

Navigation Committee

Minutes of the meeting held on 24 October 2013

Present:

Mr D A Broad (Chairman)

Mr L Betts
Ms S Blane
Mr P Durrant
Mr A Goodchild

Mr P Greasley
Ms L Hemsall
Mr M Heron

Mr J Knight
Mr P Ollier
Mr M Whitaker

In Attendance:

Dr S Johnson - Chairman, Broads Authority
Mr T Adam – Head of Finance
Ms H Ayers – Administrative Officer (Governance)
Mr A Clarke – Senior Waterways and Recreation Officer
Ms H Franzen – Press Officer
Mr B Housden – Head of IT and Collector of Tolls
Ms A Leeper – Asset Officer
Ms A Long – Director of Planning and Resources
Ms L Marsh – Head of Communications
Mr J Organ – Head of Governance and Executive Assistant
Dr J Packman – Chief Executive
Mr R Rogers – Head of Construction and Maintenance
Mr A Vernon – Head of Ranger Services
Ms T Wakelin – Director of Operations

2/1 To receive apologies for absence

Apologies for absences were received from Mr K Allen and Sir Peter Dixon.

The Chairman provided a tribute to the late Martin Broom, MBE, who had been a member of the Authority from its inception in 1989 and had been a true 'Broadman'. This was followed by a minute's silence.

The Chairman also advised that there had been representations from Kelvin Allen (for Items 7, 15 and 16) and Sir Peter Dixon (for Item 7) and public questions from Heather Tew and Mike Hoyland (regarding Item 7).

2/2 To note whether any items have been proposed as matters of urgent business

There were no items of urgent business.

2/3 To receive Declarations of Interest

Members expressed their declarations of interest as set out in Appendix 1 of these minutes.

2/4 Public Question Time

A statement and three questions were received from Ms Tew concerning potential toll charges for 2014/15. This was read out and the Chairman provided the Committee's response as set out in Appendix 2 to these minutes.

A statement was also received from Mr Hoyland, the Chairman of the Broads Angling Strategy Group, concerning potential toll charges for 2014/15. This was read out and is set out in Appendix 2 to these minutes.

2/5 To receive and confirm the minutes of the meeting held on 5 September 2013

One member requested that the Chairman's reassurances made during the last Navigation Committee, concerning the meeting with MPs in Westminster, be included in the minutes. The following was agreed by members to be inserted above the final two paragraphs of minute Item 1/19 on Page 17, as follows:

"The Chairman made the Committee aware that none of the views expressed by the members that attended the meeting should be considered as views of the Navigation Committee nor were they representing the Committee in any capacity. He also advised that the Navigation Committee had not been made aware nor consulted on the planned meeting nor agreed who should attend that meeting or what was to be discussed; the conclusion being that this was not a meeting between the MPs and representatives of the Navigation Committee, but a meeting between MPs and group of individuals who happen to sit on the Committee."

Members agreed that the minutes of the meeting held on the 5 September were otherwise a correct record and a revised set of minutes would be duly signed by the Chairman.

2/6 Summary of Progress/Actions Taken Following Decisions of Previous Meetings

The Committee received and noted a schedule of progress/actions taken following decisions of previous meetings. The Chief Executive confirmed that there was no further update on the Swing Bridges Whole Life Management Strategy Study being undertaken by Network Rail: the next update was expected towards the end of the year.

Members were advised that the minutes from the meeting with MPs at Westminster on 2 September had now been agreed by those that attended and that discussions were taking place on how to proceed. A member enquired whether agreement had been reached on the meeting arrangements as recommended by the MPs. The Chairman advised that discussions were still continuing but that no agreement had yet been reached.

The same member also confirmed that the Navigation Committee members who attended the MP meeting did not see themselves as representing the views of the entire Navigation Committee, but represented their individual standpoints around topics such as governance, consultation, finance and especially tolls. In addition he stated that there was a lack of consultation over the new dockyard. The member enquired whether there was an opportunity to seek a mandate on how to proceed. Responding, the Chairman advised that a way forward had been agreed at the last Committee meeting.

The Chairman invited the Chair of the Authority to join the meeting and respond. The Chair of the Authority voiced the view that, due to the nature of the representations that had been made, the meeting should take place with both the Chair of the Authority and the Chief Executive, rather than with a Director as recommended by the last meeting.

Another member expressed concern as to why the meeting at Westminster with MPs was required, and asserted that if there was a need to discuss topics this should be undertaken with the relevant officers, or discussed in the Navigation Committee and subsequently represented to the full Authority if required. The Chairman again advised that a way forward had been agreed at the last Committee meeting.

Members noted the report.

2/7 Navigation Charges 2014/15

(a) Navigation Income and Expenditure: 1 April to 31 August 2013 Actual and 2013/14 Forecast Outturn

Members received a report that set-out the Authority's actual Income and Expenditure to the end of August 2013. Attention was brought to Appendix 2 of the report which provided detailed information at the individual budget level. The Head of Finance advised that income of £2.776m was slightly behind budget due to small variances on both private tolls and hire tolls, and that total net expenditure was £1.284m, £11k behind the Latest Available Budget (LAB). This resulted in an overall variance of £14k (which was less than 1%) when compared against the LAB.

