



Canal and River Trust Licensing futures: summary report

Context

The [Canal and River Trust](#) (CaRT, the Trust) commissioned [Involve](#) to carry out an engagement and consultation project to review the future of boat licensing. The objectives of the review were to:

- Gain support from a wide range of boaters and boating organisations to make changes to the licensing system should the Trust wish to do this;
- Explore other relevant new ideas from boaters and boating organisations.

CaRT will use boaters' views to inform the development of a boat licensing system that is:

- More simple and administratively less burdensome than the current system;
- Robust and workable;
- Balances pricing and affordability.

There were three stages to the review. Involve carried out Stages 1 and 2, on behalf of the Trust: Stage 3 was carried out by [Tonic](#).

- Stage 1: telephone interviews with boating organisations, with outputs used to inform the development of broad scenarios for the future of licensing;
- Stage 2: workshops with boaters to refine and improve scenarios, with outputs used to inform the development of clear options for the future of licensing;
- Stage 3: Consultation on options, open to all boaters.

This report summarises the three stages, and is intended to introduce the process and some of the main points arising. Readers wishing more detail can find this in the full reports produced at the close of each stage. These are available on the Trust's website. Before summarising each stage, we provide an overview which draws out the consistent themes across all three stages.

Overview

The Trust wished the consultation process as a whole to be customer led. In practice, this meant ensuring that participants' views informed the themes addressed at each stage and enabling participants to express their own views freely. The former was achieved by not finalising the design for each stage until the findings from the previous stage had been analysed. The views of stakeholders (boating organisations), interviewed in stage 1 informed the themes and questions addressed in stage 2. Stages 1 and 2 informed the questions asked in stage 3, which was intended primarily to ascertain the levels of support for options developed on the basis of the previous two stages. The latter was achieved by using a qualitative approach to stage 1, a more deliberative approach at stage 2 and including open questions and free text responses in stage 3. This ensured that those involved in each stage could raise additional topics that they felt were important to the discussion.

The findings from stages 1 and 2 of the consultation are qualitative and hence the views gathered

and the weight of opinion expressed in these stages cannot be seen as representative of the wider boating community. Nevertheless, across the workshops and interviews as a whole, contributions were made by boaters and organisations with a wide range of perspectives and experiences.

At stage 3, 11,085 responses were received, from across England and Wales, and from a range of different boat and licence holder types. This response rate reflects the views of approximately one-third of all Canal and River Trust licence holders. Whilst respondents are self-selecting, this level of response demonstrates widespread interest amongst boaters in having their views heard on these topics and gives the findings some weight.

The main themes addressed during the consultation were:

- Charging mechanisms: on what basis should this be determined? For example, by length (the current charging mechanism) or by area (e.g., length x width);
- Continuous cruisers (boats without a home mooring);
- Discounts, including prompt payment discounts.

The following themes recurred at each stage of the consultation and received the most support:

- Including the width of a boat as a factor in determining the cost of a licence;
- Clarifying and explaining the rationale for discounts;
- Increasing and improving enforcement of existing rules;
- Providing more moorings;
- Protecting the quality and heritage of the waterways.

Stage 1

Stage 1 was carried out in March 2017 and comprised telephone interviews with representatives from 14 boating organisations identified by the Trust. As a qualitative exercise, it did not seek to indicate the level of support for different approaches to licensing across the 14 respondents, but rather to capture and describe the range of views expressed.

Interviewees identified current and future challenges facing the waterways. Current challenges raised during interviews included:

- An increasing number of residential boats, particularly in urban areas;
- Increases in both the length and width of boats;
- Congestion and continuous cruising;
- Owners without a business licence renting out their boat.

Challenges for the future raised during interviews included:

- Demographic change: encouraging younger boaters onto the waterways is seen as very important;
- The environmental impact of boating was raised only once.

Topics with broad support	Topics with little/no support	Topics with no consensus
<ul style="list-style-type: none"> • Pricing based on the area of a boat (length x beam); • Clarifying the rationale for discounts on buttyts; • Reviewing the length of the licence period, with a suggestion that rates for short-term licences should be higher, to reflect extra administration costs. 	<ul style="list-style-type: none"> • Pricing by distance travelled; • Removing prompt payment discount; • Removing historic boat discount (but some room for clarifying how and to which vessels it is applied); • Basing licence fees on the value of a boat. 	<ul style="list-style-type: none"> • Whether the license fee should be higher for those without a home mooring (and on what grounds); • If and how technology should be introduced as a means of monitoring licences and helping to reduce enforcement costs; • The most appropriate approach to managing busy areas of the waterways; • The role of paper licences.

