

PORT OF JERSEY

CONDOR CONSULTATION EXECUTIVE SUMMARY



Introduction

The Minister for Economic Development made a statement in the States of Jersey Assembly on 14 July 2014. This explained the decision to up-date the existing States of Jersey Sea Transport Policy and the joint Channel Island Sea Transport position.

The basis of these changes are to ensure the long term supply of Roll-On/Roll-off (Ro/Ro) freight services and combined passenger and private vehicle services.

The consequence of this statement is a Ministerial Decision directing the Harbour Master from whom permits for Ro/Ro seas shipping services are allocated, to prepare process for the designation of Ferry Services across all route sectors, as requiring a Permit, but excluding:

- a) Lo/Lo freight services;
- b) Services to and from the Cotentin peninsula;
- c) Inter-Island and Southern Route foot passenger only services;
- d) Southern Route Freight services, as far these may be outside any Agreement.

New Direction and Policy

This new direction and policy replaces the last Ministerial Direction (issued on 30th April 2008) for which the designation of services that require permits and new policy regarding the issuing of permits (issued on 12th December 2012).

The designation of the services is by Direction under Regulation 4 (4) of the Harbour (Jersey) Regulations 1962 as detailed by the Minister for Economic Development.

In particular the updated policy:

- Brings Ro/Ro freight services operating between the Islands and between Jersey and the United Kingdom within scope of service that require a permit;
- Brings high speed passenger-only services operating between the Islands and the United Kingdom within scope of services that require a permit; and
- Authorises a maximum seven-year duration for a permit, followed by a three-year wind down period if required.

Under Regulation 5 (6) (a) of the Harbours (Jersey) Regulations 1962 and when dealing with any application for a Permit, the Harbour Master must take account of the Policy of the States of Jersey as conveyed to him by the Minister.

Condor Ferries Application

On the 15th July 2014, the Chief Executive Officer of Condor Ferries applied in writing to the Harbour Master for a Permit under Regualtion 4 of the Harbours (Jersey) Regulations 1962.

Upon reception of this application the Harbour Master is obliged to follow process defined in Regulation 5 of the Harbours (Jersey) Regulations 1962.

Harbour Master Process

Upon reception of an application for a Permit under Regualtion 4 of the Harbours (Jersey) Regulations 1962, the Harbour Master is obliged to seek views in objection or support of the application. On the 16th July 2014 the Harbour Master wrote to stakeholders and prepared the process to publish a public notice.



Stakeholders that were written to directly:

- Alderney Shipping
- Bowman's Haulage
- Chamber of Commerce
- Channel Island Lines
- Channel Island Travel Group
- Direct Cargo Services Ltd
- DSV
- Economic Development Commercial Development Manager
- Ferryspeed
- Institute of Directors
- Jersey Hospitality Association
- Jersey Post
- Jersey Tourism
- Jersey Tourism Shadow Board
- Manche Isle Express
- Paul Davis Freight
- Ronez
- Registrar of Shipping (Maritime Compliance /Strategy Manager)
- Solent Stevedores
- St Helier Port Services

A depersonalised copy of the letter to stakeholders:

16th July 2014

Dear Sir,

Ramp Permit

I am writing to inform you that Condor Ferries Ltd have applied to the Harbour Master for a seven year permit for designated services pursuant to the Operating Agreement which can be found at: http://www.portofjersey.je/Pages/ReportsDocuments.aspx

In accordance with the Harbour (Jersey) Regulation 5 (4) (a) the Jersey Harbour Master is obliged to seek views in support of or in objection to the granting of the permit from any likely affected parties. The Regulations also require the Harbour Master to publish the permit application and seek public comment. This will be in the way of a notice in the Gazette in the Jersey Evening Post (JEP) on Wednesday 16th, Friday 18th, Wednesday 23rd and Friday 25th July 2014.

Comments must be made in writing and sent to the Commercial Department at the following address:-

Paul Le Neveu Commercial Department Ports of Jersey



Jersey Airport St Peter JE1 1BY

All comments should be received by me within 21 days receipt of this communication.

