

# STATES OF JERSEY



## HOUSING SHADOW BOARD: TERMS OF REFERENCE AND APPOINTMENT OF DIRECTORS

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Lodged au Greffe on 2nd December 2013  
by the Minister for Housing

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STATES GREFFE

## **PROPOSITION**

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

- (a) to approve the Terms of Reference of the Housing Shadow Board as outlined in the attached report of the Minister for Housing dated 2nd December 2013;
- (b) to appoint the following as directors of the Housing Shadow Board for the period to the incorporation of States-owned housing as a Company Limited by Guarantee wholly owned by the States of Jersey as approved by the States on 16th May 2013 –

Mr. Michael Jones (Non-Executive Chairman)  
Mrs. Heather Bestwick (Non-Executive Director)  
Advocate Jane Martin (Non-Executive Director)  
Mr. Colin Russell (Tenant Representative Director)  
Mr. Frank Walker O.B.E. (Non-Executive Director)  
Mr. Ian Gallichan (Chief Executive Officer).

MINISTER FOR HOUSING

## **REPORT**

### **Background**

At its meeting on 16th May 2013, the States approved a Report and Proposition (P.33/2013) (as amended) brought by the Council of Ministers entitled “The Reform of Social Housing”.

As part of that proposition, the States agreed to the incorporation of States-owned housing as a Company Limited by Guarantee wholly owned by the States of Jersey as set out in sections 3.38 to 3.47 of that report; and requested the Minister for Housing to take the necessary action to prepare for company status, and to bring forward for approval by the Assembly, the necessary legislation to give effect to the proposals, with a target date for commencement of the Company’s operation of 1st July 2014.

The report attached to P.33/2013 set out, in sections 3.40 to 3.47, the proposed composition of the Company’s new Board; and proposed that the Board would initially be appointed as a Shadow Board and would develop a Constitution, Memorandum and Articles of Association. In addition, the Shadow Board would define and develop the appropriate governance arrangements for the new Company in accordance with best practice.

Given the challenging timetable set in P.33/2013 for the incorporation of the Housing Department on 1st July 2014, the necessity for the new Company’s Board to be fully conversant with the operation and challenges facing the Company and to ensure that there is continuity throughout this period of transformation, the Board members have been appointed initially as a Shadow Board. This is with the full intention that they become the first Board of Directors of the new Housing Company when it is formed.

### **Terms of Reference**

The proposed Terms of Reference for the Housing Shadow Board are –

1. To develop a Constitution, Memorandum and Articles of Association for the new Housing Company.
2. To define and develop appropriate governance arrangements for the new Housing Company in accordance with best practice.
3. To agree, on behalf of the new Housing Company, a sustainable Transfer Agreement with the Minister for Treasury and Resources.
4. To oversee the preparations for the incorporation of new Housing Company.
5. To develop a 5 year business plan for the new Housing Company.

The Housing Shadow Board has no political or executive authority, and all responsibilities, accountabilities and liabilities remain unchanged.

The Minister for Housing retains all powers vested under the States of Jersey Law 2005. Under this Law, the Minister for Housing is legally and politically accountable for this area of government.

The Housing Chief Executive Officer is designated under the Public Finances (Jersey) Law 2005 as the accounting officer for the Housing Department, and will retain all aspects of his accounting officer responsibility, and as such is accountable to the Minister and the States of Jersey.

### **Appointment process**

P.33/2013, The Reform of Social Housing, set out clearly the proposed appointment process for the new Board; and this has been overseen by the Appointments Commission in accordance with its Code of Practice for Autonomous and Quasi-Autonomous Public Bodies and Tribunals.

The candidate search for the Chairman and 3 Non-Executive Directors of the Housing Shadow Board was performed with the assistance of a local recruitment consultancy in September, 2013. At the same time, the Minister for Housing wrote to all 4,500 Housing Department tenants, inviting them to apply for one of the 2 roles of Tenant Representative Director.

There was an excellent response for the positions of Chair and Non-Executive Directors, but a lesser response to the invitation to apply for the Tenant Representative Directors. Overall, 7 candidates were shortlisted and interviewed for the roles of Chair and Non-Executive Directors, and 3 tenants were shortlisted and interviewed for the role of Tenant Representative Directors.

