

The logo for the Jersey Competition Regulatory Authority (JCRA) is located in the top left corner. It consists of a red square border containing the text "JCRA" in a large, white, serif font. Below "JCRA", the words "JERSEY", "COMPETITION", "REGULATORY", and "AUTHORITY" are stacked in a smaller, white, sans-serif font.

JCRA

JERSEY
COMPETITION
REGULATORY
AUTHORITY

The background of the cover is a photograph of a beach at sunset. The sky is filled with orange and yellow clouds, and the sun is low on the horizon. The beach is wet, reflecting the colors of the sky. In the distance, there is a lighthouse on a rocky outcrop. A large, stylized graphic of a bar chart with a red line and blue bars is overlaid on the left side of the image.

Annual Report & Accounts 2022

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This document sets out the Annual Report and Accounts for the period 1 January to 31 December 2022. It is presented to the Minister pursuant to Articles 17 and 18 of the Competition Regulatory Authority (Jersey) Law 2001.

This document takes account of the Annual Reporting Best Practice Guide published by the Office of the Comptroller and Auditor General in November 2022.

Further information on the work of the Authority is available on the website – www.jcra.je.

Chair's Message



Stephanie Liston

In a year characterised by a challenging economic climate, the Authority has sought to maximise our effective contribution to Jersey's citizens, consumers and general economic health. The Authority oversees and enforces the Jersey Competition Law, Port operations, Postal and Telecommunications sectors. It is a very broad portfolio. Each of the sectors we regulate are fundamental to the strength of Jersey's economy as well as its national and international connectivity.

Following the Jersey elections in May, the board has been pleased to meet, establish and build constructive relationships with new Ministers and States Members. While having an eye to our independence, the Authority has kept Ministers up to date on our projects, investigations and progress. We have also taken the Government's priorities into consideration as we have developed our own objectives and work plan. We are pleased to be working collaboratively with Government, to identify and focus on areas of critical importance to the Island, such as inflation, the need for excellence in communications networks, the environment and education – to name a few.

The Authority has initiated early engagement and is working closely with all of our stakeholders. We look forward to listening to the issues presented to us and creating a strong culture of compliance.

The team and the board of the Authority actively addressed our regular responsibilities. During 2022 we have completed market studies into Freight Logistics, Alcohol Pricing and Telecoms Retail Benchmarking. A number of recommendations were made by the Authority which were well received. In particular, as part of the Freight Logistics Study, we recommended that a trade association be established to provide a forum for those in the market to communicate effectively. This recommendation has been taken up and the Jersey Chamber of Commerce is facilitating this forum. We have consulted upon the release

of 5G spectrum and will be working with operators and Ofcom to bring 5G to Jersey. The Government has also asked us to assist in the implementation of a framework to impose appropriate telecom security legislation in Jersey. Both of these projects will be ongoing in 2023.

In addition to our planned work, we have had to respond to an increasing number of mergers, as well as a number of incidents, network failures and licence breaches that were unexpected. The need to investigate and take enforcement action places significant additional pressures on our resources. The team have effectively risen to the challenge. The board is carefully monitoring our resources in light of increasing pressures and responsibilities.

We continued to have particular challenges in the telecommunications sector in 2022. We have investigated failures in the delivery of emergency call services as well as a several network outages. These investigations are ongoing, and the Authority will make decisions in relation to the issues in 2023.

The Authority has undertaken significant international engagement in 2022. We have established excellent relationships with regulators in other countries, particularly Ofcom and the CMA, with a view to identifying and implementing best regulatory practice in Jersey. We are also working with the Digital Connectivity Forum in the UK to identify ways that we as the regulator can influence best

Chair's Message

practice in environmental sustainability. Tim's appointment as chair of the Small Nations Regulatory Forum of the International Institute of Communications will give us significant insights into how smaller regulators in different jurisdictions effectively address similar challenges.

The sectors we regulate are rich in technology that is moving and changing dynamically and at pace. It is critical that we keep up with these changes and continue to look into the future. The board held one of its meetings in the UK. We arranged to visit Adastral Park in Suffolk, the home of British Telecoms' innovation labs. The facility provided an excellent insight to both the reaches of existing technology and what we might expect in the future in communications, retail, health, defence, robotics and more. Identifying how technology can be used across Jersey will be critical to driving economic growth in this difficult climate.

Our board has now been in place for over two years. We have had the opportunity to meet in person and have established excellent working relationships, both among board members and with the team as a whole. The team has grown very effectively under Tim Ringsdore's management. Because the team is still relatively small, board members with particular expertise often shadow or act as a sounding board to team members working on critical projects.

In October, the Board and the team jointly undertook a strategic review to develop our ongoing priorities, the themes for our business plan and consider our risk profile. Dr. Lara Stoimenova chairs our Audit and Risk Committee. She designed and chaired the strategic review.

We have also established a remuneration committee that is chaired by Paul Masterton. It will be important to consider the structure of the organisation and need to retain the expertise that we have been able to establish so far. Good governance is central to the role of the Authority. Sarah Price, as Company Secretary, reports to me and is doing an excellent job in providing governance support for the Board, its committees and the Authority generally.

When we find breaches of relevant laws and licence conditions, we will consider carefully the seriousness of the relevant breach and what the best outcome would be. The Authority has significant powers to impose fines and other remedies where appropriate. We will work closely with stakeholders and use our powers in a predictable and measured fashion to achieve the best results in the circumstances. This may include using our "soft" powers of persuasion and reaching a pragmatic solution with the relevant stakeholder(s) or using "hard" powers where the Authority believes they are warranted due to the nature, duration and actual or potential harm arising from a breach.

Jersey has an excellent reputation for being a well regulated market. This reputation demands continuing focus on strong institutions such as the Financial Services Commission, the Financial Ombudsman and the Information Commissioner. The Authority, as the regulator for competition, the Ports of Jersey, the Post and Telecommunications sectors will play a critical role going forward to further enhance the Island's reputation for best in class regulation. Clear consistent regulation and its pragmatic implementation by the Authority and other Island regulators will position Jersey as an increasingly attractive place to do business. The Jersey Regulators Forum continues to share expertise and best practice among Jersey regulators.

The Authority looks forward to playing an increasingly central role in Jersey's economy.

The sectors we regulate are critical to Jersey's national infrastructure, both in terms of physical communications by way of posts and ports and to digital communication – which will be fundamental in building Jersey's future. We commenced the strategic reviews of the post and ports sectors in 2022. We expect to consult on these reviews with a view to completing them in 2023. Both reviews will be of significance to Jersey consumers and citizens.

Our focus going forward will be on delivering value to Jersey consumers, citizens, businesses and the economy in all areas under our responsibility and understanding the expanding horizons available to the Island.



Chief Executive's Report

Our vision remains of healthy and sustainable markets in goods and services for Jersey, which reflects our commitment to Jersey.

Competition

Upholding the competition law is a duty of the Authority and this involves the approval of mergers and acquisitions. 2022 proved to be an exceptional year with four times the normal amount of applications. We undertake a thorough analysis of each application, which considers the impact on the competition within each specific market, and we have achieved each review within the timescales set within our guidelines.

To ensure markets are working well in Jersey we undertake a rolling programme of markets studies, which helps us to assess whether any changes are required through recommendations by the Authority to Government or businesses. During the year we completed three studies: Freight Logistics, Alcohol Pricing and Telecoms Retail Benchmarking. A number of recommendations were made by the Authority which were well received, and we will continue to monitor progress in the implementation of these recommendations.

Economic Regulation

We commenced two major reviews for Ports and Post regulation in 2022. This will involve further work during 2023 with completion of both reviews in 2024. These are extremely important projects as they will determine the level of regulation, we believe is required for the next 5-10 years. There will be a continuation of significant engagement with both parties and our projects will include a consultation process, which will provide everyone with the opportunity to give their views on any proposed changes.

Regulation of the telecoms sector remains more than 50% of our work due to the dynamic nature of this industry. We completed a review of the business connectivity market and as a result directed JT to reduce their retail minus charges by a further 11% to -31%, which will help other operators compete more effectively in this area. We also updated the process for other operators to request new wholesale services from JT, which again should assist other operators to compete more effectively and provide better value to consumers.

A project for reducing mobile termination rates was concluded with rates being reduced from 4.5p in 2019 to 0.7p in 2022. This has resulted in Sky Mobile now including CI numbers within their bundles. Other UK operators still charge premium rates for calling CI numbers, however we are hopeful that more operators will follow Sky Mobile, which will benefit friends and family in the UK calling home at reasonable rates.

We recommenced the process to award spectrum for 5G, which was delayed from previous years due to the pandemic. The process involved an invitation to tender for spectrum and both JT and Sure were successful during this initial process, we intend to run a further invitation to tender during the middle of 2023. The Authority will then make a recommendation to Ofcom for the award of 5G spectrum and we anticipate the process will be concluded by the end of 2023. This will ensure that the Island remains at the forefront of technology and consumers and businesses enjoy new innovative mobile solutions.

The annual audit of mobile antenna omissions took place in the autumn and concluded that all sites reviewed were working well within the recommended guidelines. These audits will continue and will include 5G sites as these are rolled out over the coming years.

There have also been some significant investigations into various network and system failures, some of which have affected the ability for consumers to call emergency services. This continues to involve an enormous amount of work by officers, some of these investigations are ongoing with our priority being to protect consumers and businesses from disruption to all services especially emergency calls.

Telecoms is classified as critical infrastructure and as a result of international changes to ban the use of Chinese technology and new UK telecoms security legislation, we are working closely with Jersey Government to introduce similar legislation, laws and regulatory powers. We will be working with all operators to protect consumers, businesses and the Island's reputation from any potential security attack now and in the future.

Chief Executive's Report

Communications and Stakeholder Engagement

We continued a programme of strong engagement with all our regulated sectors and key stakeholders, which provided complete transparency regarding our approach to each sector and as a result of listening and providing guidance where required these improved relationships across all areas.

We have also spent a considerable amount of time developing relationships nationally and internationally with other regulatory organisations. I was immensely proud to be appointed as Chair of the Small Nations Regulatory Forum in 2022, which incorporates many regulators from around the globe, where I have the opportunity to promote Jersey, to learn how other regulators have overcome challenging issues and provide valuable information regarding how we have delivered regulatory best practice.

Our external communications were expanded with more emphasis on consumer information where we implemented several infographics to help summarise and explain our responsibilities, decisions and recommendations. Social media, primarily LinkedIn, was also expanded to ensure we reached a wider audience allowing my whole team to explain, via short videos, various aspects of our work during 2022.

Challenges

Some of the key challenges during 2022 were due to unplanned work and ensuring we have the appropriate resource to deal with these issues. For example, we saw a fourfold increase in mergers and acquisitions which was not anticipated. Whilst we do have clear guidelines regarding the process and timelines, we aim to complete phase 1 within 25 working days, all mergers were cleared on time but this did impact on other work that we had to re-prioritise and delay.

Finding suitable internal resource was also incredibly difficult and we were unable to fill a case officer role during the year which put further pressure on the existing team and meant that we had to outsource to several partners to help us maintain progress on large projects.

We also undertook a number of unforeseen telecoms investigations in licence condition breaches, which due to the complexity of the issues were not all completed during 2022 and will be resolved during 2023.

A conclusion of two telecoms investigations resulted in fines against JT in March and June totalling £135,000 for failure to comply with licence conditions. We also concluded a competition investigation in September where Fuel Supplies (CI) Limited failed to notify of a merger in line with the competition law and was fined £29,000.

These fines demonstrate that the Authority will use its powers to penalise companies where necessary and we hope this type of remedy will encourage companies to comply with their obligations under the various laws and licence conditions.

Looking Forward

We published our 2023 business plan at the end of 2022 after consulting with various stakeholders. This will be another challenging plan to deliver as we have significant sector reviews to undertake, and we plan to deliver a number of market studies which will support government aims and provide recommendations that will help provide the best value and service for consumers. The Authority will strive for the best outcomes for Jersey, I will ensure that my team continue to provide the best value and service to all our stakeholders and that we deliver the business plan to the highest standards possible.

I am extremely grateful for all the hard work my team and our partners have provided during 2022, without their dedication and hard work we would not have achieved our excellent results. I am also immensely thankful for the support our board have provided to me and the team.

We will continue to strive to protect consumers and ensure competition is working well for the benefit of the Island and its businesses.

We look forward to another challenging but successful 2023.

Tim Ringsdore
CEO



About Us

Introduction: Role of the Authority

The Jersey Competition Regulatory Authority (the Authority) is established by way of the Competition Regulatory Authority (Jersey) Law 2001, with further functions and legal duties relating to competition law and economic regulation set out in legislation passed by the States of Jersey to which the Authority is ultimately accountable. These functions and duties relate to the promotion of competition in the supply of goods and services in Jersey, together with the economic regulation of the ports, postal and telecommunication sectors.

Independence:

Unless otherwise provided to the contrary in legislation, the Authority is independent of the Minister and of the States of Jersey. The Authority regulates its own proceedings. Neither the Minister nor the States of Jersey is liable for any act or omission or debt or other obligation of the Authority. To support this, the Authority, as an independent body, has a broad range of formal powers to ensure that competition law and its regulatory duties are upheld.

Mission & Vision:

The Authority's mission is to help markets work efficiently in the interests of consumers, businesses and the wider Jersey economy by encouraging innovation, investment, value for money, choice and quality, making Jersey an attractive place to do business.

This is to achieve its vision of healthy and sustainable markets in goods and services for Jersey.