Members received an update on the Authority's launch replacement strategy and the use of reserves in 2013/14. Members noted that the costs of the new launch had been in line with the budgets approved in the strategy in June 2011.

The Head of Finance reported that the LAB provided for a deficit of £136k in 2013/14. However, the forecast deficit was expected to be less than the budget, with a forecast outturn deficit of £84k now anticipated. The main reasons for the reduction were: the savings achieved by completing practical maintenance and other works in-house; additional unbudgeted income from private dredging works; and a number of smaller savings identified across various budget lines through careful cost control. The committee welcomed this improved forecast which the Chairman noted was equivalent to over 1% on Tolls, his recollection being confirmed that each 1% is about £30k of income.

In addition, members were advised that the full Authority would be requested to consider that £60k originally budgeted for piling works at Hoveton Viaduct be transferred to reserves. It was anticipated that this would then be used for piling activity once a reassessment of the strategic priorities for moorings and piling maintenance has been completed. It was reported that the navigation elements of the Authority's earmarked reserves stood at £776k at the end of August, while the Authority's total earmarked reserve figure was £1.587m.

The Head of Finance advised members that following the completion of external audit work on the Statement of Accounts, an update had been made to the final navigation income and expenditure for 2012/13 which had been published on the Authority's website. The adjustment resulted from an over-accrual for PRISMA income and the impact of this was a slightly higher deficit in 2012/13 than reported at the last meeting (£557k instead of £546k). This resulted in a lower navigation reserve balance of £353k at 31 March 2013.

The overall net effect of the reported changes was an improved forecast for the navigation reserve balance at the end of 2013/14, when compared with the last report to the Committee. As such, reserves were forecast to be approximately £270k at the end of the year. This however remained slightly below the target balance of 10% of net expenditure and was taken into account in the budgetary options paper later on this agenda.

One member queried whether the proposed additional income generated from private dredging (at Hardley and Chet) and maintenance of St. Benet's Abbey would impact on the Authority's approved programme of work. The Director of Operations advised that this would not detrimentally impact work programmes as it provided an opportunity to off-set some of the plant and equipment costs and had the added benefit of reducing the risk of material in the undredged areas slumping into the navigation area. Two landowners had taken up this opportunity. The Director of Operations reported that the Authority had agreed to provide free labour for part of the maintenance of St. Benet's on the agreement that the Norfolk Archaeological Trust covers the cost of materials.

A member enquired how the navigation budget was set in the first instance, to which the Head of Finance advised it was scrutinised by members at the December 2012 Navigation Committee, prior to approval by the full Authority

in January 2013. One member represented that the reserve position would have been more favourable if the Authority had not built a new workshop, a new launch and mud wherry, which would have provided more reserves to meet the new asset management requirements in the next agenda item. Another member responded that activity needed to be prioritised and reserves used to support this, but that with limited resources it was inevitable that not all aspirations could be met.

(b) Asset Management Plan

Members received a report which detailed the progress in the development of the Authority's Asset Management Plan. It also identified the budgetary provisions required to satisfy the District Auditor's concerns that the Authority should make provisions for the replacement of assets reaching the end of their useful lives. The Director of Operations advised that the purchase of the new mud wherry, two launches and a hull had reduced the vessel and equipment reserve balance prior to making provision for the next replacement launch.

The development of the plan had demonstrated how asset rich the Authority was when assets such as vessels and moorings were taken into account. Historical underinvestment in assets had resulted in the ad-hoc management of each issue (triggered when an asset neared its end of useful life) on a case-by-case basis, without a high level overview being given consideration.

Members were advised that officers had updated the Launch Replacement Strategy data and also created a property database which held key information regarding each asset and its associated furniture by site. From this a total cost and life expectancy has been established to generate an annualised budget provision requirement. The Director of Operations also advised that a consolidated plan taking into account Countryside assets was being developed and would be presented at the January meeting of the Authority to feed into the budgeting process. Previous agreements by the Authority have resulted in budgets presently allocated at 41% of the Authority's total estimated requirement. Budget options were being considered in a separate paper as to how these provisions could be increased. Members were advised that the costs presented were annualised and based on current costs and would require annual review and update to account for actual costs and inflation. Members noted that an additional potential provision for an estimated £134k for the replacement of steel piling might also be required should it be agreed that liability be transferred to the Authority from the Environment Agency. It was noted that JBA Consulting's study had concluded that previous assumptions for works at Breydon Water's Turn Tide Jetty were overestimated and the modelling recommended a minimal replacement approach for Turntide Jetty and a modified dredging approach.

The Chairman stated that piling and mooring represented the largest issues with regard to assets and that he would like to understand how these needs

would be met. He suggested that mooring charges could potentially generate some income, though realised that such a suggestion would be controversial and a review of moorings strategy was being planned. The Chairman also acknowledged that the Authority as a whole worked to maximise grant and other income sources, but stressed that the issue of reserves would need to be tackled for the future.

