

**WRITTEN QUESTION TO THE MINISTER FOR ECONOMIC DEVELOPMENT
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ANSWER TO BE TABLED ON TUESDAY 3rd JUNE 2014**

Question

Could the Minister advise how much leisure boat fees (for moorings and so on) have risen in the last ten years compared with commercial fees, and explain the reason for the difference?

Answer

Ports of Jersey policy for commercial fees, which was approved by Ministerial Decision, saw an annual increase of 2.5% in January 2014 (based on June 2013 RPIY).

In 2010, the Assistant Minister for Economic Development requested that a three-year strategy be negotiated with commercial operators that would see the introduction of a ship's call charge at a minimum rate of 4 pence per gross tonnage by 1 January 2013. This was based on vessels over 500 GRT (Gross Registered Tonnage) but capped at 3,000 GRT. Prior to 2011 the policy was to apply an annual 2.5% rate with effect from 1 January to all Port of Jersey harbour dues. This was based upon the States of Jersey anti-inflation strategy (P125/2000).

Since 2011 ancillary charges for commercial port services such as pilotage, tug services, quay rentals and lay-up charges increase between 3-5% per annum based on operating costs such as labour and fuel.

These commercial fees levied part contribute to the overall running costs of the ports, including where necessary, investment in new operating equipment. For example, a new crane was purchased in 2008 at St. Helier Harbour at a cost of £1.6m and to offset this investment a crane charge per lift was introduced for commercial shipping, currently standing at £1.25 per lift. The vital services provided by Jersey Coastguard Service are also offset by commercial harbour dues.

Marine leisure charges were traditionally not subject to the 2.5% cap. In October 2010 the Assistant Minister for Economic Development approved an increase in charges as proposed by Port of Jersey following discussion and agreement with boat owners' association representatives. Prior to 2010 marine leisure berthing dues in St Helier and Elizabeth Marinas increased every January based on the previous June's RPIY. Agreement has also been reached for an additional 1% charge to be incurred at La Collette over and above the annual rate as a means of cost recovery following a major refurbishment of the facility in 2011. La Collette is now rated as the Island's premium marina. Ancillary charges for marine leisure services, including boat-park, hoist, block bookings and admin charges see variable increases of up to 6% per annum based on market trends. Since 2011, there have been no increase in charges for boats on quays or boat hoist lifts. A commercially confidential discount is also given to marine traders for lifts during the winter period, January to March

Prior to 2010 mooring dues for the old harbour, English & French harbours, outlying harbours, mud moorings and swinging moorings were increased in line with leisure berthing dues. However, following consultation and agreement with appropriate boat owners' association representatives, a four-year strategy, proposed by Ports of Jersey and approved by the Assistant Minister for Economic Development, increased outlying harbour dues as follows: In 2011, the first year, saw a change in pricing structure from square meterage to overall length. The following year, the increase was agreed at an annual rate of 20% for the remaining three years. However, 2012 saw further discussion with interested parties, resulting in the Assistant Minister for EDD agreeing that the final year's rate of 20% would be amended to 10% over a two-year period. This current agreement is due to expire in December 2014 and rates for subsequent

years will be discussed and agreed with appointed representatives and members of the marine leisure development group during the third quarter of 2014.

Marine leisure dues contribute to the overall running costs of the marinas and maintenance of outlying harbours and mud berths. In recent years Ports of Jersey have invested heavily in maintaining and improving these facilities, including £380k on improvements and maintenance of cranes in outlying harbours, £1.6m in repairs to Gorey Pier, £146k on replacement of buoys, raises and mini pontoons in the old harbour and £650k on dredging work in St Aubin's Harbour as well as £1.3m in improvements to its north pier.