Values

The Authority has published its organisation values, which it follows when carrying out its legal functions and duties:

Trusted and Independent	We engender trust by making clear and proportionate decision, being open and transparent and working for the public interest.
Collaborative and Considerate	We listen and engage with all stakeholders.
Diverse and Inclusive	We promote diversity and equality inside and outside of our organisation by treating everybody with respect and dignity.
Proactive and Evidence Based	We seek to have maximum impact by holding a proactive, independent non-judgemental and inclusive outlook.
Determined	We balance the use of soft and hard powers, are resolute in our decision-making, while being innovative in our approach.

Legal framework

Competition Regulatory Authority (Jersey) Law 2001

This law establishes the Authority as a body corporate, and contains provisions as to the appointment of Members, functions, fees and payments, grants, and reporting requirements.

Competition (Jersey) Law 2005

This law promotes competition in the supply of goods and services in Jersey. Competition law is designed to deal with three main issues: anti-competitive arrangements, abuse of a dominant position in a market, and mergers that are harmful to competition. In line with its Strategic Goals, the Authority aims to ensure that consumers and the economy benefit from competitive markets.

Air and Sea Ports (Incorporation) (Jersey) Law 2015

This law enables the Authority to license port operations in Jersey. The Authority's primary duty under this law is to best protect and further the interests of users of port operations, where appropriate by promoting competition in the provision of port operations. In addition, to ensure that provision is made to satisfy all reasonable demand, both current and prospective, for port operations, and that they are provided efficiently and effectively.

Postal Services (Jersey) Law 2004

This law empowers the Authority to licence companies providing postal services that concern Jersey. The Authority's primary duty is to ensure that postal services are provided so as to satisfy all current and prospective demand. The Authority provides oversight of Jersey Post's behaviour and charges, as well as ensuring quality of service provision and universal service obligations (which ensure that all users receive a minimum level of service) are met.

Telecommunications (Jersey) Law 2002

This law empowers the Authority to licence the provision of telecommunications services in Jersey. The Authority's primary duty in this respect is to ensure that telecommunications services, both within Jersey and the rest of the world, so as to satisfy all current and prospective demands for them, wherever arising. In the telecommunications sector, the Authority carries out its functions in a way that maintains well-regulated Jersey telecommunications markets, supports retail competition and the path to next generation connectivity (5G) and co-ordinates spectrum and number management with Ofcom (the UK regulator).



The Authority's mission is to help markets work efficiently in the interests of consumers, businesses and the wider Jersey economy by encouraging innovation, investment, value for money, choice and quality, making Jersey an attractive place to do business.

Prioritisation Principles

The Authority has strategic choices to make in deciding which areas to focus its limited resources and the appropriate approach to further its aims.

The Authority will make these strategic choices based upon its remit under the various laws that apply to it, as well as drawing on the intelligence and analysis gathered through its research and stakeholder engagement. In prioritizing the use of its resources, the Authority will take an evidence-based view of the likely contribution to its strategic aims in the long and short term.

The list of factors to consider under different principles is illustrative and not exhaustive. We will not apply these principles in a mechanical way. Judgement and reasoned balancing are required for each case, which necessitates that we consider the principles in the round and on a case by case basis.

In some cases we have a legal duty to act once certain relevant circumstances arise:

- Once we have discovered or been notified of a breach of licence condition of one of our sector licensees;
- We have a function to obtain and review information relating to merger situations;
- We have a duty to conduct regulatory appeals and references in relation to price controls, terms of licences and other regulatory arrangements under sector specific legislation; and
- We have a duty to act if we receive a Ministerial direction.

During prioritisation, we will consider the timing and resource requirements of our work to ensure that the Authority's duties are appropriately met within the confines of the resources available to the Authority.

Impact on consumers and the wider economy

What would be the likely direct effect on consumer or citizen welfare in the market or sector where the intervention takes place?

What would be the likely indirect effect on consumer welfare?

What would be the expected additional economic impact on efficiency, productivity, innovation and the wider economy?

Strategic significance and synergy with the Authority's objectives

Does the work fit with the Authority's strategy and with other objectives of the Authority?

Is the Authority best placed to act? Alternatives could include private enforcement or action by other regulators.

What would be the impact of the new work on the balance of the Authority's current portfolio of work?

Risks, in respect of a successful outcome and potential detriment

What is the likelihood of a successful outcome?

Scale of detriment

Need for consistency

Risk management

Resource requirements, including proportionality and the implications of doing the work

Proportionality

What are the resource implications of doing the work?



Strategic Goals

The Authority has four strategic goals which are interrelated and mutually reinforcing:

Strategic Goal 1:

Protect and encourage competition

- Enforce competition law effectively – with a key focus to prevent the application of anti-competitive arrangements and the abuse of a dominant position in a market and to assess mergers to prevent any substantial lessening of competition.
- Encourage competition where appropriate and proportionate – use the market studies regime to address issues with competition in those markets where change would most benefit islanders.

Strategic Goal 2:

Deliver effective supervision of regulated sectors

- Ensure the effective regulation of specified sectors.
- Encourage continuity and security of supplies of goods and services by enabling environmental and other best practices.

Strategic Goal 3:

Safeguard consumers

- Using both competition and regulation powers, empower consumers to exercise informed choice and help markets work in the best interest of Jersey as a whole.
- Support and work effectively alongside other Jersey consumer bodies.

Strategic Goal 4:

Establish the Authority as a respected organisation

- Build knowledge and capability to meet future requirements and challenges.
- Complement and support the work of regulatory and enforcement authorities in Jersey (and beyond) and act as a trusted advisor to Government.

Performance Report

This section provides an overview of the work of the Authority in 2022:

1. Highlights of the Year
2. 2022 Resources
3. 2022 Funding
4. Performance analysis
5. Priorities for 2023



Stephanie Liston
Chair

25 April 2023



Tim Ringsdore
CEO

25 April 2023

Performance Report

As an independent regulator, we have ambitious aims to help shape and sustain the Island's economic future, for the benefit of Jersey consumers, citizens and businesses. These aims are captured in the Strategic Plan*. It is the guiding framework within which we shape, prioritise and deliver our annual business plan.

The four strategic goals are:

- 1. Protect and encourage competition**
- 2. Deliver effective supervision of regulated sectors**
- 3. Safeguard consumers**
- 4. Establish the Authority as a respected organisation**

The business plan work areas relate to one or more of these goals, with specific projects or business-as-usual activities planned to ensure we meet our ambitions and deliver on expectations.

Deciding which to include within the business plan was dependent on two factors:

- (1) The Prioritisation Principles
- (2) An assessment of the present operational environment, considered under three broad headings:
 - a. Government and Jersey economic drivers – local factors likely to impact on the Jersey economy, Government planning and decision-making;
 - b. Global drivers – broader factors arising from societal, geopolitical, natural trends and events; and
 - c. Technological drivers – specific factor arising from technical and structural developments that may require consideration within competition or regulatory frameworks.

** updated for 2023*

Highlights of the Year:

Merger Control

2022 saw more mergers notified and assessed than any previous year since the Authority was established, with 16 clearances in total, and an active Second Detailed Review at the end of the year. These covered a broad range of industry sectors and scale and types of mergers. A full list of this work can be found on the website at: [Cases](#).

The additional work presented a resource challenge for the Authority, which was managed largely through staff training as well as a limited amount of external support.

The following cases are examples of some of the Decisions taken by the Authority during the year:

Jersey Royal Potato Company, Woodside Farm

In May 2022, the Authority approved the sale of assets of Woodside Farm, including a number of employees, fixed assets, movable assets and stock for the purpose of the production and sale of Jersey Royal potatoes, potato seeds and daffodils. Approval was required for this transaction as Woodside Farm operated in a market vertical to that of the Jersey Royal Potato Company, selling all its Jersey Royal potatoes to the Jersey Royal Potato Company.

The Authority considered the transaction within the framework of the wholesale supply of Jersey Royal potatoes, both export and local markets. With regard to the export market, whilst the Jersey Royal Potato Company's market share was significant (60-70%), the competitive effect of this position is not felt in Jersey but in the markets where the potatoes are sold. With regard to the local retail market, the market share held by the parties was low. Declining share of supply, combined with the availability of alternative local suppliers, indicated that the transaction was unlikely to lead to a substantial lessening of competition on the grounds of anti-competitive vertical foreclosure.

Randalls, Wildfire

In August 2022, the Authority approved the acquisition of Wildfire restaurant by Randalls.

The transactions required approval as both Randalls and Wildfire hold a combined share of over 25% in certain categories of liquor licences in Jersey. The assessment considered the relevant markets on an Island-wide, St Helier, and narrow 'Weighbridge Area' basis, and looked at the concentration may give rise to any horizontal anti-competitive effects. The Authority also considered the wholesale supply of beverages as Wildfire operates in a market vertical to that of other areas of Randalls' business.

The Authority concluded that the acquisition would not substantially lessen competition in Jersey or any part of Jersey.

MH, JEP, Lighthouse Media

In September, the Authority approved the acquisition of Jersey Evening Post Limited and Lighthouse Media (Bailiwick Express) by MH Limited. The acquisition required approval as the JEP holds 100% of the national paper and magazine wholesaling market in Jersey. The transaction therefore fell within Article 4 of the Competition (Mergers and Acquisitions) (Jersey) Order 2010 as a conglomerate merger.

The transaction was considered within the framework of the supply of news publication and advertising markets. The Authority concluded that the parties would continue to be constrained by a range of other suppliers, and the services provided were not in close competition or seen as substitutes by consumers. Given the relative size of the Parties compared to competitors for advertising, the impact of the transaction was also likely to be limited. Advertisers have a large range of options available to them should there be any increase in price or reduction in quality as a result of the merger.

Fuel Supplies, Sion Garage, MBC Motors, The Fuel

In March 2022, the Authority received an application for approval of the acquisition of three forecourts by Fuel Supplies. Fuel Supplies provides wholesale and retail fuel supplies to a number of forecourts, and has a share of supply in excess of 25%. Article 3 of the Order was therefore met, and the approval of the Authority required.

The Authority considered the transaction on the basis of the wholesale supply of road fuel to forecourts in Jersey and the retail sale of road fuel, both on the basis of Jersey as a whole and at a local forecourt basis. Two theories of harm were assessed – horizontal effects in the retail supply of road fuel at a national and local level, and vertical effects in the wholesale supply of road fuel to petrol stations at a national and local/regional level.

At a local level, each of the three forecourts are located within an area containing a number of other competitors. In terms of the wholesale market, the Authority considered that the merged entity may have the ability to increase wholesale prices or reduce the quality of its wholesale offering to rival forecourts during the existing term of their contracts, however in the longer term (as the contracts expire or are terminated) the rival forecourts would be able to switch to other suppliers. The Authority concluded that the acquisition would not substantially lessen competition in Jersey or any part of Jersey, and the transaction was approved.



Highlights of the Year:

Telecoms Investigations

The telecoms sector remains a significant area of regulatory responsibility for the Authority. As the industry continues to move at a fast pace, considerable work was undertaken on key projects including the re-start of the 5G spectrum allocation process and preparatory work on a new telecoms security regime for the Island. However, the year was dominated by telecoms investigations.

Coming into 2022, the Authority was actively progressing two live telecoms investigations and a further three investigations were opened during the year. Telecoms investigations are technical and complex in nature and therefore a large proportion of Officers time last year was spent progressing these investigations.



Throughout the year, the Authority was notified of several service incidents by telecoms operators, each giving reasonable grounds to suspect contraventions by the operator of its licence conditions and/or Jersey's telecoms law. It is not possible for the Authority to investigate every suspected contravention, therefore Officers assessed the information available, taking into account the Authority's prioritisation principles to determine whether an investigation should be initiated. These preliminary assessments resulted in three formal investigations being initiated.

During 2022, two of these investigations were finalised. The Authority, using its established investigation process of a robust, evidenced based assessment, determined the relevant telecoms operator had contravened certain of its licence conditions. As a result, in respect of each investigation, the Authority exercised its powers under the Telecoms Law and imposed directions on the telecoms operator, as well as a financial penalty of £135,000 which was paid to government.

When determining the appropriate and proportionate level of financial penalty, the Authority took into account a number of factors, as set out in the Authority's published guidelines. However, the main aim is to discourage bad conduct and encourage good practices as well as a culture of compliance across the organisation. Any financial penalties received by the Authority are paid to the Government of Jersey, not retained by the Authority.

The certain licence conditions contravened by the telecoms operator related to its provision of Jersey's public emergency call service. The performance and security of Jersey's public emergency call service is critically important to the Authority and so, in June 2022, the Authority formalised its expectations for licensed operators providing a public emergency call service.

As at the time of writing, the Authority has three live investigations ongoing.

Highlights of the Year:

Market Studies

The Authority completed three market studies in 2022 – into Freight Logistics, Alcohol Pricing and Promotions and Retail Telecoms Pricing and launched a quick guide to market studies to provide further detail to market studies. Alongside this two further studies were initiated, into Groceries and School Uniforms.

The animation developed to communicate market studies and links to the completed studies can be [found here](#). Further details of the active studies can be found at: [Cases | JCRA](#).

Freight Logistics

What did the study look at?

The Authority examined the freight logistics market. The study focused on two areas: to understand the current structure of the market; and to draw lessons from comparable international markets.

What did the Authority find?

- Competition is being constrained because of a lack of warehousing and transit storage for distribution activities at Port of St Helier
- There is a potential risk to resilience in the market because Jersey is largely dependent on a UK-based supply chain, and there is opportunity for greater trade with France.
- There are opportunities through developments in IT and technology to better understand how well services are performing, improve efficiency and enhance customer service.

What will happen next?

