



23rd March 2020

For the Attention of:
The Rt. Hon George Eustice MP
Secretary of State for Environment, Food and Rural Affairs
Seacole Building,
2 Marsham Street
London, SW1P 4DF

Our Ref RP/AC/BMCRTNP

Sent by email to: Secretary.State@defra.gov.uk

Dear Secretary of State,

URGENT – SUPPORT FOR WATERWAY BUSINESSES

Loved and valued by millions, the nation's waterways are an essential part of our history and our future, providing opportunities for people to relax, connect with nature and enhance their wellbeing. The vibrancy and diversity of the waterways is in no small part due to the numerous waterway-based businesses which enable people to experience them; whether it be on a self-drive hire boat for family holidays or group days out, aboard a skippered passenger boat for larger groups, or a community boat providing access for the disabled and deprived, or across the wide-range of café boats, hotel boats, and marinas and boatyards which provide vital support services.

The unprecedented impact of the response to the COVID-19 pandemic presents a unique challenge to these waterway businesses, with most if not all of their income wiped out, leaving them facing significant financial uncertainty, putting the long-term future of almost all of these businesses at serious risk.

The fiscal packages proposed by the Government last week have been gratefully received by those who qualify. However, the unique nature of boating businesses means that they do not currently address the financial needs of the majority of waterway businesses. In particular, their largest costs are in the cost of their boat fleets and/or moorings and whilst some occupy buildings on which they pay rent and rates, it is typically a small proportion of their costs.

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Patron: H.R.H. The Prince of Wales. Canal & River Trust is a charitable company limited by guarantee, registered in England and Wales with company number 7807276 and registered charity number 1146792, registered office address: First Floor North, Station House, 500 Elder Gate, Milton Keynes MK9 1BB

The character of these businesses also makes them vulnerable:

- They are reliant on a short holiday season (April – October) for almost all of their income;
- The majority are small often family-based businesses with very little reserves or capital.
- They have narrow profit margins, and hence most can't take on debt or repay loans;
- They have relatively few employees and hence the Government's employee assistance package provides limited assistance.

As a result, Navigation Authorities – such as the Canal & River Trust and the Broads Authority – along with the trade association, British Marine, are receiving countless urgent calls for assistance from waterway businesses. The effect of the pandemic on the sector is being acutely felt as summer bookings (many from overseas) are being cancelled in large numbers. Without specific support, unfortunately many will suffer life-changing hardship or disappear completely; it goes without saying that this would be a tragedy for the nation's waterways, the individuals involved, and the people who enjoy them every day. It is unlikely to be reversible when the situation normalises.

The Navigation Authorities' own financial and operational liabilities in caring for the waterways and keeping them safe means that we also face significant financial risks since we all depend upon the income from these businesses to fund our work, some of it critical for the safety of local communities.

Hence, we all request urgently that Government commits to financial support for these waterway businesses. Current measures do not address their needs and – unless something is tailored to the sector and its particular operating model (and hence its costs of operation) – they face immediate hardship and imminent collapse.

Together, we are urging the Government to act now to save waterway businesses, by providing grants to cover all boat licence and mooring fees for 1 year from 1st April 2020 in addition to confirming access to other measures already announced. We estimate that the total cost for boat licence and mooring fees would be up to £20m, a very small amount in national terms but – for these businesses and for the waterways' future – a very significant gap in funding.

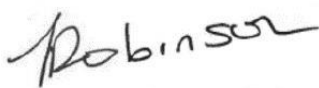
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Funding could be administered by either:

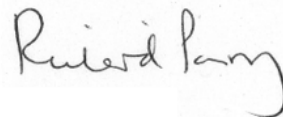
- specialist waterway business grants direct to the impacted businesses, as for other recent stimulus packages; or,
- indirectly via the respective navigation authorities as an emergency block grant to be allocated to each business to cover the same costs in a simpler, more straightforward way.

We appreciate the calls upon the Government finances at this time but our plea is that without this specific targeted funding our waterways will suffer long term harm.


Your sincerely,



Lesley Robinson,
Chief Executive,
British Marine



Richard Parry,
Chief Executive,
Canal & River Trust



John Packman,
Chief Executive,
Broads Authority



Cc:

*Kelly Tolhurst MP, Parliamentary Under Secretary of State the Department for Transport
Nadhim Zahawi MP, Minister for Business and Industry
Nigel Huddleston MP, Parliamentary Under Secretary of State for Sport, Tourism and Heritage
Michael Fabricant MP, Chairman for All Party Parliamentary Group for Waterways
Sally Randall, Director, Floods and Water, DEFRA
Mark Turner, Head of Marine, Department for Business, Energy & Industrial Strategy
Roger Hargreaves, Director of Maritime, Department for Transport
Stephen Darke, Head of Tourism, DCMS*