

# States' Trading Supervisory Board

An introduction

Who we are  
and what we  
do...



States' Trading  
Supervisory Board

The **States Committee** mandated to  
oversee all States of Guernsey owned  
trading operations



States of Guernsey  
Trading Group

A group of well-managed, efficient  
businesses that deliver a return in the  
best interest of islanders



# The States' Trading Supervisory Board

**Established in May 2016 as a new Committee following the restructure of government. Clear intent described in the relevant policy letters:**

- The STSB consolidates oversight of *all* the trading concerns and companies in public ownership that have clear operational parallels.
- The Board is *wholly dedicated* to supervising the business strategies and activities of the trading entities
- They have the *capacity, specialist responsibility and skills for a more active level of supervision* and oversight of more commercial activities
- They have a focus on the entities *making a return that provides best value to the Guernsey economy*, whilst balancing the wider interests of islanders
- They can pursue appropriate *enhanced freedoms and flexibilities* for the entities
- It has *a mandate and constitution which are consistent with the need to balance political and commercial considerations.*
- For the unincorporated entities *to act as if they were the board of directors*

# Group Leadership

## STSB - States Committee



Deputy Peter  
Roffey  
**President**



Deputy Charles  
Parkinson  
**Vice-president**



Deputy Nick  
Moakes  
**States Member**



Dr Simon Thornton  
**Non-States  
Member**



Mark Thompson  
**Non-States  
Member**

## Trading Group Leadership Team - Executive



Simon Elliott  
**Group MD**



Alastair Ford  
**Head of Shareholder  
Executive**



Mark Salmon  
**Finance Business  
Partner**



# Group Leadership

**The STSB combined with the Trading Group executive effectively form the 'Group Board'**

- STSB Members can be compared to the Non-Executive Directors (NEDs)
- Trading Group Executives (civil servants) are the executive team

*In reality of course, the Trading Group executives cannot have a formal vote in a States Committee*



# The Group businesses

- Commercial or semi-commercial activities the States carry out through distinct trading businesses, funded by provision of goods or services..... with a couple of exceptions
- They have certain levels of flexibility in setting charges for provision of goods and services, and retaining funds for reinvestment in the business
- They are not a 'conventional' public service, but they contribute to government policy objectives

# Incorporated, unincorporated and 'other services'

## **Incorporated businesses**

- States-owned companies which have a separate legal identity to States of Guernsey
- States of Guernsey is sole shareholder
- Have independent Boards of Directors, with full fiduciary duties

## **Unincorporated businesses**

- States trading entities, but no separate legal identity to States of Guernsey
- 'Company Boards', formed as STSB subcommittees with advisers; do not have fiduciary duties

## **Other services**

- Not trading functions, yet, or contracted services

# The Group businesses



**Jamesco750**






What we are  
responsible  
for.....


Unincorporated  
businesses

- Agree business & financial strategy for each trading body
- Hold the trading bodies to account for performance against business plan objectives
- Balance social, economic & environmental objectives, and the long-term benefit of islanders
- Ensure strong budget performance
- Ensure delivery of the high level policies set by the States
- Propose fees and charging policies, making recommendations to the States
- Adopt 'user pays' principle for most services, except in areas of wider public interest that may receive grants/subsidies.



What we are  
responsible  
for.....

Unincorporated  
businesses

- The STSB has implemented improved governance arrangements across all the unincorporated trading businesses, including the formation of political subcommittees and company boards, each accountable to the STSB
  - They operate by challenging established practices and assumptions, and supporting the businesses in establishing clear strategic direction, business planning and operational delivery, in support of the Government Work Plan and Public Service Reform agenda, and other key strategic reviews and organisational drivers
- 

Unincorporated  
businesses....

## Company Boards

	Guernsey Dairy	Guernsey Ports	Guernsey Waste	Guernsey Water	States Works
Chair	Mark Thompson	Simon Thornton	Mark Thompson	Simon Thornton	Mark Thompson
States Member	Peter Roffey	Peter Roffey	Charles Parkinson	Charles Parkinson	Nick Moakes
Business Advisers	Steve Langlois	Boley Smillie	Matt Jones	Alan Bates	Matt Polli
	Sarah MacKnight	Simon Holden	Peter Watson	Graham Merfield	Nico Bezuidenhout
Managing Director	Andrew Tabel	Colin Le Ray	Sarah Robinson*	Steve Langlois	Paul Lickley
Finance	Anne-Marie Best	Bruce Bell	Hansen Canagareddy	Andrew Morton	Hansen Canagareddy

\* Operations  
Manager

Unincorporated  
businesses....

