

#### **4.5 Deputy S. Power of St. Brelade of the Minister for Economic Development regarding action taken by the Harbours Department against the Jersey Sailing Trust:**

Can the Minister confirm that the Harbours Department have seized and will possibly dispose of, the whole of the fleet of sailing boats belonging to the Jersey Sailing Trust, and if so would he advise whether he knew of this matter and whether he considers that this action is proportionate and indeed reasonable?

**Senator A.J.H. Maclean (The Minister for Economic Development):**

I would like to give my other Assistant Minister a run-out, Sir, Senator Routier who has responsibility for the harbours.

**Senator P.F. Routier (Assistant Minister for Economic Development - rapporteur):**

I can confirm that Jersey Harbours have impounded 5 vessels owned by the Jersey Sailing Trust and these will be auctioned on 16th April. I have been fully briefed on the process, which is in line with department policy and terms and conditions for all customers. Officers have tried to work with the Trust over the past few years. Unfortunately all attempts to come to an agreement on a payment plan to settle the outstanding accounts for all of the mooring fees and for all of the vessels has been unsuccessful and no payment has been made for over a year. I understand that Jersey Harbours is only one of a list of creditors owed money by the Jersey Sailing Trust. The money raised will be allocated as appropriate. The action being taken now is as a last resort and is proportionate and reasonable under the circumstances. I should say that today I have received an email from the representative of the Trust who is saying that he has some optimistic news for us, which hopefully might be able to resolve the matter.

##### **4.5.1 Deputy S. Power:**

Would the Assistant Minister not concede that the seizing of the whole fleet at the start of the season, when membership fee income comes in, is wrong, and would he not also concede that the debt that is owed to the Harbours Department, which is a 4 figure sum, is less than 10 per cent of the value of the boats?

**Senator P.F. Routier:**

I find it a little bit difficult to answer this question without explaining into the finances of the Trust. They do have some finance arrangements, which are on the vessels, which I know there is money due on those, and so I could tell the Deputy privately, if he wishes, the detail of that but I am advised that if the sale of the boats was to go ahead we may not get even the money that we want because there are other outstanding debts.

##### **4.5.2 Senator T.J. Le Main:**

I do not know what charitable status the Sailing Trust is or happens to do. I wonder if the Assistant Minister could advise this Assembly, and certainly me, if this is a charitable trust, and does it ... the aims are to teach sailing to disabled young people and people of that calibre?

**Senator P.F. Routier:**

My understanding from having looked at the website of the organisation is that it was set up to encourage people to sail generally. I am not aware of any particular remits for sailing for people with disabilities. My understanding is it is a group of people who have got together to own vessels to encourage people to encourage people to sail.

[11:15]

#### **4.5.3 The Deputy of St. John:**

The Minister did not say whether it was or was not a charitable trust. I will put the question, taking it that it is a charitable trust, and do other charitable trusts - if this one is so - pay mooring fees? I am thinking of the Maritime Museum possibly, and Sea Cadets and the like, and I know that a catamaran in the La Collette Basin, which is of another charitable or semi charitable trust, which was donated. Do they pay mooring fees, and if that is the case and this is a charity, does it not fall into the same bracket as those others?

#### **Senator P.F. Routier:**

In the words of the representative of the sailing trust: "The Sailing Trust is a sailing club using a not-for-profit company to hold ownership of vessels. It is not a charitable trust."

#### **4.5.4 Deputy P.V.F. Le Claire:**

The Assistant Minister intimated that there were other companies that were owed money in relation to these vessels - perhaps even finance companies, I do not know - he offered to share those details. Could I ask the Assistant Minister and clarification from Her Majesty's Attorney General, what position is the States in to auction vessels or property that have liens against them from people they have been purchased from? Is the States in a position to do that, legally?

#### **Senator P.F. Routier:**

I can answer that. Certainly the legislation does allow us to impound and to sell vessels if they have not paid their mooring fees. The basis of what would happen is, if an auction did go ahead the proceeds would go firstly to the mortgage - to the mortgage company - and then the Harbours Department would get any proceeds that were left afterwards. The advice I am given is that if that does go ahead we may not even get the total mooring fees that we require. I hope we do not go there. I have had an email from the representative of the organisation today, which is quite optimistic.

#### **4.5.5 Senator F. du H. Le Gresley:**

Given that the Assistant Minister has indicated that there will likely be a shortfall in money owed to the Harbours after the auction, has his department checked if the trustees of the Jersey Sailing Trust are personally liable for the debts of the Trust?

#### **Senator P.F. Routier:**

Firstly, obviously the valuation which has been put on the vessels varies from what the Harbours officers are telling us and what the owners currently are saying but there is a variation there, so the outcome of any sale obviously would be when it happens and we would know the actual valuation. I honestly cannot give any indication to the status of the members of the Trust. That would be for them to do, but I think it is a

company, which has been established for the ownership of the vessels, and the structure of that, I have not got the details of it I am afraid.

**4.5.6 Deputy S. Power:**

I can confirm to the Assistant Minister, I attended a meeting of the Jersey Sailing Trust trustees last Saturday morning and 2 of them are at least liable personally for the debts. Can I ask the Assistant Minister finally, if he has made any attempt to meet with these trustees in the last year, and does he not find it ironic that while the States in various departments supports sailing organisations outside the Island, they cannot seem to find support for a sailing organisation within the Island?

**Senator P.F. Routier:**

There has not been any request from the Trust for any special dispensation or any support. They have established themselves under their own terms and under the terms and conditions, which are established in the Harbours Department. It is only at this ... well last year I know there was quite some difficulty with them paying fees but there was no request for dispensation from paying mooring fees, and there has not been any request now. It is a matter where they recognise that there is a debt that is owed to the Harbours Department and they have unfortunately got themselves into serious financial difficulty, and hopefully the membership will be able to resolve that for them.

**Deputy S. Power:**

I did ask the Assistant Minister whether he had met any of the trustees?

**Senator P.F. Routier:**

I have offered to meet with them but it is only this morning that the suggestion has been accepted to have a meeting, but I have not met them previously.