



Navigation charges 2018/19 A summary of consultation responses

November 2017

We are the Environment Agency. We protect and improve the environment.

We help people and wildlife adapt to climate change and reduce its impacts, including flooding, drought, sea level rise and coastal erosion.

We improve the quality of our water, land and air by tackling pollution. We work with businesses to help them comply with environmental regulations. A healthy and diverse environment enhances people's lives and contributes to economic growth.

We can't do this alone. We work as part of the Defra group (Department for Environment, Food & Rural Affairs), with the rest of government, local councils, businesses, civil society groups and local communities to create a better place for people and wildlife.

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Purpose of this document

This report provides a summary of the consultation on navigation charges for 2018/19. In it we explain why and how we ran the consultation, highlight the key themes from the responses we received and give our response to these key themes.

Introduction

We are the second largest navigation authority in the United Kingdom, responsible for managing 1000km of inland waterways. It's our job to keep the waterways open and safe for over 26,000 boats registered to be kept or used on them.

We manage water levels to allow the right of navigation and look after over 3,000 structures and facilities that are central to the service we provide, such as locks, weirs and sluices, moorings, drinking water supply points, sewage and refuse disposal facilities. We also provide the staff to operate and maintain them.

Our navigation service receives funding from a variety of sources. The income from most sources remains broadly the same each year. However, navigation grant-in-aid has been steadily falling and our boat registration charge levels have remained the same for 2 years. This has put pressure on our budgets and the service we can provide, especially with rising inflation. The amount we spend on the navigation service has to match our income. As our income reduces, so does the amount we have to spend, unless we are able to make up the shortfall via the other income streams.

We are working hard to reduce our costs through efficiencies and maximising our income through other commercial opportunities. However, to help maintain existing levels of funding for all aspects of our navigation service we need to increase our boat registration charges so they better reflect the benefit our customers receive.

We reviewed the funding position for each individual waterway area and based our proposals on the individual funding pressures.

To help maintain existing levels of funding for all aspects of our navigation service we need to increase our boat registration charges. We reviewed the funding position for each individual waterway area and based our proposals on the individual funding pressures.

We ran this consultation to seek views on our proposals and to understand what parts of our service are most important to customers.

About the consultation

We consulted through the elected representative members from each of our four national and local waterway user advisory committees. Each member represents a number of users and collectively they represent the majority of UK leisure and commercial boating organisations active on our waterways.

The advisory committees are:

- National Navigation Users Forum (NNUF)
- Thames Navigation Users Forum (TNUF)
- Anglian Waterways Group (AWG)
- Medway River Users Association (MRUA)

This approach was approved by the Secretary of State for Environment, Food and Rural Affairs.

We ran the consultation for 6 weeks, from 20 July 2017 to 31 August 2017. We sent consultation packs to the representatives by email. We asked them to seek input from those whose interests they represent and email back a collated response. During the consultation period we attended face-to-face meetings with each of the advisory committees. We talked through the proposals in more detail and gave members the opportunity to ask questions.

We asked for views on the proposed increases to boat registration charges for 2018/19 by asking the following four questions:

- 1. Do you support the need for an increase to Environment Agency boat registration charges?
- 2. Do you support the level of increase proposed through this consultation?
- 3. If not, what level would you support?
- 4. If we were not to increase charges, what elements of the service would you be prepared to see reduce or stop?

Table 1: Number of responses received per advisory committee

Advisory committee	Number of member organisations	Number of responses
National Navigation Users Forum (NNUF)	17	13
Thames Navigation Users Forum (TNUF)	19	14
Anglian Waterways Group (AWG)	14	6
Medway River Users Association (MRUA)	19	1*
Total	69	34 **

^{*} A co-ordinated response was received from all MRUA members, discussed and agreed at their committee meeting.

Overview of responses

Responses were broadly consistent across consultees. They showed support for an increase to charges. However, more than half did not support the levels of increase proposed - they indicated that they would find an inflationary increase or similar more acceptable. Most did not want to see a reduction in overall service. The breakdown of the responses to each question is shown in table 2.