Table 1. Stage 1: Distribution of support across different topics

Following Stage 1, the Canal and River Trust analysed the findings and agreed the topics on which they wished to focus in Stage 2.

Stage 2

Stage 2 was carried out in May and June 2017 and comprised nine workshops involving 81 boaters. The workshops used a broadly deliberative approach. That is, they were grounded in the principles of qualitative research, but ensured also that the issues being addressed were those where there was scope for boaters' views to influence change; that information was provided where necessary and available (for example, on the number of boats claiming different discounts, and on the number of boats evading licensing), and; the process enabled deliberation between boaters on the different views expressed, some insight into priorities and the generation of new ideas.

The workshops were structured around three broad themes:

1. **Licence charging mechanisms:** whether licensing should be based on the length of a boat (as it is currently), on the area of a boat (length x width), or whether there should be a single licence for all boats, regardless of size. Workshop participants were encouraged to suggest improvements or alternatives to these three basic mechanisms.

Boaters expressed broad support for licensing by area of boat (length x width), though this was not a unanimous view, and a substantial proportion argued for retention of the current system. They discussed fairness in relation to whether and how to include the size of a vessel in licensing, taking into account:

- The perceived cost of change to the Trust;
- The impact on capacity and ease of use of the waterways;

- Personal choice to own a particular size boat;
- Access to the waterways;
- Low cost entry points to boating.

2. **Other factors important to licensing:** the focus of discussions was on three main topics:

- Regional pricing, or zoning (i.e., varying licence costs by geographic location);
- Use of technology (e.g., location tracking);
- Level of use of a boat.

There was no widespread support for any of these to play a role in determining the cost of a licence.

Respondents raised a number of other topics as well, including: enforcement; the relationship between mooring and licensing; a lack of transparency in licensing system as a whole; the quality of information from and communication with the Trust, and; trading and business licences.

3. **Discounts:** six different discounts were discussed. With the exception of the prompt payment discount, views on the different discounts were moderated by information on the small number of boats claiming each one.

Most of the current discounts received some support, though the rationale for some was questioned. The charity boat discount was widely supported, and participants felt it should be increased. The electric boat discount was discussed at most length and many participants felt it should be removed.

Other topics

In addition to the focused discussions on the three themes, boaters in the workshops raised a number of other topics. These included:

- Whether or not the current licensing system is fit for purpose, or needs to be changed;
- A lack of clarity about the logic underlying the current system;
- A lack of clarity about the use made of monies raised through licensing;
- The importance of not using the licensing system to penalise specific types of boating or set different types of boater against each other;
- The importance of a 3-5 year transition period for the introduction of any changes;
- Congestion, which boaters characterised as a problem for both mooring and navigation, and as a safety concern. It was seen as localised at present, but spreading:
 - The view that congestion is a problem for mooring and enforcement, and cannot be tackled through the licensing system was widespread and strongly held, with few exceptions.
- Enforcement: this topic was also raised in all workshop and, in general, seen as important but poorly managed.
 - Some participants felt that enforcement actions are applied unfairly or aggressively.
- The quality of the Trust's communication and information was seen as needing improvement:
 - Some participants identified the need for more transparency and openness.

Boaters argued as well that the licensing system should be underpinned by principles and identified fairness, intelligibility, simplicity and ease of enforcement as particularly important.

In the evaluation questionnaires completed at the end of each workshop, boaters were asked:

“What three points do you think it is most important for C&RT to consider in this licence review?”

Participants raised a wide range of topics in their responses, including fairness and the importance of acknowledging and responding to change on the navigation. Many of the comments reiterated and reinforced themes discussed in the workshops.

Following Stage 2, the Canal and River Trust analysed the findings and identified the topics on which they wished to focus in Stage 3.