One member commented on the complexity of matters around assets, funding and reserves and added that the Authority needed to proactively invest in its infrastructure or face increased costs as assets further deteriorate.

Another member regretted that the matter of providing for asset renewal had not been considered when the Authority had agreed to deplete the reserves for the purchase of new buildings so that now increased tolls would be needed to restore the reserves. Some other members concurred but one asked how else the new dockyard could have been financed. The Chairman responded that low interest loans such as those available from the Public Works Loan Board are sometimes utilised in these circumstances; but these asset financing issues were not raised at the time.

In reference to the comments made in the previous agenda item regarding changing priorities for use of reserves, two members requested examples of projects that the Committee had previously given the go ahead to but had subsequently been de-prioritised or cancelled. The Director of Operations gave the example of the Launch Replacement Strategy budget which had received sporadic funding deposits for the past 15 years, but had only allowed for the purchase of two launches in that time. The Head of Finance stressed that earmarked reserves had only ever been used for the purposes for which they had been designated. The significant additional activity in 2012/13 had been funded from the general navigation reserve surplus, with an additional contribution being supplied by the PRISMA project funding. Earmarked reserve funds were fixed and could not be used for another purpose without the Authority's approval.

A member enquired whether the Authority had abandoned its strategy on dredging disposal sites to which the Director of Operations confirmed this was the case and advised that she would present a detailed paper on this matter at the next meeting.

The Committee's Vice-Chairman enquired whether vessel and equipment utilisation rates were recorded and monitored by the Authority; and questioned whether in view of any potential underutilisation of a particular asset replacement might be necessary. The Head of Construction, Maintenance and Environment advised that assets were well used and three of the six support vessels could not be used for their primary purpose due to the age and condition. He elaborated that the Broads' environment varied greatly and thus different designs of vessel/equipment would be required in those different conditions; the implication being that 100% utilisation was therefore not to be expected, but that assets were worked hard and

maintained as far as possible to obtain the maximum useful life. The Chairman concluded that that utilisation rates would be useful to be able to make some year-on-year comparisons for investment decisions.

(c) Options for the Budget 2014/15

Members received a report that set out a series of options for navigation income and expenditure for 2014/15. The first, based on a 1.4% increase in navigation income, would maintain the current level of service, but would not address the maintenance backlog for the Authority's 24 hour moorings. The second, based on a 2.8% increase, would allow for an enhancement to the annual maintenance programme for replacement and renewal of piling where the Authority was responsible for the structure and an additional sum towards the refurbishment of moorings. This option would result in a budget with approximately half of the recommended amount for asset management.

The Director of Operations advised members that the options presented were for possible budgets as opposed to actual draft figures. Further, she added that they were subject to significant changes. The draft budget will be brought back to the next meeting following the decision being reached on navigation charges for 2014/15. Members were advised that the tolls increase options were based on an assumption that boat numbers would not change. In addition, she advised that a revised general navigation reserve provision based on the current forecast for the end of 2013/14 had also been taken into account.

The Director of Operations presented a third scenario for illustrative purposes only. That scenario allowed for the delivery of the full Asset Management Plan as recommended by the District Auditor, which required a toll increase of over 12%. It was recognised that this scenario was beyond what was feasible to commit to at the present time unless external funding could be secured or generated. Members were informed that the cost apportionment of operational activity and overheads had not been changed, nor was there any contribution to the Tourism officer post; all of which conformed to the methodology previously agreed by the Navigation Committee and the Broads Authority.

The Director of Operations advised that the facilities, plant and the dockyard inherited from May Gurney were coming to the end of their useful life and warned that if the Authority failed to make provision now, it could have very significant consequences for toll income rises in future years.

The Chairman, presenting the views of Sir Peter Dixon in his absence, advised that Sir Peter's preference would be for the 2.8% (Option 2) increase as he was concerned that any lower increase would allow for maintenance to slip. He also was concerned that there was a large backlog in tree clearance building-up on the Upper Bure and Ant where sailing was already compromised and an increased number of fallen trees could be seen in the water.

One member enquired whether the Chief Executive had an indicative National Park Grant figure for 2014/15. The Chief Executive responded that the Authority was scheduled to have a further £227k reduction in 2014/15 but it was unknown what other reductions might be applied in that year, and the allocations for 2015/16 were still not known. Members expressed concern over the impact of the loss of National Park Grant given the Authority's current approach to shared costs and suggested that overheads needed to be carefully looked at to ensure that these were as low as possible for both National Park and Navigation expenditure. It was noted that the figures presented for National Park budgets were indicative only and currently demonstrated the scale of the challenge faced by the Authority in that they indicated a deficit that would not be sustainable in the long term. The National Park figures would be fully reviewed prior to the presentation of the budget.