^{**} Where a response was received from a representative who is a member of both the national and a local group, the response has been counted in both groups for the purpose of this table.

Table 2: Breakdown of responses per question

Question	Number of responses	Response breakdown
Question 1 Do you support the need for an increase to Environment Agency boat registration charges?	28	26 responses supported the need for an increase to boat registration charges and 2 did not.
Question 2 Do you support the level of increase proposed through this consultation?	26	11 responses supported the level of increase proposed and 15 did not.
Question 3 If not, what level would you support?	Thames: 7	4 responses supported CPI linked increases, 1 said they supported 1 to 3% and 2 said 3 to 6%. Most Thames responses supported the proposed level of increase in question 2 so for the majority this question was not applicable.
	Anglian: 10	7 responses supported CPI linked increases, 1 said they supported 1 to 3% and 2 said 3 to 6%.
	Medway: 5	5 responses supported CPI linked increases, however the combined response from MRUA supported the level of increase proposed.
	Unpowered: 8	6 responses supported CPI linked increases, 2 said they supported 1 to 3%.
Question 4 If we were not to increase charges, what elements of the service would you be prepared to see reduce or stop?	21	13 responses said they were not prepared to accept any reduction or stoppage of services; with a further 3 saying they wanted to see assisted passage on the River Thames maintained or increased. The remaining 5 suggested other alternative efficiencies.

Summary of the key themes - our response

We received some very detailed responses to the consultation. We found the feedback very useful and will be using it to help shape our future plans. The table below shows a summary of the key themes from the feedback with selected guotes and our response.

1. Longer-term funding strategy

Customer representatives told us ...

... they were disappointed to see short-term charge proposals for one year only, which made it hard to plan for the future. They wanted to see a longer-term strategy for funding our waterways.

They said

'Any increase must be fair and proportionate and be part of a long term plan to secure the future of the navigations.'

'The increase should be reduced and charges then set to a 5 year model to aid longer term financial planning.'

'It is hard for a national membership organisation to manage such a change at short notice and then plan on a year-to-year basis.'

Our response

We understand customers would like to have greater certainty about the charges they'll be asked to pay in the future and we agree with them.

We have set up a programme of work to reform all Environment Agency charging schemes from April 2018. The aim is to make sure we're financially sustainable, reducing reliance on government grant-in-aid income. We are committed to making sure our charges are fair and transparent, and more closely reflect the full cost of providing our chargeable services.

As part of this review, we're working on a 5-year charging plan for Navigation for 2019 - 2023, it's a major piece of work and we aim to consult all our customers on our proposals next year. In the meantime, we'll be asking for your help to shape our proposals. We will contact all our customers about this in the next few months.

Until we have done this work, we think it's better to have a one-year increase than no increase at all. Our waterway service needs the investment and customers don't want to see our service reduce.

2. Boat registration charges scheme

Customer representatives told us ...

... they thought the current charges scheme is inconsistent across our waterways.

They said

'Anglian waterway charges are already much higher than your other waterways, when we get much less service

and facilities.'

'The levels for unpowered vessels are too high. They are 'light touch' users.'

'Hire boat operators on Anglian waterways have concerns about the disproportionate licensing costs across the waterways.'

'A huge income opportunity is being missed due to the rapidly increasing number of narrow and wide beam boats appearing on our river.'

Our response

We know that our charging scheme is inconsistent across our waterways, including how we calculate the charges and the level of charge for similar types of boats. The current charging scheme for each waterway was set by historic local legislation. This can be confusing for both customers and our staff.

The introduction of the Environment Agency (Inland Waterways) Order 2010 allows us to review and update our charging scheme. Therefore we will review the current boat registration charges scheme with the aim of creating a simpler more consistent scheme, which is easier for our customers to understand and our staff to apply. We also aim to consult all our customers about it next year and will ask for your early thoughts in the next few months.

3. Charges linked to the Consumer Price Index (CPI)

Customer representatives told us ...

...in some cases they found it hard to accept a proposed increase above CPI and would wish future increases to be held to inflation.

