

Ministerial Decision Report

APPOINTMENT OF MINISTERIAL APPOINTEE ON THE BOARD OF THE STATES OF JERSEY DEVELOPMENT COMPANY LIMITED

1. Purpose of Report

To enable the Minister for Treasury and Resources to consider the appointment of the Ministerial Appointee on the Board of The States of Jersey Development Company Limited (“SoJDC” or the “Company”).

2. Background

In 2010 the States Assembly through adopting P.73/2010 approved the establishment of SoJDC as the successor to the Waterfront Enterprise Board Limited. In approving P.73/2010 the Assembly further approved the revised Articles of Association of the Company (“Articles”).

The Company, with a revised remit, came into effect in June 2011 following adoption by the States Assembly of P.32/2011 appointing a new board of Non-Executive Directors.

Article 23 states that the Board shall comprise the Chairman, the Managing Director, the Finance Director, the Ministerial Appointee, and a minimum of three States Appointees (in addition to the Chairman) and a maximum of five States Appointees (in addition to the Chairman). Article 28 provides that the Ministerial Appointee shall be appointed by the Minister by a formal Ministerial Decision.

Pursuant to MD-TR-2012-0051 the then Minister of Treasury & Resources appointed Ann Santry to be the Ministerial Appointee on 20 April 2015. Ms Santry retires as a non-executive director (“NED”) of SoJDC and the Senior Independent Director (“SID”) on 20 December 2022 and therefore will also cease to be the Ministerial Appointee on that date.

3. Ministerial Appointee

The new Ministerial Appointee is proposed to be Mr Nicholas Winsor MBE. Mr Winsor has been a NED of SoJDC since June 2020 and is currently serving as the Chair of the Remuneration & Nomination Committee.

A copy of Mr Winsor’s up to date CV appears in **Appendix 1**.

The Board of SoJDC has, by way of a letter dated 21 September 2022, advised the Minister that it intends to appoint Mr Winsor as the SID on the retirement of Ms Santry as both NED and the SID. A copy of the letter from the Board appears at **Appendix 2**.

4. Future of the Ministerial Appointee

P.73/2010 in section 12 provides that the “*Minister for Treasury and Resources will appoint a non-executive director to the board of SoJDC, who may be a States Member, to represent his interests on the board*”. In effect this NED is the Ministerial Appointee which is borne out by the then Council of Ministers’ responses to a Scrutiny Sub-Panel report which in part states – “*The Ministerial Appointee would represent the interests of the Minister for Treasury and Resources.....The Ministerial Appointee would report to the Minister for Treasury and Resources.*”

In practice, however each NED's primary responsibility is to the Company itself which is codified in Article 74(1) of the Companies (Jersey) Law 1991, as amended which requires that a director, in exercising the director's powers and discharging the director's duties, shall "*act honestly and in good faith with a view to the best interests of the company*". Accordingly, the Ministerial Appointee could find themselves to be in a conflict of interest whereby they have the legal responsibility to act in the best interests of the Company which from time to time may not necessarily align with the interests of the Minister.

So far as communications and reporting to the Minister is concerned, the practice has been for the Chair and SID to have meetings with the Minister and/or Assistant Ministers as part of the quarterly shareholder meeting cycle required in the Memorandum of Understanding with SoJDC.

It is therefore proposed, as a pragmatic measure whilst still complying with the spirit of P.73/2010, that it would make sense administratively and practically that the Ministerial Appointee be aligned with the SID role and that the Ministerial Appointee going forward will be deemed to be the NED fulfilling the role of the SID at any one time.

It could be argued that in aligning the Ministerial Appointee with the SID role, since the SoJDC Board appoints the SID, the Minister is effectively delegating his power to appoint the Ministerial Appointee to the Board. However, the Minister still retains the ability to appoint an alternative NED to act as the Ministerial Appointee if desired.

5. Recommendation

The Minister for Treasury and Resources is recommended: -

- to appoint Mr Nicholas Winsor MBE as the Ministerial Appointee, on the retirement of Ann Santry on 20 December 2022, for such times as Mr Winsor acts as the Senior Independent Director ("SID") of SoJDC; and
- to approve as a principle that the Ministerial Appointee should in future be aligned to the role of the SID and that therefore the Ministerial Appointee will be the Non-Executive Director fulfilling the role of the SID at any one time.

6. Reasons for Decisions

Article 23 states that the Board shall comprise the Chairman, the Managing Director, the Finance Director, the Ministerial Appointee, and a minimum of three States Appointees (in addition to the Chairman) and a maximum of five States Appointees (in addition to the Chairman).

Article 28 provides that the Ministerial Appointee shall be appointed by the Minister by a formal Ministerial Decision.

The current Ministerial Appointee retires as a Non-Executive Director of SoJDC on 20 December 2022.

7. Resource Implications

There are no financial or manpower implications for the States arising from this decision.

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| Report author : <i>Head of Shareholder Relations</i> | Document date : 11 November 2022 |
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APPENDIX 1

CV of Mr Winsor

Nick Winsor (Non-Executive Director)

Nick Winsor is an independent consultant with more than 35 years of retail and commercial banking experience with HSBC Group in a number of international markets: Brunei; Hong Kong; India; Japan; Jersey; Qatar; Singapore; Taiwan; United Arab Emirates and the United Kingdom.

He was Chief Executive Officer and Vice President of HSBC Bank (Taiwan) Limited, Chief Executive Officer of HSBC's businesses in the Channel Islands and Isle of Man and a Director of HSBC Bank Middle East Limited. Before this, he was Head of Personal Financial Services for the Asia Pacific region. Nick is Non-Executive Director of Metro Bank plc and a member of its Risk Oversight Committee. Nick is a Non-Executive Director of Schroder Oriental Income Limited and a member of its Audit, Management Engagement and Nomination committees.

He is also the Chair of Autism Jersey.

Nick holds a Masters in Physics from Oxford University and is a Fellow of the Institute of Directors.

APPENDIX 2

Letter dated 21 September 2022