The Authority made a series of recommendations to Ports of Jersey, Government and industry. Through our work on regulating Ports the Authority will help implement the recommendations and closely follow their progress by wider stakeholders.

Alcohol Pricing and Promotions

What did the study look at?

The Authority was asked by the Attorney General to look at the impact of the Attorney General's Guidance (Licensing (Jersey) Law 1974) on Drinks pricing and promotions (Guidance). While the Authority recognises the health/social impact of the alcohol market, the focus was on the economic impact of the Guidance on the market.

What did the Authority find?

- The restrictions imposed by the Guidance create distortions in the on-licence market, limiting the ability to compete and mean that the benefits of competition and innovation cannot be passed on to consumers. In light of this, we recommended key areas of the Guidance should be removed/eased.
- It was too soon to assess the impact of minimum unit pricing on the off-licence market. Instead, after a sufficient length of time post-COVID has passed, a holistic review should take place, covering the economic, health and social impacts of the policy.

What will happen next?

The Authority will continue to focus on encouraging the recommendations to be adopted which will stimulate competition and provide the industry with the opportunity to offer better value and service to its customers.

Highlights of the Year:

Market Studies

Telecoms Retail Pricing

What did the study look at?

The Authority analysed retail prices for broadband, fixed line, and mobile phone services in Jersey, to help provide a better understanding of how prices on Island compare internationally with other similar jurisdictions, including Guernsey and the Isle of Man, alongside the UK.

What did the Authority find?

- Consumers benefit from a competitive market in Jersey.
- The price people pay for telecoms services in Jersey is below average when compared to other similar-sized jurisdictions.
- Jersey is more expensive than the UK for mobile voice and data services and selected 'bundled' packages but generally less expensive for high-speed fixed broadband, but it could be due to the higher cost of delivering goods and services in Jersey.

The results show Jersey is headed in the right direction, but there is still more work to be done to ensure consumers are getting the best value possible from Island operators.

What will happen next?

The Authority will continue to track prices on an ongoing basis and will be carrying future work to help consumers get the best value from telecoms services.

What is the process for a market study?



Highlights of the Year:

Communications and Stakeholder Engagement

Principles of Engagement

- 1) **Public and Consumer Benefit:** we work for the benefit of the public and consumers in Jersey, ensuring there remains strong choice, value and protection. We accomplish this through engaging with consumer and business groups to understand the specific needs of our citizens and businesses.
- 2) **Transparency and Communication:** whilst maintaining our duty of confidentiality, we ensure openness and transparency with stakeholders, working on the basis of 'no surprises'. Clear and regular communication to all stakeholders is a priority for the whole organisation.
- 3) **Working Closely with Government:** while independent in its decision-making, it is essential we work in close collaboration with Government to ensure that our work programme remains aligned with policies and the strategic plan. We provide independent advice and guidance where necessary to inform and assist with the development of government policy.
- 4) **Engagement with Licensees / Stakeholders:** we will maintain close working relationships with licensed operators and wider stakeholders, ensuring that we remain aware of key issues affecting them.

Engagement Summary

2022 was a very busy and successful year and the Chair, Members of the Authority and the CEO undertook a further intensive engagement programme, meeting with all regulatory sectors and key stakeholders, such as, Government and businesses.

It was important to continue to remind stakeholders of the Authority's roles and responsibilities and it also allowed us to engage on specific issues that were affecting the various sectors the Authority is responsible for. As a further result of these discussions throughout 2022 we were able to develop a new 2023 business plan that will focus our finite resource on key projects that will deliver the best outcomes for the Island and its consumers.

Officers of the Authority also maintained closer working relationships with a wide range of individuals and industry bodies, such as the Institute of Directors, Chamber of Commerce, Jersey Consumer Council, Ofcom and the UK Competition and Markets Authority. CEO Tim Ringsdore was also appointed as the Chair of the Small Nations Regulatory Forum in November 2022, which has allowed us to look at best practices across the world, which will help ensure the Authority continues to deliver results through efficient process and procedures.

Officers delivered three major market studies, freight logistics, telecoms retail benchmarking and alcohol pricing. These were large pieces of work that required significant engagement with a wide variety of stakeholders with the recommendations being largely accepted. We stated in 2021 that we would develop a rolling programme of market studies and in Q4 2022 we commenced studies on school uniforms and the groceries market, these will require consistent engagement with stakeholders and will be concluded during 2023.

Our communications have been significant and consistent and were further developed by the extended use of our Website, LinkedIn and the inclusion of short video inputs from the whole team. We also worked closely with the Jersey Consumer Council to include information in their newsletter that was relevant to consumers and this will continue into 2023. See example below from the 100th Issue of the Jersey Consumer Council's newsletter distributed in Autumn 2022.

Local media have been very supportive and the overall coverage regarding all our work has been positive or neutral. We will continue to develop our communications so that the whole community has an appreciation of how we aim to protect consumers and help businesses to compete effectively.

The Authority is very small and it is vital that we focus on projects that provide the best possible outcomes for the community and economy. We are determined to continue to build our reputation by further engaging with a wide variety of the community so that people trust and respect our decisions or recommendations, which we believe will ensure competition in Jersey remains effective.

Highlights of the Year:

Communications and Stakeholder Engagement

ESG

ESG is an acronym for Environment, Social and Governance, and takes a holistic view that sustainability extends beyond environmental issues. It forms a framework around the environmental and social impact of an organisation, as well on the governance structures.

The Authority has started considering its own internal sustainability policies and procedures during the year, however the Authority did not fully deliver on their objective in this area and therefore these will be further implemented during 2023. The Authority also maintains the highest standards of corporate governance as would be expected from a regulator and sets a high priority on the well-being of its staff and stakeholders with which it interacts.

As a small organisation, it could be seen that the Authority can have a limited impact on ESG issues for the Island. However, taking a broader view, it can be seen that the Authority's duties and responsibilities do all positively contribute to ESG issues in Jersey, in particular social and governance issues.

Environment: the Authority is committed to supporting the Jersey Government aims of reducing the Island's carbon footprint. During 2022, the Authority commissioned an independent review of its operation and found that as a small business we were operating efficiently with a

minimum carbon footprint. The recommendations will be carried through into 2023 and the Authority intends to continually monitor its operation to ensure it is functioning effectively and efficiently in all aspects of its work.

Social: this aspect of ESG refers to relationships with stakeholders, and takes into account fair wages and employee engagement, as well as an organisation's impact on the community in which it operates. The Authority has carried out several projects during 2022 with a direct impact on the community as a whole – from market studies into retail telecoms markets to consideration of the provision of telephone directory services, considering the needs of vulnerable consumers in Jersey. Ensuring competitive markets also has a direct and positive impact on consumer welfare.

Governance: corporate governance relates to how an organisation is led and managed, promoting transparency and accountability. Regulation of port operations, postal services and telecommunications all supports responsible corporate governance by licensed entities.

The Authority's work in this area, seeking ways that this impact can be measured, will continue during 2023. Together with the Authority's role in reviewing ESG as part of its role within regulated companies.



2022 Resources:

Where we spent our money

2022 Resources

The Authority is supported by a number of permanent staff and specialist consultants with the appropriate skills and experience to undertake the work required.

For 2022, the government competition grant was forecast to contribute 46% to the budget. Merger fees were expected to contribute 3%, ports licence fees 4%, postal licence fees 5% and telecoms licence fees to contribute 42%.

With respect to licence fees, during 2022 the Authority indicated that it would:

- Review merger application fees to ensure that the fees cover the costs of conducting merger assessments
- Reduce the Ports of Jersey licence fee, but ensure that it continues to cover fixed costs. Existing reserves to be utilized to fund the regulatory framework review in 2022 and 2023.
- Increase Jersey Post licence fee to cover fixed costs of regulation. A separate payment was made to cover the external consultancy costs for the strategic review of postal services being conducted in 2022 and 2023.
- The methodology for calculating telecoms licence fees in 2022 was consistent with 2021, however it was intended to carry out a review of the methodology for calculating fees in future. This is to ensure the cost of telecommunications regulation is appropriately met on a forward looking basis.



2022 Resources:

Where we spent our money

2022 Financial Performance

All of the activities undertaken are separately funded, and by sector. Cross-subsidisation is not permitted to ensure that all costs are ring-fenced by sector, and common costs are shared between sectors. A working capital balance and an appropriate level of reserves are maintained at all times.

Income

Grant: Competition and Telecoms Security

Competition Law: Grant funding is received from Government to cover the cost of administering and enforcing competition law. The initial grant approved for this work in 2022 of £577,000 was increased by £170,000 to support two additional market studies, to grant in total of £747,000 (2021: £691,000).

This additional funding is in the Government Plan for 2020 to 2023 and was requested in order to support the Authority's rolling programme of market studies, upholding competition law and advising on competition law changes.

In total, the cost for all competition law activity in 2022 was £653,840 (2021: £653,022), resulting in a surplus for the year of £93,160 (2021: £37,978). With the agreement of the Department, grant income in excess of costs is either returned to Government or held to fund future work.

Telecoms Security: A further grant of £150,000 (2021: Nil) was received from Government to cover the Authority's internal and external costs associated with supporting the government's project and development of a compliance regime during 2022. In total, the cost for all Telecoms Security work was £67,589 in 2022, with the remaining balance of the grant being carried over into 2023.

Merger and Other Fees

Fees are received from parties making applications for approval of notifiable mergers and acquisitions. These applications and costs are, by their nature, unpredictable. During 2022, these fees amounted to £115,000 (2021: £45,000).

In total, the cost for all merger and acquisition activity was £109,108 (2021: £26,676), resulting in a surplus for the year of £5,892 (2021: £18,324).

Licence Fees: Ports, Post and Telecoms

Sector specific regulation is funded through licence fees paid by licensed operators in each of the ports, post and telecoms sectors. The licence fees are calculated based on the forecasted cost of regulating the sector for the year in question. Any surplus licence fees above costs are either returned to operators after the year end or held to fund future work.

A breakdown of the licence fees charged, the cost of regulating the sector, and surplus/(deficit) for year is provided below:

£	Ports		Post		Telecoms	
	2022	2021	2022	2021	2022	2021
Licence & application fees	70,000	180,000	72,500	20,000	727,255*	688,954
Costs	57,333	56,576	56,129	31,076	760,535	707,095
Surplus/(deficit) for the year	12,667	123,424	16,371	(11,076)	(33,280)	(18,141)

*This includes £60,000 Telecoms 5G application fees

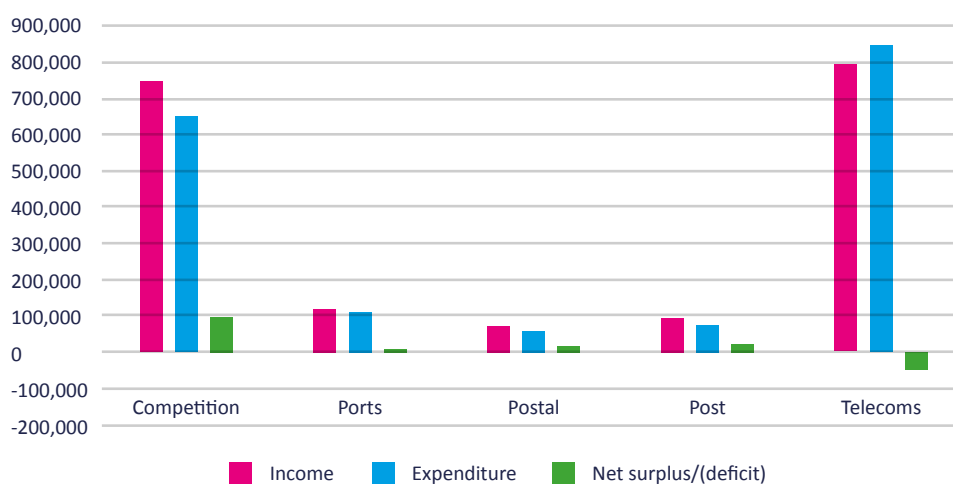
2022 Resources:

Where we spent our money

Expenditure

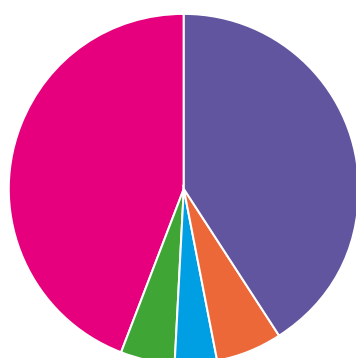
A budget for expenditure was set of £2,252,295 for 2022 (2021: £1,540,786). This covered regulatory and competition law activities. This also includes budgeted costs relating to the review of postal services, ports price control and a major market study (total of £300,000) expected to be incurred in 2022.

Members of the Authority were updated on a regular basis of the expenditure against budget, and in 2022 total expenditure was 23% under budget for the year. The most significant underspend being within consultancy and legal fees in relation to the reviews detailed above and other cases, which were either rolled forward to 2023 or supported in-house.