Yours Sincerely

Mr J D Bannister Group Chief Executive Office – Harbours and Airport Email: <u>d.bannister@gov.je</u> www.gov.je

As stated in the Harbour Masters communication to stakeholders an advert seeking public comment was placed in the Gazette of the Jersey Evening Post on the following dates:

- Wednesday 16th July 2014;
- Friday 18th July 2014;
- Wednesday 23rd July 2014;
- Friday 25th July 2014.





Consultation Period

The consultation period was notified to take 21 days as communicated by the Harbour Master and close on the 6^{th} August 2014. During the notified 21 days period 6 responses were received; with 3 outside of the 21 day period which still were considered as part of the review, bringing the total number of responses to 9.

Name	Date Sent	Date Received	Via
Paul Davis Freight	16 July 2014	16 July 2014	Email
Director of Jersey Tourism	16 July 2014	16 July 2014	Email
Alderney Shipping Group	16 July 2014	16 July 2014	Email
Jersey Hospitality Association Limited	18 July 2014	21 July 2014	Letter
Jersey Post	22 July 2014	23 July 2014	Letter
Albert Bartlett	2 August 2014	6 August 2014	Letter
Condor Employee/ Shop Steward	1 August 2014	11 August 2014 *Outside of 21 Days	Letter
Jersey Chamber of Commerce	7 August *Outside of 21 Days	7 August 2014	Letter, by email
Operations Director – Paul Davis Freight	11 August 2014 *Outside of 21 Days	11 August 2014	Email

Harbour Masters Review

Schedule 1 (3) of the Harbours (Jersey) Regulations 1962 details the 5 objectives that the Harbour Master must consider when undertaking his review. Whilst the law dictates the objectives, the main thrust of realising these objectives sits within the Operating Agreement and is created from the designated facility or service, charged by Ministerial Direction on the 15th July 2014.

The robustness of the Operating Agreement is the method by which the Harbour Master complies with Schedule 1 (3) of the Harbours (Jersey) Regulations 1962 and underpins the objectives as required under the law.

On this basis the Harbour Master reviewed the returned comments on the 11th August 2014, with a further review on the 12th August 2014 due to comments received late on the previous day.

Those comments that required response via a standard letter were:

Name	Date of Response
Alderney Shipping	14 th August 2014
Director of Jersey Tourism	14 th August 2014
Jersey Hospitality Association Limited	14 th August 2014
Jersey Post	14 th August 2014

Those comments that required individual responses from the Harbour Master addressing the comments were:

Name	Date of Response
Albert Bartlett	14 th August 2014
Chamber of Commerce	14 th August 2014
Condor Employee/ Shop Steward	14 th August 2014
Operations Director – Paul Davis Freight	14 th August 2014
Paul Davis Freight	14 th August 2014



Operating Agreement

A redacted version of the Operating Agreement can be found at the following link:

http://www.portofjersey.je/Pages/ReportsDocuments.aspx

Summary

In summary, the Harbour Master has followed the required process within the law as directed by the Minister for Economic Development:

For the purposes of Regulation 4(1) Harbours (Jersey) Regulations 1962, combined passenger and private vehicle ferry services across all route sectors (with narrow exclusions) are "designated" by the Harbour Master in that they cannot be used without a permit.

For the purposes of Regulation 6(1), Harbours (Jersey) Regulations 1962, all ferry services using the Elizabeth Harbour Ramps are "designated" by the Harbour Master in that they cannot be used without an agreement.

Through the process, stakeholders and the public were given the opportunity to pass comment either in support or in objection to, from any likely affected parties.

Following his review of the comments received, The Harbour Master intends to issue a Permit to Condor Ferries, valid from 15th August 2014. Importantly this is in conjunction with an agreement ("Operating Agreement") that meets the objectives required of the Harbour Master under Schedule 1 (3) of the Harbours (Jersey) Regulations 1962.

In particular, the Harbour Master believes that the measures contained within the Operating Agreement will ensure a competent operator invests in the long term ferry services to ensure sustainable sea links for all users of the services. The Operating Agreement specifies the demands and service requirements, as well as makes provision for Comprehensive Service Reviews in order to keep demands current and relevant. In respect of promoting competition, the Operating Agreement is non-exclusive and makes provision for a new entrant, as long as they commit to provide the same level of service that all users currently enjoy with the incumbent operator. Through the investment in a new vessel upon which the Operating Agreement is constructed, the Harbour Master believes the efficiency, effectiveness and service improvements will be beneficial to all users.