

Wilson Sherriff

Strategic Review of Navigation Charges Customer engagement workshops – October/November 2019 Summary report

Workshops

Reading: 21 October 2019
London: 31 October 2019, afternoon
London: 31 October 2019, evening
Brampton: 6 November 2019
Web-based: 11 November 2019, morning
Web-based: 11 November 2019, afternoon

Facilitators: Simon Wilson, Helen Lowdell

Note takers: Helen Lowdell, Jack Wilson Sheriff

Environment Agency: Andy Wilkinson, Sam Holland, Stacy Murphy

Workshop purpose and aims

At each workshop the Environment Agency (EA) explained that they are revising their current Boat registration charging framework and will be consulting on bringing in a new charging framework. The purpose of the workshops was provoke a good discussion about the proposed new framework and capture all feedback from attendees.

These workshops did not look at the levels of cost or levels of service.

The aims of the workshops were to:

- bring attendees up to date with the principles and progress of the review
- enable participants to get involved, share their views and influence the approach
- enable the EA to test their proposals and impact, and to identify unintended consequences

Setting the scene – Wider Navigation context

At each workshop the EA gave an overview of the context of the workshop, and how it fitted in with the broader picture with Navigation in the EA.

Here is a summary of the key points:

- The EA is the second largest navigation authority in the UK
- A ministerial decision has been taken not to transfer EA waterways to the Canal and River Trust (CRT) at this point in time
- EA now have a clear remit to move towards a more financially sustainable future and are developing a new 5 year business plan and business model
- The plan will look at all potential beneficiaries, including wider recreational users, waterside businesses developers and communities to ensure contributions are sought from relevant parties

- These workshops looked at the principles behind the review of charges, but they did not cover level of charge or level of service
- This is the first comprehensive review of charges for some time

Key principles for charge scheme design

The key principles of the Strategic Review of Navigation Charges were presented, they were:

- Simplicity, consistency and aligning with the principles of HMT Managing Public Money (MPM) guidance
- All boats registered and regulated through consistent charging categories across our waterways
- Consistent method of calculating the charge by size of boat and review caps on size for charging
- Encourage entry level participation and access
- Environmental incentive for electric boats but for further review
- Similar approach to charging frameworks of other navigation authorities

Feedback

- **Widespread support for the focus on consistency but highlighting potential local differences - do not have consistency for the sake of it**
- **Mixed views about incentives for boats using electric motors – come in support of a discount and others not**
- **A note of caution about following the CRT charging framework too closely as it might not always be relevant to individual EA waterways**
- **Suggestion that in addition to these principles, the EA should ensure any changes should assess compliance and enforcement processes**

Charging template

Attendees were shown a template for the proposed charges scheme. This is shown in appendix 1.

Feedback

- **There was broadly a positive response to the template**
- **Clarity required on where different boats fit into each category, including commercial houseboats and residential boats**
- **Need for a focus on enforcement and how to encourage compliance through education**

Discussion topic 1: Method of calculation and size caps

The method of calculating the charge and caps on size are different across the waterways managed by EA.

EA propose to:

- Use length x beam to calculate across all waterways
- Move to exact charge rather than bandings
- Review the cap on size for charging, aiming for consistency across waterways
- Set a minimum charge that reflects the basic charges for a registration

Feedback

- **Most participants agreed that length x beam would be an appropriate way to calculate**
- **There was broad agreement on the move from bandings to an exact charge**
- **Broad agreement on the removal of caps, in particular for leisure use. Care should be taken when removing caps on business boats**
- **Some agreement that the cost of administration should be covered but concern that a minimum charge would discriminate against very small boats**

Discussion topic 2: Unpowered boats

Issues with defining different unpowered boats and which charges apply to different types of unpowered boats.

EA proposes to:

- Clearly define and set charges for all types of boats without engines
- Split between portable and non-portable
- Set a fixed charge for unpowered portable boats (canoe, rowing boats, paddleboard or dinghy)
- Charge by size for unpowered non-portable boats (Houseboats, dumb barges, dredgers, crane barges, butty boats)

Feedback

- **General support for proposal to define portable and non-portable but clarity required on the definitions and how to provide proof**
- **Charges should relate to the level of service used and a recognition of the benefits that some boats provide to the waterway environment**
- **Suggestions of different coloured licences or technology to clearly identify powered and unpowered boats and make payment easier**
- **Concern that collecting very small charges would not be cost effective for the EA**
- **A feeling that charges should not be very high for small unpowered boats**
- **Discussion about the emergence of easy to purchase 'blow up' canoes etc. Some concern that there isn't enough awareness that small unpowered boats like these have to be registered and that EA should do more to make sure they pay their way**

Discussion Topic 3: Visiting and Short Periods

There are a number of areas that need to be reviewed to be more consistent and offer more flexibility.