Income

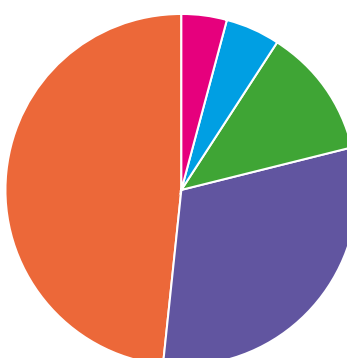
2022 Income



- Competition (43%)
- M & A (3%)
- Ports (11%)
- Postal (1%)
- Telecoms (42%)

Expenditure

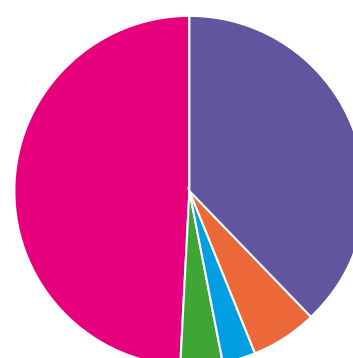
2022 Expenditure by type



- Supplied & Services (3%)
- Office Premises (4%)
- Establishment (9%)
- Consultancy & Legal (32%)
- Salaries & Staff (51%)

Expenditure

2022 Expenditure by class



- Competition (38%)
- M & A (6%)
- Ports (3%)
- Postal (4%)
- Telecoms (49%)

2022 Resources:

Where we spent our money

Staff Resources

Although a number of vacancies have been identified, there were no significant changes in personnel during 2022, with leavers replaced on a case-by-case basis by replacement members of staff. Recruitment into vacant positions will continue into 2023 as resourcing remains a risk to delivery.

Specialist Consultants

In line with its policy to outsource specialist areas of work, the Authority contracted a number of specialist firms during 2022. These contracts were to support more complicated merger decisions and market studies, as well as investigations in the telecoms sector. Some of these costs are re-charged to the companies concerned. Others are covered by the competition and telecoms security grants, and licence fees paid by regulated entities, as appropriate.

MoU with the GCRA

The MoU with the Guernsey Competition Regulatory Authority (GCRA) remains in place, with regular communication taking place: [JCRA Memorandum of Understanding with the GCRA](#). The MoU is designed to:

- Enhance the exchange of information between the Authorities;
- Promote, insofar as possible, cross-border co-operation in investigation and enforcement; and
- Enable, insofar as possible, the Authorities to assist each other in training and education relating, in particular, to competition law matters.

Joint projects in 2022 included the production of the annual Channel Islands Telecoms Market Report, produced by Statistics Jersey which can be found here: [T-053 - Telecommunications Statistics and Market Report 2021](#).



2022 Funding:

Agreement & Memorandum of Understanding

Memorandum of Understanding

The principle of independence is just as relevant today as it was when the Authority was established. In the MoU, the Authority and the Government agree that independent decision making is critical in achieving good regulatory and competition outcomes. They also note that there is an important role for Government in setting the legislative and general policy framework within which the Authority operates.

The MoU is intended to clarify the respective roles of the Minister and the Authority, and also concerns the arrangements whereby the Government and the Authority will work together to establish solid foundations for policy decision making.

Funding Agreement

A Funding Agreement between the Minister for Economic Development, Tourism, Sport and Culture and the Minister is in place as an agreed framework, primarily intended to meet the requirements of the Public Finance Manual [JCRA Competition Grant Funding Agreement](#). The key purpose of the grant funding is to:

- Administer the Competition Law, seeking to promote competition in the supply of goods and services in Jersey;
- Investigate possible breaches of the Competition Law;
- Carry out market studies to evaluate whether markets are working well for Jersey consumers;
- Promote and support competitive markets in Jersey through the provision of information and guidance; and
- Assist the Government to develop the Competition Framework.

Under the terms of this agreement, formal meetings between the Minister and Chair take place twice a year in Q2 and Q4. These meetings specifically discuss performance, internal controls and any other relevant information relating to the effective oversight of public funds. In 2022, these took place before and after the election on 1 April and 27 October.

The current Agreement is due to expire on 31 December 2023, and discussions will take place during 2023 to renew and update the arrangements as required.



Performance Analysis

Administration of the Competition Law

The Competition (Jersey) Law 2005 promotes competition in the supply of goods and services in Jersey. Competition law is designed to deal with three main issues:

- Anti-competitive arrangements;
- Abuse of a dominant position in a market; and
- Mergers that are harmful to competition.

The key work areas for 2022 were measured against the Authority's Business Plan:

Merger Control

Assess mergers notified for clearance in line with published guidelines.

A total of 16 mergers were cleared in 2022, and a further transaction taken to a Second Detailed Review. This is significantly more than in previous years (2021: 6). All were cleared within published guidelines and administrative target dates.

Complete

Exemption Application: an exemption to Article 8 of the Competition Law was granted to Jersey Doctors on Call. [C-032 - Jersey Doctors on Call \(JDOC\) Exemption Application](#). This concerns an arrangement for the provision of after-hours medical care which, without an exemption, would be in breach of Article 8 of the Competition Law as an anti-competitive arrangement. The exemption was granted for a period of three years.

Complete

Competition Investigations

Carry out investigations into possible breaches of the Competition Law and address complaints received.

One investigation was carried out in 2022, resulting in a financial penalty being issued. This decision was not appealed.

Complete

Competition Guidelines

Review our existing guidelines and refresh where appropriate.

All competition law guidelines were refreshed, rebranded and reissued during 2022. In addition, the competition area of the website was redesigned [Competition Law](#).

Complete

Advocacy and Training

Continue to promote and support competitive markets in Jersey, by the provision of information and guidance in a variety of forms as appropriate for different stakeholder groups.

An important part of the aim to protect and encourage competition, is to make information and guidance available to businesses and the public. In 2022, the Authority re-issued its competition law guidance documents and website content. These can be found here, including a simple animation to highlight the importance of competition: [Competition Law](#).

Complete

Competition Law Amendments

Work with Government to make recommendations for amendments to competition legislation for the benefit of the Island.

Feedback was provided to government on the consultation of a Vertical Block Exemption, as well as on proposed changes to the merger control framework and a number of other proposed changes to competition legislation. We understand government is planned a series of consultations on the changes during early 2023. Complete, Ongoing into 2023 or Commenced in 2023

Complete with continuing support from Government

Performance Analysis

Market Studies

A market study is a flexible tool to explore whether a market, or a feature of a market, is working well for Jersey consumers. It considers the relationship between consumer behaviour in a market, the behaviour of businesses in that market, and the market's structure. By looking at these relationships, we can determine whether action that will encourage changes to consumer behaviour, business behaviour, or both, will help address any market problems found.

Consistent with the Strategic Plan, we use the market studies regime to address issues with competition in those markets where change would most benefit Islanders.

The key work areas for 2022 were measured against the Authority's Business Plan:

Competition Law Amendments

Work with Government to make recommendations for amendments to competition legislation, including new powers for market studies for the benefit of Islanders.

Feedback was provided to government on proposed legislation to support market studies. We understand government is planning a public consultation on the changes during early 2023.

Complete with continuing support from Government

Market Study Advocacy

Use market studies to promote a competitive environment and raise awareness of competition policy and its benefits among businesses, consumers and public institutions. This includes carrying out follow up work to support the findings of completed market studies if required.

The Authority has taken a proactive role in communicating the outputs of its market study programme. This has included engagement with media and use of infographics, video and providing accessible material in the Consumer Council newsletter (sent to every household in Jersey). Further, where follow up work has been identified this has been included in the Authority's 2023 Business Plan, for example the follow up work on telecoms retail markets.

Ongoing into 2023

Market Study Delivery

Complete the three market studies currently in progress in line with published timetables – Alcohol Pricing and Promotions, Freight Logistics, and Telecoms Retail Pricing.

All three market studies which were underway at the start of 2022 were completed over the course of the year. This included studies into Alcohol Pricing and Promotions (published March 2022), Telecoms Retail Pricing (published April 2022) and Freight Logistics (published July 2022). See page 16 & 17 for examples of market studies undertaken in 2022.

Complete

Market Study Quick Guide

Issue a quick guide to market studies incorporating lessons learned from completed market studies.

An important part of the market study programme is to make information and guidance available to businesses and the public in an accessible manner. In 2022, the Authority refreshed its market study webpage to ensure it contained all relevant information. The updated page can be found [here](#) and included a 'quick guide' animation developed to explain the role of [market studies here](#).

Complete

Market Study Pipeline

Continue horizon scanning activities to identify markets that could be subject to a market study.

Over the course of the year the Authority carried out an active screening of potential candidate markets. This led to the prioritisation and launch of studies into Groceries (announced November 2022) and School Uniforms (announced December 2022).

Ongoing into 2023

Performance Analysis

Air and Sea Port Operations

The Air and Sea Ports (Incorporation) (Jersey) Law 2015 enables the Authority to licence port operations in Jersey. The primary aim is to best protect and further the interests of users of port operations, where appropriate by promoting competition in the provision of port operations. In addition, to ensure that provision is made to satisfy all reasonable demands, both current and prospective, for port operations and that they are provided efficiently and effectively.

In line with the Strategic Plan, the Authority ensures effective regulation of air and sea port operations, and encourage continuity and security of supplies of goods and services by enabling environmental and other best practices.

The key work areas for 2022 were measured against the Authority's Business Plan:

Government Policy

Support development of the Memorandum of Understanding between Ports of Jersey and Government, as well as a government policy for port operations.

The Authority has continued to highlight the importance of government clarifying its policy on ports. This was also a factor considered in the Market Study on Freight Logistics (see page 16).

It will also be part of the review of the regulatory framework for port operations which will continue in 2023.

Ongoing into 2023

Regulatory Framework Review

Commence review of market definition and significant market power. When completed, consider the impact of the coronavirus pandemic on the regulated business and long-term investment programme.

During 2022, the Authority commenced work on a review of the regulatory framework in place for this sector. This will continue through 2023, with a revised price control framework in place to meet the expiry of the current model.

Ongoing into 2023

Quality of Service

Quality of service data from Ports of Jersey will be collected, analysed and published. This is to ensure Islanders continue to receive the standards expected.

The quarterly Quality of Service Reports for 2022 can be found here: [P-003 Ports of Jersey Quality of Service Reporting 2022](#). The authority will revisit performance matrices as part of the regulatory framework.

Complete

Customer Support

Support users of air and sea port services where necessary and appropriate – for example, Jersey business complaints about accessing port services.

During 2022, discussions were held with a small number of organisations seeking to complain about services offered by Ports of Jersey Limited or services provided at the ports, however, as we did not find any evidence of regulatory or competition concerns none resulted in a formal complaint.

Complete

Investigations

Investigate potential breaches of the law and licence conditions

No investigations were carried out into possible breaches of the law or licence conditions during 2022.

Continually monitoring

Performance Analysis

Postal Services

The Postal Services (Jersey) Law 2004 empowers the Authority to licence companies providing postal services that concern Jersey. The Authority's primary duty is to ensure that postal services are provided so as to satisfy all current and prospective demands. The Authority also provides oversight of Jersey Post's customer service and prices, as well as ensuring quality of service provision and universal service obligations are met, ensuring all users receive a minimum level of service.

In line with the Strategic Plan, the Authority ensures the effective regulation of postal services and encourages continuity and security of supplies of goods and services by enabling environmental and other best practices.

The key work areas for 2022 were measured against the Authority's Business Plan:

Customer Support

Support consumers of postal services where necessary and appropriate, for example, Jersey public and business complaints in regard to postal services

During 2022 a complaint into a failure to deliver resulted in redress being offered to the customer. This was achieved with a formal regulatory intervention.

In another complaint, Jersey Post had sent the wrong election booklets to certain addresses. This was identified and rectified by Jersey Post, and no regulatory intervention required.

Complete

Investigations

Investigate potential breaches of the law and licence conditions by licensed operations.

There were no breaches of the law or licence conditions investigated in 2022.

Continually monitoring

Quality of Service

Quality of service data from Jersey Post is collected, analysed and published. This is to ensure Islanders continue to receive the service expected.

In light of the improving situation with respect to the pandemic, the Authority has reinstated Jersey Post's QoS targets as of April 2022. Further, as set out in the Authority's 2022 Business Plan, the Authority have launched a Strategic Review of Postal Services. This will consider, on a forward looking basis, how the Authority can best deliver effective supervision of the postal sector, including the role of the current QoS framework.

Complete

Strategic Review of Postal Services

The Strategic Review will consider, on a forward looking basis, how the Authority can continue to deliver effective supervision of the postal sector. It is envisaged this will lead to follow-on work in 2023 to implement the findings of the review.

At present Jersey Post is the only licensed postal operator in Jersey with a universal service obligation, which ensures all users receive a minimum level of service. The Authority provides oversight of Jersey Post's customer service and prices, as well as ensuring Jersey Post meets the required level of quality of service.

There is also currently one other licenced postal operator which the Authority oversees, High Speed Freight Services. This operator provides a limited international mail service to businesses.

The last major review of postal services was undertaken in 2012, and there has been significant technical, cultural, and economic change over the following decade.

As a result, the Authority is not making any policy proposals at this point, instead we have started to Strategic Review of Postal Services.

Ongoing into 2023

Performance Analysis

Telecommunication Services

The Telecommunications (Jersey) Law 2002 empowers the Authority to licence the provision of telecommunications systems in Jersey. The Authority's primary duty in this respect is to ensure that telecommunications services are provided both within and between Jersey and the rest of the world so as to satisfy all current and prospective demands for them, wherever arising. In the telecoms sector, the Authority carries out its functions in a way that maintains well-regulated Jersey telecoms markets, supports retail competition and supports investment in connectivity.

In line with the Strategic Plan, the Authority ensures effective regulation of telecommunications services and encourages continuity and security of supplies of goods and services by encouraging environmental and other best practice.

The key work areas for 2022 were measured against the Authority's Business Plan:

Government Policy

Support the implementation of Government telecoms policy and support the development of the telecoms security framework.

During 2022, the Authority increased its involvement in the development of a telecoms security regime for Jersey, through working closely with the Government to support development of required policies and underpinning legislation.

This follows similar moves by the UK and other jurisdictions in recognition of the potential threat posed by high risk vendors within national communications networks and external telecoms security compromises.