## CI Lottery Subcommittee

	CI Lottery
Chair	Charles Parkinson
States Member	Nick Moakes
Officers	Mark Salmon Jon Taylor*
Advisers	Vacant
Finance	Anne-Marie Best

\* Lottery Manager

What we are  
responsible  
for.....

Incorporated  
businesses

- Undertake the shareholder role on behalf of the States of Guernsey
- Approve appointments of Non-Executive Directors
- Set shareholder objectives & monitor performance against those objectives
- Approve companies' strategic plans
- Seek to ensure they deliver cost-effective, innovative services, and operate responsibly in the best interests of the community
- Consider an appropriate return that provides best value to the Guernsey economy
- Ensure they support the island & its social, economic and environmental objectives

Incorporated  
businesses....

## Company Boards

	Aurigny	Guernsey Electricity	Guernsey Post	Jamesco 750
Chair	Kevin George	Peter Shaefer	Richard Denton	Jeff Vidamour
Chief Executive	Nico Bezuidenhout	Alan Bates	Boley Smillie	
Finance	Wolf Meyer	Karl Brouard	Steve Sheridan	
Non-Exec Directors	Iain Beresford	Justin Bellinger	Chris Carter	Rob Girard
	Mick Conlon	Ian Chapman	Mark Dunster	Charles Smith
	John Le Poidevin	Noel Paterson-Jones	Peter Shaefer	Andy Way
		Joanne Peacegood	Jane St Pier	Steve Champion-Smith
		Tania Songini	Paula Williams	
Chief Operating Officer		Matt Jones		

**Note:** The STSB is represented as shareholder for Aurigny by Dr Thornton and Deputies Roffey and Moakes; for Guernsey Electricity by Dr Thornton and Deputy Parkinson; and for Guernsey Post and Jamesco750 by Dr Thornton and Deputy Moakes.

# The Numbers....

## Incorporated Businesses

	Aurigny Group <sup>1</sup>	Guernsey Electricity <sup>2</sup>	Guernsey Post <sup>3</sup>	Jamesco 750
<b>Staff</b>	284	201	288	Not disclosed
<b>Revenues</b>	£21.0m	£62.3m	£42.8m	Not disclosed
<b>Net Surplus/ (Deficit)</b>	(£14.9m)	(£4.6m)	£1.8m	Not disclosed
<b>Tangible Fixed Assets</b>	£59.4m	£145.6m	£10.3m	Not disclosed

<sup>1</sup> Accounts year end 31/12/21

<sup>2</sup> 12 months ended 30/09/21

<sup>3</sup> Accounts year end 31/03/22

The Numbers....

## Unincorporated Businesses

<b>Staff</b>	554
<b>Revenues</b>	£75.9m
<b>Operating Costs</b> (including interest & depreciation)	£82.5m
<b>Net Surplus/ (Deficit)</b>	(£6.6m)
<b>CAPEX</b>	£11.5m
<b>Fixed Assets</b>	£388.6m

All figures based on 2022 Accounts (calendar year). Exclude Trading Group central operations



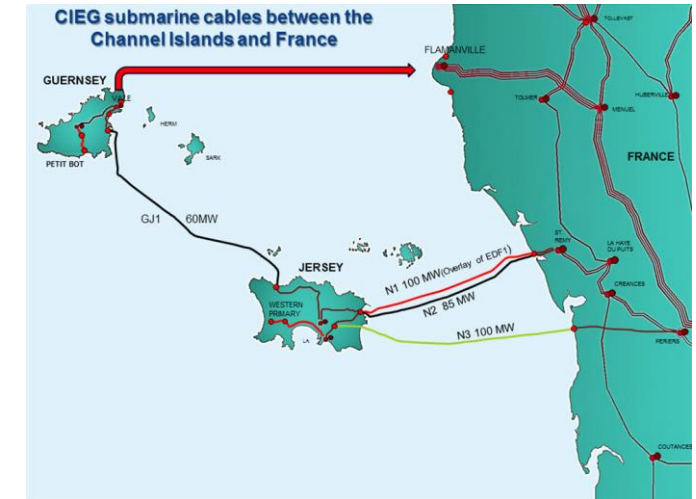


- 520,000 passengers per annum
- Mixed fleet of seven aircraft, from 19 to 122 seats
- Owns, preserves & operates slots at Gatwick Airport
- Provision of lifeline scheduled, freight, post and medevac services to Alderney
- Network of inter-island, UK and European destinations
- Operation of Anglo Normandy Aircraft Engineering





- Supplying 370,000MWh of electricity through on-island generators (8%) and imports from France (92%)
- Managing the island's security of electricity supply – the “N-2” policy
- Distribution of electricity to some 30,000 customers
- Joint ownership & operation of network of cables between Guernsey, Jersey and France
- Retail activities, including electric heating, boilers and appliances
- Electrical and plumbing installation & repair services