A member proposed that the Option 1 (1.4% increase) be accepted, with the Authority working to achieve an additional 1.4% saving through reducing overheads. This was seconded by another member. At this point some members expressed concern that this might result in significant swings in tolls in subsequent years. Another member supported these points and stated that the Authority needed to be in a position to make strategic plans for 5 years ahead, not just the following year.

A vote was held for the proposed Option 1 increase of 1.4%, which resulted in this proposal being lost by 4 votes to 6 with one abstention.

Following a proposal and seconding of the Option 2 (2.8%) increase, members voted for this proposal, resulting in the proposal being carried by 6 votes to 3 with two abstentions.

It was therefore resolved to recommend to the Authority that Toll income be increased by 2.8% for 2014/15.

(d) Navigation Charges 2014/15

Members received a report that presented three options for the navigation charges for 2014/15. Each option was to be considered by the Committee members prior to the Authority taking a decision in November. The three options were: the NSBA/BHBF's proposal, which had been presented to the Navigation Committee at its previous meeting; a flat rate increase and a flat rate increase combined with a reduction in the hire boat multiplier. The report showed tolls' figures for each of the three options for both navigation income scenarios at 1.4% and 2.8%.

The Chairman made representations on behalf of Sir Peter Dixon and Kelvin Allen in their absence. Members were advised that Sir Peter Dixon favoured the flat rate increase option as he was unconvinced that the Authority should be reducing the charges for larger craft or be changing the multiplier since the hire boat heavy usage should attract an appropriate charge. Kelvin Allen had supported the flat rate increase with a reduced multiplier option for the hire

boats as being the most proportional option, which reflected on his market analysis across the UK.

The Chief Executive addressed the suggestion that had been made that something went wrong during the setting of tolls in the previous year, leading to an assumption that this now needed to be corrected. He advised that since 2005 it had been the Authority's policy (in response to points raised by boat owners, Tolls Working Groups and at a workshop for members) to set reduced charges for smaller boats which had been viewed as disproportionately high. The 2012 Tolls Working Group, (which included representation from the NSBA and BHBF) had examined the different permutations and arrangements involving reductions in the motor boat toll and noted that the reduced charges on smaller craft resulted in increases for larger boats and, as a result of the multiplier, an impact on the weekly hire fleet. This led to a recommended reduction for motor boats of up to 5m², accompanied by a reduced hire boat multiplier to avoid penalising commercial operators of weekly hire fleets. Members were advised that they had unanimously supported those recommendations which the Broads Authority later adopted and no concerns were received over such decisions, despite the differences in overall income required; it was therefore difficult to see evidence that there was a wrong that needed to be corrected. As a result, over half of the boats on the Broads either had experienced a reduced rate or no increase. What had been subsequently raised as an issue was the combination of the above average toll rise for some hire fleets and the slow start to the season, which put pressure on operator cash flows. The Authority responded by relaxing arrangements for their scheduled payments. This suggested that the key issue to be addressed was the competitiveness of the hire boat fleet.

The Chief Executive advised that Options 1 and 3 responded to important concerns that were shared by all, around the future of the hire boat industry and shifted some of the overall costs from hire boats to private vessels. Option 1 involved making significant changes to the structure of tolls, which some could think unwise given the adverse impact on owners of smaller boats. Option 2 presented a flat rate increase across the whole fleet which treated all boats in the same way and did not take any particular issues into account. Surveys showed hired craft used the navigation area more intensively than other craft, and Option 2 would not change the relative contributions from the two fleets. Option 3 would leave the existing relationship between size and toll charged intact, whilst responding to the commercial operators' concerns by reducing the multiplier.

The Chief Executive suggested that when the Committee gave consideration to the options presented, it thought about the issues of fairness, relativities and economics. The Chief Executive provided his evaluation of each option in light of the three issues above. In terms of Option 1's fairness, he posed the question as to how a rise in excess of 8% would be perceived by 1,100 private boat owners and was the cost for large private boats disproportionately high so as to justify a modified structure. In terms of

relativities, whilst acknowledging the unique aspects of the Broads, the Chief Executive compared the Broads Authority's charges with those of the Thames. On the Thames, charges for hired boats were closer to those on the Broads, whilst the charges for private craft diverged significantly between the smaller and larger craft, with the gradient for charges for private craft on the Thames being much steeper. This supported the BHBF's case that hired craft were charged too much, but also demonstrated that many smaller boat owners were paying disproportionately more. In terms of the economics of the three options, the Chief Executive encouraged members to be mindful of the market and the demand and supply for use of the navigation area. Feedback from a large local marina, rangers, and owners was that the Broads was relatively inexpensive and attracted large boats to moor, which had been on the increase, whilst the other end of the market had declined.

The Chief Executive reminded the Committee that the Authority would be conducting a boat owners' survey which planned to capture information to evidence the competing and probably conflicting ideas and priorities of different users to allow such evidence to explain any changes in direction and policy and suggested that the Committee may wish to consider the availability of such evidence when considering the three options. One consideration within the survey could be to determine what proportion of total boat ownership costs were due to navigation charges. To date, sources had indicated that tolls were a higher proportion of those costs for smaller craft than for larger craft.

