



NORFOLK & SUFFOLK BOATING ASSOCIATION

President: Mike Evans Chairman: Mark Wells
www.thegreenbook.org.uk

Dr John Packman,
Chief Executive,
The Broads Authority.

November 17th 2009.

Dear John,

I am writing to you following discussion by the General Committee of the NSBA, on November 16th, of current proposals for Broads toll increases. The Committee would be grateful if you would bring the contents of this letter to the attention of all members of the Authority before it meets on November 20th.

We wish to record the NSBA's disappointment that the Authority is proposing yet another well above inflation increase, following a long run of such increases. Between 1998 and 2008, inflation increased by 29.54% (RPI) or 16.45% (CPI), but tolls charged to private craft increased by 122% (and those for hire craft by 107%). Income received by the Authority from private craft increased by 151.99% (and from hire craft by 31.09%).

We now live in an environment where pay rises are extremely low and many (particularly the elderly) live on fixed incomes, when companies are abandoning non-essential spending and where local authorities are finding their budgets restricted or cut. On the other hand, administrative costs at the Broads Authority, particularly salaries, continue to rise, with a concomitant effect upon the tolls we are required to pay. We would respectfully ask that the Authority make a more concerted effort to live within our means.

We are particularly concerned that figures presented to the recent Review Group were based on an assumption that staff salaries (leaving aside annual increments) would rise by 3% a year for each of the next three years. Using that assumption, and seeking to deliver a balanced budget by 2012/13, the group proposed tolls increases of 6%, 7.5% and 6.5% respectively for each of the next three years. In the event, the 2009 salary settlement was 1%. That 2% lower salary increase reduces Navigation Account costs by £31,000, which is 1.5% of the tolls income. Because salary increases are consolidated, that 1.5% reduced cost will play through each of the three years of the proposals. We believe that the reduced salary projection should have been reflected in a reduced proposal. We are at a loss to understand your comment (in your paper to the Navigation Committee of October 22nd) that "This [lower salary cost] does not make a big difference to the overall budget and the 6% in tolls recommended by the Group is still believed to be appropriate".

We feel strongly that the Authority should adopt a clear strategy to reduce costs, cut out unnecessary activities and increase productivity. We expect the Authority's proposed Finance and Audit Committee to examine rigorously the way the Authority spends the money it is given by tax- and toll-payers.

We believe the Authority should impose a toll increase of no more than 5% for 2010/11. Such a figure would contribute £9,000 more than was envisaged by the Review Group to Navigation Account reserves. It would also clearly demonstrate to toll-payers that the Authority is prepared to behave responsibly with their money.

Yours sincerely,