

2.11 Deputy G.P. Southern of the Minister for Transport and Technical Services regarding the impact of European Commission investigation into Erewash CT.

Is the Minister aware that Erewash CT, a sister company of CT Plus, is being taken to the European Commission in Strasbourg on the grounds that it is in receipt of unlawful state aid contrary to European law and if so, what impact, if any, might this have on the bus contract?

Deputy K.C. Lewis (The Minister for Transport and Technical Services):

No impact whatsoever. They are completely separate companies. I am not sure where Deputy Southern has got this from but I think a 7 year-old with the internet could have sorted this out in 5 minutes. CT is a generic term as FC is a generic term. Luton FC is no relation to Bolton FC. It means Football Club. CT means Community Transport and there are over 2,000 companies that have this. I reiterate there is no link whatsoever. Erewash, and apologies if I have mispronounced the name, is a borough council in Derby, I believe. Erewash Community Transport is totally unrelated to CT Plus. It is not a sister company of CT Plus. There is no company link, no organisational link, no legal link or any operational link with this company and CT Plus or any other company within HCT Group. In the U.K. there are approximately 2,000 CT organisations and as far as we know, approximately 1,995 of these organisations are not related to CT Plus in any way whatsoever. Erewash CT falls into that position. It has no relationship with CT Plus whatsoever.

2.11.1 Deputy G.P. Southern:

I thank the Minister for his answer. He obviously made good use of his 7 year-old. The point is, do they operate in similar ways? Is CT Plus, for example, in the same position as Erewash CT being registered as a charity and therefore, not subject to corporation tax?

Deputy K.C. Lewis:

That was a very wild one. I have very little knowledge. As I say, I know it is Erewash Borough Council in Derby. I have no knowledge whatsoever how they work but CT Plus, as far as I know, will be registered in Jersey and will pay Jersey taxes.

2.11.2 Deputy G.P. Southern:

And will not be a charitable institution in receipt of charitable grants which enable it to underbid other companies in the transport sector in order to win contracts.

Deputy K.C. Lewis:

I will need to check that out but not to my knowledge.