

Navigation Charges 2013/14

Report by Chief Executive, Director of Change Management and Resources
and Collector of Tolls

Summary: This report considers the level of navigation charges for 2013/14 in the light of the deliberations of the Tolls Working Group and the recommendations of the Navigation Committee.

Recommendations:

1. Private Boats

(a) That the charge for a smaller private motor boats of 5 metres² be reduced from £97.44 to £90.00 to narrow the gap in charges with unpowered boats of the same size.

(b) That the charges for all other private boats be in line with Scenario 2 in Table 2 or Table 3 of the report.

2. Day Boats, Weekly Hired and Passenger Boats

(a) That the current multipliers be reduced to 2.65 and 2.95 for weekly hired and passenger boats respectively.

(b) Consider whether the Authority should review the multiplier on an annual basis and how it might move towards a more flexible system for dealing with the charges for the commercial sector.

3. Other Issues

(a) The Guiding Principles and Criteria in Appendix A of the Tolls Working Group report be adopted.

(b) The charges for 7 day short visit tolls are reduced from 70% to 50% of the 14 day visit toll as an incentive to visiting craft.

(c) Ferries are charged at the private rate toll.

(d) Give further consideration to the charges for rowing craft operated by rowing clubs, and the principle of a discount arrangement for boats visiting the Broads for a limited time with access through Mutford Lock as part of the lock fee.

4. Overall Increase

Consider whether navigation charges should be increased to raise overall toll income by 3% with effect from April 2013 in line with the Financial Strategy agreed at the Authority's last meeting or by 1.5% as recommended by the Navigation Committee.

1 Introduction

- 1.1 This year's Tolls Working Group was charged with considering two very difficult issues: the relative charges for small and large craft and the premium charged for commercial boats. Over a series of meetings the members of the Group examined different permutations and arrangements involving a reduction in the motor boat toll to £90, £80, £70, £60 and £50. What became clear from this analysis was that a significant reduction in the charges for smaller boats would result in significant increases for both the bigger boats and also, because of the multiplier, the weekly hire fleet. The consequential reduction in the charges for the hired day boats and an above average increase for the weekly hired vessels was noted in the 2005 Review as an undesirable consequence given the importance of the weekly hired craft to the visitor economy and the demands the day boats place on the Ranger service. The Group considered arrangements without a multiplier to address these problems but was unable to reach agreement on how they would work and preferred to stay with the existing familiar and understood system.
- 1.2 At the end of the process it was agreed to recommend a reduction in the charge for motor boats of up to 5 metres² from £97.44 to £90.00 in 2013/14 and that it should be accompanied by a reduction in the hire boat multiplier to alleviate the impact on the commercial sector as a whole. This combination results in a reduction in the multiplier for weekly hire from 2.70 to 2.65 and for day boats and passenger boats of 3.0 to 2.95. These proposals were supported by the Navigation Committee.
- 1.3 The Working Group looked at a number of other less significant issues and its final report is at Appendix A. These other recommendations were supported by the Navigation Committee and this report doesn't reiterate those arguments but focuses on two significant issues relating to navigation charges: the overall level of increase for 2013/14; and the impact of the proposals on the hire fleet.

2 Overall Increase

- 2.1 In its report dated November 2009, the Navigation Finance and Tolls Review Group concluded that a year on year increase in tolls of 6% would be necessary over the period 2010/11 to 2012/13 in order to maintain navigation reserves at the required level. Thereafter, there was an expectation that the present level of service could be sustained with increases closer to inflation. The approach took into account the need to replace and repair equipment inherited from May Gurney.
- 2.2 During the intervening period the Authority's financial position has been stronger than anticipated. Navigation income has held up better than expected and expenditure has been below the budget leading to an unplanned build up of reserves. The Authority was successful in obtaining additional navigation funding from Europe for PRISMA and, through a series of astute purchases of second hand equipment, the cost of re-equipping the Dockyard has so far

been much lower than expected. The net result is that not only have the actual increases in navigation charges been below that predicted (see Figure 1 below) but also the Authority has been able to absorb the additional expenditure associated with taking on the full responsibility for the maintenance of Breydon Water and the Lower Bure.

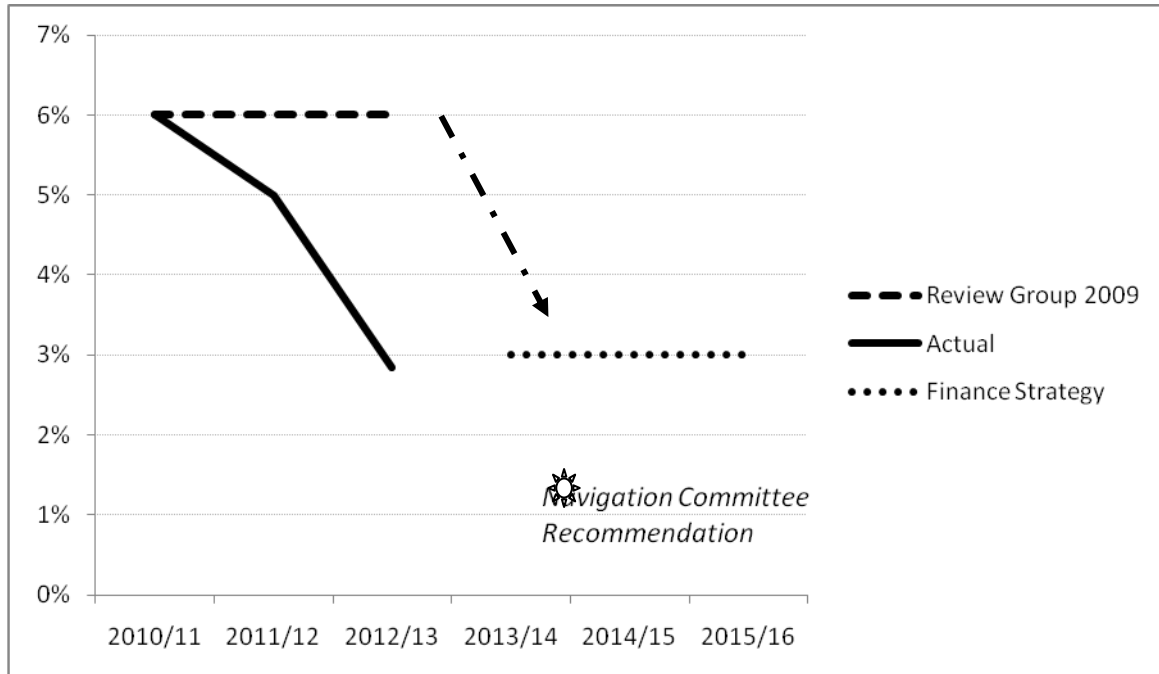


Figure 1 Graph of Planned and Actual Toll Increases

- 2.3 At its last meeting, following consultation with the Navigation Committee, the Authority adopted a Financial Strategy for the period up to 2015/16 which included the assumption that toll income would increase by 3% per annum on the understanding that this was subject to the normal timescales and process of consultation with the Navigation Committee on the 2013/14 toll increase. The Strategy takes account of the additional responsibilities for Breydon Water and the Lower Bure, the high level of capital investment in the current year, particularly with the development of the new workshop at the Dockyard, and exceptionally includes levels of general navigation reserves below the recommended minimum limit of 10% of net expenditure.
- 2.4 The Authority took the view, when adopting the Strategy, that with the funds in the earmarked navigation reserves (which stood at £839,585 as at 31 March 2012) the risk to the Authority’s cash flow position would be small and the Authority would be able to cater for a significant unplanned demand on its finances. However once the planned capital costs have been met during 2012/13, the savings which will be achieved as a result of the relocation to Yare House are predicted to result in a small surplus in 2013/14 and allow the reserves to be built up to their minimum level and above over the following two financial years.
- 2.5 At its meeting on 11 October the Navigation Committee received a report seeking its views on the level of navigation charges for 2013/14. Members of

the Committee expressed concern that in the current financial climate many businesses had very little room for manoeuvre with budgets being cut back substantially. It was felt that this should be reflected in the navigation charges and that the Authority should look at ways to help the industry. Some members felt, because of the level of reserves and historic spending patterns, that there was no need for any increase at the present time; they suggested that any shortfall in income could either be met from further use of earmarked reserves or from further borrowing, which would negate the need for any increase in tolls and which was how commercial organisations funded capital expenditure. Reference was made to the experience of recent years where tolls had been raised and not fully spent with revenues exceeding targets and expenditure being below budgets. Other members however felt that a nil increase would not be sustainable having regard to the Authority's financial commitments. Upon being put to the vote the Committee supported a compromise recommendation that tolls be increased by 1.5%.

