

**29 May 2008**

**Response 1**

“The sooner the unfair tendering process is got rid of and the fair waiting list re-installed the better

I am disgusted with British Waterways for introducing such an unfair system which privileges those with money”.

**3 June 2008**

**Response 3**

“The open auction with Vickrey bidding system would be my best option. All bids can be seen, and is open to all to participate. For both this and the modified tendering system the lead time needs to be the same as at present, i.e. not shorter than 4 weeks. If this is reduced then customers may be away for 2 or 3 weeks preventing them from bidding. This may lose the highest price. The ability to increase your bid should be available, just as in the eBay system.

However, the use of reserve prices is, to my mind, unacceptable since it will distort “market value” by eliminating those moorings which do not justify the “guide price” which you have set by guesstimation. Reasons such as unpopular location, wrong length, lack of facilities will all combine to reduce a “market price” for a particular mooring. But, there may be a small group who want this type of mooring or are forced by circumstances to have a low budget mooring. Therefore I feel that there does need to be this type of mooring available. It is almost impossible to set a “cost per mooring” figure, as you have noted in the introductory part of your paper (para 3.6.1). To then use cost as an argument to have a reserve price is duplicitous. (Para 5.2)”.

**31 May 2008**

**Response 4**

“To my mind the open auction is the obvious way to go. I can’t see why this approach wasn’t adopted from the start. I can’t see what additional benefit using the tender system provided. I think that potential bidders are put off by not having any feel for the pricing other than the BW guide price and are therefore afraid of significantly overbidding. The modified tender just adds confusion. People generally understand the open auction (ebay) type of process – and it allows users to check on the progress of auctions and, if they feel that there are particular bargains to be had, put in a bid. There will be less unfilled places and a more efficient determination of the true market price.

For me the tender method scores lower on transparency because although the result is transparent the process of getting there isn't. Transparency with respect to the final price isn't much use after the tender is closed – especially if there aren't any similar vacancies available for some time afterwards. If there were a greater supply of comparable vacancies flowing through the tender method might work better”.

**5 June 2008**

**Response 5**

“I believe the only real indicator of market value is an open auction, having participated in a tender I had no idea of market value, I just went as far over the guide price as I dared, somebody dared to go 20% more over so won, the remaining tenders (4) were all below. The modified tender is even worse indicator as you are inviting people to bid silly prices knowing they won't have to pay up the extra.

I do not believe the tender process or a modified version is transparent as nobody knows what is going on as regards price”.

**15 June 2008**

**Response 9**

“Ref.2.5

This statement is nonsense where I rent a BW mooring, as there are no private moorings available. BW is a monopoly supplier, so the "market" is non-existent. Rather than spend time and money trying to find "market price", it would have produced more income if BW had simply let the empty moorings which exist (Chester, Dee Branch).

2.9

The non-letting of moorings near marinas is surely protectionism, which should be unacceptable in a "market". On-line moorings seldom offer the same facilities as a marina and are therefore not likely to attract the same "customers" -(boat owners).

2.12

To suggest that a waiting list indicates that the moorings are "below the market price" is, with respect, a nonsense. It indicates no more than that the location and facilities are attractive. More moorings at the same price would also raise income.

3.2.

This is a crude definition, used here to prepare for later conclusions of the report, which, from the outset, is skewed to defend the tendering principle.

### 3.5

Again, this assumes each site has comparables and choice, which is often not the case. The report argues that the "market" will stimulate provision of new moorings: ironically, one of its other statements is that BW will reduce the number of its own moorings.

#### 3.6.3

The "apparent divergence" referred to could simply reflect the relative services and facilities offered - parking, security, power, etc. I doubt this was more than a crude price comparison. Again, this statement is preparing the ground for the required conclusion later.

### 4.3

A silly statement - of course the majority use the system because they are looking for a mooring. "research" is not needed to conclude this - why else would anyone use it ?

### 4.4

A somewhat sweeping statement struggling to justify a duff idea. Not all services in this country are market-based. You cite healthcare as an exceptio, but omit other major areas - think of the outrage at proposed road-pricing ! Museum pricing was dumped. Rail travel is hugely subsidised , as are buses. Education is not a "market". Huge areas of our lives are not subject to the simplistic market which BW is pushing for, even if nett loss is the result.

### 4.4

Another misleading statement. Where everyone can move to the front of the queue, there is no queue. It is the biggest who shoves the others to one side. You can't have a queue and an auction at the same time.

Supermarkets who let high bidders queue-jump would have a riot on their hands at the check-outs.

### 6.1(2)

"waiting lists do not....." - it is wrong to suggest that somehow tendering make Moorings available to "customers" when they want them. This only true if others lose out. Where there is scarcity, we Brits have found a queue socially more acceptable than bullying-physical or financial.

If new "customers" have to wait, so what ? That is preferable to long-standing customers being ousted. All businesses realise that keeping existing customers is more effective (and cheaper) than finding new ones.

### 6.1 (3)

The inference that it could be "months, or even years) before a vacancy could be filled is not a valid criticism of waiting lists. It is a dreadful indictment of BW local management, or a reflection, perhaps, of the dreadful quality of some moorings on offer.

6.2(7)

I accept that tendering will produce some high rentals - individual circumstances will prompt people to bid high for scarce resources if they are able - wartime black-market situations clearly showed this. People, it must be remembered, are not bidding (as on e-bay) for something they can happily do without. Boat owners are frightened that they will be outbid, leaving them prey to a much higher set of marina charges in locations they may not want (involving unsustainable travel patterns) and often excellent facilities they do not need, just so they can moor legally.