Once complete, the Authority will assume responsibility for ensuring compliance from local telecoms companies encompassed by the regime.

Ongoing into 2023

Compliance and Licensing

Carry out an audit of JT's processes and controls with respect to its accounting and cost allocation practices as a follow up to the wholesale broadband price review.

Continue to evolve, monitor and review licence conditions and guidelines as required and appropriate.

The Authority issued a Final Notice implementing a refined approach to the Statement of Requirements process which applies to JT. In line with best practice, this process outlines the means by which JT's wholesale customers, Other Licensed Operators (OLOs) and JT's own retail division can request a new wholesale product, or a change to an existing JT wholesale product and/or service.

999 Guidance Development

Following several incidents leading to Public Emergency Call loss in early 2020, the Authority investigated causes and determined actions needed to minimize future reoccurrences. A resulting formal direction issued on the matter included a commitment by the Authority to provide licensed operators with guidance on the provision of a PECS including expected network and system resilience and availability.

Performance Analysis

Telecommunication Services *(continued)*

Compliance and Licensing *(continued)*

In creating the guidance, the Authority has worked closely with the Government of Jersey, Justice and Home Affairs (JHA), the department responsible for providing and coordinating local emergency services.

This guidance was finalised through consultation during 2021 and 2022, and issued in June 2022: T-060 999 Guidance Development | JCRA.

Complete

Network Sharing Licence Condition Amendments and Guidelines

In 2022, the Authority issued new licence conditions into the Class II licences issued to Clear Mobitel, Jersey Airtel, Newtel and HomeNet. These additional conditions reflect those issued to JT and Sure during 2021. These place requirements on licensees with regard to network sharing and compliance.

Network sharing guidelines were issued in 2022 to facilitate operators in the design and implementation of network arrangements by clearly outlining the objectives that the arrangements must achieve so as to comply with the provisions of licence conditions relating to network sharing and a compliance programme.

Complete

JT Accounting and Cost Allocation Audit

An audit of JT's processes and controls with respect to its accounting and cost allocation practices was completed in 2022. This was carried out by Grant Thornton, against published terms of reference.

The independent audit did not identify any high risk findings, and noted progress made by JT in updating their accounting systems to be able to provide appropriate cost data. Flowing from the audit findings, there are a series of recommendations for both JT and the Authority which are detailed in a non-confidential summary report which can be found on the website at: [JT Accounting and Cost Allocation Audit](#). The Authority and JT accepted the recommendations.

During 2023, a project will be undertaken to give effect to the recommendations including the implementation of an appropriate form of annual cost reporting.

Complete

Dissolution of Marathon Telecom Limited

The Jersey Financial Service Commission regularly issues a list of companies incorporated in Jersey which have been struck off the Register of Companies and dissolved. In May 2022, this list included Marathon Telecom Limited, a company holding a local telecoms licence. The Authority wrote to the Directors of Marathon advising them that, as a consequence, the licence ceased to have effect and the licence was removed from the Authority's register of licences.

Complete

Directory Information Services

In December 2021, the Authority issued a Call for Information asking for comments on the present situation with the provision of local Directory Information Services and the associated regulation. Having received initial responses, the Authority subsequently decided to carry out a market survey to more fully understand public views in this area. This market survey is taking place in Q4 2022, with further work being carried out during 2023.

Ongoing into 2023

Performance Analysis

Telecommunication Services *(continued)*

Market / Price Reviews

The second stage (remedies) of the Business Continuity Market Review will be progressed. Other market / price reviews will be commenced in line with our prioritisation principles.

Business Connectivity Market Review

The business connectivity market includes leased lines and other services which play an important role in business communications. In 2022 the Authority concluded this review and JT was required to take further steps to open up the wholesale market to other operators to promote effective competition and choice in the market, for the benefit of businesses and ultimately consumers.

A key decision was that the price at which JT can offer wholesale leased lines to other operators was capped, at 31% below the retail price, this was a further reduction of 11% on JT's previous wholesale prices. Alongside this, a more robust regulatory framework for the supply of wholesale leased lines was developed enabling other licensed operators to migrate services while also providing greater transparency and certainty. Full details can be found at: [Business Connectivity Market Review](#).

Complete

Telecoms Statistics

Publish annual statistics report providing an overview of the telecoms sector in the Channel Islands, a joint project with the GCRA.

In July 2022, the Authority published its annual telecoms statistics report for 2021. This report is produced by Statistics Jersey, jointly with the GCRA. It shows a comprehensive breakdown of the telecoms market in both bailiwicks, including detailed analysis of specific networks such as fixed line broadband, the mobile market, and an overview of off-Island links.

The report shows that overall revenues for the sector were up slightly on 2020, and that the sector continues to make a valuable contribution to the Island's economies. (£70M in Guernsey and £108M in Jersey).

Competition is also working well in the markets as consumers continue to use the opportunity to switch provider in search of the best service or deals.

The full 2022 statistics report can be found on the website at: [Telecommunications Statistics and Market Report 2021](#).

Complete

Performance Analysis

Telecommunication Services *(continued)*

Customer Support

Provide support to Jersey consumers where appropriate, dealing with customer complaints where necessary, or addressing matters of general public interest.

There were a number of informal complaints raised by consumers, businesses and wholesale customers about telecoms companies during the year, however none resulted in a formal case being opened and were resolved directly with the companies concerned.

Complete

Investigations

Investigation potential breaches of the law and licence conditions by licensed operators as appropriate. As at the end of 2021, there are two open investigations.

Cases were opened into a number of outages and service incidents during 2022, affecting a range of services. The performance and reliability of Jersey's telecommunications services is critical to the Authority and therefore it is giving consideration to the next appropriate action(s) to be taken.

Ongoing into 2023



Performance Analysis

Spectrum and Numbering

Aligned with the Authority's legal responsibilities, under the Telecommunications (Jersey) Law 2002, the Authority works closely with the UK communications regulator, Ofcom, to regulate local spectrum and number ranges. Its primary duty is to ensure these important resources are responsibly allocated and managed, informing Ofcom's licensing decisions towards acting in the interests of Islanders.

In line with the Strategic Plan, the Authority ensures effective regulation of spectrum and numbering and encourage continuity and security of supplies of goods and services by encouraging environmental and other best practices.

The key work areas for 2022 were measured against the Authority's Business Plan:

Spectrum Allocation

Make recommendations to Ofcom for spectrum licensing as required. We will be working with Ofcom, the GCRA and local stakeholders to develop the process to allocate spectrum for next generation, or 5G, services. The Authority will also consider the implications of 5G services on 2G and 3G services.

5G Spectrum

The duties of the Authority include assessing demand for radio spectrum needed to operate certain local mobile and wireless services and making subsequent recommendations to UK communications regulator Ofcom for any required spectrum licences.

The Authority is presently progressing the award of spectrum for use by 5G services. In July 2021, the Minister for Economic Development, Tourism, Sport and Culture requested the re-established Authority restart the 5G spectrum award process, now solely for Jersey (the Restarted Process).

The Authority began the Restarted Process by issuing 5G Spectrum Award: Consultation to Reassess Interest and Demand, which closed on 29 April 2022.

Having received and considered Consultation responses, and engaged with key stakeholders, the Authority began the next stage in the 5G spectrum award process, which is issuing this updated 5G Spectrum Award: Statement of Intent, which sets out the Authority's intended approach to creating 5G spectrum packages, the conditions attached to them and the application process for interested parties.

Having consulted on the approach to running an invitation to tender (ITT) process for up to three Full Service spectrum packages being made available, and considered responses, the Authority then requested expressions of interest for receiving the full ITT document.

Two applications were accepted in early 2023 and recommendations will be made to Ofcom in due course.

Ongoing into 2023

Performance Analysis

Spectrum and Numbering (*continued*)

Satellite Broadcasting Licensing

There is growing global interest in the emerging low earth orbit (LEO) satellite broadband sector, which offers the potential to extend high-speed internet access to parts of the world with limited or no coverage. During 2022, the Authority monitored developments in this area, liaising with UK communications regulator Ofcom which has responsibility for managing the local radio spectrum needed for satellite broadband services. Part of this monitoring activity is deciding what steps may be needed to provide local licences, which would be required to allow satellite broadband companies to operate legally in the Island.

Also under consideration is what level of prioritisation the Authority should give to this activity. Given the Island-wide fibre-to-the-home network and extensive mobile broadband coverage available locally, the Authority is presently treating the development of satellite broadband licences as a lower priority for 2022. This is scheduled for review in 2023.

Commenced in 2023

Numbering

Ensure that present and any prospective operators remain compliant with Ofcom rules around the use of number ranges.

Calling Line Identity Review

Calling Line Identity (CLI) facilities: proposed telecommunications licence review and potential for limiting telephone-based fraud - update In April 2022, the Authority issued a Statutory Initial Notice to modify the Class II and Class III licences of local operators to incorporate new conditions covering the provision of CLI facilities. The Authority committed at the same time to issue Guidance providing additional information on how licensed operators should comply with the new licence conditions. The Authority intends continuing its work on this case during Q4 2022 to conclude in 2023.

Ongoing into 2023

Compliance

Ensure that local licensed operators adhere to Ofcom requirements in relation to spectrum licensing and numbering.

The annual mast audit will take place in the Autumn of 2022.

2022 Mast Audit

The 2022 independent audit of Jersey's mobile mast sites confirms that emissions remain within internationally recognised safe levels for the General Public. The audit, commissioned by the Authority, was carried out by consultants Freshwave during September.

16 test sites were chosen from all operators in several urban and rural locations, including six sites that have not previously been tested, and all were found to be well below the safety limits.

The Authority takes comfort in the latest results, and would like to thank the operators for their cooperation with this project and thank them for ensuring their sites comply with ICNIRP guidelines. The Authority will continue to monitor selected sites on an annual basis."

[The full report published in November 2022 and can be found here.](#)

Complete

Performance Analysis

Organisation Development

The Authority has a wide brief and the Board includes an excellent balance of local knowledge, gender and diverse relevant skills across competition, economics, legal and sector experience. The Board is supported by a small, full time team, which is Jersey based and familiar with the Island's economic needs, legal framework and stakeholders. The team is supported by the provision of specialist advice by external contractors, where required.

In line with the Strategic Plan, the Authority wants to ensure that it builds knowledge and capability to meet future requirements and challenges, and complement and support the work of regulatory and enforcement authorities in Jersey (and beyond) and act as a trusted advisor to government.

The key work areas for 2022 relate to the aim to establish the Authority as a respected organisation and measured against the Authority's Business Plan:

Corporate Governance	Including an on-going review of corporate governance policies and internal audit programme. Complete
Corporate Social Responsibility	Old IT and office equipment was donated to charity. Other projects included Tim's Walking Challenge and involvement in charity golf days. Complete
Environmental Sustainability	<p>Internal Sustainability Programme: The Authority undertook an audit to establish the carbon footprint of the business for the year ended 31 December 2022.</p> <p>This report has been calculated for Scope 1 and 2 emissions, and limited Scope 3 emissions (water supply & treatment, business travel, hotel nights, staff commute and paper usage).</p> <p>Future inventories will be compared to this base year to track the results of emission reductions.</p> <p>Future Regulatory Involvement: discussions with UK regulators and regulator groups on the appropriate role in regulating this area. Not considered appropriate at this time, but will undertake consumer awareness campaigns, working with industry in this area.</p> <p>The Authority will be engaging with its regulated sectors during 2023 to agree how we might work together in support of the GoJ aims.</p> Ongoing into 2023

Performance Analysis

Organisation Development (*continued*)

Financial Resilience

Work was carried out in 2022 on telecoms licence fees, merger and acquisition fees, as well as the established business plan and budget cycle and consultation process.

Complete

IT and Systems

A new document management system was installed in 2022, along with a change in IT provider

Complete

Resources and Training

Recruitment in 2023 has been planned, with two retained case officer contractors retained to support work over the year. All team members have the ability to identify training requirements during their appraisal process. A number of training activities were carried out over the year, including attendance at industry lectures.

Ongoing into 2023

Staff Wellbeing

Along with the review of IT systems, the office layout was reviewed and changed to reflect the increased level of staff, providing the best possible environment for staff and visitors in the existing office accommodation. Future requirements are under review during 2023. From the end of January 2022, working returned to the office, however all members of the team are able to work from home from time-to-time.

Ongoing into 2023

Priorities for 2023

The priorities for 2023 remain consistent with previous years, with key activities planned in each during 2023. The 2023 business plan can be found here: [2023 Business Plan](#).

Strategic goal	Workstreams and initiatives
Protect and encourage competition	<p>Carry out investigations into possible breaches of Competition Law in line with our prioritisation principles.</p> <p>Assess mergers notified for clearance in line with published guidelines and administrative target dates.</p> <p>A programme of market studies to address issues with competition in those markets where change would most benefit Islanders.</p> <p>Promote competitive markets in Jersey, by the provision of information and guidance in a variety of forms, as appropriate for different stakeholder groups.</p>
Deliver effective supervision of regulated sectors	<p>Ensure appropriate and proportionate economic regulation is in place and regularly reviewed for regulated sectors.</p> <p>Develop a rolling programme of market reviews for regulated local markets respectively.</p> <p>Ensure appropriate and proportionate quality of service standards and reporting are in place for regulated sectors.</p> <p>Maintain regular contact with key local organisations and stakeholders; and develop our knowledge by working closely with other international regulatory and competition authorities.</p>
Safeguard consumers	<p>Ensure there is appropriate consumer protection in place and support the resolution of complaints by individuals and business consumers of regulated services where appropriate.</p> <p>Publish relevant statistics which help further educate and inform consumers.</p> <p>Embed consumer priorities and views in our work programme.</p> <p>To continue to work with Jersey consumer bodies.</p>
Maintain the Authority's reputation and resilience	<p>Maintain and enhance constructive and beneficial relationships with counterparties.</p> <p>Welcome requests for cooperation from counterparties and respond where appropriate.</p> <p>Implement a sustainable fee structure.</p> <p>Develop our environmental sustainability programme.</p>

Accountability Report

The Accountability Report provides key accountability information on the Authority. It comprises:

1. Corporate Governance Report
2. Remuneration and Staff Report
3. Accountability Statement

The Chair and CEO confirm that this annual report and accounts as a whole is fair, balanced and understandable, taking responsibility for the document and the judgements required for determining that it is fair, balanced and understandable.



