

STATES OF JERSEY



SHADOW BOARDS AND MINISTERIAL BOARDS: APPROVAL BY THE STATES (P.170/2010) – AMENDMENT

Lodged au Greffe on 19th January 2011
by the Minister for Economic Development

STATES GREFFE

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PAGE 2, PARAGRAPH (a) –

For the words “for approval the proposal announced by the Minister on 3rd November 2010 for the formation of a Shadow Board to oversee all aspects of Harbours and Airport” substitute the words “for approval the Terms of Reference for the Shadow Board appointed by the Minister for Economic Development, as set out in points 1-7 in the report of the Minister dated 19th January 2011, to oversee all aspects of Harbours and Airport;”.

MINISTER FOR ECONOMIC DEVELOPMENT

REPORT

Following discussion with Deputy Le Claire, the proposer of P.170/2010, this amendment to part (a) reflects the fact that the Shadow Board had been appointed before P.170/2010 was lodged. It therefore captures the proposer's concerns, but goes further by allowing the States to debate the terms of reference that the Shadow Board will operate under. It also confirms that the Minister for Economic Development will bring any future substantive changes to the governance of Jersey Harbours or Jersey Airport to the States.

As background, the following confirms the position surrounding the establishment of the Shadow Board.

For the avoidance of any doubt, the Harbours and Airport Shadow Board is an **advisory** and not a supervisory body. It has **no political or executive authority** and all responsibilities, accountabilities and liabilities remain unchanged.

During the States Sitting on 6th July 2010, the Minister for Economic Development announced the intention to create a Shadow Board to oversee all aspects of Jersey Harbours and Jersey Airport activity.

The proposed Terms of Reference of the Shadow Board are –

1. To define the optimum operational and governance structure and make a recommendation to the Minister for Economic Development to implement changes as necessary.
2. To strengthen governance and good practice in all areas of Harbour and Airport operations.
3. To challenge and support the executive teams.
4. To develop strategy and business operations and ensure they are subject to rigorous independent commercial challenge in a manner which enhances governance at a pivotal time.
5. To protect the interests of Jersey Airport and Jersey Harbours in moving towards the Aims and Objectives agreed by the States of Jersey.
6. To ensure the ability of the Trading Operations to meet the objective of being self-funding and sustainable.
7. To undertake any other appropriate roles as agreed with the Minister for Economic Development.

The Shadow Board was appointed following consultation and a recruitment process overseen by the Appointments Commission. The Board comprises –

Chair	Mr. Charles Clarke
Non-Executive Director (Marine)	Mrs. Margaret Llewellyn OBE
Non-Executive Director (Aviation)	Mr. Mike Collett

Non-Executive Director	Mr. Frank Walker
Non-Executive Director	Mr. Alan Smith MBE
Non-Executive Director	Mr. John Mills CBE
Representative of Minister for ED	Mr. Mike King, Chief Officer, EDD

The Harbours and Airport Shadow Board is an **advisory** and not a supervisory body. It has **no political or executive authority** and all responsibilities, accountabilities and liabilities remain unchanged.

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

The Minister for Economic Development retains the responsibility for setting policy to ensure that all aspects of the Economic Development Department's activities, including Jersey Harbours and Jersey Airport, fulfil their objectives.

The accountabilities and responsibilities of the Airport Director and the Harbour Master are defined in Law. The Airport Director and Harbour Master/CEO are designated under the Public Finances (Jersey) Law 2005 as accounting officers for Jersey Airport and Jersey Harbours, and will retain all aspects of their accounting officer responsibility, and as such are accountable to the Minister and the States of Jersey. The operational responsibilities of the Airport Director and the Harbour Master/CEO are defined in the Law and will remain unchanged.

In practice, the Harbours and Airport executives will work with the Shadow Board to define a business plan for the following year within the timetable prescribed by the States. The Minister for Economic Development will consider the plan and make any necessary amendments before approving it for presentation to the States. Once approved by the States, the Minister will charge the Executive to work with the Shadow Board to deliver the business plan. Any decisions required within the plan period will be recommended by the executives (with the input and endorsement of the Shadow Board) for the approval of the Minister to be recorded as Ministerial Decisions.

From time to time, the Minister may request the Harbours and Airport Shadow Board to work with the executives and ED officers to advise on specific issues related to aspects of Harbours and Airport structure, governance and operations.

The Minister for Economic Development proposes that, if such advice leads to a change in policy that would represent a substantive change at either Jersey Harbours or Jersey Airport, such changes will be brought back to the States.

Financial and manpower implications

As this amendment seeks approval of the States for the Terms of Reference of the already constituted Harbours and Airport Shadow Board, there are no financial considerations for the States arising therefrom.

19th January 2011