Interviews for the role of Chair and Non-Executive Directors were undertaken in October by a Recruitment Panel, comprising – the Minister for Housing, the Chair of the Jersey Appointments Commission, the Housing Chief Executive Officer and the Treasurer of the States. Interviews for the Tenant Representative Directors were undertaken by the Housing Chief Executive Officer, the Treasurer of the States and the Chair of the Jersey Appointments Commission.

The Minister wishes to extend his warm thanks to the members of Recruitment Panel for their time and support throughout the selection process.

Whilst it has been possible to fill the positions of the Chair and the 3 Non-Executive Directors with high-calibre candidates with a strong and varied set of skills, expertise and experience, unfortunately it has only been possible to find one such candidate for the position of Tenant Representative Director, and so one of these roles remains unfilled. The Minister remains of the view that appropriate tenant representation on the Board is vital, and a further appointment process will be undertaken by the Shadow Board to identify another suitable candidate in the period to 1st July 2014.

Following a rigorous and transparent selection process overseen by the Appointments Commission, the Minister recommends that the following be appointed as Directors of the Housing Shadow Board for the period to the incorporation of States-owned housing as a Company Limited by Guarantee wholly owned by the States of Jersey as approved by the States on 16th May 2013 –

Michael Jones (Non-Executive Chairman)  
Heather Bestwick (Non-Executive Director)  
Jane Martin (Non-Executive Director)  
Colin Russell (Tenant Representative Director)  
Frank Walker O.B.E. (Non-Executive Director).

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

The Minister has also decided to recommend that the Board is joined by the Chief Executive Officer of the Housing Department, Ian Gallichan, who has worked tirelessly with Ministers for Housing over a number of years to ensure that the Housing Transformation Programme has progressed successfully. His vast experience of social housing gained over many years is sure to assist the new Board greatly and provide a key link to both the Minister for Housing and the Department.

The Minister is confident that the new Board of Directors will provide a strong balance of skills, expertise and experience that will help contribute to the successful incorporation of the Housing Department and the success of the new Housing Company. The Minister is particularly pleased that all the Board members possess a strong social conscience, which is vital for the largest social housing provider in the Island.

### **Financial and manpower implications**

The remuneration levels for the Chairman, Non-Executive and Tenant Representative Directors of the Housing Shadow Board are set as follows –

- Chairman – £40,000 for 30 days' commitment per annum;
- Non-Executive Directors – £15,000 for 20 days' commitment per annum;
- Tenant Representative Directors – £15,000 for 20 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 new Company's property portfolio and responsibilities, and also the need to attract the right calibre of individuals to the roles. The remuneration is broadly in line with other comparable organisations.

The cost of remuneration will initially be borne by the Housing Department, and then following incorporation (with a target date of 1st July 2014), by the new Housing Company. These costs were highlighted and included in the States of Jersey Housing Transformation Programme: Full Business Case (R.15/2013), which supported the Reform of Social Housing (P.33/2013), and so will require no additional funding.

2nd December 2013

## APPENDIX

### **Michael Jones (Non-Executive Chairman)**

Michael Jones originally read architecture at the University of Cambridge. After working at senior and chief officer levels in London local government, he returned to Cambridge and is a Research Associate in the Cambridge Centre for Housing and Planning Research, in the Department of Land Economy. He worked with Professor Christine Whitehead on the Review of Social Housing for the States of Jersey, and was subsequently appointed as Governance Advisor to the Housing Transformation Programme.

His voluntary activities have included being Chair of the Cambridge Homeless Partnership 1998–2003 and Board member at Hounslow Homes 2002–2007.

In 2005 he was appointed to the Shadow Board of Homes for Haringey, and was elected and served as Chair of the Board on the establishment of the housing company in 2006–2011.

### **Heather Bestwick (Non-Executive Director)**

Heather qualified as an English Solicitor with Norton Rose in London in 1993, specialising in ship finance, and worked in their London and Greek offices, acting for banks, financial institutions, ship-owners and the DTI on the home ship-building scheme.

In 1999 Heather joined Walkers in the Cayman Islands, working in the Corporate and International Finance Department and becoming a Cayman Islands Attorney and Notary Public. Her practice encompassed investment funds, structured finance, secured lending, listings and yacht finance and registration, and she was made a Partner in 2003. Heather moved to Jersey when Walkers opened an office here in 2007, she was Managing Partner of Walkers' Jersey office until early 2010.

Heather joined Jersey Finance as Technical Director in March 2010, becoming Deputy Chief Executive in January 2012.

