



1 February 2024  
By email only

The Jersey Association of Boat Owners Associations

Dear Sir/Madam,

**Response to Complaint about the conduct of Ports of Jersey (PoJL)**

In my email of 5 January 2024, I committed to provide a more detailed response to your letter of 22 December 2023. To enable this we have further engaged with relevant stakeholders, and reviewed the available information. Therefore, please find set out below a full response on the three areas raised in your letter of 22 December 2023, namely:

- January 2023 to 2024 price increase;
- Cross-subsidisation by boat owners of redevelopment costs of commercial port and airport; and
- Under-reporting of complaints

**January 2023 to 2024 price increase**

Your letter references the regulatory pricing framework, stating that the maximum increase in price is voluntary and, that '*a fee increase of this order of magnitude is a breach of the pricing framework.*'

The current regulatory pricing framework enables price increases on an annual basis, within the limits of the price control, for the specified period. While the increase recently applied by PoJL is discretionary (in so far as the control sets the maximum), the magnitude itself does not constitute a departure from the pricing framework, price control or conditions of the licence under which PoJL operates.

We recognise the significance of inflationary pressures on boat owners, and on all Jersey consumers. This is a key theme in our ongoing review of the price control framework (with the new control due to start on 1 January 2025). There will be an opportunity to input your views on the price control in general, and the appropriate inflation assumption that should be used.

We expect to publish a Draft Decision on the proposed pricing framework in April 2024. You will be able to find this in the relevant case area on our website [Regulatory Review of Air and Sea Port Operations | JCRA](#) and we will welcome your formal response to this.

Further, while we recognise it does not address the full impact of the price rise, as a direct result of your complaint and our engagement with PoJL they have agreed to defer the price increase to 1 April 2024, in respect of berthing and mooring rentals.

**Cross-subsidisation by boat owners of redevelopment costs of commercial port and airport**

Your letter infers cross-subsidisation, in that, price increases imposed on boat owners are cross-subsidising '*revenue shortfalls across the commercial port and airport business lines.*' The letter suggests

that PoJL's approach represents an abuse of a dominant position, as well as a breach of '*public service obligations in respect of Jersey harbours.*'

In this context, we have reviewed pricing data recently submitted by PoJL and did not observe cross-subsidisation, that is, no particular set of users was subject to materially different pricing arrangements or treatment. Therefore, based on the pricing and other information available, PoJL do not appear to be cross-subsidising any particular business activity, and the pricing is consistent with the current regulatory pricing framework.

### **Under-reporting of complaints**

Your letter notes that the quarterly quality of service reports prepared by PoJL do not reflect the full range of complaints filed by your members, and that issues raised at the marina have not been addressed via the complaints process.

We have raised this issue with PoJL. We are pleased to report that, in light of your letter and representations, PoJL will be implementing the following changes:

- In general, they are seeking to make substantial improvements to their complaint management process. This complaints procedure will be reviewed by ourselves and PoJL;
- Marina complaints will now be incorporated into PoJL's central complaint system, rather than being dealt with separately. This will improve oversight and resolution of complaints;
- PoJL are in the process of rolling out a new internal portal that will record and track all complaints, regardless of the channel through which they were made. This portal assigns complaints to specific individuals and flags any issues. To note, complaints can be easily filed online through the "Leave feedback" button on the Ports website [About us | Ports of Jersey](#);
- A new 'snap and send' app is being rolled out, which will help boat owners quickly file potential service issues on their mobile devices; and
- New members of staff will join PoJL's customer service team this year.

Similar to the pricing framework, a quality-of-service workstream is also underway as part of our regulatory review of Ports. We plan to release a Draft Decision on refinements to the existing regime in June 2024. The Draft Decision will provide further opportunity for the public and interested stakeholders to provide feedback and input; we would welcome your formal response to the Draft Decision.

We also note the wider propositions from PoJL on the direct debit discount and improved governance, in the form of a Memorandum of Understanding with your association, will supplement the planned improvements in quality of service.

We trust this response addresses the central points of your complaint and we hope you find the clarifications in this letter helpful.

Yours sincerely,



**Chief Economist**

**CC**

Jenny Marek-Murray

Bill Sadler