- 2.6 Members may wish to be reminded that the Annual Investment Strategy adopted in March of this year has the objective of ensuring that external debt is kept within sustainable, prudent limits with a limit of £500,000 and included an anticipation that the Authority will only borrow to finance the capital expenditure incurred on the acquisition of the dredging operation from May Gurney. The Authority has that one loan outstanding for £290,000 with the Public Works Loan Board, which was taken out in 2007 and for which the repayment is currently about £26,000 per annum.

3 Implications of Respective Toll Increases

- 3.1 An increase of 1% in navigation charges will increase income by approximately £28,000. An increase of 1.5% will therefore provide an additional £42,000, whereas an uplift of 3% should provide an additional £84,000. However of more significance is the impact on the baseline upon which subsequent increases are calculated.
- 3.2 The Table below sets out the respective impacts of a 1.5% and 3% increase in tolls on future levels of income. For the purposes of this Table it is assumed that toll increases will revert to the planned for level of 3% in 2014/15 and 2015/16. It should also be noted that based on the figures for the period up to 30 September, the officers have revised downwards calculations for toll income for the current (2012/13) financial year, with an assumed reduction of about £13,000 from hire craft and £12,000 from short visit tolls.

Table 1 Projected Navigation Income for 1.5% and 3% increase

Projected Income	Financial Strategy projections	1.5% increase in 2013/14	3% increase in 2013/14
2012/13	£2,867,250	£2,842,375	£2,842,375
2013/14	£2,954,155	£2,886,929	£2,928,984

2014/15	£3,043,592	£2,974,800	£3,018,116
2015/16	£3,133,137	£3,062,731	£3,107,347
Total over 4 years	£11,998,134	£11,766,835	£11,896,822
Difference from Strategy		- £231,299	- £101,312

- 3.3 Total Navigation Income for 2013/14 is now estimated at approximately £25,000 less than the figure projected in the Financial Strategy if tolls increase by 3%, or £67,000 if they increase by 1.5%. Over the four financial years the projected shortfall in income is estimated at £101,312 and £231,299 respectively. The difference between a 1.5% increase and a 3% increase is therefore about £42,000 in 2013/14, and £130,000 over the three years.
- 3.4 Officers have reviewed the budget, and have concluded that if members wanted to adopt a 1.5% increase it could be achieved by using the earmarked reserves and scaling back the money available for capital investment. This could have an adverse impact in the medium term on the Authority's timescale and ability to replace worn out equipment inherited from May Gurney, purchase/ lease sites for new moorings or the timescale for replacing the ageing fleet of launches. £130,000 equates approximately to the cost of a new mud wherry or the replacement of one of the Authority's ageing launches. The report on the Asset Management Strategy also on this agenda identified significant cost pressures for the future including a minimum of £250,000 per annum towards the future maintenance of assets.
- 3.5 The reduction in income and a 1.5% rather than 3% increase could be accommodated in the budget for 2013/14 by taking the following actions:
- funding the cost of the new lay-by moorings at Breydon, during 2012/13, from earmarked Dredging disposal site reserves rather from the revenue budget, at a saving to the latter of £50,000; It has proved very difficult to find disposal sites for acquisition and more innovative disposal methods have proved promising;
 - not making the planned contribution of £25,000 to the Mutford Lock Endowment Fund in 2012/13 and 2013/14 – saving £50,000;
 - not making the planned contribution to the Launch Replacement Fund in 2013/14 – saving £22,500; and
 - not making the planned contributions of £30,000 and £90,000 to the Dredging Disposal Sites reserve account in 2014/15 and 2015/16 – saving £120,000.
- 3.6 The argument for a 0% increase made at the Navigation Committee by the hire boat interests was based on the fact that 2012 has been particularly difficult for tourism businesses because of the poor weather, the current economic conditions are not favourable for increasing their prices and the Authority has underspent past toll increases and built up significant general

and specific reserves. It was also suggested that the target for dredging should be increased which would either require additional resources or diverting them from other expenditure lines.

- 3.7 The specific reserves identified above are to meet future expenditure for example in funding the programme of launch replacement or against future repairs to Mutford Lock. The Authority is planning to draw down its general navigation reserves by approximately £650,000 in 2012/13 and to reduce these reserves to below the recommended minimum level of 10% of net expenditure. There is therefore an argument that this is not the optimum time to increase toll income below the level of the agreed Financial Strategy. The Authority has been trying to 'smooth out' toll increases and a 1.5% increase this year might necessitate increases above inflation in future to retain the current maintenance programme, respond to opportunities to extend the network of 24 hour moorings and replace ageing equipment. The counter argument which was put by some members of the Navigation Committee is that it has always supported toll increases when they are confident that revenues will be spent in line with the budget. It was noted that improvements are being implemented in the budgetary process which would restore this confidence. What is unclear to the industry is whether the 2012 season was exceptionally poor with the Olympic distraction and bad weather or if this represents a trend.

4 Dayboats, Weekly Hired and Passenger Boats

- 4.1 A premium of 25% was added to navigation charges for the commercial fleet in 1974 and this was subsequently increased in 1976 and 1981 so that Pleasure Boats for Hire were paying 300% more. This was at a time when there were over 2,000 hired motor boats compared to the present figure of 908. Over a number of years following the 2005 review the rate for the weekly hired fleet was reduced to 270%.
- 4.2 At the member workshop in 2008 it was agreed that "decoupling the relationship between hire/private craft should be used as basis for moving forward. This would produce a responsive system able to react to future change." The Authority adopted the other recommendations in terms of adjusting the start point for entry level craft and the small/large boat differential but did not address the relationship between hire and private craft.

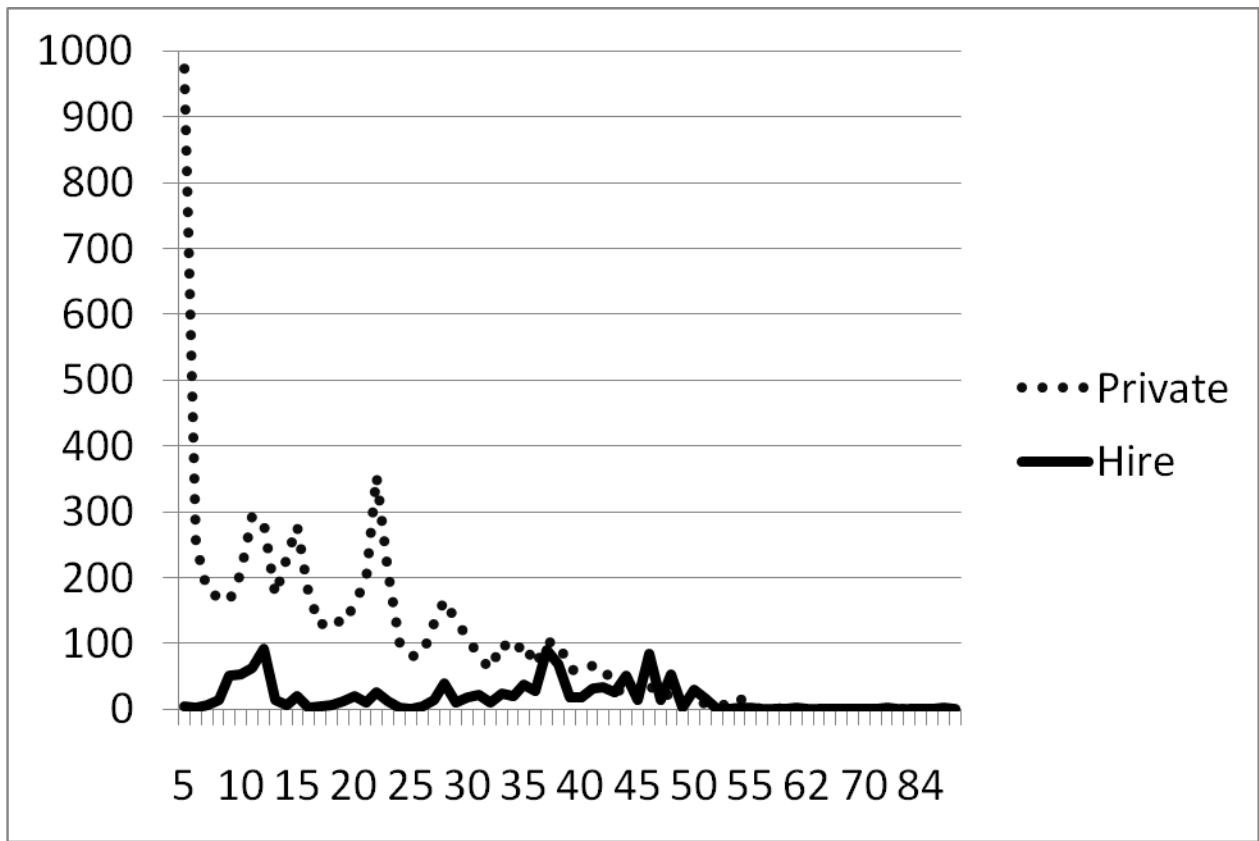


Figure 2 Graph of Boat numbers by size and category

4.3 The issue was again debated by this year’s Working Group and the impact of reducing the charges for small private craft on the weekly hire craft fully understood. Figure 2 illustrates the difference in the size composition of the two fleets. A reduction in the charges for a small private motor boat has a bigger impact on the larger commercial craft because of the operation of the fixed multiplier.