EA proposes to:

- Continue with the current time periods for powered boats (monthly, weekly, daily)
- Consider the need for daily registration for unpowered boats (in addition to the current monthly and weekly)
- Consider the need for shorter periods for boats moving between waterways or mooring overnight
- Remove bandings and move to exact charge
- Review eligibility for visitor registrations

Feedback

- **Support for a more flexible approach to shorter period registrations**

- **Support for daily registration for unpowered boats**
- **Suggestion of an explorer registration for separate days (rather than consecutive)**
A scratch-card system might be a solution for enforcement
- **Support for the removal of banding**

Discussion Topic 4: Business Boats

Current commercial categories are inconsistent across our waterways and do not cover all types of businesses which operate on our waterways

EA proposes to:

- Introduce consistent categories for business boats across our waterways based on the CRT model
- Ensure all boats are registered and meeting requirements
- Set clearly defined registration requirements for different business categories

Feedback

- **Broad support for the proposals**
- **Clarity on the range of business boats including concession/charity boats, roving traders, Airbnb, Beds on Board and Borrow a Boat. Ensure categories reflect the current business use of the waterways**
- **A range of views about whether business boats should be charged more – EA needs to be clear why business boats are charged more**

Discussion Topic 5: Tenders

Charging is inconsistent across our waterways and the current definitions are not robust.

EA proposes to:

- Charge for all tenders on our waterways
- Simplify the current charges for tenders
- Define eligibility including a size limit and restrictions on use
- Fixed charge in 3 categories (powered, electric and unpowered)

Feedback

There were a wide range of vies on this topic. Here is a summary of the key points.

- **A feeling by some that three categories might be over complicated and maybe one category would be fine.**
- **Others felt that recognition for those using very small or electric motors would be appropriate**
- **Some argument for not charging for tenders at all as they were rarely used and could be considered safety equipment in certain circumstances and charging creates an additional administration burden**
- **Suggestions to integrate the cost of a tender registration with that of the main boat rather than a separate charge but others felt if a boat is used in the water it should pay**
- **General support for the restriction of size for a tender, some saying it should be restricted to portable boats that can be lifted from the water**
- **An additional restriction of just one tender per parent boat was suggested**

Discussion Topic 6: Concessions

EA proposes to:

- Continue to encourage entry level participation and access
- Introduce more consistent and clearly defined categories of concession

This will apply to:

- Clubs, youth organisations and education groups
- Charities and community boats

Feedback

- **Support overall for encouraging entry level participation and access**
- **Some concern that charities might be in direct competition with the business sector. Important to be clear about who is eligible**
- **Strong voices of support for concessions from charities who would not be able to function without them**
- **Concessions for under 18s only might not work as competent adults often have to be in the boat as well**

Discussion Topic 7: Refunds and part year registrations

EA proposes to:

- Revise our refund policy based on pro-rata refunds for complete months and introduce an admin fee
- Introduce part year registrations for limited situations
- Remove current late end of season options

Needs to be very clear who is eligible for these.

Refund: boats leaving the waterway permanently or sold

Part year: New boats/new to waterway/new owners

Feedback

- **Broad agreement with the proposals**
- **Support for a flexible approach**
- **A rolling year would be preferable but this is a good interim step**
- **An online system would be more user-friendly**
- **Some caution around who would be eligible and the need for a robust policy to reduce loss of income**

Other feedback

At the end of each workshop there was an opportunity to raise anything else which attendees felt they hadn't been able to get across during the session.

The following were the main themes captured:

- General frustration and concern over the level of enforcement. Attendees want to be reassured that EA are doing what they can to make sure all are paying what they should be
- Feedback that whatever is implemented needs to be simple and easy to enforce

- Lots of discussion about the changing use of waterways, particularly new wave of stand up paddle boards and inflatable boats – need for EA to do more to raise awareness of registration
- The deterioration in service over last few years and high increases in charge – EA needs to recognise that the boaters can't much more