Stage 3

The proposals, options and questions at Stage 3 of the consultation were developed by the Trust and informed by the views expressed in Stages 1 and 2. Stage 3 asked for feedback on a series of proposals and options described in the consultation document, and sought new ideas. The consultation was aimed at individual boaters. Business and trade licence customers were able to contribute their views, though the Trust made it clear that it did not intend to make any business licence changes over and above any they make to private licenses as a result of this consultation.

The Stage 3 consultation process was run on behalf of the Trust by [TONIC Consultants Ltd](#) (TONIC), an independent organisation specialising in public consultations and social research. TONIC collected, analysed and reported fully on the findings. The reader is encouraged to view the full report, which can be found on the Canal and River Trust website, and provides a rich account of the reasoning behind respondents' views, which are summarised here in brief.

Respondents to the consultation came from across England and Wales, and from a range of different boat and licence holder types. In total, 11,085 responses were received, though not all respondents addressed every question asked.

Consultation Findings

Options for calculating the price of a licence

The consultation document presented four options for calculating the price of a licence:

- Licence fees to remain length-based using the existing bands, with all wider boats (i.e. those wider than a standard narrowboat width) charged an uplift of 25% on their respective length-based fee;
- Licence fees to remain length-based using the existing bands, with all boats wider than a standard narrowboat width (i.e. in excess of 2.3m beam) charged an uplift of 50% on their respective length-based fee;
- Licence fees to be calculated by actual area (length x beam);
- Licence fees to be calculated based on length only (i.e. no change) with the existing bands that increase every additional 1m.

The most favoured option was for licence fees to be calculated by actual area (length x beam), with 58% stating this was fair and 25% unfair. (n=7,437).¹ This echoes the view expressed most often in

¹ Where responses to options presented a five-point scale (Likert scale), “very fair” and “fair” responses have

the Stage 2 workshops. The second most favoured option was for fees to remain length-based using the existing bands, with all wider boats (i.e. those wider than a standard narrowboat width) charged an uplift on their respective length-based fee, with 52% stating this was fair and 33% unfair (n=7,450). Retaining the current system, with licence fees calculated on length only, was least preferred, with 31% stating this was fair and 52% unfair (n=7,331).

In qualitative comments, reasons cited by respondents for supporting the inclusion of a boat's width in determining the licence fee included:

- It would more accurately reflect a boat's true footprint on the water and their impact on infrastructure and use of the navigation (e.g., lock use);
- It would help to discourage what respondents felt was the growth in number of wide-beam vessels;
- It is a system already in use by The Environment Agency and the Port of London Authority.

In qualitative comments, reasons cited by respondents for opposition to including width as a determining factor in the licence fee included:

- It represents an unfair tax on wide beams;
- Wider boats have fewer accessible waterways;
- Arguments that wide beams restrict double mooring, and arguments around simultaneous lock use are erroneous.

Licence considerations in respect of mooring status

Respondents were asked how fair or unfair they felt a proposal was to take mooring status into consideration as part of the licensing process. A majority (61%) of those who answered this question (6,608), felt the proposal was fair, with 30% saying it was unfair.

The consultation document presented three options for different approaches to taking mooring status into account in licensing:

- Retain the current arrangement with a single licence fee whether with or without a home mooring;
- Introduce over time a higher fee for boats without a home mooring;
- Introduce – at a higher fee – a new licence that would permits boats without a home mooring to remain within a limited area (provided they satisfy the Trust concerning their bona fide navigation).

The most favoured option was to introduce over time a higher fee for boats without a home mooring, with 53% stating this was fair, though 40% felt it was unfair (n=6,482).

Respondents who commented on this issue raised a wide range of different points. These included;

- The view that consideration of a link between mooring status and licensing is motivated by perceptions of so-called “bridge hoppers” or “continuous moorers” and there are other methods available to tackle these issues - enforcement in particular;
- Conflating continuous cruisers and those who do not abide by the rules would unfairly penalise the former;
- The problems the proposed change seeks to solve is localised, but the impact of changes would be felt by all boaters.

been combined (“fair”) to show the level of overall support for a particular option or proposal, and “very unfair” and “unfair” responses have been combined (“unfair”) to show the level of overall objection to a particular option or proposal.

