

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

POLICY & RESOURCES COMMITTEE

THE GUERNSEY FINANCIAL SERVICES COMMISSION – COMMISSIONERS

The States are asked to decide:-

Whether, after consideration of the Policy Letter dated 29 June, 2020,

of the

Policy & Resources Committee, they are of the opinion:-

1. to extend Drs. Cees Schrauwiers' term of office as an ordinary member of the GFSC until 30 December 2021;
2. to extend Drs. Cees Schrauwiers' term of office as Chairman of the GFSC until 30 December 2021;
3. to re-elect Advocate Simon Howitt as an ordinary member of the GFSC for a fixed term of three years, with effect from 1 February 2021;

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

POLICY & RESOURCES COMMITTEE

THE GUERNSEY FINANCIAL SERVICES COMMISSION – COMMISSIONERS

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

29 June, 2020

Dear Sir

1 Executive Summary

- 1.1 Drs Cees Schrauwerts' term of office as Chairman of the Guernsey Financial Services Commission (GFSC) comes to an end in February 2021. The terms of office of three other members of the GFSC come to an end at a similar time.
- 1.2 In order to ensure continuity of experience, and a smooth transition to a new Board of Commissioners, this report proposes the extension of Drs Schrauwerts' term of office by up to one year and the extension of Commissioner Advocate Simon Howitt's term of office by three years.
- 1.3 It is also proposed that, although three Commissioners will be leaving the GFSC at the beginning of next year (including the Chairman, and subject to the above), only two of these should be replaced. This will result in the total number of Commissioners being reduced from eight to seven.

2 Report

Extension of Dr Schrauwerts' term of office

- 2.1 Drs Cees Schrauwerts was appointed as a Commissioner in 2008 and has been Chairman of the GFSC since 2012.
- 2.2 The Vice-Chairman of the GFSC has requested that on behalf of the Board of Commissioners, the Policy & Resources Committee agree to extend Drs Schrauwerts' term of office as a Commissioner and his term of office as Chairman of the GFSC until the end of 2021, so as to give the Committee and the GFSC sufficient time to select a candidate for Chairperson who would be a suitable successor to him and who can match his level of expertise and experience, outlined below.

- 2.3 Drs. Schrauwens is a Dutch economist with over forty years' experience in financial services. He has served as Managing Director of Aviva International, CGU Insurance and Commercial Union covering both the general insurance and life sectors. He was instrumental in the mergers with General Accident and Norwich Union which resulted in the creation of Aviva plc. Following the mergers he was appointed Managing Director of Aviva International, gaining valuable experience in dealing with regulators across the globe, including North America. Prior to this, he was a Partner with Coopers & Lybrand in charge of its insurance consultancy practice. He has served as Chairman of Drive Assist Holdings Limited, Senior Independent Director of Brit Insurance Holdings Plc. and Brit Syndicates Limited, Non-Executive Director of Canopus Holdings UK Limited and Canopus Managing Agents Limited, Director of Munich Re (UK) Plc and as a Senior Independent Director of Record Plc for nine years. He was also formerly an Independent Director at the Scottish Widows Group.
- 2.4 While extending the Chairman's tenure beyond nine years is not ideal, it is a practical measure to ensure the continued stability of the GFSC. It should be noted that the extension would comprise the maximum period of Drs Schrauwens' tenure, and the Committee will work with the GFSC during 2021 to select and appoint a new Chair. If a suitable replacement can be found and appointed as Chairperson before the end of 2021, that would be the preferable outcome.

Extension of Commissioner Simon Howitt's term of office

- 2.5 Commissioner Advocate Simon Howitt's term of office as ordinary member of the GFSC also comes to an end in February 2021. He will have served less than the sector-standard maximum tenure of nine years when his current term expires. The GFSC has advised that Advocate Howitt plays a valuable role on the Board, and would wish his term to be extended by three years.
- 2.6 Advocate Howitt was appointed as a Commissioner in June 2013. He has over thirty years' experience as an advocate and is a consultant at Babbé having previously been a Partner. He served as President of the Guernsey Chamber of Commerce between 2001 and 2003. Advocate Howitt has served on a number of States Committees including being a non-States member of the Legislation Select Committee and its successor, the Legislation Review Panel, since 2004, the share transfer duty working party and the Inheritance Law Review Committee. He is also currently the Deputy Bâtonnier of the Guernsey Bar, a member of the Board of Examiners for the Guernsey Bar Examinations and a member of the Editorial Board of the Jersey and Guernsey Law Review.

Reduction in the number of Commissioners

- 2.7 In addition to Drs Schrauwens, two other Commissioners will be leaving the GFSC at the beginning of next year. These are Richard Hobbs and Bob Moore, who is the current Vice-Chairman.

- 2.8 In the interest of economy and with the support of the GFSC, only one new Commissioner is to be appointed. A new Vice-Chairperson will be appointed from existing Commissioners.
- 2.9 The decision not to replace all of the departing Commissioners will mean a reduction in the number of Commissioners from eight to seven. It is the opinion of the GFSC and of the Committee that this is a suitable number to have on the Board, and will create the ideal balance of experience and fresh ideas to enable the GFSC to continue to function effectively.

3 Recommendations

- 3.1 The States are asked to decide whether they are of the opinion:-
- (a) to extend Drs. Cees Schrauwerts' term of office as an ordinary member of the GFSC until 30 December 2021;
 - (b) to extend Drs. Cees Schrauwerts' term of office as Chairman of the GFSC until 30 December 2021;
 - (c) to re-elect Advocate Simon Howitt as an ordinary member of the GFSC for a fixed term of three years, with effect from 1 February 2021;

4 Compliance with Rule 4

- 4.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.
- 4.2 In accordance with Rule 4(1), the Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications.
- 4.3 In accordance with Rule 4(4) of The Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions accompanying this policy letter is supported unanimously by the Policy & Resources Committee. In accordance with Rule 4(5) of the Rules, the propositions relate to the power of the Committee to nominate persons for election by the States as members of the Commission under paragraph 1(2) of Schedule 1 to the Financial Services Commission (Bailiwick of Guernsey) Law, 1987.

Yours faithfully

G A St Pier
President

L S Trott
Vice-President

A H Brouard

J P Le Tocq

T J Stephens