Members were asked to consider the potential support of the full boat owning community for each of the options, the extent to which each option met the agreed criteria for the Authority's toll system, the extent to which the option was consistent with previous approaches and the economic effect that the proposals would have.

One member represented that small boats were on the decline due to mooring costs, rather than toll charges and called for some form of affordable mooring scheme. The Head of ICT and Collector of Tolls provided clarity to this, advising that some 10m² boats could be of an open design and easily placed on a trailer. Another member asked if there had been an increase in smaller boats since the lowered toll charges, to which the Head of ICT and Collector of Tolls advised that the boat numbers were still decreasing, but that the rate of decline had been arrested.

Another member commented that the full implications of the previous year's changes had not been understood at the time and considered that Option 1 should be viewed over a two-year period and therefore this would counter the impact of the proposed increase in one year. Further he stated that most large boats were not luxurious. The Chairman stated it was important to look at the use of these boats, for example the retired may have the larger vessels and implied that if the Authority adopted Option 2 or 3, with a 2.8% navigation income increase, those users would take a considerable hit.

The Vice-Chairman presented the case for Option 1, developed by the NSBA and BHBF. He considered the report had not fully analysed the issue and impressed on the need for members to assess the three options over a two year view, to be able to understand the thrust of the NSBA / BHBF proposals. He pointed out that last year's changes resulted in perverse and unexpected results, for example, while weekly hire boat charges rose by 5% on average, daily hire boat charges fell by 1%, similarly large keel boats, which could not be described as "entry level" also enjoyed a reduction. He advised that the Option 1 figures were totally transparent and showed every boat in the fleet and the associated impacts of changes over two years. He maintained that the tolls charges last year had perverse impacts. In summary, he saw four key positives from the adoption of Option 1: it gave the Authority the money it required; over two years it spread the increase over the wider fleet, whilst reducing small boat tolls; It had support from stakeholder organisations which represented 80% of the fleet; and the costs and effects were totally transparent across the whole fleet.

The Chairman acknowledged toll charging was very complex and it was difficult to take in all of the impacts. He commented that the Tolls Working Group did not progress matters as far as the group wanted. The Chairman stated that the Tolls Working Group was not as effective as it could have been due to factors such as it was under resourced, and implications were not fully examined. He concurred that discussions were around the desire to have greater flexibility and a de-coupled multiplier for the hire and private fleet but stated that the group did not succeed. On the matter of the proportional or disproportional charges for larger boats, the Chairman sought the recollection of those involved and concluded that there was a clear will to have lower charges for smaller, entry level vessels but that options for the means of charging proportionally more for larger vessels were not considered. Some members of the Navigation Committee who were on the Tolls Working Group asserted that they were not made aware of the fixed and variable component parts of the Tolls equation and, in retrospect had not been able to look at different approaches, which was now being done. He acknowledged that the Guiding Principles and Criteria was a valued output upon which the Working Group agreed. He stated that the work around Option 1 was valuable and should be incorporated, but acknowledged that some questioned whether it was ready to take forward this year. He stated that as a large body of stakeholders supported Option 1, this had to be considered seriously.

A member agreed that Option 1 appeared fair and thorough. He further added that moorings were the significant expense apart from purchasing and insuring a larger boat and that it was not right to 'hit' bigger boats all of the time.

Another member welcomed the NSBA/BHBF work and suggested that the Authority should welcome such external advice and cooperation. He considered that the NSBA/BHBF proposal was probably too big a step to take forward for the coming year, but that the work undertaken would be helpful in taking this matter forward in future.

Another member commented that boat owners paid more for some entry level boats on the Broads than on other waterways and he considered that it was counter intuitive to 'squeeze' the middle boat sector by applying the NSBA/BHBF option. He considered that the flat rate increase was defensible until such time that the boat owners' survey could provide firm evidence to support a divergence from the current structure. Another member considered that the toll might be the final decision to take a boat out of the water and there appeared to be more smaller boats doing this, whereas there was no decline in larger boats. She considered that the NSBA/BHBF proposal was not fair for smaller boats.

The Chairman concluded that there had been a thorough debate with all of the issues, for and against, fully considered and he asked for a proposal. A motion to adopt Option 1 was proposed and seconded. This proposal was won by 7 votes to 4.

2/8 Hire Boat Licensing Audit

Members received a report that set out the background to the licensing regime. Members were also informed of the proposed new licencing condition, the draft action plan and the outcome of the handover survey. In April 2010 the Broads Authority implemented Section 40 of the Broads Authority Act 2009 which enabled the Authority to impose mandatory licencing conditions for operators that hired-out (non skippered) boats to the public. The Authority worked in partnership with operators to assist them to be compliant with the Hire Boat Code as demonstrated in the results of the surveys completed by hirers/users at handover. It was noted that handovers were backed-up by user manuals that were available on each boat.

