Arm's Length Bodies, Grants and Subsidies Review

1. **Please can you confirm the total income of your organisation for each of the past 5 years. Please can you also provide details of:**
   a. **The total and percentage of your funding over each of the past 5 years that was provided by the Government of Jersey or Government funded bodies (including charitable funds administered by Government)**
   b. **The total and percentage of your funding that you have raised yourself over each of the past 5 years (please detail the manner in which this was raised e.g. through fundraising events, membership, private funds and organisations). Where received through private funds and organisations, please could you specify where this was received from.**

Please see below a breakdown of income received by the Jersey Competition Regulatory Authority 2020 to 2024.

Year	Grant*	Grant %	Other	Other %	Total Income
2020	350,000	30%	827,781	70%	1,177,781
2021	691,000	43%	933,954	57%	1,624,954
2022	814,589	47%	904,755	53%	1,719,344
2023	922,787	47%	1,027,014	53%	1,949,801
2024	881,664	43%	1,190,796	57%	2,072,460

Grants: Competition Law and Telecoms Security grant funding received from the Department for Sustainable Economic Development. This is further broken down as follows:

Year	Competition Law	Telecoms Security	Total Grant	Telecoms Security Grant Awarded
2020	350,000	0	0	0
2021	691,000	0	0	0
2022	747,000	67,589	814,589	150,000
2023	747,000	175,787	922,787	150,000
2024	747,000	134,664	881,664	150,000

Other income is raised through licence fees charged for port operations, postal services and telecommunications, together with merger & acquisition application fees, telecoms licence application/renewal fees and 5G submission fees[1]

Further details can be found in our Annual Reports, published here: Annual Reports | JCRA.

[1] Excludes any income received as a result of re-charging costs to operators for specific projects or phase II merger costs

2. Please can you confirm the ultimate objective of your organisation.

The **Competition Regulatory Authority (Jersey) Law 2001** (the 2001 Law) established the Authority, with functions conferred on it by way of the **Competition (Jersey) Law 2005** (the Competition Law), **Air and Sea Ports (Incorporation) (Jersey) Law 2014** (the Ports Law), **Postal Services (Jersey) Law 2004** (the Post Law) and the **Telecommunications (Jersey) Law 2002** (the Telecoms Law).

The Authority is independent of the Minister and of the States of Jersey. The Authority regulates its own proceedings.

Purpose: taking account of the legal framework and the functions and duties conferred, the Purpose of the Authority is: **To make markets work for everyone in Jersey**.

Mission The Authority will help to shape and sustain the Island's economic future, the Vision of the Authority is: **Competitive, sustainable markets for all goods and services in Jersey, bringing benefits to residents, businesses and the wider economy. Businesses compete fairly and consumers are empowered.**

With respect to the Competition Law, the Authority's main functions include:

- Investigating mergers that have the potential to lead to a substantial lessening of competition. If a merger is likely to reduce competition substantially, the Authority can block it or impose remedies to address competition concerns.
- Investigating businesses that are suspected to have breached the Competition Law and, if so, to end and deter such breaches.
- Conducting studies, investigations or other work in markets where competition may not be working as well as it should. Where competition issues are identified, the Authority may make recommendations to Government, businesses or consumers to address these.
- Giving information or advice on matters related to any of the Authority's functions to Government and Ministers, advising on the benefits of competition.
- Providing information and advice to people and businesses about competition issues.

With respect to regulation, the Authority is the economic regulator for port operations, postal services and telecommunications sectors. Such regulation allows the Authority to take a pre-emptive look at the markets in question and provide a licensed framework within which organisations need to operate.

Across the regulated sectors, the Authority's main functions include:

- Promoting competition through access regulation where proportionate and appropriate.
- Conducting regulatory reviews and studies in relation to price controls, quality of service standards and other regulatory obligations which are reflected in operators' licences.
- Issuing and enforcing the provisions of licences in each sector, carrying out investigations into possible breaches of the licence or law where required.

3. **Please can you provide details of the Key Performance Indicators you have as an organisation (both internal and any set by the Government of Jersey) and how you measure the success or otherwise of these indicators.**
    a. Have your KPIs changed since your initial objectives were set?
    b. Do you have any KPIs set for funding received external to Government?

For 2025, the Authority has developed Outcomes based objectives for each of the sectors it is responsible for administering. There are also Deliverables which sit alongside the longer term Outcomes.

These have been developed over time, and are detailed each year in the Business Plan. The Business Plan is subject to public consultation and approved by the Minister each year.