They said

Our response

'Any increases should be linked to CPI.'

'We only support future annual increases based upon inflation.'

'A consistent national increase based on CPI should be proposed.'

We understand our customers would like to see their charges increase in line with inflation in future. We will take this into account when we develop our 5-year charging plan for 2019 – 2023.

We have to be realistic about the cost of running our waterways under increasing financial pressures. We must also take into account the principles of the charges review, particularly making our charges more cost-reflective. At the same time, we need to make sure we deliver the service as effectively and efficiently as possible.

4. Getting the most income from commercial opportunities

Customer representatives told us ...

... we needed to prioritise maximising commercial income opportunities to increase funding.

They said

Our response

'The success of the Northampton Marina, part owned by EA is clear. There are numerous other places where financial advantage can be found to increase income without having to penalise your customers.'

We agree. Registration income and government funding is not sufficient to maintain the existing services, as well as managing the assets that allow each waterway to operate. So we are seeking opportunities to improve river users' experiences across all our waterways, helping us explore new commercial initiatives and enhance existing activities.

In order to maximise the potential of our assets, we will need to embark on an investment programme; building infrastructure, identifying future user groups, and working closely with partners and stakeholders.

'The EA has so far failed to pursue alternative income streams such as advertising at locks and charging commercial events on the river despite our recommendations.'

This work will identify commercial and strategic options. We'll also review some existing practices and policies to maximise income potential. We will develop a financial business case for individual projects and look at how we can make sure we cover the costs of providing them.

Work is already in progress on a number of initiatives across our waterways. On our Anglian Waterways we are looking at ways of increasing income generation at our existing marina and mooring sites, for example a café boat and camping pods at Northampton Marina on the River Nene. We are also exploring options on the River Great Ouse for a new Waterway and Community Hub at Denver as well as the possibility of redeveloping Hermitage Lock, providing operational areas and generating commercial income.

On the River Thames, we are exploring potential to regenerate lock islands where there is space and social demand. At some sites we are investigating the potential for additional revenue moorings where there is the need and opportunity. We are also looking to upgrade the camping facilities at Allington Lock on the Upper Medway.

In doing all of this, we will be looking for ways to seek efficiencies and share best practice across our waterways, as well as learning from the experience of other navigation authorities.

'Outdated law and financial rules prevent you from exploring many income opportunities and customers expect you to pursue this.'

5. Funding for water level management

Customer representatives told us ...

... we need to ensure we receive the right level of funding for the water level management we provide, allowing the water companies to abstract.

They said

Our response

'We also seek an assurance that other river users, such as water companies are making significant contributions to income.'

'Water level management is one of the EA's core activities, whilst it is key for boaters it is also a critical delivery result for water abstraction, fisheries, ecology and flood risk management.'

'Charges must be extended to water companies.'

We do receive revenue funding from Water Resources for the operational delivery work we do to support water abstraction. However, we are working closely with Water Resources colleagues to review this funding across all our waterways. We aim to secure the level of funding for our waterway areas which recognises the benefit the operational delivery of those waterways provides to water abstraction. To do this, we need to provide robust evidence on the service we provide. We are currently working hard to gather this evidence.

Longer term, the abstraction licensing system is being reformed. We are also reviewing abstraction charges in line with the aims of the charges review - they will need to align with the strategic framework being consulted on for other Environmental Permitting Regulations (EPR) regimes.

6. Public benefit of waterways

Customer representatives told us ...

... all those who benefit from the waterways should pay appropriate charges, not just boaters.

They said

Our response

'There are thousands of people other than boaters who enjoy the Thames, such as cyclists and walkers.'

'Charges must be extended appropriately to all beneficiaries.'

'Rivers are national resources that need government funding, to recognise the wider economic value to the country.'

We recognise the attraction of healthy waterways, bringing a range of benefits to everybody who enjoys them. For example, there is great appeal in being able to walk, cycle, enjoy a picnic or live beside a healthy river: waterways can contribute to wellbeing and quality of life.