Table 2 Illustration of the impact of a 1.5% increase with a £90 charge for small motor boats

Example Tolls - Private:	Toll 2012/13	Scenario 1 2013/14	Increase £	Increase %	Scenario 2 2013/14	Increase £	Increase %
Canoe	28.88	28.88	0.00	0.0%	28.88	0.00	0.00%
Motor 5m ²	97.44	90.00	-7.44	-7.6%	90.00	-7.44	-7.64%
Sail 5m ²	48.72	45.00	-3.72	-7.6%	45.00	-3.72	-7.64%
Motor 11m ²	144.84	142.32	-2.52	-1.7%	141.96	-2.88	-1.99%
Sail 11m ²	72.42	71.16	-1.26	-1.7%	70.98	-1.44	-1.99%
Motor Sail 18m ²	149.08	152.48	3.40	2.3%	151.96	2.88	1.93%
Motor 25m ²	255.44	264.40	8.96	3.5%	263.20	7.76	3.04%
Motor Sail 25m ²	190.17	198.26	8.09	4.3%	197.39	7.22	3.80%

Motor 38m²	358.14	377.76	19.62	5.5%	375.78	17.64	4.93%
Motor 48m²	437.14	464.96	27.82	6.4%	462.38	25.24	5.77%
Motor 86m²	737.34	796.32	58.98	8.0%	791.46	54.12	7.34%
Example Tolls - Hire (inc £5 hire boat licence):							
Motor 11m²	439.52	446.06	6.54	1.5%	423.78	-15.74	-3.58%
Motor 25m²	694.69	705.11	10.42	1.5%	702.48	7.79	1.12%
Motor 38m²	971.98	986.61	14.63	1.5%	1000.82	28.84	2.97%
Motor 48m²	1185.28	1203.15	17.87	1.5%	1230.31	45.03	3.80%
Motor 55m²	1334.59	1354.73	20.14	1.5%	1390.95	56.36	4.22%
Projected Income							
Private	1,707,000	1,732,600			1,727,600		
Hire	1,061,000	1,076,900			1,081,900		

Scenario 1 - Hire Tolls add 1.5% to existing rates - Private tolls add 1.5% and reduce entry level motor toll to £90

Scenario 2 - Increase tolls by 1.5%, reduce entry level motor toll to £90, adjust multipliers to 2.95 and 2.65

Table 3 Illustration of the impact of a 3% increase with a £90 charge for small motor boats

Example Tolls - Private:	Toll 2012/13	Scenario 1 2013/14	Increase £	Increase %	Scenario 2 2013/14	Increase £	Increase %
Canoe	28.88	28.88	0.00	0.0%	28.88	0.00	0.00%
Motor 5m²	97.44	90.00	-7.44	-7.6%	90.00	-7.44	-7.64%
Sail 5m²	48.72	45.00	-3.72	-7.6%	45.00	-3.72	-7.64%
Motor 11m²	144.84	143.76	-1.08	-0.7%	143.28	-1.56	-1.08%
Sail 11m²	72.42	71.88	-0.54	-0.7%	71.64	-0.78	-1.08%
Motor Sail 18m²	149.08	154.88	5.80	3.9%	154.08	5.00	3.35%
Motor 25m²	255.44	269.20	13.76	5.4%	267.60	12.16	4.76%
Motor Sail 25m²	190.17	201.92	11.75	6.2%	200.70	10.53	5.54%
Motor 38m²	358.14	385.68	27.54	7.7%	383.04	24.90	6.95%
Motor 48m²	437.14	475.28	38.14	8.7%	471.84	34.70	7.94%
Motor 86m²	737.34	815.76	78.42	10.6%	809.28	71.94	9.76%
Example Tolls - Hire (inc £5 hire boat licence):							
Motor 11m²	439.52	452.60	13.08	3.0%	427.68	-11.84	-2.69%
Motor 25m²	694.69	715.53	20.84	3.0%	714.11	19.42	2.80%
Motor 38m²	971.98	1001.25	29.27	3.0%	1020.06	48.08	4.95%
Motor 48m²	1185.28	1221.03	35.75	3.0%	1255.38	70.10	5.91%
Motor 55m²	1334.59	1374.87	40.28	3.0%	1420.10	85.51	6.41%
Projected Income							
Private	1,707,000	1,758,200			1,749,200		
Hire	1,061,000	1,092,800			1,101,800		

Scenario 1 - Hire Tolls add 3.0% to existing rates - Private tolls add 3.0% and reduce entry level motor toll to £90
Scenario 2 - Increase tolls by 3.0%, reduce entry level motor toll to £90, adjust multipliers to 2.95 and 2.65

4.4 The Navigation Committee is recommending that the multipliers be ameliorated to 2.65 and 2.95 for weekly hire and passenger craft. This means that collectively hire craft will make a similar contribution to navigation income but Scenario 2 in Table 2 shows that if the charges of the smaller private motor boats are reduced to £90.00 then because of the fixed relationship with the commercial craft the impact will be 3.8% for a 48 metre² hire boat rather than 1.5% and 5.9% for a 3% increase. Scenario 1 with a flat rate increase for hire craft is shown so that members have a complete picture with the relevant figures for the two options examined by the Working Group.

4.5 In cash terms, the impact on a small yard with for example with 20 weekly hired motor boats would be an increase from £18,970 to £19,612 (3.4%) under the 1.5% option and to £19,883 (4.8%) under the 3% option.

- 4.6 The compromise agreed at the Tolls Working Group was for the hire boat multiplier to be reviewed every year. The efficacy of this was questioned at the Navigation Committee and officers share those concerns. This year the length of time required to reach agreement on changes to navigation charges was underestimated and competing demands, particularly with the forthcoming office move meant that the Working Group meetings were not as effective as they could have been. The independent facilitator makes the comment that: *“However, the Authority might consider further exploring an alternative system (to the multiplier) in more detail, one that would enable transparent and responsive management of events or trends in future and do this better than the current system.”*

5 Conclusions

- 5.1 The universal support of the Tolls Working Group and the Navigation Committee for reducing the costs of the charges for small motorised vessels is very welcome. On a technical level raising toll income by 3% in line with the agreed Financial Strategy and using a flat rate increase for commercial craft are considered by officers to be the preferred options for the Authority. But as was pointed out at the meeting of the Tolls Working Group the setting of charges for vessels using the Broads is also a political process and members will need to consider whether:

- (i) The series of detailed recommendations in the Tolls Working Group report - relating to reductions in the entry-level tolls for smaller motorised craft, small downward adjustments to the hire boat multiplier, and to cover arrangements for workboats, short visit, ferryboat tolls, and for passing through Mutford Lock - should be accepted and implemented for 2013-14;
- (ii) In the light of the concerns expressed in the Tolls Working Group about the impact of toll reductions for small craft on larger vessels in the commercial fleet because of the application of the hire-boat multiplier, whether the Authority should during 2013/14 use the mechanism for an annual review of the multiplier proposed by the Working Group to consider whether and how it might move towards a more flexible system without the fixed rate multiplier.
- (iii) The loss of income in 2013/14 represented by an increase of 1.5% in the general level of tolls, with the consequent reduction in expenditure over that year and the two further years covered by the Financial Strategy, should be accepted because it helps with the shift in balance of charges to benefit the smaller motor boats and recognises that the private and commercial owners are facing difficult times; and whether
- (iv) Bearing in mind that the benefits from a very low increase in 2013/14 might be quickly outweighed by a requirement the following year to raise charges by more than inflation.

