**Background**

The legislation that governs this sort of activity is ‘The Merchant Shipping (Vessels in Commercial Use for Sport or Pleasure) Regulations 1998, statutory instrument number 2771.

The key point about this legislation and how it affects activities such as ours is that the owner of the vessel engaged in this may only receive money for, or in connection with, the operation of the vessel as a contribution to the direct expenses of the operation of the vessel **incurred during the voyage or excursion.** To be able to accept commercial payments (which is the way this legislation would defines ‘owners’ payments’), the vessel would need to be “coded”.

**Spring and Autumn Rallies**

Official HOEOCA rallies use a mix of chartered and owners boats to offer members cost effective sailing opportunities. The fact that not all owners’ boats are coded has meant that we have been forced to revise the way that owners can be recompensed.

From January 2018 payments will therefore operate as follows.

Crew will all pay the same rally fee. Applicants will be given the opportunity to opt out of sailing on a non-coded owners boat should they wish. Crew will then be allocated across the charter boats and those of participating owners as previously i.e. with safety as the number one factor followed by individual wishes. Boats will continue to operate shared kitties for mooring fees, fuel and victuals etc.

One owner per non-coded boat will have their rally dinner paid for.

Any owner whose boat is coded will receive 60% of the rally fee charged.

**Shared Cost Cruising (“SCC”)**

Any shared cost cruising activity is equally affected. Again, use of a boat kitty to cover voyage expenses is fine, but contributions towards owners’ overhead costs conflict with the legislation.

This is what is said on the website “On these occasions, no charge is made by the owner. All costs of the specific voyage (such as berthing, fuel and food) would be equally shared by those on board and the club way of saying thank you for the hospitality extended would normally be to ensure that the owner is treated to a pie and a pint (or several) at the very least!”

**Racing Activities**

Official racing activities are specifically excluded from this legislation, and so it is permitted for a charge to be made. However, race training weekends on an owner’s uncoded boat would operate as above.