Where we have the legitimate ability to charge customers who benefit directly from the activities we carry out as a Navigation Authority, we do so. However, whilst we would like everybody to recognise the importance of their local waterways, putting a value on all recreational and other benefits and seeking new powers to charge for them is not straightforward. We do not 'own' our waterways or most of the land that runs beside them and, as such, a great deal of activity is not within our control.

We will continue to explore the public benefit of waterways with Defra, whilst appreciating the wider public already makes a financial contribution through general taxation, providing the grant-in-aid funding that we already receive for many activities such as flood risk management, fisheries and biodiversity, as well as navigation.

7. Defra funding contribution

Customer representatives told us ...

... Government needs to recognise the importance of the waterways and maintain or increase its funding for them, rather than expecting customers to meet the full cost of maintenance and operation.

They said

Our response

'Defra and government must realise the burden cannot simply be passed on to existing contributors such as boaters.'

'EA need to continue to make a case to Defra that funding for navigation and water level management should be fully funded in the public interest.'

'An increase in boat registration needs to be matched by an increase in government funding.'

We recognise that Defra, like all government departments, has had to make efficiencies and find savings to its overall budgets in line with public spending policy. This has required decisions on where to prioritise the allocation of available funding.

We will continue to highlight the funding pressures we face and ask the government to provide the financial support we need to help manage and maintain our waterways.

8. Transfer to the Canal & River Trust

Customer representatives told us ...

... they were not happy about the progress of taking a decision about the transfer of Environment Agency managed waterways to the Canal and River Trust

They said

'Having swiftly dealt with the handover from the BWB, there then began a holdup in progress to complete the plan of transferring EA navigations. This remains a source of concern for our members.'

'The obvious step would be to hand over to CRT without further delay. The cost of saving further EA losses, through loss of customers, would justify such a step.'

'Our members continue to support the proposed transfer of EA navigations to the CRT, together with a suitable investment programme to bring necessary assets up to a sustainable 'steady state' condition.'

Our response

We have been working with the Canal & River Trust (CRT) to support the development of proposals for a possible transfer of our navigation responsibilities and assets to the Trust. This work has included a review of the future costs needed to run and maintain our navigations.

The government remains committed to securing the future sustainability of our waterways. We are working with government and the Trust towards the government's stated aim of transferring our navigations to the Trust.

9. Service Levels

Customer representatives ...

... provided many comments on our service levels, with particular emphasis on the level of evasion and enforcement, effective use of volunteers, assisting boats at locks and a decline in maintenance standards. Nobody was prepared to see any further reduction in the service offer.

a) General service and maintenance standards

They said

'Fallen trees everywhere...restricting access and vision.'

> 'Too many buoys appearing on shoals as opposed to clearing them.'

'The state of Anglian waterways has been allowed to deteriorate.'

'Facilities in this Region are significantly less than others and maintenance has fallen to an often dangerously low level while we're still paying for a high level of service.'

'Existing fees have not provided the service we feel that we are entitled to compared with the Thames and other areas under CRT cover.'

Our response

The service we provide on each of our waterways depends on the income we receive for them. In line with HM Treasury policy guidance 'Managing Public Money', we are unable to use income raised from one waterway to fund another. We do our best to manage each waterway with the income raised from boat registration, mooring and other local income as well as the allocation of government grant-in-aid (GiA).

We have a statutory duty to maintain the assets on our waterways and we work hard to keep them open and safe. However we have seen GiA decline in recent years. This means we have to prioritise the work we do. Our funding for each waterway also depends on the number of boats using them. This means we face significant funding pressures, especially on our Anglian Waterways and the Upper Medway. As a result, a number of assets on Anglian waterways have been closed due to the lack of available funding. We will always close navigation assets that are unsafe; the priority is always to ensure safety.

We do treat channel maintenance as a priority. Our routine Anglian weed cutting programme remains the same as previous years. On all waterways, when we become aware of gravel shoals we will buoy them to identify the shallow water. Depending on available funding we will try to remove the most restricting shoals when we can.

