

Deputy Ian Gorst
Minister for External Relations
Government of Jersey

By email: I.Gorst@gov.je

23 September 2025

Dear Deputy Gorst

The Jersey Bank Depositors Compensation Scheme

Thank you for your letter dated 27 August 2025 and your acknowledgement of our continuing efforts, alongside the Jersey Bank Depositors Compensation Board (JDCS Board) and government officials, in relation to the transfer of functions from the JDCS Board to the JRA.

We acknowledge your request to begin preparing to initiate a formal review of the Jersey Bank Depositors Compensation Scheme (the Scheme) commencing in the second quarter of 2026. We will include this in our work plan alongside other work to integrate our new functions relating to the Scheme and our other work on Jersey's bank resolution regime.

In relation to the scope of the review, it will be important to collect appropriate data from Jersey banks in relation to the distribution of deposit balances. Banks will require time to collate, check and report the data to the JRA. We will also need to engage with banks regarding potential adjustments to the funding mechanisms for the Scheme. Nevertheless, we believe the indicated timetable of delivering recommendations in the first half of 2027 to be reasonable, assuming the Draft Amendments Law is adopted by the States Assembly during its upcoming sitting.

We will work with you and government officials to consider and agree a scope for the review ahead of commencing the review.

Yours sincerely

Mike Mitchell

Chair of the JRA

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Cc: Economic and International Affairs Scrutiny Panel