The Annual Report and Accounts provides details of performance and progress against the Outcomes and Deliverables each year. These are presented to the States by the Minister and published on the Authority's website.[2,3]

4. **Please answer if applicable. What decision-making processes do you follow to award bonuses to Senior Executives within your organisation?**

Not applicable.

5. **Please can you provide details of the governance arrangements within your organisation both at an executive level and, if relevant, non-executive level. Please also specify if you follow a particular governance framework.**

The 2001 Law provides for the governance arrangements the Authority must follow. Amongst other arrangements, it requires the Authority to comprise, as a minimum, three Members with one Chair. As at December 2024, the Authority consisted of a Chair, three Non-Executive Members and one Executive Member.

Details are provided each year in the Annual Report and Accounts, Corporate Governance Report.

6. **How do you meet the principles set out within the Public Finance Manual and how do you monitor your performance against these principles?**

Up until the changes in 2025, the Authority was defined as a Grant Receiving Body for the purpose of the Public Finance Manual (**PFM**). The grant payments made to the Authority are covered by a Grant Funding Agreement with the Department for Sustainable Economic Development, which is primarily intended to meet the requirements of the PFM. The current version of this agreement can be found here: jcra-competition-grant-funding-agreement-2024-2026.pdf

[2] https://www.jcra.je/about-us/organisational-documents/annual-reports/#JCRAAnnualReportandAccounts2024
[3] https://www.jcra.je/other-documents/strategic-plans/business-plan/2025-business-plan/

Policies and procedures are reviewed regularly (generally annually) to ensure that they are aligned with the requirements of the PFM as far as possible and as appropriate for a small organisation. The Audit and Risk Committee (ARC) is responsible for reviewing policies and procedures, and making recommendations for changes to the main board.

The changes to the Public Finance Manual earlier this year include changes for the Authority which is now classed as an Arm's Length Body. These changes are the subject of discussion with the Department, with a view to making any changes to the Funding Agreement when it is reviewed in 2026.

7. How is your organisation aligned to Island outcome indicators and how do you measure your contribution to these outcomes?

The Authority is mindful of both the Common Strategic Policy and the Minister's Priorities when developing its objectives and business plan, which enable a focus on outcomes and delivering value for the Island. Key to this is the benefits competition brings to Jersey's productivity. Details can be found in the Business Plan: Microsoft Word - 241212 - 2025 Business Plan - Final 4153-1862-0758 v.1.

8. Please answer if applicable. What were the last three strategic decisions that were taken by your board and what evidence and data was used to inform these decisions?

   a. How does the Board set its agenda and what is required of them in terms of finalizing their agenda with government?

   b. **Do you have a board assurance framework and, if so, how often do you update this?**

It would not be appropriate to discuss the details of specific decisions made by the Authority as these may relate to open investigations or regulatory work. However, in order to assist the Review, please see below further details on the operation of the Board.

The Authority meets at least seven times per year, and on an ad hoc basis between these meetings as required. It also makes decisions relating to the approval, or otherwise, of mergers and acquisitions by email between meetings.

The standard agenda for the Authority is as follows:

1. Apologies and declaration of interests
2. Approval of Minutes
3. Competition decisions
4. Ports decisions
5. Post decisions
6. Telecoms decisions
7. Organisation items (CEO report, finance update, committee updates, etc)
8. Any other business
9. Date of next meeting and close

Each section will comprise a number of formal decisions and other papers for discussion or information.

Board Assurance Framework: as detailed in the Annual Report and Accounts, the Authority maintains a strategic and operational risk framework and register. These are reviewed regularly by the Team. The Register is presented to each board meeting and each board paper contains a section on risk. The Authority carries out a risk workshop on an annual basis, run by the ARC.

9. How do you review your operating model to ensure value for money of your delivery?

The Authority is a small organisation, with 8.88 permanent FTE members of staff. This is supplemented by one zero hours contractor and two part time contracted case officers. This allows flexibility in ensuring that resources are available to meet the requirements of the various laws as required.

The Authority's costs are split on a proportionate basis, in line with income received and priorities. In 2024, these were:

Competition:	36%	
Mergers & Acquisitions	4%	
Port Operations:	5%	
Postal Services:	5%	
Telecoms Security:	5%	(increasing to 7% in 2025)
Telecoms:	45%	(reducing to 43% in 2025)

Resourcing and the allocation of costs are reviewed on an annual basis as part of the Business Plan and Annual Report reporting cycle.