Discounts

Prompt payment discount

The Trust proposed three options for different approaches to prompt payment discounts:

- Removing the Prompt Payment discount entirely;
- Reduce Prompt Payment discount (potentially phased over a period of time);
- Reduce the Prompt Payment discount and change it so that part of the discount is applied for prompt payments and part of the discount is applied to encourage automatic methods that reduce administration costs to the Trust (e.g. online payments, direct debits).

The most favoured option was to reduce the discount and change it so that part is applied for prompt payments and part applied to encourage automatic methods that reduce administration costs to the Trust: 50% of respondents to this question felt this was fair, and 26% felt it was unfair.

Respondents were also asked about the idea of changing the current prompt payment discount to one that recognises both prompt payment and self-service/direct debit payments. Of those who responded to this question, 62% felt the proposal was fair and 23% felt it was unfair.

Respondents who commented on this issue raised a range of points, including:

- There should have been an option to select “no change to the current system”;
- Without a prompt payment discount, what incentive is there to pay on or ahead of time?
- The discount appears to have been effective in reducing late payments;
- The prompt payment discount should apply no matter what payment method is used.

Historic Boat discount

The Trust proposed retaining the historic boat discount at 10%, on the proviso that eligibility for the discount aligns with the National Historic Ship Regulations. The question on the historic boat discount noted that the eligibility criteria would be reviewed outside of the consultation. Almost 8 in 10 respondents (79%) felt the proposal was fair and fewer than 1 in 10 (9%) felt it was unfair.

Respondents who commented on this issue raised a range of points, including:

- Ownership and preservation of historic boats should be incentivised;
- The discount should be raised to 20%-50%;
- The licence should be free, as with classic car tax;
- “A boat is a boat” and takes up the same water and space as any other boat;
- Owning a historic boat is a personal choice.

Disconnected Waterway discount

The Trust proposed three options for different approaches to the disconnected waterway discount.

- Retain the disconnected waterways discount at its current level of 25%;
- Reduce the disconnected waterways discount to 10% (e.g. over 2-3 years);
- Withdraw the disconnected waterways discount entirely (e.g. over 3-5 years).

The most favoured option was to retain the discount at its current level. Nearly 6 out of 10 boaters (59%) thought this option was fair and just over one quarter (26%) thought it was unfair.

Respondents were also asked about a proposal to withdraw the disconnected waterway discount. Fewer than one-third (31%) of those who answered this question thought it was fair and 56% thought it was unfair.

Respondents who commented on this issue raised a range of points, including:

- Without discounts, waterways may fall out of favour and suffer from lack of use;
- The discount reflects restricted access to the network as a whole;
- Owners may not have a choice in the location of their boat;
- Placing a boat on a disconnected waterway is the owner's choice;
- Maintenance and facilities cost the same.

Unpowered Butty's discount

The Trust proposed two options for different approaches to the discount for unpowered Butty's.

- Leave the unpowered butty's discount unaltered;
- Remove the unpowered butty's discount.

The majority (68%) of those responding to this question supported leaving the unpowered butty's discount unaltered. Respondents were also asked about a proposal to retain the unpowered butty's discount. Fewer than two-thirds (63%) thought the proposal was fair and fewer than one-third (27%) thought it was unfair.

Respondents who commented on the unpowered butty's discount raised a number of points, including:

- Certain criteria should apply to eligibility for the discount, including historic/cultural value of butty; being paired with a powered boat; not applicable to liveboards;
- Butty's tend to be historic and rare, and preservation should be encouraged;
- Current level of discount should be maintained;
- Discount should be limited to 25%-30%;
- Unpowered butty's should be considered as any other vessel (and hence not discounted).

Electric Boat discount

The Trust proposed three options for different approaches to discounts for electric boats. Support or objection to the proposals was distributed across these options, as shown in the table below:

Proposal	Fair	Unfair
<ul style="list-style-type: none"> • Retain the current 25% electric boat discount 	40%	43%
<ul style="list-style-type: none"> • Replace it with a 10% electric boat discount (a phased reduction of the discount over a potential 2-3 year period) 	33%	42%
<ul style="list-style-type: none"> • Remove the electric boat discount entirely (a phased reduction of the discount over a potential 3-5 year period) 	45%	42%

Table 2. Stage 3: distribution of support for and objection to proposals on electric boat discounts

Respondents were also asked to indicate how fair or unfair they felt any proposal would be for a new lower discount for environmentally friendly boating. Of those who answered this question, 40% felt it was fair in principle, and 36% felt it would be unfair. Respondents commenting on this issue

raised a variety of points, including:

- The discount rewards and encourages the extra expenditure owners have outlaid in order to make less impact on the environment;
- Any discount should be for boats that are “genuinely ecological”;
- All boats use the waterways and facilities equally (implying the discount is unwarranted);
- Electric boats are not actually environmentally friendly (implying the discount is unwarranted).