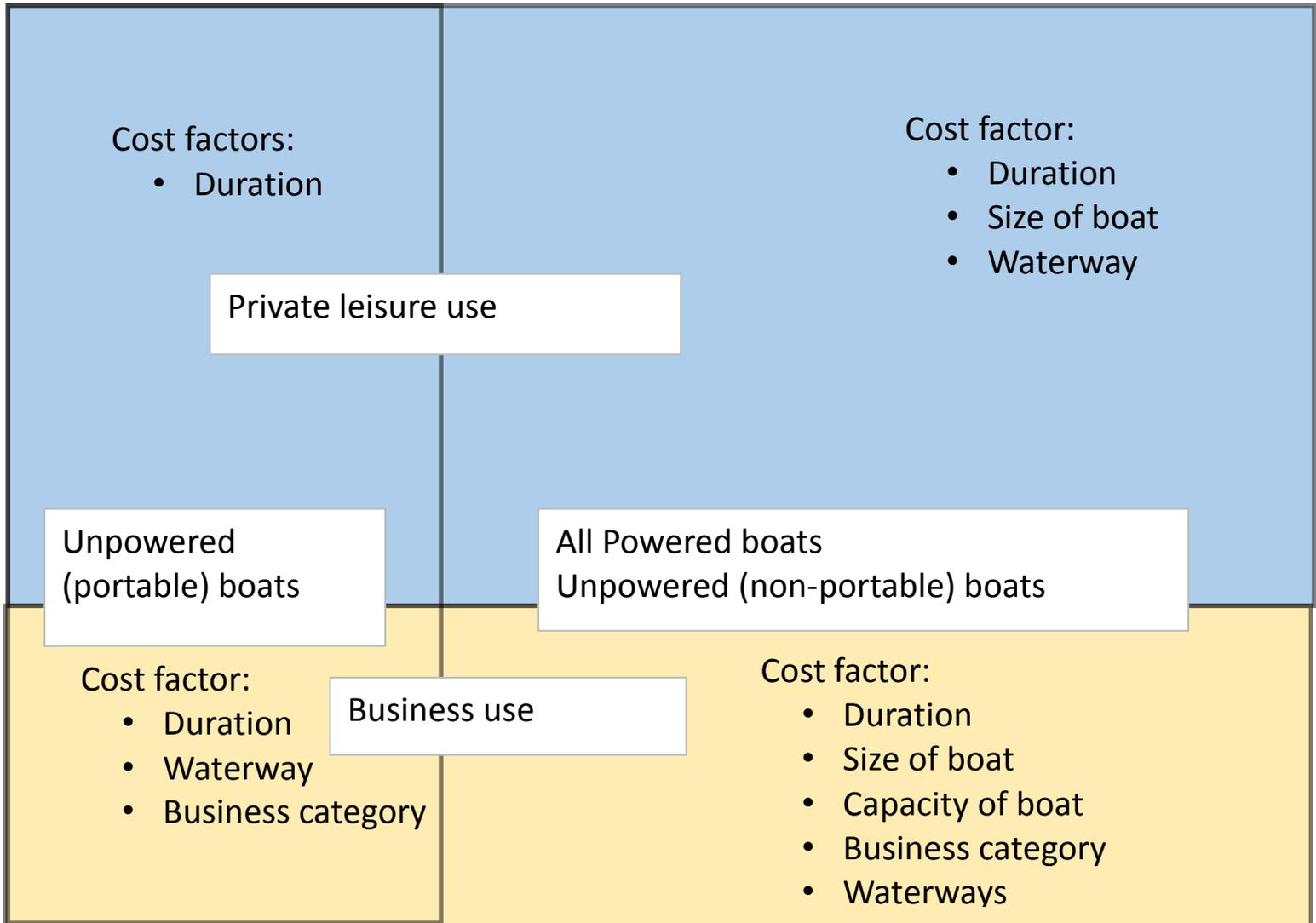
Next steps

- There will be a review of feedback and the charging scheme framework will be finalised taking into account stakeholder views
- Charge modelling will identify the level of charge for each charging category
- Three types of impact analysis will take place to look at financial, business and equality aspects
- The price elasticity of the market will be reviewed to make sure it reflects the current evidence
- All of this will be done by the end of December, at which time EA will seek government's approval to consult; this will take place between January and March 2020
- Consultation is planned for 12 weeks (April-June) subject to approval
- New charges will be implemented from January 2021 for Thames and April 2021 for Anglian and Medway waterway

Attendees were thanked for their time and constructive contributions. They were asked to reflect on the discussions and send in any further comments by email.

Produced by Wilson Sherriff, Independent facilitation consultants.

Appendix 1 – proposed template for design



The design of the template reflects the fact that 98% of boats are private and 2% business.

Note: EA looking to use the CRT definition of portable. This is ‘a boat that can be launched by the normal crew without mechanical help’