in developing jurisdictions.

Paul has also worked for the Jersey Financial Services Commission and Lloyds TSB bank. He has an MBA and is an associate of the Chartered Institute of Bankers.

Peter Shirreffs held Senior Management and executive positions with RBS Group before settling in Jersey in 1992 as MD of Royal Bank of Scotland Jersey Ltd. He has considerable corporate and retail banking experience and is also the Non-Executive Chairman and a Director of several local and international companies. He is a fellow and past President of the Chartered Institute of Bankers and registered as a Principal Person with the Jersey Financial Services Commission.

### **Financial and resource implications**

There are no financial or resource implications on the States of Jersey. The Board is funded by levies on banks.