Stephanie Liston
Chair

25 April 2023



Tim Ringsdore
CEO

25 April 2023

Corporate Governance Report

Members of the Authority:

The 2001 Law requires the Authority to comprise, as a minimum, three Members, with one Chair. Stephanie Liston was appointed as Chair on 1 July 2020. As at 31 December 2022, the Authority consisted of a Chair, three Non-Executive Members and one Executive Member. The Authority remained quorate at all times.

The Authority believes that Members have a wide range of experience which ensures effective leadership and control of the Authority.

The role of Non-Executive Member of the Authority includes the following responsibilities:

- (i) Ensuring that the Authority's business is conducted in an impartial, open and efficient manner and in accordance with international best practice.
- (ii) Providing advice and guidance in decision-making and on the strategic direction of the Authority.
- (iii) Maintaining a close working relationship with the Executive, providing support and guidance as required.
- (iv) Together with other Members, building and maintaining a positive reputation for the Authority so that it commands the trust and respect of all its stakeholders – the citizens, consumers, businesses, the States of Jersey, and in doing so enhances Jersey's reputation nationally and in the international community.
- (v) Ensuring that the Authority maintains an appropriate level of scrutiny of the operations and governance of the organisation, maintaining the Authority's independence.

Appointments to the Authority: the Law provides that the Chair is appointed by the Minister, as are other Members following consultation with the Chair. Vacancies which arise are filled through an open and transparent process, consistent with the procedures recommended by the Jersey Appointments Commission. There were no changes to the composition of the Authority during 2022.

Significant Interests: whilst no distinction is made between Non-Executive and Executive Members of the Authority in the 2001 Law, the majority of Members are not also officers, employees or agents employed under Article 8 of that law. They are independent of management and free of any other relationship that could materially interfere with the exercise of their judgement.

All Members of the Authority have made declarations of interest, and no Member has declared significant company directorships or other interests that may have conflicted with their responsibilities. No Member of the Authority had any other related parties interests.

Company Secretary: Sarah Price has been appointed as Company Secretary by the Authority to oversee the maintenance of a high standard of corporate governance and transparency for the organisation. To enable the Authority and its committees to discharge their duties, appropriate and timely briefing papers are distributed in advance of meetings. All Members have access to the Company Secretary, who is responsible for ensuring procedures, rules and regulations are followed.

Compliance: Rory Graham, a solicitor admitted in England and Wales, was appointed General Counsel on 2 January 2021, with ultimate responsibility for legal and regulatory compliance.



Accountability Report

Corporate Governance Report

Meetings: the Authority meets regularly as a Board. Customarily, there are eight meetings each year with additional meetings when circumstances require it. During 2021, the Authority met formally seven times. Meetings were held either in person or via video conference call.

Papers and supporting documentation are distributed to Members a week in advance of each meeting. Each board meeting is effectively managed by the Chair, who finalises the agenda for each meeting in conjunction with the CEO and Company Secretary.

The agenda will include items that require decisions by the Authority. These are made after receiving comprehensive papers and information from officers that ensure there is sufficient detailed information regarding the subject matter, including advice from the General Counsel on any legal aspects. These issues are discussed by the Authority, who are then in a position to make effective decisions. On occasions, the Authority will also engage with subject matter experts to provide further information prior to making final binding decisions.

The board meetings also address governance matters, ensuring that the Authority is satisfied that the organisation is being managed effectively and efficiently on a day-to-day basis.

Public Finance Manual: the Authority has been designated as a 'Grant Receiving Body' under the terms of the States of Jersey Public Finance Manual. The Authority is fully cognizant of its responsibilities as the recipient of public funds, and a Funding Agreement has been signed with Government. This can be found at: JCRA Competition Grant Funding Agreement | JCRA.

In addition to the requirements of the 2021 Law and the requirements placed on recipients of grant funding, the Authority is committed to maintaining a high standard of corporate governance.

Data Protection: Sarah Price is the Data Protection Officer for the Authority. There were no personal data incidents during the year reported to the Jersey Office of the Information Commissioner.

MEMBERS OF THE AUTHORITY AS AT 1 JANUARY 2022

		Start	End
Liston, Stephanie	Chair	01/07/2020	25/05/2024
Masterton, Paul	Senior Independent	13/02/2017	12/02/2025
Ringsdore, Tim	Chief Executive	14/09/2021	01/02/2026
Stoimenova, Lara	Independent Member	07/10/2020	06/10/2023
Walden, Ian	Independent Member	07/10/2020	06/10/2024

Paul Masterton was reappointed on 20/02/2022 for a further term of 3 years

Accountability Report

Attendance

The table below details board and committee meetings and attendance (where eligible) for 2022:

Member	Position	Board Meeting	Audit and Risk Committee	Remuneration Committee
Stephanie Liston	Chair	7/7	n/a	2/2
Paul Masterton	Senior Independent	7/7	3/3	2/2
Tim Ringsdore	Chief Executive	7/7	3/3*	2/2*
Lara Stoimenova		7/7	3/3	n/a
Ian Walden		6/7	n/a	2/2

**In attendance only*

Board Effectiveness Review

At the end of 2021, the Authority carried out a Board Effectiveness Review which considered the performance of the Board, the two Committees and the Chair. This process was repeated at the end of 2022. For these two years, this was an internal process run by the Company Secretary. A decision will be taken in 2023 whether to run an external exercise for this year.

The exercise has provided valuable information on the performance and operation of the Authority, and identified areas for improvement, which included: horizon-scanning, sustainability, increased focus on consumers, continuing the development of Board culture and encouraging peer level participation at Board meetings.

These have all been incorporated into the annual work programme, and it is the intention to continue with board effectiveness reviews on an annual basis.

Accountability Report

Committees

The 2001 Law provides that the Authority may establish committees whose members may, but need not be, Members, officers, employees or agents of the Authority.

Remuneration Committee

The Authority established a Remuneration Committee in 2021. The duties of the Committee are to make recommendations to the Minister for non-executive remuneration, and to the Authority on remuneration for the executive and senior management.

The Committee is tasked with the design of remuneration policies and practices to support strategy and promote long-term, sustainable success. Executive remuneration is aligned to the Authority's purpose and values, clearly linked to the successful delivery of the Authority's long-term strategy, enabling the use of discretion to override any formulaic outcomes and to recover and/or withhold sums under appropriate specified circumstances.

When determining executive remuneration policy and practices, the Committee will take into consideration clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture.

The Committee is chaired by Paul Masterton, as Senior Non-Executive Member, with Ian Walden and Stephanie Liston as members.

Audit and Risk Committee

The Authority has established an Audit and Risk Committee, with Lara Stoimenova as Chair and Paul Masterton as a Member. Tim Ringsdore, as Chief Executive, attends meetings in an advisory capacity and the Committee is supported by Sarah Price, as Company Secretary.

The key roles and responsibilities of the Committee relate to maintenance of robust internal control, financial reporting, compliance with laws and regulations, and working with the internal and external auditors.

The Committee oversees the financial reporting process to ensure the balance, transparency and integrity of financial information. The Committee also reviews:

- Effectiveness of internal controls
- The Authority's compliance with laws and regulation
- Internal audit, including the effectiveness of outsourced internal audit function and adequacy of reports
- External audit, including recommending the appointment and assessing the performance of the external auditor
- Risk management process including overseeing the Authority's risk register
- Application of corporate governance best practice

Accountability Report

Risk Management

The Audit and Risk Committee is appointed by the Authority under Article 7 of the 2001 Law to assist the Authority in discharging its oversight responsibilities.

The Authority operates a risk register that captures those risks with the potential to have a significant adverse impact on the operations of the Authority. The register was renewed afresh by the Authority and the Team in October 2022. The Authority came to a view on the key risks to the Authority fulfilling its statutory duties and objectives. An agreed list of mitigations has been developed by the Team, and process for monitoring risk in future adopted.

Risk Management (Themes and Mitigations)

At the end of 2022, the Authority considered risks under the following categories:

- **Active Case Risks:** at any given time, the Authority will be involved in a number of cases which will each raise different types and levels of risk. Cases are risk assessed on a regular basis, with any higher risk issues reported to the Audit and Risk Committee for its attention.
- **Legislation and Legal Powers:** taking account changes in technology and alignment of policy between the UK and EU as a result of Brexit.
- **Resources:** as the Authority grows and its remit increases, there is a risk that responsibilities exceed available resources.
- **Relationships:** the Authority is aware of the reputation risk associated with its relationship with stakeholders, and also with public understanding of the Authority's role and responsibilities.



Remuneration and Staff Report

Remuneration and Staff Report

The Authority believes that, within the constraints of being a public body, it should provide rewards that will attract and retain the high calibre management necessary to fulfil its statutory remit and responsibilities.

Remuneration of Non-Executive Members

Article 5 of the 2001 Law provides that the Minister shall determine the remuneration of Members of the Authority, as well as reasonable out-of-pocket or other expenses occasioned in the reasonable course of carrying out their duties. Details of the remuneration of Members of the Authority are set out in the following table.

Non-Executive Member	2022 (£)	2021 (£)
Stephanie Liston	52,500	56,500
Paul Masterton	22,000	20,000
Hannah Nixon	-	3,600 [†]
Lara Stoimenova	20,000	18,000
Ian Walden	20,000	18,000
Total	114,500	116,100

Components of Executive Members' Remuneration

The main components of executive remuneration are salary and other benefits. The basic salary for the Executive Member of the Authority is determined by taking into account that individual's responsibility, performance and experience, together with market trends. Consistent with all other salaries, the basic salary is reviewed annually by the Remuneration Committee.

In addition to salary, again consistent with all permanent members of staff, the Executive Member receives certain other benefits, specifically private medical insurance, life insurance and critical illness insurance. These benefits are not disclosed in the table below as they are not taxable benefits in kind.

The Executive Members may be both Members and employees of the Authority. The Chief Executive receives no fees as a Member of the Authority.

Chief Executive Officer	2022 (£)	2021 (£)
Tim Ringsdore	180,180	132,218 [†]

[†]part year only

Remuneration and Staff Report

Staff Report

Article 8 of the 2001 Law provides that the Authority may appoint such officers, employees and agents as it considers necessary for the performance of its functions. Staff costs are accounted for on a time spent, case-by-case basis, with non-case specific time split on an apportionment basis of competition (36%), mergers and acquisitions (4%), ports (5%), post (5%) and telecoms (50%).

At the end of 2022, in addition to the Chief Executive, the permanent team members were:

- General Counsel
- Company Secretary / Senior Case Officer
- Senior Economic Case Officer
- Case Officer
- Finance / Case Officer
- Office Manager / PA

Additionally a zero hours contractor was employed to support general administration.

The total staff costs for 2022 were £701,105 (2021: £602,059). There were no payments in compensation for loss of office made in the year.

Equality and Diversity

The Authority, in line with the Strategic Plan, encompasses an excellent balance of local knowledge, gender balance and a diverse team culture.

The gender balance can be summarised as follows:

Non-Executive Board Members

2022: 50% male 50% female

2021: 50% male 50% female

Senior Staff and Officers

2022: 43% male 57% female

2021: 50% male 50% female

The Authority is committed to offering all staff equal opportunities in their career, support with their training and well-being, as well as ensuring an inclusive workplace.

As a result, the team are motivated and continue to deliver high standards to help shape and sustain the Island's economic future, for the benefit of Jersey consumers, citizens and businesses.

Contracts

The Authority employs a small team and outsources the provision of specialist advice to external contractors where this is more cost effective than a dedicated in-house resource for that particular area. In 2022, the cost was £447,810 (2021:£446,062).

Contracts are awarded following a tender process where appropriate, with significant expenditure approved by the Authority. All contracts are actively managed by officers.



Accountability Statement

Members Report for the Financial Statements

The Members in office during the year are shown on page 40.

Events during the year and subsequent to year end

There have been no events between the statement of financial position date and the date when the financial statements were authorized for issue that need to be disclosed or recognised in the financial statements.

Independent auditor

RSM Channel Islands (Audit) Limited are appointed to act as auditor in accordance with Article 17 of the Competition Regulatory Authority (Jersey) Law 2001.

Members' disclosure

As far as the Members are aware, there is no relevant audit information of which the auditor has not been made aware. All reasonable steps have been taken by the members in order to make themselves aware of any relevant audit information to establish that the auditor is aware of this information.

Members' responsibilities

The Members are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and regulations.

The Competition Regulatory Authority (Jersey) Law 2001 requires Members to keep proper accounts and proper records in relation to these accounts. The Members therefore consider themselves responsible for keeping adequate accounting records that are sufficient to show and explain the Authority's transactions and disclose with reasonable accuracy, at any time, the financial position

of the Authority and which enable them to ensure that these financial statements comply with the Law. They also consider that they are responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Law also requires Members to prepare accounts in respect of each financial year, and once audited by auditors appointed by the Auditor and Comptroller General, to submit to the Minister's Department the accounts together with the auditor's report. The Minister, in turn, must submit the accounts and auditor's report thereon to the States of Jersey.

