



## LICENSING CONSULTATION Q&A

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March 2018

### *Why have you carried out a licensing consultation?*

The current licencing system has remained largely unchanged for more than two decades. There have been many changes to the waterways, and to boating, in that time. It's important to make sure that the licensing process is up-to-date and that the financial contribution made by boaters is spread fairly across the boating community – both now and for the future.

### *What did the consultation involve?*

In February 2017, following discussions with its Navigation Advisory Group made up of boaters representing different interests across the boating community, we launched a three-stage consultation. The consultation, which had no pre-determined outcomes, involved interviews with representatives from the main boating organisations; nationwide workshops with a diverse range of boaters; and an open consultation which attracted 11,000 responses from boat owners. The consultation closed in December 2017. Two specialist independent organisations, Involve and Tonic, were involved in helping run the consultation.

### *What sort of things did the consultation look at?*

The content and shape of the consultation was determined during the initial conversations with the key boating organisations. Areas considered included: size of boat, discounts, licence duration, boat value, region/area, mooring status and distance travelled.

### *How many boaters took part?*

We received over 11,000 responses. There are 33,500 licensed boats on our waterways.

### *What changes will you be making?*

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A summary of the changes is as follows. For more detailed information please look at the Licensing Futures Short Report [here](#).

1. Changes will be phased over five years, with no changes before April 2019.
2. Current length bands remain the same, and three width bands will be introduced: Band 1 being 2.16m (7ft 1") and below; Band 2 being over 2.16 to 3.24m (7ft 1" to 10ft 7¾"); Band 3 being over 3.24m width (10ft 7¾"). The two wider bands will attract surcharges rising to 10% and 20% respectively, phased in over four years from April 2020.
3. The prompt payment discount will be reduced to 5% in April 2019. From April 2020 the structure of the discount will be changed so that a 2.5% discount will be offered for prompt payment in full, and a 2.5% discount for those using automated payment methods (including monthly direct debits).
4. All other current discounts remain unchanged, with a planned review of the criteria for the electric boat discount.
5. One-day licences will be withdrawn while all other short-term licences will be retained.
6. No link between mooring status and licence fees, but a further review is planned to establish how the significant growth in some popular locations can be addressed.

*When will the changes resulting come into effect?*

All changes will be phased over five years, with no changes before April 2019.

<b>Proposal</b>	<b>April 2019</b>	<b>April 2020</b>	<b>April 2021</b>	<b>April 2022</b>	<b>April 2023</b>
Introduce new width bands	Pricing by current length bands only but boat width information required	New width band(s) introduced at 5% premium (band 2 and 3 add 5% surcharge)	Width bands attract additional premium (rising to 10%)	Top width band increases by a further 5% (band 3 surcharge rises to 15%)	Top width band increases by a further 5% (band 3 surcharge rises to 20%)
Reduce and re-align prompt payment discount	Reduce discount to 5%	Change structure of discount to 2.5% for early payment and 2.5% for low cost payment method			
Withdraw one-day short term licences	Withdraw one-day licences				
Complete review of options for	Review complete and criteria				

electric boat discounts	change introduced				
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*Is this going to generate more money from boaters?*

The consultation was about getting an up-to-date licensing system that spreads the financial contribution made by boaters fairly. It was not a revenue raising exercise. We recognise that some boaters will be paying more because of these changes. The Trust is intending to freeze underlying licence fees for 2019, which will be confirmed later in the year when prevailing price inflation can be taken into account.

*Why are you reducing the prompt payment discount when this penalises those who pay on time?*

At the moment, only boaters who are fortunate enough to be able to pay the entire licence fee up front can benefit from the prompt payment discount. The current level of the discount – 10% – is not in line with the benefit the Trust receives by boaters paying up front. We are restructuring the discount so that boaters who manage their payments online, including paying by monthly direct debit, will be able to receive a discount too. We think that this is the fairest way of managing things for the benefit of more boaters.

*Why are wide beam owners going to pay more?*

We think it's fair that if a boat takes up more space there's some reflection of this in the licence fee. This change will be phased in gradually up to 2023 so boaters will have a chance to adjust and prepare.

*Wouldn't it make more sense to charge by area?*

If we were looking at space alone then width and length would be the natural measure: however adding two width bands will be easier to understand and administrate than moving to a precise area-based charge.

*Why aren't you tackling the growth in continuous cruisers who only want to stay in a small area?*

We've listened to people's concerns and are not making any changes to licensing around mooring status. It's important that the waterways are shared fairly by all boaters and we are duty bound to make sure this happens. We are proposing to look at ways to manage busy areas as a separate issue.

*What do you mean about having a review of what to do in popular areas?*

The issue of high numbers of boats and a growth in boats without a home mooring is very acute in some areas, such as London. We need to focus on a way to manage these busy sections of the

network fairly rather than applying a one-size-fits-all approach. The review will be looking at this and considering how the benefits boaters without home moorings may be getting in the most popular areas can be balanced with fairness for all boat licence holders.

*Why aren't you keeping the electric boat discount as it is?*

The feedback we received in the consultation suggested an appetite for reviewing the electric boat discount to see if it could more explicitly support 'greener' boating. Before we make a final decision we want to look at the options in more detail.

*Are you going to be keeping multiple discounts?*

If a boat meets the criteria we think that it's only fair that they should receive the discount. There are very few boats who are eligible for multiple discounts, but for those who do qualify we're not going to make any changes to this policy.

*What's happening to the Gold Licence?*

We are going to be talking to the Environment Agency about aligning the Gold Licence with the new licensing system – any changes will need to be jointly agreed. As Gold Licences renew in January, no changes will be made before January 2020.

*Didn't you originally intend to make the licensing system simpler as well as fairer?*

When we launched the consultation we had received reports from boaters that the licensing system was too complex. However the feedback we've received shows that most boaters are happy with how the overall structure of the system works, so we've listened to this and aren't making any drastic changes.