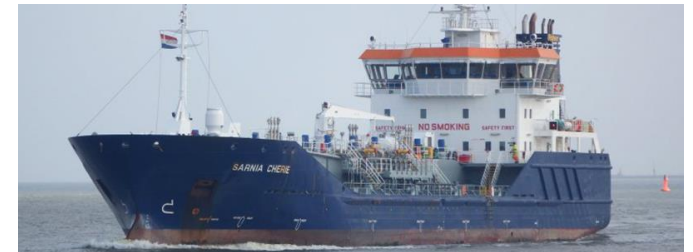


- Handles around 40 million mail items a year - down from 67 million in 2012
- Economic enabler, supporting bulk mail firms (e.g. Funky Pigeon, Moonpig) who account for more than half of all outbound items
- Agent for leading delivery companies, including Royal Mail and Fedex
- Ten post offices Bailiwick-wide, incl. banking services in Sark
- Renowned philatelic service, with 12 stamp issues each year
- Foreign exchange service through BATIF



# Jamesco 750

- Owns the two fuel tankships, Sarnia Cherie and Sarnia Liberty, purchased by the States in 2008 to ensure essential supply of fuel
- NAABSA vessels – Not Always Afloat, But Safely Aground – can sit on seabed at low tide to overcome constraints at St Sampson's Harbour. Very few available
- Jamesco manages the chartering the vessels to ship operators, who then operate them into Guernsey under contract with local fuel suppliers



- Manages Guernsey & Alderney Airports
- Operate 364 days/year, and in 2022 handled 660,000 passengers, and 36,000 aircraft movements
- Annual turnover c£10.5m in 2022
- Maintain infrastructure & facilities
- Provides technical, security, fire fighting, administrative, air traffic control & Met services
- Enable safe and efficient movement of commercial & private aircraft, passengers and cargo



- Manages St Peter Port & St Sampson Harbours, maintaining essential infrastructure & facilities
- Safe & efficient movement of freight, passengers, vehicles, and commerce
- Provides marinas, facilities and services for private boats & cruise ships
- 2022 turnover of £10.7m, more than 225,000 passenger movements
- Europe's largest cruise liner tender port - 88 vessels called in 2022, and more than 80,000 passengers came ashore
- Harbour Master and Search & Rescue operations
- Landlord to 3<sup>rd</sup> parties for 100+ units





- Serves 26,000 customers, and manages the island's water environment from source to sea
- 2022 turnover of £17.3m
- 12.4m litres of drinking water supplied daily, 100% compliance with drinking water standards (2021)
- Collects & returns waste water safely to the environment
- 85% of customers connected to public sewer
- Manages & invests around £5m per annum in £152m of water & wastewater fixed assets





- Provision of municipal & maintenance services and equipment to States of Guernsey & private clients
- 2022 turnover of £18.0m
- Emergency response 24/7, 365 days a year
- Land management, sewage collection, engineering, highways maintenance and cleansing, waste management, stores, fleet & garage services
- Support for apprenticeships and local 'back to work' schemes

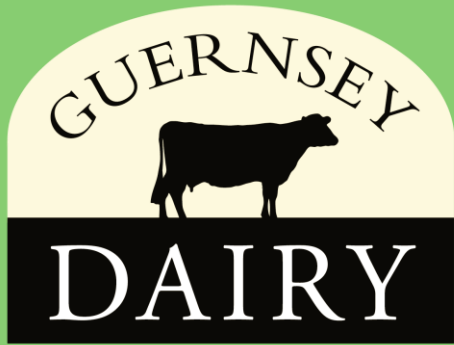






- Manages waste from household & commercial sources
- Maintains & operates facilities and infrastructure for 'business as usual' waste services
- Manage contracts for other waste services (e.g. materials recycling facility)
- 2022 turnover of £10.4m
- Delivered new waste strategy infrastructure & services
- Provides advice on waste minimisation, recycling & reuse
- The Waste Disposal Authority function is a statutory remit of the STSB





- Provides high quality dairy products: including milk, butter, cheese, cream and ice cream
- 2022 turnover £8.9m
- Processes around 8 million litres of milk annually
- Markets milk & supports the dairy industry
- Operates commercially (within the context of government support) to maintain Guernsey's traditional countryside and herd
- Invests in and maintains dairy infrastructure





- Oversight of the operation and management of the Guernsey element of the CI Lottery
- Founded in 1971
- Significant growth in recent years
- General Scratchcard Lottery and Christmas Lottery
- Management of contracts with 3<sup>rd</sup> parties
- Proceeds of Christmas Lottery support Bailiwick charities
- Annual surpluses support Beau Sejour & good/cultural causes
- Income of £13.3m in 2022