The Members have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law.

In preparing the financial statements the Members are required to: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in operation.

The Members confirm that these financial statements comply with these requirements.

Grant Assurance Statement from Authority to the Minister

I hereby confirm that the Authority has adhered to the terms and conditions of the Grant received from the Department for competition law administration and enforcement. The amount awarded by the Department during the year ended 31 December 2022 totalled £747,000.

There are appropriate controls in place within the JCRA to ensure that funds are being spent appropriately and that value for money is being achieved, and the Grant and additional funding awarded by the Department in 2022 was used for the purpose intended, which is for the administration and enforcement of the Competition (Jersey) Law 2005.

I confirm that the total amount of grant funding used to fund competition law administration and enforcement during the year ended 31 December 2022 was £653,840. The reserves position at the end of December 2022 was £245,920, of which £170,920 was committed costs associated with a major market study, and other competition work, which continued into 2023.

Tim Ringsdore

Financial Statements

Jersey Competition Regulatory Authority



Independent Auditors' Report to the Members of Jersey Competition Regulatory Authority

Opinion

We have audited the financial statements of Jersey Competition Regulatory Authority (the "Authority"), which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income for the year then ended, and notes 1 to 11 to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards.

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the Authority as at 31 December 2022 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards; and
- have been prepared in accordance with the Competition Regulation (Jersey) Law, 2001.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Jersey, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Member's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members with respect to going concern are described in the relevant sections of this report.

Other information

The Members are responsible for the other information, which comprises the Introduction, The Role of the Authority, Performance Report and Accountability Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Members

As explained more fully in the Members' Responsibilities Statement set out on page 47, the Members are responsible for the preparation of the financial statements in accordance with United Kingdom Accounting Standards and for being satisfied that they give a true and fair view, and for such internal control as the Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report to the Members of Jersey Competition Regulatory Authority

Responsibilities of Members (continued)

In preparing the financial statements, the Members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Members.
- Conclude on the appropriateness of the Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is explained below.

The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

Independent Auditors' Report to the Members of Jersey Competition Regulatory Authority

The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of the Members, to ensure that the Authority's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtained an understanding of the legal and regulatory frameworks that the Authority operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. These included compliance with the Competition Regulation (Jersey) Law, 2001.

Our testing included, but was not limited to:

- enquiries of management regarding known or suspect instances of non-compliance with laws and regulations;
- enquiries of management regarding known or suspect instances of irregularities, including fraud;
- undertaking analytical procedures to identify unusual or unexpected relationships;
- review of minutes of Members meetings throughout the period;
- testing the appropriateness of journal entries and other adjustments; and
- agreement of the financial statements disclosures to underlying supporting documentation.

Owing to the inherent limitations of an audit there is an unavoidable risk that some material misstatement of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). However, the principal responsibility for ensuring that the financial statements are free from material misstatement, whether caused by fraud or error, rests with the Members who should not rely on the audit to discharge those functions.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Authority's Members as a body, in accordance with Article 17 of the Competition Regulatory Authority (Jersey) Law, 2001. Our audit work has been undertaken so that we might state to the Authority's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink that reads 'RSM Channel Islands (Audit) Limited'.

RSM Channel Islands (Audit) Limited

Chartered Accountants

Jersey, C.I.

25 April 2023

Financial Statements

Statement of Comprehensive Income for the Year Ended 31 December 2022

Income	Notes	2022 (£)	2021 (£)
Competition law funding		747,000	691,000
Mergers and acquisitions fees		115,000	45,000
Ports of Jersey licence fees		70,000	180,000
Postal licence fees		72,500	20,000
Strategic Postal Review		17,400	-
Telecommunications licence fees		667,255	688,954
Telecommunications Security Framework		67,589	-
Telecommunications 5G application fees		60,000	-
		1,816,744	1,624,954
Expenditure	Notes	2022 (£)	2021 (£)
Salaries and staff costs		843,441	754,338
Consultancy fees		421,863	423,158
Operating lease rentals		57,471	49,225
Legal and professional fees		67,681	20,925
Advertising and publicity		72,287	35,284
Computer maintenance and software		69,976	48,582
Insurance		52,259	47,843
Travel and entertainment		39,090	23,042
Conference and course fees		22,001	2,002
Audit and accountancy fees		20,413	26,174
General expenses		20,107	18,012
Administration expenses		16,024	16,352
Depreciation	4	17,798	9,508
Loss on disposal of fixed assets	4	1,523	-
		1,721,934	1,474,445
Surplus for the Financial Year	8	94,810	150,509

Statement of Total Comprehensive Income

There are no differences between the surpluses for the financial years stated on the above and total comprehensive income.

All items relate to continuing activities

The notes on pages 53 to 61 form an integral part of these financial statements.

Financial Statements

Statement of Financial Position as at 31 December 2022

	Notes	2022	2021
Fixed Assets		£	£
Fixed assets	4	36,939	27,005
Current Assets			
Debtors and prepayments	5	94,844	224,161
Cash and cash equivalents		1,653,625	1,144,500
		1,748,469	1,368,661
Current Liabilities			
Creditors: amounts falling due within one year	6	208,795	178,874
Deferred income	7	555,011	290,000
		763,806	468,874
Net Current Assets		984,663	899,787
Net Assets		1,021,602	926,792
Retained Surplus	8	1,021,602	926,792

The financial statements on pages 47 to 61 were approved on 25 April 2023 and authorised for issue by the Members and signed on their behalf by:

Stephanie Liston

Tim Ringsdore

Stephanie Liston
Chair

Tim Ringsdore
CEO

25 April 2023

25 April 2023

The notes on pages 53 to 61 form an integral part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 December 2022

1. Authority information

The Jersey Competition Regulatory Authority (the Authority) is established by way of the Competition Regulatory Authority (Jersey) Law 2001, with further functions and legal duties relating to competition law and economic regulation set out in the legislation passed by the States of Jersey, to which the Authority is ultimately accountable.

The principal place of business is 2nd Floor Salisbury House, 1-9 Union Street, St Helier, Jersey, JE2 3RF.

2. Accounting policies

These financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The presentation currency of these financial statements is sterling with all amounts rounded to the nearest whole pound.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Members to exercise judgement in applying the accounting policies.

The Authority has adopted the provisions of FRS 102.1A as it relates to small entities.

The following principal accounting policies have been consistently applied:

a) **Income**

Income is received from government grant and other charges raised in respect of the Authority's responsibilities as the administrator and enforcer of Jersey's competition law and through fees raised through the licensing regime in place for certain sectors. Further details are given below:

i) **Grants and other charges**

Grants received are of a revenue nature and are recognised, in accordance with the Accrual model of FRS 102 Section 24, in the statement of comprehensive income in the period in which they are receivable which is expected to relate to the costs for which the grant is intended to compensate. There are no performance obligations attached to the grants provided.

The grant for 2022 was £747,000 (2021:£691,000). This is in line with the 2021-2023 Funding Agreement between the Authority and the Minister for Economic Development, Tourism, Sport and Culture, in order to support the Authority's 2022 Business Plan.

Any unused funds at the financial year end are either held by the Authority for application against future cases or repaid to the Minister's Department.

'Mergers and acquisitions fees' comprises fees received for the assessment of certain notifiable mergers and acquisitions in the year. They are recognised in the statement of comprehensive income once the proposed transaction has been formally registered with the Authority. Fees recognised in 2022 were £115,000 (2021: £45,000) with expenditure of £109,108 (2021: £26,676) reflected in the statement of comprehensive income.

ii) **Licence fees**

Licence fees across all regulated sectors are set in accordance with sector-specific legislation and are recognised in the period to which they relate. Licence fees are charged either by applying a percentage to the licensed revenue of each licensed operator (in the case of telecoms) or through charging an annual fee (in the cases of post and ports). Licence fee percentages / charges are set out overleaf:

Notes to the Financial Statements for the Year Ended 31 December 2022

2. Accounting policies (continued)

	2022	2021
	Licence fee % / charge	Licence fee % / charge
Ports	£70,000	£180,000
Post	Class II £70,000 Class I £2,500	Class II £20,000 Class I £1,000
Telecoms	0.75% relevant turnover /£500 de minimus	0.75% relevant turnover /£500 de minimus

iii) **Strategic Postal Review**

In 2022, the Authority began the Strategic Review of Postal Services, for which funding of £140,000 was received in December 2021. Income is recognised when associated costs are incurred and the Review is due to be completed in 2024.

iv) **Telecommunications Security Framework**

In 2022, the Authority began the Telecommunications Security Framework project, for which government funding of £150,000 was received in December 2021. Income is recognised when associated costs are incurred throughout the project.

v) **Telecommunications 5G application fees**

In June 2022, the Authority invited applications for three full service 5G spectrum packages. Each applicant paid a non-refundable application fee of £20,000 each, following which the Authority provided the applicants with the 5G Spectrum Award: Invitation to Tender document.

Notes to the Financial Statements for the Year Ended 31 December 2022

2. Accounting policies (continued)

b) **Expenditure**

Expenditure is accounted for on an accruals basis and is measured at its transaction price.

c) **Fixed assets**

Fixed assets are stated at cost less depreciation. Depreciation is provided on all fixed assets at rates calculated to write down their cost on a straight line basis to their estimated residual values over their expected useful economic lives. The depreciation rates used are as follows:

Other equipment	20% per annum
Fixtures and fittings	10% per annum
Computer equipment	33% per annum
Website costs	33% per annum
Leasehold improvements	shorter of remaining length of lease or expected useful life

Assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

d) **Leasing commitments**

All leases entered into by the JCRA are operating leases. Rentals payable under operating leases are charged in the statement of comprehensive income on a straight line basis over the lease term.

e) **Pensions**

The Authority historically provided a defined contribution pension scheme to some of its employees, with contributions being charged in the statement of comprehensive income as they become payable in accordance with the rules of the scheme. This scheme has been closed to new employees for a significant period of time and there are currently no employees who are members of this or any pension scheme. The Authority is not liable for any deficit in the scheme.

Notes to the Financial Statements for the Year Ended 31 December 2022

2. Accounting policies (continued)

f) **Taxation**

Article 16 of the Competition Regulatory Authority (Jersey) Law 2001 provides that the income of the Authority shall not be liable to income tax under the Income Tax (Jersey) Law 1961.

g) **Going concern**

The Authority is established by law to monitor the fairness of competition in the Island of Jersey and its ability to raise the funds necessary to do that, either from Government or by way of licence fees from the regulated sectors, is defined in the same law. Until the Government decides to change that law the going concern status of the Authority is assured.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Authority's accounting policies, which are described in note 1, the Members are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis. The critical judgements made by management that have a significant effect on the amounts recognised in the financial statements are described below:

- Determined whether leases entered into by the Authority as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determined whether there are indicators of impairment of the Authority's fixed assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.

Key sources of estimation uncertainty:

- Tangible fixed assets (see note 4) are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programs are taken into account.
- Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Notes to the Financial Statements for the Year Ended 31 December 2022

4. Fixed Assets

	Leasehold Improvements	Computer Equipment	Website	Fixtures & Fittings	Equipment	Total
Cost	£	£	£	£	£	£
As at 1 January 2022	57,885	46,836	17,001	25,477	1,845	149,044
Additions	3,561	25,695	-	-	-	29,256
Disposals	-	(6,656)	-	-	-	(6,656)
As at 31 December 2022	61,446	65,875	17,001	25,477	1,845	171,644
Depreciation						
As at 1 January 2022	42,629	40,077	17,001	21,129	1,203	122,039
Provided for the year	5,919	11,081	-	627	171	17,798
Disposals	-	(5,132)	-	-	-	(5,132)
As at 31 December 2022	48,548	46,026	17,001	21,756	1,374	134,705
Net Book Value						
As at 31 December 2022	12,898	19,849	-	3,721	471	36,939
As at 31 December 2021	15,256	6,759	-	4,348	642	27,005

Notes to the Financial Statements for the Year Ended 31 December 2022

5. Debtors and prepayments

	2022	2021
	£	£
Prepayments	40,934	77,350
Trade and other debtors	53,910	146,352
Amounts due from the Guernsey Competition and Regulatory Authority	-	459
	94,844	224,161

6. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	34,830	117,481
Trade and other creditors	113,965	61,393
Telecommunications 5G Submission fees	60,000	-
	208,795	178,874

7. Deferred Income

The deferred income related to the following funds received in advance, as set out below:

	2022	2021
	£	£
Merger and Acquisition – Phase II fees	80,000	-
Strategic Review of Postal Sector	122,600	140,000
Telecommunications Security Framework*	232,411	150,000
Telecommunications 5G Submission fees	120,000	-
	555,011	290,000

* A further £150,000 was received from the government in December 2022 to support the Authority's work in 2023 on the Telecoms Security Framework.

Notes to the Financial Statements for the Year Ended 31 December 2022

8. Movement on retained surplus

The allocation of retained surplus' or deficits between sectors is shown below.

	General (£)	Grant (£)	M&A (£)	Ports (£)	Post (£)	Telecoms (£)	Total (£)
At 1 January 2021	125,457	114,782	92,997	128,393	34,336	280,318	776,283
Surplus /(deficit) for the year	-	37,978	18,324	123,424	(11,076)	(18,141)	150,509
At 31 December 2021	125,457	152,760	111,321	251,817	23,260	262,177	926,792
Surplus /(deficit) for the year	-	93,160	5,892	12,667	16,371	(33,280)	94,810
At 31 December 2022	125,457	245,920	117,213	264,484	39,631	228,897	1,021,602

The General Reserve reflects historic surplus' not allocated to a specific sector.

