

BOAT LICENCE FEES 2010:

CONCLUSIONS AND DECISIONS AFTER PUBLIC CONSULTATION

In November 2009 we published a short consultation paper on proposals for changes to boat licence fees for 2009, inviting comments in writing by the end of February.

There were 57 responses, including 14 from organisations representing boat licence holders. A summary of this feedback along with the consultation paper and individual responses can be found at:

<http://www.britishwaterways.co.uk/listening-to-you/consultations-and-reviews/completed-consultation-reports>

1) Payments by credit card

PROPOSAL:

To encourage customers to switch to debit card or direct debit payment methods which carry much lower transactions costs for BW, a fixed charge of £7.50 to be applied to all bills settled by credit card from 1st April 2010.

DECISION: There was general acceptance of this proposal so we intend to implement it for licences and mooring permits starting in August 2010. The charge will only apply to payments by credit card, not debit cards, and we have recently extended the range of debit cards to include Mastercard, Mastercard Purchasing (commercial card), Maestro/Switch, Visa Electron /Delta / Debit / Credit, JCB, Solo, Visa purchasing(commercial card)

We do not accept Diners or American express.

2) Short term licences

PROPOSAL:

To withdraw the 30 day Waterway Explorer licence from sale because of the difficulty of integrating sales records into our enforcement process. Annual sales are generally less than 300 and we felt that the new, easy availability of daily, weekly and one month licences over the internet would reduce demand further.

DECISION:

We received several strong representations from owners of trailed boats to retain the Waterway Explorer licence so we have given further thought to ways in which we can integrate these cost-effectively into our enforcement processes. This is feasible if the licences are purchased using our internet service. We have therefore decided to retain the Explorer licence, but from 2011 onwards, it will be available only when purchased using the online system or by telephone to our national customer service team. By 2011 we hope that most of our local licensing agents will be able to issue licences using the internet system.

3) Payment discounts

PROPOSAL:

To reduce the size of the prompt payment discount and use some of the increased income to fund an incentive to use our online purchase and renewal system. The proposal involved an effective 2% price increase for people claiming prompt payment and the online discount.

DECISION:

This was almost universally unpopular: it was seen as unfair to our 'best' customers and a cynical ploy to avoid raising the headline licence fee. Since publishing the proposals we have seen continued increase in take-up of, and enthusiasm for the online renewal service, so the need for an incentive for this is probably not necessary at present. We also accept that it may be short-sighted to penalise our currently best-paying customers and 'reward' those who generally pay late. There will therefore be no change to the prompt payment discount which will remain at 10%.

Our budgeting for licence fee income in 2010/11 was based on the assumption that the change proposed in the consultation paper would be implemented from August. We cannot afford to forego this income and have therefore reluctantly decided that an across-the-board increase in all licence fees of 1% must take effect from August. This will be applied to renewal invitations send out during June.

4) Other comments on the consultation feedback

Several respondents logged heartfelt pleas for **longer term certainty over the level of licence fees**, asking us to confirm the rates for the following three years. We do understand the importance of this for personal budgets, and in recent, more stable times, we were able to do this. It is our sincere hope that more secure funding for the waterways will emerge from the proposed move to the third sector, which would involve a long term, legally binding contract with government. With this in place, our aim will be to return to more predictable licence prices.

Our policy of encouraging **use of the internet** for obtaining information and transacting with BW continues to annoy a sizeable minority of people. Our response to this is that it would be irresponsible of us not to develop the large cost saving potential, because money saved in this way means more for maintenance and repairs. We will continue to maintain alternative methods for people for whom the internet remains inconvenient or unavailable. It was in this context that many people feared the impact on **boat clubs** of further use of the internet for licence renewal. We want to put minds at rest on this: we agree that clubs – and licensing agents more widely – play a valuable role in helping us to minimise licence evasion. We are consulting with clubs and agents over a new method of rewarding them for continuing to support licence enforcement, in an environment where renewals are conducted on line.

Simon Salem
June 2010