We clear fallen trees and large branches that obstruct the main channel. This is a lot of work, but we do try to remove any blockage as quickly as possible. However, much overgrown greenery is on land owned by others. Our role is to identify the landowner and highlight their responsibility to carry out the work - this is a time consuming and costly exercise, so we are prioritising the known problem areas.

b) Evasion and enforcement

They said

'EA patrol boats are often moored up for lack of available staff.'

'There needs to be more done to target unlicensed boats on the river.'

'We understand that a loss of revenue for EA is considerable due to unlicensed craft but our concern is more about these same craft probably not having a valid BSS certificate and/or insurance. The potential danger to other navigation users is probably more important to us!'

'More work needs to be done on moving overstaying boats along the river. It's getting harder and harder to find moorings on the river bank.'

'We would like to see a greater commitment to mediating and resolving anti-social behaviour, dangerous navigation, unsafe mooring and other incidents that cause water safety issues.'

Our response

Our officers do regular enforcement patrols both by patrol launch and on foot throughout the year, including weekends. They do compliance checks all along the waterways, including marinas, boat yards and boat clubs. It's a high priority for us. Our data suggests between 93% and 95% of boats on the Thames are compliant at the end of the registration year, with this being 98% on our Anglian waterways and on the Upper Medway. It is frustrating that we find many of the boats reported to us as not being registered are, in fact, registered but not displaying a registration plate.

We report our activity in detail to our waterway user advisory committees. We have a number of enforcement 'tools' including enforcement notices, warning letters, prosecution and removal of the boat from the waterway. For example on Anglian Waterways over the last seven years we have prosecuted on average 25 owners per year and over the last three years, removed over 30 boats from our waterways.

We can only take enforcement action when an offence is committed, we cannot do so if a boat is just considered to be 'unsightly'. To reduce instances of unconsented moorings, we are leading by example on our own land and moorings and aim to take appropriate action. With boats that are spending too long on land we don't own or manage, we provide advice and guidance to landowners and mooring operators so they can manage the issue themselves.

This year, we have run several successful boat safety campaigns with staff out on the ground engaging with boaters as part of Boat Fire Safety Week and promoting messages to avoid the risk of carbon monoxide. We jointly own the Boat Safety Scheme with the Canal & River Trust and take this aspect of our role very seriously.

If our officers see unsafe behaviour, especially if it puts lives in danger, they will take action. They also work closely to support others such as police forces and local councils in their work to tackle offences for which they are the enforcement authority - such as criminal behaviour, littering and other anti-social activities.

c) Assisting boats at locks - River Thames

They said

Our response

'There needs to be more done to improve the level of service at locks. Lock keepers and assisted passage ought to be a fundamental benchmark of using the river.'

'As a priority it is essential for hire craft and inexperienced boaters that assisted passage is maintained on the Thames.'

'We have no confidence that the charging increases will reverse this trend of self service operation.' We know this aspect of our service is important to Thames boaters. We work with the Thames Navigation Users Forum to set our targets each year. We put a huge amount of effort into achieving these targets. We try to make sure we cover absence, such as holidays, illness and any vacancies. When we have unusually high levels of absence, we call in other team members from their normal duties to help at locks instead.

To avoid locks being left unattended for a whole day, we ask lock and weir keepers to spend time at two sites on a single day when necessary.

During 2017, our performance was affected by high levels of long-term illness and temporary vacancies caused by staff retirement. We will use the lessons learned from this year to improve our resilience. We will make sure we're better able to cope with a similar situation in the future - we will work with our staff and customer representatives to do this.

We will also do more to communicate our targets to boaters so they can hold us to account against real performance aims, and we'll improve our performance reporting.

Overall on the Thames, we will look to reduce the occasions when locks have no staff to help. But we'll also take steps to make self-operation of locks easier.

d) Use of volunteers

They said

'Massive opportunities for savings by properly harnessing the goodwill,

'Allow volunteers to work and operate a lock without having a proper lock keeper to avoid blockages.'

enthusiasm and

expertise of volunteers.'

'We were proudly told that Thames have hundreds of volunteers, Anglian Waterways have two!'