Officers reported that each hire boat operator within the Authority's catchment had been audited and results showed they complied with the licensing conditions of the scheme. The most prevalent comment from hirers/users was the wait for the boat to be ready to be used. The Committee Chairman acknowledged that the report indicated matters around licencing had begun to settle.

Members were informed that the Authority had the ambition for the monitoring and enforcement process to eventually fund itself. The Director of Operations sought members' views as to how the Committee wanted to continue in respect of funding. 3 options were presented: (i) leave matters as they currently stood: £18 per operator and £5 per vessel and fund the deficit from navigation income; (ii) fully fund any licence enforcement and support via the licence scheme income to £35 per operator and £8 per vessel for powered hire boats and small passenger boats; (iii) a structured funding scheme that reflected the number of officer visits before compliance was obtained. To be cost neutral, the base cost would need to be £35 per operator and £6 per boat. One member was assured that follow-up visits would cost less than first visits due to only certain aspects of the inspection being performed.

Members noted that the Authority proposed to consult on a new licencing condition for the 2014 season which required all powered boats with overnight accommodation to have a speed indicator fitted, and this was agreed. A member commented that the speed indicator ought to be fitted to vessels as standard with day boats being the exception and a cheap way of implementing the new licensing condition for such vessels would need to be sought. Another member advised that an effective free computer application / tool existed that could potentially provide operators with the solution for day boats.

The Committee Vice-Chairman viewed funding option (i) as something that had been previously discussed by Committee members. He viewed option (ii), i.e. to fund from licencing enforcement and schemes, as an option that would allow for the 'books to be balanced' and stated that option (iii) was impractical and hard to administer.

Committee members recommended funding option (i); to continue with the current approach but would re-visit the matter after a further year, when the scheme had fully settled down.

2/9 The Port Marine Safety Code Safety Management System: Hazard Review

Members received a report that detailed the outcome of the Safety Management System Annual Hazard Review. Members were reminded that the Authority was required to comply with the duties and responsibilities set out in the Port Marine Safety Code (PMSC). The Code required all harbour authorities to base their procedures on a Formal Safety Assessment (FSA) and that a Safety Management System (SMS) (supported by the Hazard Log) was maintained to ensure risks are reduced to a low as reasonably practical level (ALARP). The Committee noted the Hazard Review Action Plan (Appendix 1), which would be monitored by the Boat Safety Management Group, with updated provided to this Committee.

Members were invited to provide their views and recommendations on whether the Authority continued the frequent review of the Hazard Log, whether the Committee agreed with the current ratings of existing hazards, and whether the Hazard Review Action Plan was implemented.

Committee members agreed with the Authority's recommendations to continue to review the Hazard Log. It also agreed with the current hazards' scores and that the Action Plan was implemented.

2/10 Safety Audit 2013 Interim Report

Members received a Safety Audit report which presented the 2013 interim position from April to mid-September. The incidents reported were not dissimilar to those presented in previous years and thankfully to-date, no boat

related fatalities had been recorded. As in previous years, embarkation and disembarkation remained the area of activity which resulted in injury with the potential for drowning.

Members noted the report.

**2/11 Broadlands Flood Alleviation Project
Planning Application for Piling Removal and Flood bank Crest Piling in
Compartments 23, 29 and 30 (Burgh St Peter, Oulton and Blundeston
Marshes)**

Members received a report that summarised Broadland Environmental Services Ltd.'s (BESL) planning application proposals for Compartments 23 (Burgh St. Peter Marshes), 29 (Oulton Marshes) and 30 (Blundeston Marshes) on the River Waveney. The report also outlined officers' comments on the planning application.

The Senior Waterways and Recreation Officer advised members that the proposed works represented the second stage of flood defence work on the River Waveney which were comprised of floodbanks constructed and monitored by BESL. Part of the current application proposed to remove (between January to March 2014) deteriorated piling identified as surplus to requirement for erosion protection for the new floodbanks. None of the piling identified for removal was used for mooring and in the view of Rangers, represented a safety hazard and was marked as such by yellow marker posts.

The Authority did not consider the application to present any cause for concern from a navigation perspective and BESL had indicated it would monitor (via visual inspections and marker posts etc.) the banks for erosion in accordance with methodology already agreed by officers and the Committee. Members were also advised that the proposed crest raising would use locally sourced material.

The Committee Chairman acknowledged that the application contained the relevant monitoring measures and the Committee recommended that the application be supported.

**2/12 Construction and Maintenance Work Programme 2013/14 Progress and
Draft 2014/15 Dredging Programme**

Members received a report which set out the progress made in the delivery of the 2013/14 Construction and Maintenance Section work programme to date.

The Head of Construction, Maintenance and Environment advised the Committee that the numbering in the report for the Draft Dredging Programme 2014/15 should have commenced from 5, rather than 4 (as printed). In terms of the Draft Dredging Programme, the report set out that the majority of disposal options would be delivered through the re-use of BESL set-back areas.

