

Navigation Committee

08 June 2023

Agenda item number 10

Replacement Toll Management System

Report by Collector of Tolls

Purpose

To seek the views of the Navigation Committee on two issues concerning the functional capability of the proposed replacement toll system to ensure it is fit for purpose for a minimum period of five years.

Broads Plan context

Theme C: Maintaining and enhancing navigation.

1. Introduction

- 1.1. The existing policies and processes for collecting and charging tolls are broadly the same as those in place when the function was performed by the Great Yarmouth Port Authority.
- 1.2. The tolls year runs from 1 April to 31 March following. The annual toll charge is payable on any vessel kept or used in the navigation area, or adjacent waters, for more than 28 days in any toll year; it is not a twelve-month charge. Short visit tolls are available for periods up to a maximum of 28 days in any toll year.
- 1.3. Tolls are not transferable to any other vessel and no return of tolls is made in the event of cancellation of the toll before the end of the toll year.
- 1.4. An on-line payment system was developed in 2010 with assistance from an outside company funded by a programme called Implementing Electronic Government which provided finance to local authorities and national parks to develop applications to make use of the Internet. The present software cost around £88,000 and has worked well including through the COVID pandemic. Two students from UEA developed an app for mobile devices so Rangers and the general public could check whether a vessel had paid its toll and had a current Boat Safety Certificate.
- 1.5. The current system is now nearing its end of life and one of the Authority's strategic priorities is to develop a replacement. The initial task is to develop a specification for the work and then assess the costs of additional functionality.

- 1.6. The replacement system should be agile enough to respond to policy and process changes to provide a minimum life span of five years.

2. Potential functional changes

2.1. **Payment by Instalments**

One of the main requests from private toll payers has been a wish to pay the charge in instalments. Currently, because of the administrative overhead, this is only possible for hire boat yards (because of the size of the annual payments), and individuals that demonstrate financial hardship (for which specific arrangements are negotiated).

- 2.2. It is proposed that, considering the seasonal nature of boating on the Broads, the new online system will have the option for boat owners to spread the cost of their tolls over 4 monthly payments.
- 2.3. The advice of Members is sought as to whether there would be a minimum amount due to be eligible for payment by instalment. For the current year 14% of all toll accounts totalled £50 or less, 29% are for £100 or below and 49% of toll accounts total £200 or less.
- 2.4. **Replacement vessels during the tolls' year**
A further area of feedback from owners is when they sell a boat part way through the year and then buy a previously unlicensed craft they are required to purchase a further annual toll.
- 2.5. The current requirement is that an annual toll is payable on any vessel kept or used on the Broads for more than 28 days in any toll years. Therefore, a vessel sold after that period does not attract a return of tolls as the amount paid is the appropriate toll for the period of use.
- 2.6. Private vessels kept on the Broads for less than 28 days in any toll year can have a short visit toll. The majority of short visit tolls are purchased for boats with a length of 8 meters or less, on average the 28-day toll for these craft equates to around 75% of the appropriate annual toll.
- 2.7. The Committee is asked to consider whether changes should be made to lessen the impact on owners who sell a licenced boat part way through the year and then buy a previously unlicensed craft.
- 2.8. Following the 2005 tolls review, new craft registered with the Authority, or craft being registered to a new owner and not previously licensed, on or after 1 January, receive a 50% discount on the appropriate annual toll up to 31 March. The total value of those discounts last season was £3,981.45.
- 2.9. The main boating season is seen by many as being from Easter to the end of October each year. Most new boat registrations occur between March and October. In 2022 there were 1184 new registrations, just 7% of those occurred between November and the end of February.

2.10. When considering changes to charging structures it is important to assess the overall impact on all aspects of the system as they are interrelated.

3. Financial implications

3.1. The introduction of payment by instalment will reduce the level of interest earned on navigation income during the toll year.

3.2. Changes to the tolls charging policy, refund policy or the tolls year may impact on income.

4. Risk implications

4.1. Receipt of toll income early in the financial year enables early sight of any unexpected drop in income.

4.2. There is a risk that missed or cancelled payments would impact on administrative resource.

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