'The EA's continued refusal to utilise volunteers to do tasks previously done by full time employees, cuts across their continued pleas of poverty.'

Our response

We are pleased our customers recognise how successful the introduction of volunteers on the River Thames, has been. Our established volunteer scheme of over 250 volunteers continues to allow us to provide a level of service far beyond what would otherwise be possible within our budgets.

We too are keen to develop the role of volunteers further, not just to provide valuable support to our full-time professional lock and weir keepers but also to other colleagues in the wider waterways team. This will further improve our efficiency. In doing this, we need to be sensitive to the concerns of our staff about the possible impact on full time roles.

Learning from the success on the Thames, more recently we have also introduced volunteers on our other waterways.

On the Upper Medway, we have volunteers who have been with us for over two years. They support our service at Allington Lock, as well as using our patrol boat to go out on the river to remove blockages and clear litter.

Our Anglian waterways team, in partnership with Cambridgeshire Action with Communities in Rural England' (ACRE), has developed a volunteer scheme and taken on six new volunteers at our key gateway sites, Northampton Marina and Denver Complex. They'll support staff with various activities and be an important source of information for customers on our two busiest Anglian waterways, the River Nene and River Great Ouse.

All our volunteers have learned how our waterways are managed for public use. They have met many people, acquired new skills and have made a valuable contribution to providing safe facilities and a warm welcome for boaters and other visitors to our waterways.

We will continue to build on this experience - our volunteers add value to the way we manage and promote our waterways, they do not replace our employees.

e) Our service level in the future

They said Our response We realise how important our navigation service is to our boating customers and we do all we can to provide the best service possible from the income we receive – 'How could they reduce that will continue to be the case. the service any further?' We don't want to reduce or stop any of our services, we'd like to be able to improve them. However, grant-inaid (GiA) funding will continue to be under extreme 'We do not believe that pressure and the government is committed to reducing the service levels should public expenditure. So it is challenging us to make sure be reduced or any of the customers, such as boaters, who benefit directly from current services the services we provide more closely meet the cost of withdrawn.' those activities. We will have to carefully review what services we offer on each of our waterways to understand what customers value and what they are prepared to pay for them. We're not allowed to put the income we receive 'We would not be for one waterway towards the needs of another, which prepared to see any means our waterways that have fewer boats and rely reduction in the service more upon GiA will continue to be under pressure. This that supports boating, is the challenging but realistic position, looking ahead. particularly on the Anglian waterways where navigations This is why we need to review our longer-term charging managed by the EA plan and are working hard to look at the commercial have been under income possibilities that might help us increase our resourced for many income from sources in addition to boat vears.' registration. We'll also be asking for your thoughts about what services are important to you, later this year. 'NOT prepared to see any reduction in service, it is very poor at the moment.'

Next steps

We have used the feedback from this consultation to help us decide the increase to our charges for 2018/19. We will communicate this to our customers from mid-November 2017.

We will also use the feedback when developing our 5-year charging plan and reviewing our charges scheme.

We are already working on this and will be asking our customers to help shape our proposals shortly through an online pre-consultation and aim to hold workshops with customer in early 2018. We then aim to hold a full public consultation on our proposals in early summer 2018.

Appendix

Consultees

Each consultee belongs to a formal membership organisation, collectively they represent the majority of UK leisure and commercial boat users active on our waterways:

British Marine

Inland Waterways Association

Royal Yachting Association

British Canoeing

British Rowing

Residential Boat Owners Association

National Association of Boat Owners

Commercial Boat Operators Association

Association of Waterway Cruising Club

Historic Narrow Boat Owners Club

Association of Pleasure Craft Operators

DBA - The Barge Association

Medway River Users Association

Thames User Group - Navigation

Association of Thames Yacht Clubs

Thames River User Groups 1 - 8

River Thames Society

Thames Motor Boaters Association

Great Ouse Boating Association

Middle Level Commissioners

East Anglian Waterways Association

Broads Authority

Conservators of the River Cam

Association of Nene River Clubs

River Stour Trust

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