This programme incorporated the previous Committee's recommendation that the works on the Chet be prioritised over that for the River Ant.

Members noted the report and agreed with officer recommendations for the programme as per Section 5 of the report.

2/13 Boating Safety Management Group

(i) Update

The Committee received a report which contained the notes of the last Broads Authority Boating Safety Management Group meeting held on 24 September 2013. The Committee's Vice-Chairman (whom was also 'in the Chair' at the last BSMG meeting) introduced the item to the Committee. He reported that Safety Management System Hazard Review had raised the question of whether the bylaws regarding the River Ant should be modified in light of the current restrictions over the width of boats authorised to use the River. The Group requested re-trials using real boats following a recent simulated 14' beam trial at How Hill. The Head of Ranger Services advised that real vessels of this width did exist as witnessed on the River Yare.

A member advised that Whitlingham Boathouse could respond to a serious medical emergency as all staff had now been trained and issued with a unique code to use the defibrillator. Another member enquired whether defibrillators were installed on Rangers' launches. Officers advised that this had been considered but was not considered appropriate as in a medical emergency, launches could not respond quickly enough. Members were advised that in Yacht Stations these could be appropriate and would therefore take this up with Great Yarmouth Borough Council/ Norwich City Council.

Members noted the report.

2/14 Chief Executive's Report

Members received a report which summarised the current position in respect of a number of important projects and events, including decisions taken during the recent cycle of committee meetings.

Members were requested to provide their views on the 2014/15 Draft Strategic Priorities which officers would take forward to work up into objectives.

Members discussed a number of ideas and put forward four recommendations. These included: examination of the potential for extending the Navigation space at Hoveton Great Broad; examination of the potential for additional mooring provisions and the installation of pontoon type moorings at Ranworth Broad in particular; the identification of strategies to reverse the declining trend in smaller boat numbers; and the identification of targets for income generation. Officers would work up draft objectives for wider consultation and these would come back to the Navigation Committee on 27

February 2014 for final comment, prior to being considered by the Authority in March 2014.

The Chief Executive advised that the Committee was being asked to identify a member to be involved in the Broadland Catchment Partnership. He stated that the desirable candidate (to attend the next meeting on 3 December) would be someone with a strong navigation background and catchment management interest. No member was identified during the meeting and the Chairman encouraged members to give this matter more thought and requested expressions of interest to be forwarded to him as soon as possible.

The Chairman advised that the Navigation Committee Appointments process, as recommended by members at the last meeting, had been approved at the September Broads Authority meeting. This included the extension of the current term of appointment for co-opted members to March 2015. He also informed members that the new launch had been named in memory of the late Martin Broom.

Members discussed the new launch and queried whether it was purchased from approved budget and whether the aircraft was sufficient for the bridges it would need to pass under. Officers confirmed that the vessel had been purchased from approved budget and the aircraft would only restrict access at Wroxham bridge on major spring or surge tides.

The report was noted.

2/15 Current Issues

Members noted that the flood barrier at Herbert Woods had been closed during a recent saline incursion, which had resulted in saving many thousands of fish from potential death. Underwater video evidence from the Environment Agency had proved that this had been very successful, though it was noted that this had hampered the yard's operation whilst the barrier was closed. The Committee considered that it would be appropriate for the Authority to discuss the saline incursion work being undertaken by the Environment Agency at a future Authority meeting.

2/16 Items for future discussion

No items were recommended.

2/17 To note the date of the next meeting

Members noted that the next meeting would commence at the revised time of 1.00pm; an arrangement which would continue into the following year.

The next meeting of the Committee would therefore be held on Thursday 12 December at Yare House, 62-64 Thorpe Road, Norwich commencing at 1.00pm.

The meeting concluded 4.30pm

Chairman

DRAFT

APPENDIX 1

Code of Conduct for Members

Declaration of Interests

Committee: Navigation Committee

Date of Meeting: 24 October 2013

Name <i>Please Print</i>	Agenda/ Minute No(s)	Nature of Interest (Please describe the nature of the interest)
Mr D A Broad	5 - 14	Toll Payer, RYA member and member of Great Yarmouth Port Consultative Committee
Mr L Betts	5 - 14	Toll Payer and Land Owner
Ms S Blane	-	(No relevant interests)
Mr A Goodchild	General	Toll Payer, Land Owner, Member of ABA, Chairman of BMF Commercial Marine
Mr P Greasley	5 - 14	Toll Payer, Chair of BHBF, Passenger Boat Operator, Hire Boat Operator, Item 7(d) co-author
Ms L Hemsall	-	(No relevant interests)
Mr M Heron	5 - 14	Toll Payer, Land Owner, Member of British Rowing, NRC, NSBA, NBYC, RCC and Chair of Whitlingham Boathouses
Mr J Knight	5 - 14	Toll Payer, Hire Boat Operator, member of NSBA, NBYC, WOBYC
Mr P Ollier	General	Toll Payer, NSBA Committee member, RYA and various sailing clubs
Mr M Whitaker	5 - 14	Toll Payer, Hire Boat Operator, member of BHBF Executive Committee and Great Yarmouth Port Consultative Committee

APPENDIX 2

Public Question Time

Statement and Questions submitted by Ms Heather Tew

I noted with interest that a proposal was tabled at the Navigation Committee on 5th September by the NSBA and BHBF for a different tolls structure which would see the lower charges for smaller 5 – 6m² boats being retained but with some small/medium sized boats seeing a toll increase well beyond the average percentage, explicitly to reduce the tolls for the larger boats.