- 5.2 Finally, it is worth noting that navigation charges for boats using the Broads are according to the recent survey of boat owners regarded as very good value. By comparison the Environment Agency and the Canals and Rivers

Trust (CRT) have already announced that they will be raising charges on their waters by 4.6% next year. For hired vessels the CRT has stated: "We're not working currently with a fixed commercial boat multiplier as our trade team is in process of reviewing fees for different types of commercial use and in the case of the Environment Agency it is freezing charges for hire boats for 2013.

Background papers:	None
Authors	John Packman, Rob Holman, Trudi Wakelin and Bill Housden
Date of report:	25 September 2012
Broads Plan Objectives:	None
Appendices:	APPENDIX A - Report of the Tolls Working Group

Broads Tolls Review 2012

Summary of Key Recommendations

1. The level of Navigation charges for 2013/14 should be considered by the Navigation Committee for recommendation to the Broads Authority. The Review Group noted the assumption of a 3% increase contained in the Authority's business plans. The Group recommended that the schedule for consideration by the Navigation Committee should have the charge for entry level motor craft set at £90.
2. The multiplier should be reviewed by the Navigation Committee annually on the basis of evidence of such matters as usage and impact on the navigation.
3. The multiplier for hire boats and passenger boats be reduced to 2.65 and 2.95 respectively for 2013/14 to take account of the reduction in the charges for entry level motor craft to £90.
4. The Broads Authority and the hire boat industry should continue to promote 'green' boating but the tolls system should not be used as the mechanism.
5. The charge for tenders should remain unchanged.
6. The 7 day charge for a Short Visit Toll should be reduced to 50% of the 14 day charge, and be reviewed on an annual basis.
7. The idea of a discount arrangement for boats visiting the Broads for a limited time with access through Mutford Lock as part of the lock fee should be examined.
8. The charge for work safety boats and river maintenance vessels should remain unchanged.
9. Consideration should be given to having a fixed charge based on a clear definition of a ferry to include:
 - *Operating between two fixed points, the distance to be left for officers to determine*
 - *Used solely for the purpose of transporting passengers between approved designated fixed points*
 - *Operated under the Broads Authority Small Passenger Boat licensing Scheme*

The location and fixed operating points must meet the requirement of the Broads Authority integrated Access Strategy for Ferries.
10. A report on charges for rowing craft should be prepared for a future Navigation Committee.

Chair's Comment

"The working group has addressed the task given by the Authority to the best of its ability and resources available.

Ultimately, the result is somewhat familiar to anyone who has been involved in previous tolls reviews. There is little appetite for significantly changing the system to move away from the current multiplier. The main objections to introducing an alternative system concern the process by which tolls are set or changed, rather than the principle(s) being applied. It seems clear to me that there is an underlying fear that change may damage the vested interests - either the private boat owners, or the hire boat industry. So, we arrived at a 'better the devil you know' outcome.

The Authority may, in 2012, be able to retain the current multiplier system and forego the ability to more accurately and openly manage the weight of contributions from different sectors and/or different elements of the fleet without 'linked effects' being felt. There is no immediate crisis to be attended to. However, the Authority might consider further exploring an alternative system (to the multiplier) in more detail, one that would enable transparent and responsive management of events or trends in future and do this better than the current system. I feel sure that a system could be designed that, linked with a review of the process for tolls setting (e.g. timetable, information/evidence base, decision-making, stakeholder engagement and so on) could secure significant benefits to all parties and reflect the Authority's need to work on behalf of all toll payers with fairness.

I would like to thank members of the 2012 Tolls Working Group for their diligence, patience and hard work"

Richard Harris

Chair of the Tolls Working Group
October 2012

Participating Organisations

Members of the Broads Authority and Navigation Committee
British Marine Federation
British Rowing
British Waterski/Eastern Rivers Ski Club
Broads Angling Strategy Group
Broads Hire Boat Federation
Broads Tourism
Canoe England
Norfolk and Suffolk Boating Association
Royal Yachting Association

Background

In 2005 the Broads Authority undertook a comprehensive examination of the tolls system and in June 2011 the Authority adopted a three-year strategy for income and expenditure building on the work of the Navigation Finance and Tolls Review Group. While it was agreed that there was no need to repeat either of these exercises the Authority resolved at its meeting in January 2012, after consultation with the Navigation Committee, to examine six specific issues in relation to tolls. These were:

- the relative charges for different sized boats;
- multipliers for hire boats and passenger boats;
- incentives to encourage greener boating;
- status of tenders on larger vessels;
- clarification on the application of short visit and partial year tolls; and
- work/safety boats and river maintenance vessels.

This review therefore had a tight specification with a specific set of tasks to complete. There was an expectation that the outcome of the Review should be revenue neutral.

Process

The Review began with a workshop on the 21st June at the Norfolk Ski Club involving members of the Authority, the Navigation Committee and key stakeholders guided by Richard Harris, an independent facilitator. The workshop was followed by three meetings of a Working Group on 11th July and 6th and 25th September with representatives of all the different key stakeholders and chaired by Richard Harris. An additional meeting was held with the British Marine Federation and Broads Hire Boat Federation on 3rd July to examine the method to raise the necessary tolls income from the hire boat industry and the potential to remove the fixed linkage (the multiplier) between private and commercial charges.

In view of the tight timetable and the intervention of the summer months, it was acknowledged that the prospect of agreement for major change was a challenging one. Timely circulation of draft notes and discussion papers to the group membership proved difficult with some notes and papers only being available immediately prior to meetings. This was due to issues of resource and unfortunately hampered group member ability to prepare and consult their constituency before meetings

At the workshop in June a draft set of overarching principles for guiding the structure of navigation charges was discussed and subsequently supported by the Group as a useful framework for steering future discussions on the structure and the system for collecting navigation charges in the Broads. A copy of these principles is set out in Appendix 1.

TOPIC 1. The Relative Charges for Different Sized Boats

The Issue – Is the balance in the navigation charges levied on different sized craft correct? The 2005 Review concluded that:

“In comparison with other waterways, Broads tolls remain lower for most classes and sizes of boat, the notable exceptions being small boats (< 5 m) and the largest of the hire boats (> 25 m²). Such comparisons have limited value, given a number of major differences between the Broads and other waterways, other than informing public perceptions.”

And as a consequence the Authority implemented the recommendation to:

Reduce the flat rate for small non-powered craft (sailboards, rowboats, punts, canoes) from £24.70 to £20 from 2006/2007. Thereafter, apply annual increases in line with other vessels.

A very successful workshop was held on 30 September 2008 for members of the Authority and Navigation Committee with officers. This was again facilitated by Richard Harris, who had performed the same role for the 2005 Review. The workshop concluded that the following changes should be made:

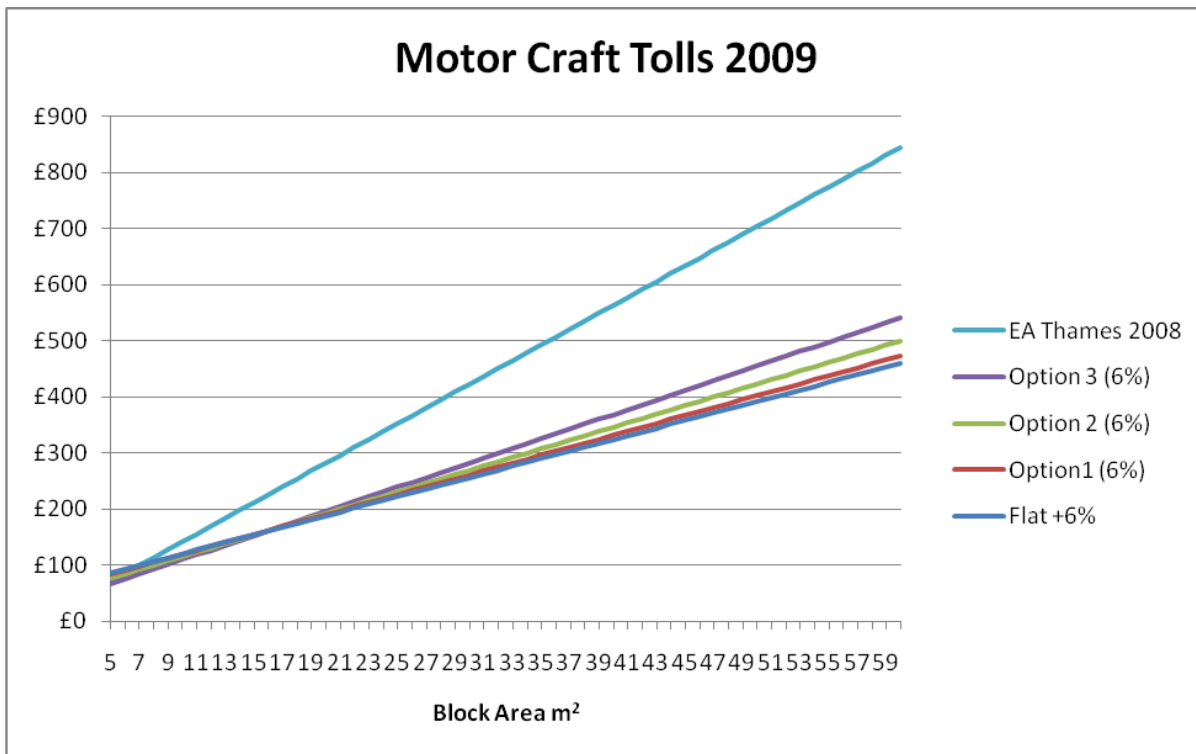
- (i) the starting point for the payment of tolls should be adjusted downwards to encourage young people in particular to take up boating;
- (ii) the differential between the smaller and the larger craft should be increased to both bring the Broads more in line with the relative charges on the other navigations, and better reflect the value of different sized craft; and
- (iii) The relationship between private and hire craft should be decoupled to give greater flexibility in the future, so that the Authority can separately take into account the financial performance of the industry and/or changes in fleet composition.