Comments were also made on the difficulties of determining and measuring “environmentally friendly boating” and respondents made a range of suggestions about how this might be done.

Charity Boat discount

The Trust proposed retaining the charity boat discount and reviewing the conditions for eligibility, so that the charitable objectives of the Trust and third-party charities are aligned. Nearly eight out of ten (79%) respondents felt this proposal is fair, and fewer than one in ten (8%) thought it is unfair.

Respondents who commented on this issue raised the following points:

- Charities do good work, especially for disadvantaged people;
- The discount should be 100% (i.e., no fee);
- Charities bring new people to the waterways;
- The discount should be reduced (with a number of discount rates suggested);
- Charities that profit from their boats should not receive a discount.

Multiple discounts

The Trust proposed two options for different approaches to multiple discounts.

- Customers should be able to receive multiple discounts as per the current arrangements;
- Customers should be able to receive a maximum of one discount per licence (in addition to the river only discount and the revised prompt payment and/or direct debit discount).

A small majority (55%) of those responding to this question supported retaining the current arrangement, which allows for multiple discounts, and 45% preferred limiting the number of discounts per licence to one (in addition to the river only licence discount and the revised prompt payment and/or direct debit discount).

Respondents were also asked how fair or unfair they felt it is to allow multiple discounts. Half (50%) of those respondent to this question felt it is fair, and 30% felt it is unfair. Those who commented on this issue raised a number of points, including:

- If boats qualify for multiple discounts there is no reason why these discounts should not be applied;
- Multiple discounts encourage and incentivise boaters to operate, licence, and pay in ways that benefit the waterways and the Trust;
- Concerns about unnecessary administration costs and complexity;
- There should be one licence fee for all.

Other issues raised in the consultation

Short term licences

The Trust set out a proposal for how these could be simplified, through a proposal for three short term licence options consisting of:

- One week;
- One month;
- Thirty-day explorer.

The cost of all the short-term licences would be priced proportionately higher than a full licence to reflect the greater administrative costs.

Respondents were asked how fair or unfair they felt this proposal is: nearly eight in ten (78%) of those responding to this question felt the proposal is fair and one in ten (10%) felt it is unfair.

Respondents who addressed this in comments raised a range of points, including:

- The one-day licence should be kept;
- There should be more flexibility, such as a 2-week licence and weekend licences;
- The system of short-term licences is open to abuse;
- How can administration costs be so much higher if licences are processed automatically online;
- The purchasing process should be modernised, including using smart phones.

Implementation of any changes

The Trust proposed four options for introducing any changes following the consultation. Support or objection was distributed across the four options. The majority favoured a transition period of between three and five years.

Proposal	Fair	Unfair
<ul style="list-style-type: none"> • Introduce changes over a potential 1-2 year period 	34%	43%
<ul style="list-style-type: none"> • Introduce changes phased over a potential 2-3 year period 	50%	25%
<ul style="list-style-type: none"> • Introduce changes phased over a potential 3-5 year transition period 	55%	20%
<ul style="list-style-type: none"> • Introduce changes all together in one go, but giving a number of years' notice 	31%	47%

Table 3. Stage 3: distribution of support/objection on proposals for implementing any changes

In addition to expressing straightforward support for or objection to a transition period, respondents commenting on this issue raised a number of points, including:

- Concern that an increase in fees may require some to make significant changes to their way of life;
- There should be an adequate notice period, as well as a thorough explanation of what the changes are;

- Concern that a prolonged transition period may be detrimental to both boat owner and the Trust;
- Changes should apply only to new boats and owners.

Next steps

The next steps are for the Trust to consider the findings of the consultation process as a whole, respond to the issues raised by boaters in stage 3 and to identify and communicate to boaters its future approach to licensing.