I agree and will detail later that there is an argument to reduce the multiplier and tolls for hire boats to assist the tourist industry, however, I cannot see the argument to reduce tolls for the privately owned luxury fleet.

The proposal, matched with the potential 3% increase mentioned in the paper, would mean that the larger private boats would see an overall reduction of 2%, effectively subsidised by significantly higher percentage increases to small/medium mid-range boats with a boat of 10m² seeing a rise of 10%. How can it be appropriate for the 'starter home' of the private fleet to subsidise the private large boats.

I note in the draft minutes of the last meeting that one of your members queried whether the proposed new structure was proportionate for boats in the small/middle range of the spectrum. Certainly it does not look so and I am therefore surprised to note that the NSBA and BHBF have stated that their proposal has received unanimous backing from the Commodores of the NSBA's affiliated clubs. In essence this proposal will require a large majority of small/medium 'starter' boats to pay more, whilst the small minority (the luxury end) will pay less.

Question: Has there been consultation with individual boat owners, it seems hardly credible that the majority would support this proposal. I would suggest that it is unwise to wait for the reaction to next years tolls notice - further consultation at a user level would seem a wise move!

I personally do not think that the current proposal is fair for small/medium craft and the economic case for reducing tolls for larger private craft has not been justified. One way to test whether this movement is required is to look at the volatility of demand.

Question: What movement there has been in percentage terms of the number of private boats of 10m² and under, and 50m² and over during the last 12 months to illustrate this. My expectation is that in these difficult times it is the smaller boats in decline (despite our fixed low charges at the entry level). If this is the case, it is this lower end that needs financial incentive if the Broads Authority wants to maintain entry/early level boating.

The other area impacted by the current economic state, and therefore needing financial incentive, must surely be the hire craft – whose trade our region relies upon – how does it make sense for a hire boat to pay 2.65 x the toll of a large boat owned privately by the fortunate.

Question: How do our arrangements compare with other waterways' tolls?

Navigation Committee Response

In response to the first question, the Authority cannot consult all individual boat owners on every decision it needs to make. It uses a number of mechanisms to maintain contact with its stakeholders ranging from formal committees such as the Navigation Committee and the Broads Forum through parish forums and specially convened workshops to individual contacts between the Authority's members and staff and members of the wider public. The Navigation Committee and the Broads Forum are constituted so that their members are selected from various stakeholder groups. As far as decisions on the tolls are concerned the tolls rates are set by the Broads Authority having taken advice from the Navigation Committee. When significant reviews were carried out, for example in 2005, 2008 and 2012, the Authority convened a working group involving representatives from all interested constituencies and considers the advice of those working groups and the Navigation Committee before making its decisions.

The Authority cannot answer for the NSBA and BHBF in respect of their consultations on the matter. Both organisations have constitutions which establish how they manage their affairs and allow their members to influence their actions.

In response to the second question, the Authority's records show that between the 2011 toll year and 2012 toll year all private craft of 10m² and under have reduced by 2.2% (a total of 107 craft), whereas private craft of 50m² and over have increased by 15.2% (a total of 12 craft).

In response to the third question, the 2005 tolls review examined the systems for raising tolls used by other navigations and the Authority resolved to continue using one based on square area of boats with a multiplier applied between private and hire craft. Realistic comparison between the level of charges applied by the various navigations are difficult because of the differing nature of the navigations, the costs of maintaining them and the numbers of craft using them. All navigation authorities have the task of maintaining their waterways adequately, recovering the costs from their users and managing the demand for access to the waterway. The 2012 tolls review resulted in a statement of guiding principles and criteria being produced by the working group which was unanimously endorsed by the stakeholder groups and supported by the Navigation Committee. A comprehensive answer providing a comparison of the hire boat multipliers with other waterways would take considerable time. Though the Environment Agency currently has an average multiplier of 1.8 across its waterways, there are many regional variations. Any review of the multiplier would be carried out within the context of the guiding principles and criteria.

The Committee will give consideration to this statement and the questions when this item is being addressed on the agenda.

Statement from Mike Hoyland - Chairman of the Broads Angling Strategy Group

The Broads Angling Strategy Group would expect small craft of 10 sq metres or smaller to be incentivised through low or zero tolls as supported under the Tolls Guiding Principles & Criteria. If there has to be an increase, then it should be "straight line" or steeper for larger craft. This approach would be directly proportional to the impact of the larger vessels.

Navigation Committee Response

The Committee will give consideration to this statement when this item is being addressed on the agenda.