At its meeting on 23 October 2008 the Navigation Committee continued to support the outcomes from the workshop but, in the light of the deteriorating economic conditions and a desire for further engagement with toll payers, resolved to recommend the following that :

- (i) the toll paid for by small sailing and motor craft of less than 10 sq metres be adjusted downwards and applied for 2009/10;
- (ii) the multiplier between hire and private craft should remain unchanged at 2.7%;
- (iii) the differential between the smaller and larger craft should remain the same; and
- (iv) a 6% increase be applied to charges for private and hire craft across the board for 2009/10.

Members resolved unanimously that “entry level” tolls be reduced for the smallest sailing craft of 10 metres² and less and for motor boats of 5 metres² and less; and

The following graph illustrates the difference in 2009 between the relative charges in the Broads and the Environment Agency on the Thames and the three options that were considered by the Authority for reducing the gap.



For the year 2010/11 the Navigation Committee supported a variable rate increase, which was then implemented by the Authority, of between 2.5% for the smallest craft and 6% for the larger craft.

In Autumn 2011 two alternatives were presented. The option with a 1% increase for smaller craft was not supported by the Navigation Committee with some members arguing for a comprehensive look at the issue.

At the Workshop in June 2012 there was still positive support for incentivising entry-level boaters, i.e. boats with a block area equal or less than 5 metres².

It was agreed that the Broads Authority would investigate the costs of carrying out sensitivity analysis on the impacts of reducing the toll for boats of less than or equal to 5 metres², initially discussing this with the tolls working group representatives and the marine industry and assessing similar research from elsewhere.

At the July meeting of the Working Group it was agreed that a 'lowest possible charge' for the smallest boats – say £50 to promote entry level boating should be considered. Tables were analysed by the Working Group at it September 6th meeting looking at the implications for a reduction in the charges for the smallest craft to £90.00, £80.00, £70.00, £60.00 and £50.00. These are illustrated in the Table below.

Table 1. Decrease entry level tolls – maintain 2.7/3.0 multipliers

Example Tolls - Private:	Toll	Toll Examples (Private Motor Rate Minimum)				
	2012/13	£50.00	£60.00	£70.00	£80.00	£90.00
Canoe	28.88	28.88	28.88	28.88	28.88	28.88
Motor 5m ²	97.44	50.00	60.00	70.00	80.00	90.00
Sail 5m ²	48.72	25.00	30.00	35.00	40.00	45.00
Motor 11m ²	144.84	114.92	121.20	127.48	133.76	140.16
Sail 11m ²	72.42	57.46	60.60	63.74	66.88	70.08
Motor Sail 18m ²	149.08	142.98	144.45	145.89	147.36	149.01
Motor 25m ²	255.44	266.40	264.00	261.60	259.20	257.20
Motor Sail 25m ²	190.17	199.75	198.00	196.15	194.40	192.90
Motor 38m ²	358.14	407.06	396.60	386.14	375.68	365.88
Motor 48m ²	437.14	515.26	498.60	481.94	465.28	449.48
Motor 86m ²	737.34	926.42	886.20	845.98	805.76	767.16
Example Tolls - Hire:						
Motor 11m ² (x3)	439.52	349.76	368.60	387.44	406.28	425.48
Motor 25m ²	694.69	724.28	717.80	711.32	704.84	699.44
Motor 38m ²	971.98	1104.06	1075.82	1047.58	1019.34	992.88
Motor 48m ²	1185.28	1396.20	1351.22	1306.24	1261.26	1218.60
Motor 55m ²	1334.59	1600.70	1544.00	1487.30	1430.60	1376.60
Income:						
Private	1694800	1608700	1626600	1644500	1662400	1682300
Hire	1068000	1156600	1137700	1118800	1099900	1082800
Total Income	2762800	2765300	2764300	2763300	2762300	2765100

The initial discussion focused on the ambition to reduce the entry level toll for a motor craft down from the current figure of £97.44 so that the jump from a small boat without a motor, currently paying £28.88, was not so great.

A step change was considered rather than an incremental one as this was felt to have PR benefits in showing that a big effort was being made to reduce the entry level costs and any consequential uptake in licenses could be identified. Some members of the group advocated a lower charge of £50. After a short discussion there was unanimous agreement that a reduction to £70 was the best option to explore. There was concern about the impact on the larger boats and it was suggested that this could be ameliorated by capping the charges at an £800 maximum.

At the final meeting it was agreed that although the Group had the ambition to reduce the entry level toll for a motor craft from £97.44 initially to £70, this was considered too major a change with some reporting concerns in their groups and organisations about the implications for resultant increases in charges elsewhere. It was therefore agreed that the schedule for consideration by the Navigation Committee should have the charge for entry level motor craft set at £90.

TOPIC 2. Hire and Passenger Boat Multipliers

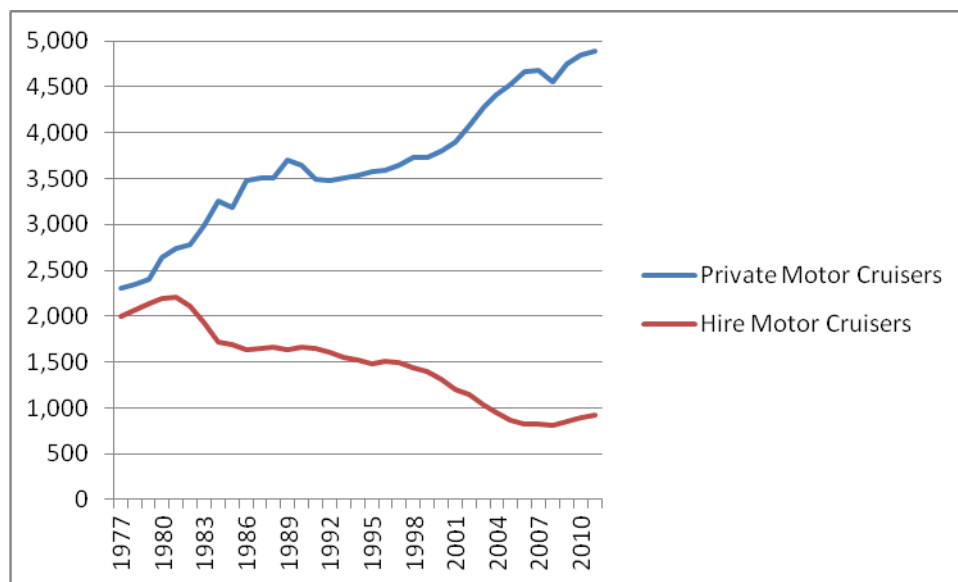
The Issue – Currently hire boats pay 2.7 times the toll of equivalent sized private boats and passenger 3.0 times. Should this relationship be maintained at the current level?

The 2005 Review recommended that the Authority:

“Reduce the multiplier for hire motor and sailing cruisers¹ from x3 to x2.7 over three years, then review the multiplier in Year 3 and decide whether it should be reduced further to x2.5 by Year 5, remain at x2.7 or return to x3. This reduction does not apply to day hire boats or passenger vessels, for which the multiplier should remain at x3.0.”

