

Boaters on waters controlled by the Environment Agency (EA) are being softened up via a phoney “consultation” process to accept well above inflation increases in boat registration fees over the next 5 years.

Although the “consultation” only relates to the coming two year period 2019-2021, at a recent briefing meeting it was said that this rate of increase would continue for the coming 5 years. Today, three weeks after that briefing, I hear they have shifted their ground to propose a 2 year deal followed by a 5 year deal. I hope that EA now have a sense that they may have gone a step too far.

Why? It turns out that EA has run their assets into the ground and needs to increase its capital budget by £50 million to put matters right. If this sounds reminiscent of the railways in the 70’s or maintenance of our military assets, then remember the common thread running through all government management of infrastructure assets is a Treasury that has no concept of “a stitch in time saves nine”.

Sensibly, government does want to move the responsibility for these navigation assets to the Canal & Rivers Trust (CRT), but it was CRT’s detailed 2016 audit of EA assets in preparation for the planned takeover, that uncovered the existence of some “unknown” assets and the true condition of the rest. CRT would not accept the liability for those EA assets without a substantial and visible compensation. Although that preparation work cost CRT around £1 million, which in their terms was money wasted, it has at least highlighted the issue of gross EA neglect.

The problem now, is that we are stuck with the faceless EA bureaucrats who have allowed this situation to develop, to manage the remedy. What level of confidence can we have in that?

The charging proposals they are “consulting” on have already been in the course of preparation for six months and have already been approved by The EA Board, the Treasury, DEFRA Minister Therese Coffey and Michael Gove the Secretary of State, so why would they listen to us, the users?

Only if we can convince them that this is a bad idea, which will not produce the anticipated revenue.

In a verbal briefing meeting it was said that EA had commissioned an opinion poll analysis of boaters to establish the elasticity of demand. What that means is that they believe the threshold of financial pain for boaters is higher and they can move these charges up to that threshold, without losing customers. I was struck by just how cynical they are about it. Their mission is NOT to improve anything.

The average age of leisure boaters is increasing because old boaters are not being replaced by younger ones, a fact recently confirmed by the British Marine Federation. The boating market is being powered around our cities that have rivers and canals by people seeking a solution to expensive residential accommodation. But that is not boating, since these boats never move, that is a mooring problem.

The elasticity of demand for housing is much higher than that for leisure boating, so I expect that if they succeed with these proposals the cost of the right to navigate the 18 miles and 10 locks on the River Medway, which this year for a 37ft boat costs £381 will cost £461 in 2021 £613 by 2024. Will the 1000 boat owners on the Medway keep their boats there or move them? If 200 move them the proposal will result in a revenue loss. Though if 200 squatters buy cheap ex-leisure boats to live on what will that do to the leisure value of the Medway?

On the Anglian Rivers a 37 ft boat costs £654 this year. On the main rivers Great Ouse and Nene there are 75 miles / 18 locks and 88 miles /38 locks respectively. In 2021 that boat will cost £755 and

by 2024 it will be £939. Leisure boaters get more mileage of river here, and a little of it of it has real leisure value, but much of this infrastructure is drains essential for flood and water management, so the costs will have to be met whether leisure boaters use it or not.

On the River Thames area charging confuses comparability, but using 22sq m (11x2) a boat would cost £431 this year. Next year this would increase to £456, to £482 in 2021 and to £570 in 2024.

River Thames boaters get a much better deal from EA than any of their other customers. It has 135 EA miles and 45 locks, so clearly the charges, which are a fraction of the Anglian Rivers and similar to the Medway, which offers so little in return, are unfair in absolute terms, compared to the other waterways.

Why does the Thames have the lowest cost per mile? Two reasons – there are more boats there (around 15,000) which produce about £4.5 million of licence income and water resources income of around £890k. The water resources income is a critical factor, because only the Thames gets it for some reason best known to EA accountants. That is despite the fact that the Anglian Rivers in particular are critical to the operations of Anglia Water, which abstracts huge flows from both while discharging drainage and treated effluent.

So when it comes to the maintenance of navigation assets, we could follow the example of the Scottish Canals, which have discouraged boating use, allowed their waterways to become silted up and their moving bridges to become immovable, so that all they now have is a residential boating offer to make.

The unintended consequences of discouraging leisure boating users are that weed and silt will accumulate in the river channels. EA needs to keep these channels flowing to prevent flooding and to maintain a steady supply of water to the water companies. With fewer boats moving that becomes more expensive.

The EA needs to be honest with it's customers. They produce accounts which don't bear any scrutiny, and they use false arguments to justify excessive increases. The £50 million it needs cannot be squeezed out of boaters on any scenario, yet is a trivial sum to the water companies. Rather than make good their shortfall with a minute increase on abstraction and discharge fees they are proposing to tax the leisure boater.

I say taxing, because they really give very little in return, especially to those they propose to tax the most. Where are the manned locks (common on the Thames) in East Anglia? Where are there EA moorings in East Anglia? Where are there rubbish disposal points or toilets and showers or electric hook-ups in East Anglia? Hardly anywhere is the answer.

The "consultation" will be available on the GOV.UK website, apparently from Thursday July 19th. We need to let the politicians know what we think to their plans.