Notes to the Financial Statements for the Year Ended 31 December 2022

9. Commitments under operating leases

At 31 December 2022 the JCRA had commitments under non-cancellable operating leases as set out below:

	Buildings		Photocopiers	
	2022	2021	2022	2021
	£	£	£	£
Amounts payable under operating leases:				
Not later than one year	47,471	47,471	3,724	3,724
In more than one year but less than five years	21,758	69,229	1,532	5,256
In more than five years	-	-	-	-
	69,229	116,700	5,256	8,980

Buildings

The Authority signed a nine year lease, commencing on 21 June 2021, for the office building in Salisbury House, Union Street, St Helier. The lease has an option to break at the end of year three, and year six, and expires in June 2030. Only the amounts up to the first break on 21 June 2024 have been recognised in the table above. Under the full term of this nine year lease, the amount payable not later than one year would be £47,471, the amount payable in more than one year but less than five years would be £199,667 and the amount payable in more than five years would be £126,162.

10. Pension commitments

The Authority provided a defined contribution pension scheme (the Public Employees Contributory Retirement Scheme) to some of its employees. The assets of the scheme are held separately from those of the Authority in an independently administered fund. There are currently no employees who are members of this scheme, consequently contributions of £NIL (2021: £NIL) were paid across in the year. There were no unpaid contributions at the year end. The Authority is not liable for any deficit in the scheme.

Notes to the Financial Statements for the Year Ended 31 December 2022

11. Related party disclosures

a) The Authority and the Minister

The Authority acts independently of the States of Jersey, but is accountable to the States of Jersey through the Minister of Economic Development, Tourism, Sport and Culture (the Minister) for the funding it receives to administer and enforce Jersey's competition law. The transfer of political and ministerial responsibility for competition policy from the Chief Minister to the Minister was effective from 30 January 2020. The transfer of statutory responsibilities and functions took place on 11 July 2020 when the States of Jersey (Transfer of Responsibilities and Functions) (Completion, Unregistered Rights and Trade Marks) (Jersey) Order 2020 came into effect.

The Minister acts as a conduit for requests from other Ministers who may request the Authority to carry out projects. The Authority reports formally to the States of Jersey through the Minister on an annual basis.

In 2022, the Minister's Department provided £747,000 (2021: £577,000) in funding to the JCRA to finance the administration and enforcement of the Competition (Jersey) Law 2005. The Minister's Department provided further funding of £150,000 in December 2021 and an additional £150,000 in December 2022 to support the work to be performed in 2022 – 2023 regarding Jersey's Telecoms Security Framework which has been recognised as deferred income (Note 7).

b) The Authority and the Guernsey Competition and Regulatory Authority (GCRA)

The Authority and the GCRA worked together under the aegis of CICRA until June 2020, sharing a board, resources and expertise between the Islands, whilst retaining their own separate legal identities. Recharges were made for expenses incurred (including staff costs) on a no gain no loss basis.

During 2022 £1,862 (2021: £4,392) was invoiced by the JCRA to the GCRA and £Nil (2021: £Nil) was invoiced by the GCRA to the JCRA. At the statement of financial position date the amount owed by the GCRA to the JCRA was £Nil (2021: £459).

c) Key management personnel

Key management personnel includes all members (both executive and non-executive) of the Authority who together have authority and responsibility for planning, directing and controlling the activities of the Authority. The total compensation paid to key management personnel for services provided to the Authority was £294,680 (2021: £266,569).

Meet the Team

Jersey Competition Regulatory Authority



Stephanie Liston
Chair

Stephanie Liston is an acknowledged international expert in a wide range of technologies and has been a leading partner in the most respected communications law firms. She has significant experience in helping businesses navigate their marketing and communications strategies to address the broadest and most valuable markets.

As a dual American and British citizen who has lived and worked in the US, UK and British Virgin Islands, Stephanie has extensive knowledge and experience of international and emerging markets. She specialises in providing international strategic, legal and regulatory advice in relation to a variety of types of projects and commercial transactions across multiple jurisdictions and industry sectors.

Stephanie served as an Independent Member of the BT Equality of Access Board; Chief Legal Advisor to the Telecommunications Regulatory Commission in the British Virgin Islands; a Non-Executive Director of Ofcom and as a member of its Audit Committee; an Advisory Board Member of Orga Systems GmbH; a Director of the European Competitive Telecommunications Association; and Co-Chair of the Communications Committee of the International Bar Association.

Currently, Stephanie is Senior Counsel and leads Mishcon de Reya LLP's cross-disciplinary Regulatory Group; Senior Advisor to Frontier Economics; Chief Executive Officer of Sequoia Way Limited; Associate Director of Innovation Advisors; and Founder and Director of Women in Telecoms and Technology.



Paul Masterton
*Senior Independent & Non
Executive Board Member*

Paul Masterton joined CICRA as a Non-Executive Board Member in February 2017. He has spent most of his career in the printing and communications industry in the UK, USA and Asia.

From 2008 to 2013, Paul was the Chief Executive of the Durrell Wildlife Conservation Trust, an international wildlife charity.

Paul has a number of directorships in finance, insurance and property development and in 2012 was appointed as the founding Chair of Digital Jersey, a partnership between the States of Jersey and the digital sector to represent and promote the industry. Paul stood down as Non-Executive Chair in June 2017.

Other interests include:

Non-Executive Director and Senior Independent Director, 3i Infrastructure; Chair, Insurance Corporation of the Channel Islands; Chair, Jersey Development Company; and Chair of Governors, Highlands College;

Meet the Team



Lara Stoimenova

Non-Executive Board Member

Lara was appointed a Non-Executive Board Member of the JCRA in October 2020. Lara is a competition and regulatory policy expert with significant experience in the public and private sectors.

Until recently she was a partner at Flint Global and Co-Head of its Competition and Regulatory practice; in this role she provided competition, regulatory and strategic advice to clients on how to manage the impact of changes in regulation, competition law and government policy on their businesses. Prior to that, Lara was an Inquiry Director in the Markets and Mergers Directorate of the UK's Competition and Markets Authority (CMA), leading various market investigations and internal strategic projects. She was also a member of the CMA's Senior Leadership Team and Operations Board overseeing operational matters.

Before joining the CMA, Lara worked for the UK's communications regulator, Ofcom, where she was a Programme Director with expertise in European and UK telecommunications policy. Prior to this, she spent four years in Arthur Andersen's Economic and Financial Consulting team leading major litigation and valuation projects across different sectors.

She is currently Managing Director of Sigma Economics Limited. She is also a Trustee at the Reform think tank.



Ian Walden

Non-Executive Board Member

Ian was appointed a Non-Executive Board Member of the JCRA in October 2020. Ian has extensive experience in technology, media and telecommunications policy, law and regulation.

Ian Walden is Professor of Information and Communications Law and Director of the Centre for Commercial Law Studies, Queen Mary, University of London. His publications include Telecommunications Law and Regulation (5th ed., 2018). Ian has been a visiting professor at the universities of Texas, Melbourne and KU Leuven.

Ian has been involved in law reform projects for the World Bank, European Commission, Council of Europe, Commonwealth and UNCTAD, as well as numerous individual states. Ian was a 'expert nationaux détaché' to the European Commission (1995-96); Board Member and Trustee of the Internet Watch Foundation (2004-09); on the Executive Board of the UK Council for Child Internet Safety (2010-12); the Press Complaints Commission (2009-14), a member of the RUSI Independent Surveillance Review (2014-15) and is a member of the Code Adjudication Panel at the Phone-paid Services Authority (2016-).

Ian is a member of the European Commission's Expert Group to support the application of the GDPR. Ian is a solicitor and Of Counsel to the global law firm Baker McKenzie.



Tim Ringsdore

CEO and Board Member

Tim has over 15 years extensive experience as a Managing Director within the telecoms industry, working at Board level across the Channel Islands, London and the Caribbean. This included working with various regulatory bodies and building strong relationships which resulted in positive outcomes for all parties. Tim has a passion for delivering high standards of customer experience alongside key strategic objectives.

Tim was Managing Director of Jersey Telecom and was pivotal in setting up Wave Telecom in Guernsey in 2002. He had responsibility for consumers and corporate clients across both Islands. Tim was also instrumental in developing JT's global business with the acquisition of Worldstone in 2012.

Tim has moved back to the Channel Islands to join JCRA after leading Cable & Wireless as Managing Director based in the British Virgin Islands. He had jurisdictional and overall financial responsibility for the Cable & Wireless business in the BVI and was responsible for developing relationships with government, the industry regulator and corporate clients. During this time, he successfully restructured and rebranded the business to help improve credibility and the customer experience.

Working for JCRA, Tim will focus on delivering strong results which will support the economic strategic objectives for the governments in both Islands. He will help ensure that Channel Islanders receive the best value, choice and access to high quality services in addition to promoting competition and consumers' interests.

Meet the Team



Sarah Price

*Chief Operating Officer and
Company Secretary*

Sarah joined JCRA in October 2014. She was appointed as Company Secretary in July 2020, and as Chief Operating Officer from 1 April 2023.

Previously, Sarah was Company Secretary at Andium Homes during the incorporation of the former States Housing Department. Prior to that, she was Group Business Manager for Ports of Jersey (Jersey Harbours and Jersey Airport) where she was extensively involved in the incorporation project and setting up the Shadow Board in 2011. During her time with the States of Jersey, Sarah also worked on secondment with the States of Jersey Law Officers Department.

Sarah completed a Master of Arts in European Competition Law from Kings College, London in 2019, having completed the Postgraduate Diploma in 2016 and has a Graduate Diploma in Law from Nottingham Trent University. She qualified as a Chartered Secretary in 2009 and completed her Chartered Shipbroker's exams in 2000.



Rory Graham

General Counsel

Rory has 30 years' experience as a company and commercial solicitor in the technology and related sectors, with a strong emphasis on telecommunications. He has been a partner in a number of UK and global law firms, including Bird & Bird and Baker McKenzie, as well as setting up his own tech and corporate boutique law firm. His public sector experience includes the privatisation of the telecoms division of British Rail and acting for a bidder for the Elizabeth Line (Crossrail) rolling stock provision and maintenance contract, as well as defence and health related outsourcing and procurement deals.

Rory has worked on around £50bn worth of technology deals in the UK, US, Switzerland, South Africa, Algeria and on a multi-country basis, as well as supporting technology start-ups from creation to trade sale, including to IBM and other US corporates. His practical, problem-solving, approach to providing legal advice has led to him being described as a "nuts and bolts lawyer", and he looks to bring the same commercial and pragmatic style to his role at the JCRA. He is delighted to be playing a part in making the JCRA a model of effective regulation, for the benefit of the people of Jersey, its businesses and those seeking to invest in the island's economy.

A Glaswegian by birth, Rory studied law at Cambridge and trained in the City and Hong Kong. He is Honorary Solicitor to the annual Story of Christmas charity appeal and a trustee of the London Firebird Orchestra, which promotes the careers of recent graduates from the London Conservatoires.



Peter Hetherington

Chief Economist

Peter joined the JCRA as a Senior Economic Case Officer in August 2020. He was appointed Chief Economist from 1 April 2023. He is an experienced economist and has worked for a number of regulators in the United Kingdom.

His first role was with Ofcom, working across broadcasting, telecoms and spectrum projects. Subsequently, he was a Principal Economist at Ofwat, where he worked extensively on price reviews, market design and the management of water resources.

Until joining JCRA, Peter was the Senior Economist for the Fourth National Lottery Licence Competition at the Gambling Commission. There he led the design of the new incentive and regulatory framework for the Fourth Licence.

Peter has a first class degree in Economics and an MSc in Industrial Economics with Distinction from the University of East Anglia.

Meet the Team



Claire Kybett
Finance Officer

Claire joined the JCRA in March 2021 and is a fellow of the Institute of Chartered Accountants of England and Wales. Previously Claire worked in the financial services industry during which she was a Client Service Reporting Manager for a leading European Private Equity Fund, and gained extensive knowledge of fund administration and accounting over a 7 year period.

Prior to this, Claire worked for a local international accountancy firm within Audit and Assurance, focusing on regulatory and internal audits. Claire moved to Jersey in 2008, bringing with her extensive experience in auditing complex and large clients in the UK within a wide variety of industries, including pharmaceutical, motor trade and manufacturing.



Lisa Batchelor
Case Officer

Lisa joined the JCRA as a Case Officer in August 2022. Prior to this, Lisa spent six years at the Jersey Financial Services Commission, over this time holding roles in Supervision and in Enforcement. Lisa's last role at the Commission was as Senior Investigator within Enforcement, leading a team to investigate cases of regulatory misconduct of a serious and/or complex nature and, where appropriate, recommending regulatory sanctions.

Previously, Lisa worked within risk and compliance for an international bank where she held a variety of roles, each focussing on the banks provision of investment services and its compliance with the relevant regulatory requirements across domestic and international jurisdictions. Lisa is a qualified financial adviser and holds professional compliance qualifications.

Lisa is currently studying towards the Postgraduate Certificate in Competition and Regulatory Policy.



Hannah Wilkinson
Office Manager

Hannah is the Office Manager having joined the JCRA in May 2022. Born in Jersey, she's also worked in Guernsey and Australia in the heavily regulated aviation industry. Her background in aviation, construction and projects, informs her understanding of the importance of regulation.



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This publication is available at <https://www.jcra.je/annual-reports/>
Any enquiries relating to this publication should be sent to info@jcra.je

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