This recommendation, accepted by the Authority, was in the context of a continuing decline in the number of hire boats. The number of motor cruisers for hire had fallen to 870 in 2005 and the speculation at the time was that it might continue to fall to around 600 with perhaps only three or four of the larger yards surviving. That prognosis has fortunately proved to be over pessimistic and in recent times while further yards have closed their boats have often been purchased by other yards and new boats are being built.

The following graph shows the turnaround.



The basis for the multiplier has been that on average hire boats use the navigation more intensively than private boats and therefore should make a larger contribution. Getting precise figures across the whole of the year across the private and hire fleets is not possible but the Boat Census data, which is undertaken every 4 years and provides a data set which goes back to 1986 shows that in 1986 the hire fleet made up 23% of the total boats registered in the Broads and were responsible for 75% of all boat movements. By 2012 this had dropped to making up 12.5% of the total Broads fleet, but still responsible for 68% of all boat movements as measured during the survey. The recent survey of boat owners also suggests that hire boats are used more intensively. Typically they will be used for more than 20 weeks a year. The evidence from the recent survey is that 51% of the private boats in the sample went out less than 20 days last year. This is similar to the NSBA survey results where the

¹ The multiplier for day hire motor boats should remain at three times the equivalent private vessel toll, and that for sailing dinghies and rowing boats hired out as tenders remain at twice the private toll.

average number of days for which private craft made a journey exceeding 100 metres on the Broads navigation was 26.

The larger, newer hire boats attract more bookings and the larger yards that have diversified their businesses appear to be more profitable. But it would be difficult and inappropriate to levy charges on that basis.

The issue of the multiplier was fully explored at the Workshop and it was agreed that the Authority would need to research the implications and risks of moving away from the multiplier to a different system. The separate meeting with the Hire Boat Federation and the British Marine Federation explored the potential for decoupling the relationship between hire boat and private charges. The outcome from that meeting was agreement that there would be advantages if the Authority could levy different amounts to the private owners and hire boat industry taking account of different factors affecting the two groups. It was argued that the large weekly hire boats contribute more to the local economy than the day boats and shouldn't be discouraged by an increased level of tolls in line with that agreed in principle for the larger private boats.

The meeting on the 6th September considered three different options and the interrelationship with the range of charges (£50 - £90) for smaller private motor boats. The scenarios were as follows:

- Scenario 1 - maintain the current multiplier's of x2.7 and x3.0
- Scenario 2 - adjust multiplier's so as to maintain current level of tolls from both private and hire craft.
- Scenario 3 - decouple hire tolls maintaining current charges.

The first of these scenarios is shown above in Table 1. The other two are in Tables 3 and 4 in Appendix 2.

Because of the nature of the hire fleet, with a larger proportion of bigger boats, the change in relative costs for smaller versus larger craft meant an increase in the overall contribution from the hire fleet (from 38.7% to 40.3%) if the present multiplier was retained as in scenario 1. It also meant a significant decrease in the charges for day boats of around £50 per vessel while the largest weekly hire boats would pay an extra £150. This was contrary to the conclusions from the 2005 Tolls Review that there was no evidence supporting the need for a reduction in the charges for day boats.

In the second scenario the multiplier was varied according to the level of reduction for the smaller craft so that the overall contribution from the hire fleet was maintained. This still left day boats benefitting at the expense of the weekly hired fleet.

In the third scenario the private and hire craft were treated differently, with hire craft charges staying as current and private craft charges being adjusted as in the previous two scenarios, while the overall financial contribution from the two sectors was maintained. This avoids the reduction in costs for the day boats and the increases for the weekly hire fleets but caused some concern by those representing private boat owners who suggested that it could make the setting of tolls much more complex for the Authority and would remove the clearly demonstrable ratio between the toll paid by a private craft and the toll paid by an identical hire craft (the fixed multiplier). The alternative point of view was why would the Authority not go for a more creative and more precise system - the present multiplier is a blunt instrument. Some concern was expressed about the Authority's ability to manage the risk that budgeted income might not be achieved under a more flexible system.

A number of alternatives were suggested to give greater certainty including locking the relationship between private and hire rates at a particular size to accord with the principal that hire boats should pay more.

Scenarios 1 and 3 were compared further.

The Advantages of Scenario 3 i.e. considering private and hire vessels separately compared to Scenario 1, keeping the current multipliers, were:

- It incentivizes and rewards small craft without upsetting the rates in the hire fleet;
- It provides increased flexibility to the Authority in setting rates
- The draft Schedule of Tolls can provide greater transparency
- Builds in greater fairness for the private owners by allowing changes to the relative costs for different sized boats
- The broadly acceptable status quo for the Hire Fleet is retained in relation to the contributions from different sized boats

The relative contribution from the hire and private fleets are maintained if the composition of the two fleets remain constant

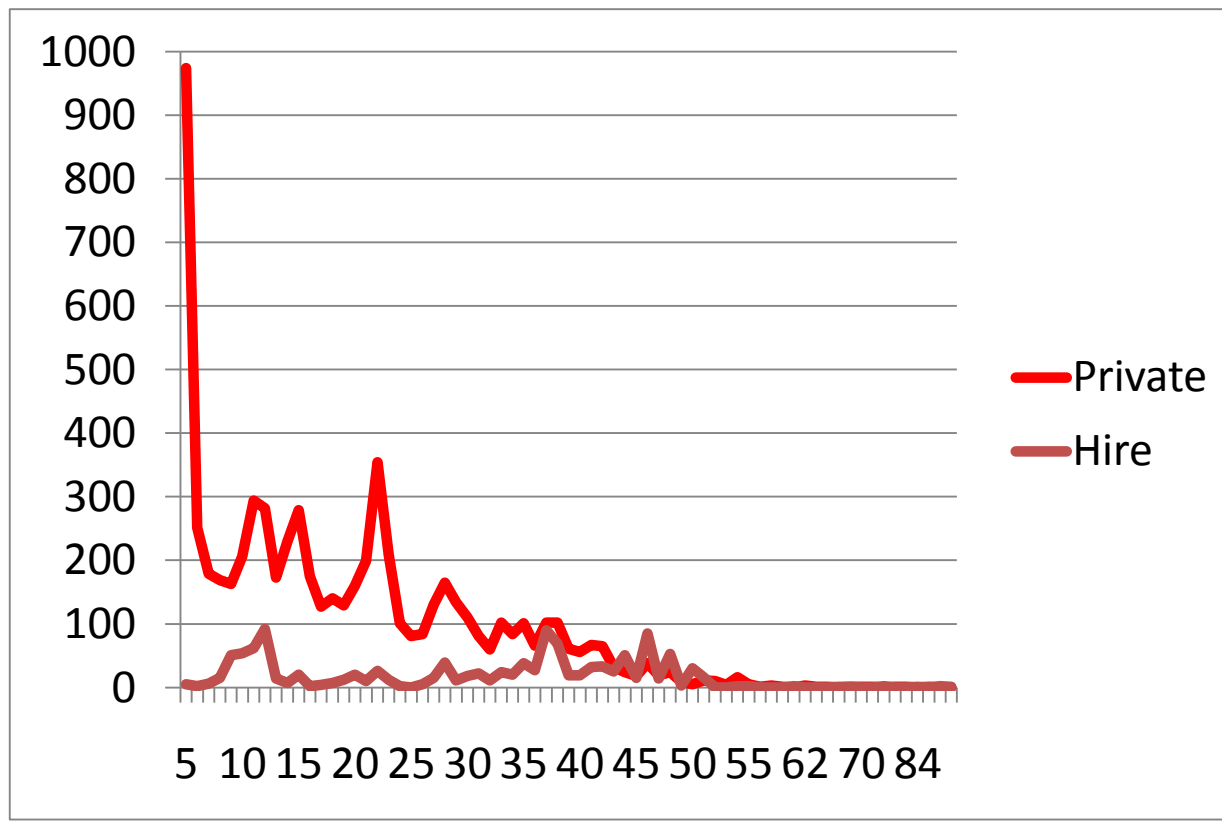
The Disadvantages of a move to Scenario 3 were:

- Removes an established mechanism, the multiplier
- Creates uncertainty since the process by which tolls would be set may also have to change

At the end of the 6th September meeting the officers undertook to prepare scenarios illustrating the way a new flexible system would work and to present proposals for the method to be used for setting tolls under such a system.

For the meeting on 25th September sets of figures comparing the differences between scenarios 1 and 3 were compared. The analysis demonstrated that because of the different composition of the private and hire fleets – as shown in the graph below the private fleet is dominated by small craft whereas the hire boat fleet has three equal peaks for day boats and two sizes of weekly hire boats.