Prior to qualifying as a lawyer, Heather had a career in housing and local government in the UK working for the London Borough of Hammersmith & Fulham, London Borough of Sutton, before taking a role as Senior Housing Advisor at the City of Westminster, gaining significant experience of homelessness and the challenges of landlord/tenant relationships first-hand, through living in social housing within the community in support of her work.

### **Jane Martin (Non-Executive Director)**

Born, raised and educated in Jersey, Jane Martin is a Jersey Advocate who has over 20 years of legal and business experience. After qualifying first as an English Solicitor and then locally, she worked at Mourant du Feu & Jeune, moving to the firm of Crill Canavan in 1997. She became a partner of that firm in 2001, and in 2005 was elected

the firm's first female managing partner, holding that position until her retirement from private practice at the end of 2008.

Jane's area of legal practice and expertise was litigation, and she regularly appeared before all of the Courts in Jersey.

In addition to her legal qualifications, Jane studied for and passed the Institute of Directors' Diploma in Company Direction in 2009, which qualification supported the experience she had gained in her managing partner role.

After a short career break to spend time with her family, Jane became the first Chief Executive Officer of The Law Society of Jersey, and fulfilled this role from 2010 until 2013.

Jane is currently a member of the Jersey Police Complaints Authority, and has served as an invited Governor on the Board of Governors of Jersey College for Girls from 2007 to 2010. She was also a Panel Judge for the Jersey Enterprise Awards for 2009 and 2010.

She is currently a tutor with the Institute of Law, and is working at Lacey Advocates, who act for the Minister for Health and Social Services, on the Historic Abuse Redress Scheme.

Jane believes that her States education was her springboard to the opportunity of a successful legal career, and she is now passionate about giving value back to the Island.

#### **Colin Russell (Tenant Representative Director)**

Colin Russell has had a career in construction as a Plumbing and Heating Engineer spanning 40 years, he is now self-employed and runs his own business. Colin is a Regional Inspector for the Oil Firing Technical Association (OFTEC) and a Board Member of the Jersey Construction Council (JeCC). Throughout his career, he has supported the development of young people in the industry, both as a mentor with apprenticeship programs in the workplace and as a lecturer at Highlands College.

Colin has served a 6 year term with the Social Security Advisory Council (SSAC), the last 2 years as Chairman; he is currently Chairman of the Safer St. Helier Community Partnership (SSHCP); and he has since 2002 been Chairman of the Jersey Multiple Sclerosis Therapy Centre (JMSTC), and is still in office. In the course of carrying out these various roles, Colin has been significantly involved in fund-raising, community development and awareness programs, as well as practical premises redevelopment and facility enhancements.

Colin is the current Chairman of the States Tenants Forum Panel (TFP) and has been Chairman since 2007. This role has allowed Colin to work as part of a tenant's representative team, which has contributed to the delivery of the Social Housing Transformation Program in partnership with the Minister for Housing and the Housing Senior Management Team.

### **Frank Walker O.B.E. (Non-Executive Director)**

Frank Walker is a Jerseyman who has spent his entire business and political career in the Island.

Frank was Managing Director of The Guiton Group, publishers of the Jersey Evening Post, from 1973 to 1990, when he was appointed non-executive Chairman. During his time at the helm, the Group was floated on the London Stock Exchange and became a strongly traded share with considerable capital and dividend gains for shareholders. Frank stood down from the Guiton Group when it was sold to private purchasers in 2004.

He was elected to the States of Jersey as a Deputy for St. Helier No. 3 District, and was re-elected in 1993. In 1996 he was elected as a Senator with an Island-wide mandate, and was re-elected in 2002.

During his time in the States, Frank was a member of the Housing, Tourism, Prison, Establishment, Finance and Economics, and Policy and Resources Committees. He was elected President of the Postal Committee and later President of the Establishment Committee, the Finance and Economics Committee and the Policy and Resources Committee.

When Ministerial Government was introduced in 2005, Frank was elected as Jersey's first Chief Minister, retiring as planned, in 2008. In 2010 he was awarded the O.B.E. for services to the Public.

Frank is currently Chairman of Jersey Choice Ltd., a local company selling plants to the U.K., a non-executive director of the Ports of Jersey Shadow Board, chairman of the Digital Jersey e-Government and Infrastructure Technical Action Group, and a Trustee of the Caring Hands charity.