

Hayle Harbour – Transfer to the Community

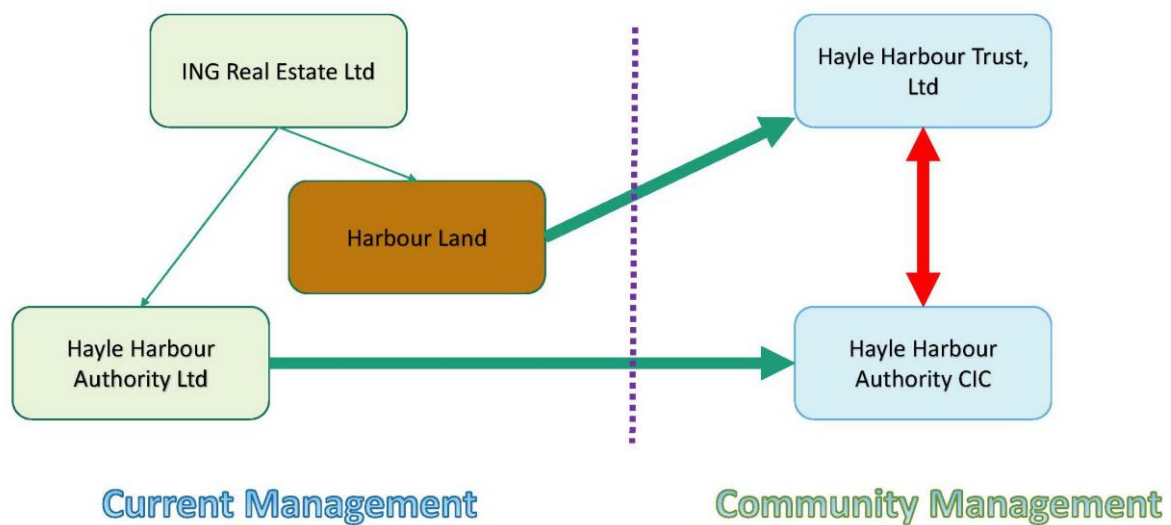
Background

Hayle Harbour Trust, Ltd. was set up following a public meeting of the Hayle Residents Association in 2010. Formed as a company limited by guarantee in April 2010 (company no. 7215658 and subsequently registered as a charity – no. 1149082), it was charged with being prepared to take over some or all of the Harbour.

Trust members have negotiated with Harbour owner ING, resulting in ING offering to transfer over 10 ha of land plus the Harbour to the local community. As an aside, two members of our board were active in a previous attempt, over 20 years ago, to bring the Harbour into community ownership. Having lost out at the last minute they have had to watch many years of harbour decline.

We have no illusions about the financial state of the Harbour but, with community support, we are confident that we can improve the Harbour for the benefit of the whole community. I think it is true to say that if we don't take on the Harbour and the land, no one else will – and we will have to witness further decline. Cornwall Council has declined to take on Hayle Harbour as a municipal port.

Hayle Harbour Trust's Concept for Harbour Ownership and Transfer



Currently, the Harbour is managed by the Hayle Harbour Authority Ltd, a limited liability company owned entirely by ING. The land is owned by ING Real Estate (UK) Ltd. In order to minimise costs and to avoid the need for a Harbour Revision order or other complexities, we propose a combination of charity and CIC as shown above.

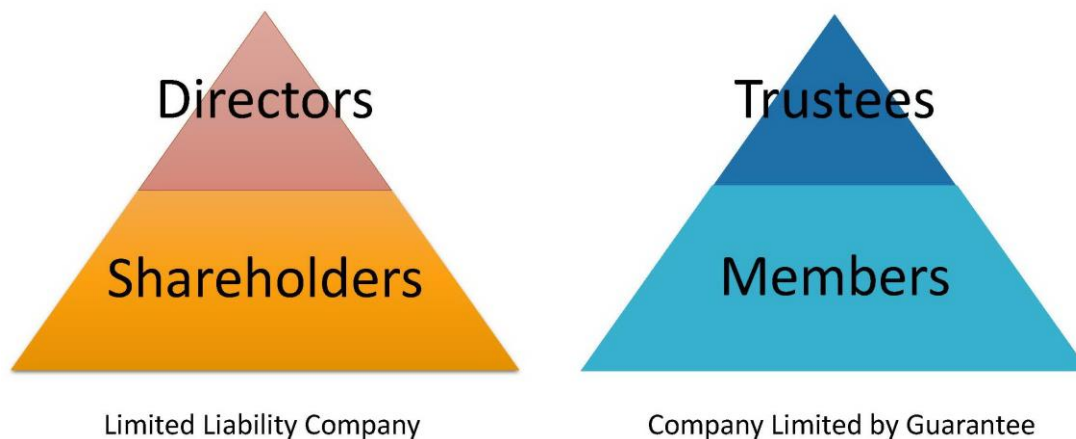
Since there is no mechanism for converting a limited liability company into a charity, Hayle Harbour Authority Ltd would be converted into a **Community Interest Company**. The Hayle Harbour Trust, as a registered charity, would be nominated as the specified asset-locked body



of the CIC. In addition, the land held by ING Real Estate (UK) Ltd would be transferred directly to the Hayle Harbour Trust.

There are many benefits to the Harbour being owned by a charity, including reductions in council tax and easier access to grant funding.

A company limited by guarantee, such as the Hayle Harbour Trust, is governed by trustees appointed by the membership body. The membership body is similar to shareholders in a limited company. The Department for Transport used to promote the Trust Port model, although this has fallen out of favour because of lack of democracy and the cost and time required for an Act of Parliament. However, we have tried to adopt the best features of the Trust Port concept: 1) the DfT document “Modernising Trust Ports” recommends a board of eight to 12 commissioners selected for their skills rather than being *ex officio* appointees; 2) they require a ‘stakeholder body’ representing all harbour users and beneficiaries.



The Hayle Harbour Trust currently has six trustees and we would add to the board by recruiting people with the appropriate skills. We have proposed that an existing stakeholder body, the **Hayle Harbour Advisory Committee**, set up under the 1989 Hayle Harbour Act and comprising 22 members and 12 other invitees, could become the membership body. This body (see <http://hhac.org.uk/members.html>) would be responsible for monitoring the proper management and operation of the Harbour and would have the power to elect trustees at the Annual General Meeting of the Trust. Since the HHAC already numbers two Cornwall Councillors, two Hayle Town Councillors and a St Ives Town Councillor, there is a strong elected presence as well as representatives from commercial and leisure harbour users and statutory agencies. In short, it is an ideal stakeholder body.

Options for the HHAC

1. Accept the role as Membership Body of a trust-run harbour. (Maximum liability £10)
2. Members of HHAC have the option to be part of the Membership Body
3. HHAC has no role in the Membership Body – an additional stakeholder body would need to be created.