Graph 1 Number of craft by size separated between private and hired boats.



This means that a reduction in the charges for small motor boats – a consistent ambition of the Authority – has an accentuated impact on the hire fleet with larger decrease for the day boats and larger increases for the weekly hire fleet.

The two scenarios were compared using the Working Group’s preferred option of an immediate reduction to £70 for the smaller motorised craft to make comparisons between them easier to identify.

Table 2 Comparison of the impact of Scenarios 2 and 3 with a reduction to £70 for small motor boats.

Example Tolls - Private:	Toll	Scenario 1 Retaining Multiplier of 2.7 and 3.0	Scenario 3 Separating Private and Hire Boat Calculations
	2012/13	£70.00	£70.00
Canoe	28.88	28.88	28.88
Motor 5m ²	97.44	70.00	70.00
Sail 5m ²	48.72	35.00	35.00
Motor 11m ²	144.84	127.48	130.48
Sail 11m ²	72.42	63.74	65.24
Motor Sail 18m ²	149.08	145.89	150.80
Motor 25m ²	255.44	261.60	271.60
Motor Sail 25m ²	190.17	196.15	203.72
Motor 38m ²	358.14	386.14	402.64
Motor 48m ²	437.14	481.94	503.44

Motor 86m²	737.34	845.98	886.48
Example Tolls - Hire:			
Motor 11m² (x3)	439.52	387.44	439.52
Motor 25m²	694.69	711.32	694.69
Motor 38m²	971.98	1047.58	971.98
Motor 48m²	1185.28	1306.24	1185.28
Motor 55m²	1334.59	1487.30	1334.59
Income:			
Private	1694800	1644500	1696000
Hire	1068000	1118800	1068000
Total Income	2762800	2763300	2764000

This analysis showed that:

(1) While in the two scenarios Total Income is within £700, the split between Private and Hire is different, because of the larger number of small boats in the Private Fleet, in Scenario 1 private boat owners collectively would pay £50,000 less and the Hire Fleet £50,000 more.

(2). The charges for private boats are very similar between the two scenarios with higher figures in Scenario 3 for those vessels of 11 metres² and over – for example £20 greater for a 48 metre² motor boat.

(3) There was a significant difference for the hire boats with day boats paying around £50 more under Scenario 3 and the larger weekly hire boats £150 less.

The Advantages and Disadvantages of Scenario 3 were considered.

Advantages of Scenarios 1 & 3

They fix the relative rates for both small and large vessels for the future (step change/new model)

They provide a level of transparency and certainty about the baseline

They introduce fairness for private owners with small motor boats paying significantly less

They incentivise the ownership of smaller craft and makes the owning of smaller craft more affordable
- social impact

Advantages of Scenario 3

It maintains the broadly acceptable status quo within the hire fleet between the day boats and the weekly hired.

It provides the benefits to the private sector of realigned chares for different sized craft but doesn't skew the hire-boat sector

It maintains the "usage" multiplier principle but without precise ratios providing a degree of flexibility for the future.

It spreads the usage principle differentially on the hire fleet so that the day boats continue to pay a higher multiplier

Disadvantages of Scenario 3

It removes the established mechanism of fixed multiplier

It could reduce options for flexibility for 3 – 5 years

It would not be easily understood by all users.

There is a perceived unfairness for some owners who will see the charges for large private boats rise significantly while unchanged for the larger hire boats.

If Scenario 3 was selected private boat representatives indicated a concern about what would happen to future rates. A number of mechanisms responding to this concern were postulated – for example linking the private and hire rates by a multiplier at a single point on the charging scale or fixing the new relative rates for a period of 3-5 years, so that the new rates are only increased by a common percentage. Both of these ideas have the common problem of reducing the very flexibility that the new arrangements offer.

The Group considered differing propositions through the use of graphs and the complexities of each and noted that any changes would have an impact on each sector. With the aim of achieving a “revenue neutral” position, the group gave detailed consideration to the possibility of reducing the multiplier. Again the complexities were recognised.

The Group concluded that:

- **The multiplier should be reviewed on an annual basis by the Navigation Committee.**
- **The multiplier for hire boats and passenger boats should be reduced to 2.65 and 2.95 respectively for 2013/14 to take account of the reduction in the charges for entry level motor craft to £90 t.**

TOPIC 3. Incentives for Greener Boating

The Issue – Should there be a discount for hire boats that are accredited under the Green Mark Scheme?

The Authority has worked very successfully with Broads Tourism in developing and implementing a Green Mark Scheme for hire boats. In Autumn 2011 the suggestion of a discount in the toll for those boats that are accredited with the new national Green Mark accreditation for eco-friendly boats was examined and was not supported because it would have a significant impact on toll income if a large number of boats joined the Scheme and would require a modification of the toll collection process. The current position is that Broads Tourism has taken the lead in promoting the scheme, and the Broads Authority has transferred approximately £10,000 for the purpose. This money has come from the STEP Interreg budget (a European funding stream), and it will be used to subsidise the cost of boatyards joining the Green Tourism Business Scheme and then submitting their craft for grading. Norfolk Broads Direct participated in the development of the scheme, and all of its boats have now been graded. Richardsons Group was currently awaiting grading, and Silverline Marine had formally expressed an interest in joining the scheme. Broads Tourism would shortly begin promoting it to other yards, and explaining the incentives that are on offer.

At the Workshop it was agreed that the Broads Authority and the hire boat industry should continue to promote ‘green’ boating but the tolls system should not be used as the mechanism.

TOPIC 4. Tenders on Larger Vessels

The Issue – Should the charges for tenders on large vessels be reduced?

This is a variation of Topic 1 – the relative charges for larger and smaller craft. The costs for a small tender with an outboard do look high when compared to a smaller sailing craft and this should be considered under Topic 1. It has been suggested that tenders should be free. If they are not put in the water in the Broads they do not require a toll.

At the Workshop it was agreed that the charge for tenders should remain unchanged.

TOPIC 5. Clarification on the application of short visit and partial year tolls

The Issue – Do the present arrangements provide sufficient flexibility and encouragement for visiting craft? A Member raised this issue specifically in relation to craft entering from Lake Lothing via Mutford Lock on day trips. The present arrangements are as follows:

Short visit tolls are available for periods of 1-7, 8-14, 15-21 or 22-28 consecutive days, or for any combination of these days up to a maximum of 28 days within any tolls year starting 1 April. (e.g. four periods of 1-7 days, or one period of 1-7 days plus one period of 15-21 days). Vessels entering the Broads via Mutford Lock pay an £11 lock fee. This charge also covers visiting vessels for the use of Oulton Broad (only) on the day of entry and up to midnight on the following day.

The byelaws and Broads Authority Act 2009 work on the basis of registration and boat safety being required for vessels using the Broads for more than 28 days in any tolls year. Any craft on the water for 29 days or more pays the full annual toll, short visit tolls should therefore reflect this.

The 2005 review discussed the option of a 1-2 day visitor toll as being “Attractive to potential users” however it was considered that the charge would be little different from the 7-day toll as it would be

relatively costly to administer. The group resolved that “This is a perception issue, best addressed by re-badging such licences as: ‘1-7 day’, ‘8-14 day’, ‘15-21 day’ and ‘22-28 day’ short visit tolls”.

Example of current charges:

Duration of toll in days	12’ powered craft with a block area of 5 square meters	18’ powered craft with a block area of 11 square meters	27’ powered craft with a block area of 25 square meters
1 -7	£22.50	£35.90	£55.90
8 – 14	£32.20	£51.30	£79.80
15-21	£54.70	£87.20	£135.70
22-28	£64.40	£102.60	£159.60
29 or more (Annual Toll)	£97.44	£144.84	£255.44

The Group noted at its September 25th meeting that the present charges for short visit tolls were related to the annual charges in that someone purchasing a short visit toll covering 28 days would have paid approximately two-thirds of the full annual toll which was applicable for stays over 28 days. The 14 day figure was 50% of a 28 day charge.

The Group considered the proposal to reduce the 7 day charge to 50% of the 14 day toll, which would be 25% of the 28 day charge. Following discussion it was considered that this would be acceptable and worthy of consideration by the Navigation Committee with the proviso that this be reviewed on an annual basis.

The Broads Society had wished to propose a very short term visitor stay of a one or two day toll. They particularly had in mind visitors accessing the Broads from the sea, particularly through Lake Lothing and Mutford Lock. It was felt that the present system deterred visitors from overseas from accessing the Broads.

