Deputy Inna Gardiner
Chair
Public Accounts Committee
By email

15 August 2025

Dear Deputy Gardiner

Public Accounts Committee – Arm's Length Bodies, Grants and Subsidies Review

Thank you for the opportunity to contribute to your Arm's Length Bodies review by answering the various questions set out in your letter, which we received on 6 August 2025.

We have set out responses to your questions in the appendix to this letter.

To provide some context, the Jersey Resolution Authority (JRA) is a relatively new public body, formed on 31 January 2022 under the Bank (Recovery and Resolution) (Jersey) Law 2017 (the **Resolution Law**). We are a small organisation with three staff and four Non-Executive Board members.

The JRA is funded entirely by levies raised from Jersey's banking industry. The JRA has not received any grants or subsidies from the Government of Jersey (or any Government owned organisation). More information about how we are funded is available on our website: https://jra.org.je/how-we-are-funded

We trust that the above assists the Public Accounts Committee in its review.

Yours sincerely

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Appendix: Response to the Public Accounts Committee's specific questions

Please can you confirm the total income of your organisation for each of the past 5 years detailing the percentage from the Government of Jersey and the percentage raised yourself.

The table below provides the JRA's income for each period/year that we have operated, 100% of which is derived from levies raised from Jersey's banking industry.

Year	Total Administration Levies (100% paid by Jersey Banks)
2022	£400,000
2023	£416,500
2024	£495,500
2025 (Budget)	£481,700

Please can you confirm the ultimate objective of your organisation.

The JRA is Jersey's Bank Resolution Authority. Our statutory functions, set by the Resolution Law, are to prepare for and administer the resolution of banks in Jersey. They JRA plays a key role in upholding Jersey's status as a leading international finance centre by:

- The reduction of risk to the public of financial loss due to bank failure;
- Protecting and enhancing the reputation and integrity of Jersey; and
- Considering the best economic interests of Jersey.

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

The JRA has not set specific Key Performance Indicators. Our mission, strategic objectives and key areas of focus are set out in our 2024 – 2026 Strategy, published on our website. Internally, annual work plans are produced to elaborate on and ensure delivery of our strategy. Performance against annual work plans and hence our strategy is monitored by the Board as part of Board meetings, which are held at least quarterly.

What decision-making processes do you follow to award bonuses to Senior Executives within your organisation?

The JRA is a small organisation with three full time staff and four non-executive members of the Board. Staff are seconded to the JRA from the Jersey Financial Services Commission (JFSC), and all staff are employed by the JFSC on a permanent basis. The JRA has leveraged the JFSC's existing knowledge and experience in respect of Human Resources, including adopting consistent internal policies and procedures in respect of remuneration and other staffing matters.

Staff remuneration, including discretionary bonuses, is set in line with the JFSC's established processes. Staff are subject to annual appraisals and performance reviews.

Please can you provide details of the governance arrangements within your organisation both at an executive and, if relevant, non-executive level. Please also specify if you follow a particular governance framework (e.g. ISO, KING 4 etc.)

The JRA is a small organisation with only three staff and four non-executive board members. Accordingly, the Board has not deemed it necessary to establish any sub-committees. However, the Board has considered and where appropriate delegated certain responsibilities to the Head of the JRA. Such delegation remains subject to oversight from and periodic review by the Board.

The Board of the JRA has established Terms of Reference, which are reviewed annually. The Board meets at least quarterly and typically five times a year (four in person and one virtual).

The Board is focused on maintaining high standards of governance and takes guidance from the principles set out in the Financial Reporting Council's UK Corporate Governance Code 2024.

How do you meet the principles set out within the Public Finances Manual and how do you monitor your performance against these principles?

The JRA does not meet the criteria to fall within the scope of the section on Arm's Length Bodies as our annual expenditure has historically been below £500,000. Accordingly, we do not follow the Public Finances Manual. However, we do utilise it as guidance when developing our internal policies, procedures and practices.

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

The JRA's statutory functions (set out above) mean that we are primarily aligned to the Island Outcomes related to the business environment and economy of Jersey. However, given our small size we have not developed (and have no immediate plans to develop) any mechanisms to measure our contribution towards these outcomes.

Please answer if applicable (if your organisation has Board): What are the last three strategic decisions that were taken by your board and what evidence and data was used to inform these decisions?

To make decisions the Board of the JRA receives reports and analysis from staff. The nature and extent of these reports varies depending on the nature and importance of the decision being made. Where appropriate these include a summary of any stakeholder consultation undertaken to help inform decision making.

The Board determines its strategic agenda periodically via a combination of Board meetings and separate strategy sessions. This is formalised into a strategy document, which is discussed or shared with the Minister for External Relations before being finalised and published on our website:

https://jra.org.je/

Given the nature of the JRA's work, the Board's strategic decisions are confidential. Therefore, information about specific decisions has not been provided.

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

The JRA's Board sets the JRA's budget annually. This includes preparation of a Funding Paper that is shared with the Minister for External Relations and circulated to Jersey Banks for feedback. Feedback received is considered and, if necessary, the JRA's budget is amended accordingly. Prior funding papers, and summaries of any feedback received, are available on our website at: https://jra.org.je/how-we-are-funded

The JRA has adopted a procurement policy that helps ensure that value for money is achieved when purchasing goods and services. This policy includes Board approved limits of authority for purchases that are within budget with lower limits for expenditure outside of the approved budget.