It was agreed that officers would be asked to examine the idea of a discount arrangement for boats visiting the Broads for a limited time with access through Mutford Lock as part of the lock fee.

TOPIC 6. Work safety boats and river maintenance vessels

The Issue – Are the charges for work boats appropriate?

The 2005 Review recommended that the Authority:

“Charge commercial plant on the same basis as other commercial craft, with an upper limit to the toll set at no more than 60 m². The upper limit and the phasing of the introduction of this charge should be subject to further consultation between the Authority and the industry.”

The charges for Work and Safety boats were considered by the Navigation Committee at its meeting on 24th April 2008 as part of tolls report on exemptions. The report stated:

“The amounts involved in the exemptions for workboats, even for the Environment Agency, are relatively small. The justification for exemption was on the lines that their activities are beneficial to the navigation. However, given the amounts it may be just as sensible to remove the exemption.”

The Committee supported that view.

There are 175 workboats on the Broads. The current level of charges for the Motor Work Boat Toll is £78.08. This is payable by any vessel, including floating plant, which is:

- Used exclusively for the good management of the Broads, or for the maintenance or dredging of the waterways,
- Or is used by bona fide boatyards for the towing or serving of other vessels,
- Or is used by commercial fishermen for servicing or operating nets.

Non powered workboats/pontoons pay the toll for rowing craft of £28.88

There is a wide range in the size of craft involved from a small yard boat to the very large JMC 9 all paying the same toll, and there was previous discussion as to whether a sliding scale based on block area would be fairer.

At the Workshop it was agreed that the charge for work safety boats and river maintenance vessels should remain unchanged.

Ferries and Rowing Boats

Two other issues were raised in the course of the Working Group's meetings: charges for ferries and rowing boats.

The Group was in agreement with the proposals to use the tolls to support ferries in association with the integrated access strategy and that this should be considered by the Navigation Committee.

It was recommended that consideration should be given to having a fixed charge based on a clear definition of a ferry to include:

- ***Operating between two fixed points of no more than x metres apart***
- ***Used solely for the purpose of transporting passengers between approved designated fixed points***
- ***Operated under the Broads Authority Small Passenger Boat licensing Scheme***

The location and fixed operating points must meet the requirement of the Broads Authority integrated Access Strategy for Ferries.

The representative from the Rowing Association commented that the Rowing Clubs paid the Environment Agency through the British Rowing Association which helped in administration and to reduce the costs to those associated with a club. A request was made for the Authority to consider making similar arrangements.

It was noted that the fees for rowing craft in the Broads were similar to that for canoes. However, the implications of the proposal to seek one payment through the British Rowing Association for the clubs within the Broads would need to be examined in greater detail. Such details to include economies of scale, whether or not this would be advantageous, given the relatively small number of rowing clubs within the Broads, and comparisons made with systems operated elsewhere.

It was recommended that a report on charges for rowing craft be prepared for a future Navigation Committee.

Tolls Review 2012 – **DRAFT** Guiding Principles and Criteria**Overarching strategic principles**

Options for changing the structure and the system for collecting navigation charges in the Broads will be judged using the following guiding principles. The structure of charges will take into account:

- (1) **Size of the vessel:**
 - Impact on the navigation area, i.e. generally the bigger the vessel the more impact it is likely to have
 - Perceived ability to pay, i.e. generally the larger the vessel the more valuable
 - Greater impact on the system, e.g. the larger the vessel the more space taken up
- (2) **Usage of the navigation area:** The owners of hire boats should pay more on the basis that their boats use the system and facilities more than private boats.
- (3) **Environmental impact:** Encouraging certain means of propulsion because of lower environmental impact – electric and non-powered craft (e.g. sailing, rowing, canoeing)
- (4) **Economic impact:** Having regard to the impact on both the private owner and the important local tourism industry.
- (5) **Social Impact:** Encouraging more participation in boating, particularly from new entrants and young people, with the aim of promoting health and well-being and the enjoyment of the special qualities of the area.
- (6) **Fairness:** Justifiably and understandably fair when applied and encompassing the full spectrum of users and uses.
- (7) **Value for Money:** Charges compare favourably with other waterways whilst generating the required revenue.

The effectiveness of changes to the system will be judged using the following attributes and criteria.

Attributes	Criteria for comparison
System is cost effective to administer i.e. cost remains low (currently around 4% toll income)	(i) Annual administration costs
System is easily understood by all users	(ii) Ease with which the system is understood at point of use (Schedule of Tolls)
System is easily used by customers	(iii) Ease of payment
Structure and charges reflect the seven principles: (1) Size of the vessel (2) Usage of the navigation area; (3) Environmental impact; (4) Economic impact; (5) Social impact; (6) Fairness; and (7) Value for money.	(iv) The structure of the tolls
Charges are enforceable at lowest possible cost	(v) Cost and Ease of Enforcement
System is capable of adjustments in line with guiding principles and without requiring major revision.	(vi) Adaptability

Appendix 2 Analysis of different options for the relationship between private and hired craft charges

Table 3. Decrease entry level tolls – adjust the multipliers

Hire Boat Multiplier:						
Weekly Hire	2.70	2.34	2.41	2.48	2.55	2.64
Day Hire/Passenger	3.00	2.60	2.68	2.76	2.83	2.93

Example Tolls - Private:	Toll	Toll Examples (Private Motor Rate Minimum)				
	2012/13	£50.00	£60.00	£70.00	£80.00	£90.00
Canoe	28.88	28.88	28.88	28.88	28.88	28.88
Motor 5m ²	97.44	50.00	60.00	70.00	80.00	90.00
Sail 5m ²	48.72	25.00	30.00	35.00	40.00	45.00
Motor 11m ²	144.84	119.90	125.16	130.48	135.68	140.88
Sail 11m ²	72.42	59.95	62.58	65.24	67.84	70.44
Motor Sail 18m ²	149.08	151.12	150.88	150.80	150.48	150.16
Motor 25m ²	255.44	283.00	277.20	271.60	265.60	259.60
Motor Sail 25m ²	190.17	212.30	207.86	203.72	199.20	194.68
Motor 38m ²	358.14	434.45	418.38	402.64	386.24	369.84
Motor 48m ²	437.14	550.95	526.98	503.44	479.04	454.64
Motor 86m ²	737.34	993.65	939.66	886.48	831.68	776.88
Example Tolls - Hire:						
Motor 11m ² (x3)	439.52	316.74	340.15	364.54	389.43	418.25
Motor 25m ²	694.69	667.22	673.05	678.57	682.28	690.35
Motor 38m ²	971.98	1021.61	1013.30	1003.55	989.91	981.38
Motor 48m ²	1185.28	1294.22	1275.02	1253.53	1226.55	1205.25
Motor 55m ²	1334.59	1485.05	1458.23	1428.52	1392.20	1361.96
Income:						
Private	1694800	1694200	1694600	1696000	1695300	1694700
Hire	1068000	1069600	1070600	1070600	1067200	1069800
Total Income	2762800	2763800	2765200	2766600	2762500	2764500

Table 4. Decrease entry level tolls and remove the fixed relationship between private and hire tolls

Example Tolls - Private:	Toll	Toll Examples (Private Motor Rate Minimum)				
	2012/13	£50.00	£60.00	£70.00	£80.00	£90.00
Canoe	28.88	28.88	28.88	28.88	28.88	28.88
Motor 5m ²	97.44	50.00	60.00	70.00	80.00	90.00
Sail 5m ²	48.72	25.00	30.00	35.00	40.00	45.00
Motor 11m ²	144.84	119.90	125.16	130.48	135.68	140.88
Sail 11m ²	72.42	59.95	62.58	65.24	67.84	70.44
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Motor 25m ²	255.44	283.00	277.20	271.60	265.60	259.60
Motor Sail 25m ²	190.17	212.30	207.86	203.72	199.20	194.68
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Example Tolls - Hire:						
Motor 11m ² (x3)	439.52	439.52	439.52	439.52	439.52	439.52
Motor 25m ²	694.69	694.69	694.69	694.69	694.69	694.69
Motor 38m ²	971.98	971.98	971.98	971.98	971.98	971.98
Motor 48m ²	1185.28	1185.28	1185.28	1185.28	1185.28	1185.28
Motor 55m ²	1334.59	1334.59	1334.59	1334.59	1334.59	1334.59
Income:						
Private	1694800	1694200	1694600	1696000	1695300	1694700
Hire	1068000	1068000	1068000	1068000	1068000	1068000
Total Income	2762800	2762200	2762600	2764000	2763300	2762700