So, finally,

6.6

BW's suggested scoring. This is an interesting insight into B.W's preferred outcome of the consultation. (the very small response, which you suggest is due to organised opposition, is, I suggest, due to peoples' assumption that BW is hell-bent on bringing in this system . While this may not be true, it is in line with boaters' perception of BW.)

If the website, better information etc. which have been a good approach in themselves, as a spin-off of the trial, were used to manage the current waiting list system, the scoring would produce very different results. I suggest transparency would go from 2 to 10, measure of market price (a red herring in many cases) could as easily be 8 as 1, giving a score of 34.....

This table is the least robust and most obviously misleading part of the report - reflecting, clearly, the effort to produce a preferred result .

The suggestion that leaving price decision to "the market" is the answer fails to accept that this is a specialist market and that it is place and time specific . What it does do is get BW off the hook for setting pricing. It no doubt makes marina operators (including BW) happy.

I hope that more consideration will be given to using the new information technology to sharpen up management of the waiting list system. I strongly suspect this is perceived as fair by boaters.

In closing, I should say that, where I moor happily on a BW mooring, there have been three vacant moorings for a year or more, but interested parties are told there are none. BW thought there was one vacancy, but forgot to tender it. Proper management of existing resources would be a better way of increasing revenue rather than playing with a tender process which has alienated a lot of boaters (and will alienate more if extended in the hope that it will come right eventually) and failed to attract bids for a quarter of all moorings offered - a disastrous result.

Be brave, drop the dead donkey and get BW's act together on a much improved on-line system with Visible waiting lists and prices which users can plan round".

**27 June 2008**

**Response 13**

"Waiting Lists was a system which never seemed to work. The Tender Trial is unfair on people who do not have internet and do not always hear about the vacancy in time and also there is an additional cost for them to submit one on paper. Also there is a hidden reserve which no one is aware of. I am only aware of this as it was mentioned to myself by a BW employee. Also how do we really know it went to the highest bidder as BW may decide to allocate it to someone who bid a lower price but someone they wanted to stop just cruising around as they always missed out in the tendering system.

An open auction, would be best as if there is a reserve, it should not be hidden from the persons tendering".

**30 June 2008**

**Response 14**

"I disagree with your evaluation of transparency for the tender and modified tender when compared with open auction, they hide the bidding process and leave bidders not knowing where to pitch bids, and have to rely on BW's guide price, which may just reflect an aspiration rather than the market price.

Measure of market price, the tenders can fail to reflect market because it just takes one or 2 people to bid very high and it can distort what the majority are willing to pay, so I marked them low

Operating costs could be reduced by using ebay! For open auction".

**3 July 2008**

**Response 15**

"The very idea of entering into some kind of competition for a berth fills me with fear and loathing. I need a berth for my boat and am prepared to pay the asking price. Naturally I shop around for the best deal and I suppose that this is why I consider BW bank sides rather than formal marinas.

However, I do not wish to regard this as some kind of game in which the outcome could be that I try place after place with no success. Mooring is not a game. Waiting lists are good because the site manager can tell you in advance (or can publish) what the availability is at a particular site or area.

It seems to me that BW's concern is making sure that their moorings are "right-priced" and not priced at a rate that disadvantages commercial sites. I accept that readily, but do not think that playing games is a good way to assess the market value. If you enquire of the commercial prices in an area and if you gradually increase your prices until the waiting lists reduce or die away, that assesses the value. Your comments about transparency are wrong headed, because they seem to do with how waiting lists have been mismanaged rather than whether they are really a fair method. It suggests in your write up that boats leave the waiting list when you carry out a survey. That's inevitable because people may be on a list and find a place elsewhere, then fail to advise you. A semi-automated survey on a regular (quarterly) basis would keep this clean. You could do it by email first, stating, "Please respond yes-or-no. If not we will write to you and you will have 21 days to reply yes. If you don't reply you will be assumed to have left the list. Please let us know now if you will be unable to respond to the next survey in three months time, so that we can save your place. (One choice per year). If you get a mooring elsewhere, Please let us know so that we can delete you from our list."

Your national database should be able to spot boats that have found moorings and can then automatically clean up other waiting lists".

**19 June 2008**

**Response 17**

"It strikes me that with the change in the financial climate what seemed like a good idea last year wont last.

From my personal point of view fixed priced mooring gave me the choice of site and knowing what could be done, without a scramble and the uncertainty.

It seems all you want are 18 metre boats what about the little ones yet again they will be ore about as prices increase and money get tighter"

**23 July 2008**

**Response 21**

"I think tendering / auctioning will only hike the price of moorings to an unacceptable level and give a huge advantage to the wealthy, whereas boating and living on narrow boats has

traditionally been an option for the less well off and more disadvantaged members of our society. I for one live on a boat in London because I can not afford to buy or rent a flat”.

**23 July 2008**

**Response 22**

“I agree with all of BW’s scores with the exception of:

Open Auction market price measure – I don’t believe that under the current situation, whereby demand cannot be met by supply due to lack of mooring spaces, can offer an accurate market price measure. This is because boaters have no alternatives available to them if they require a mooring, and therefore will be forced to offer prices which they feel are unacceptably high simply to obtain a mooring. This is simply unrepresentative of a genuinely open market.

Fixed price with lottery acceptability – I don’t believe this will be acceptable to the large majority of boaters, because it removes any degree of certainty or planning. BW demand that a boat must have a mooring in order to obtain a licence (continuous cruisers excepted) and therefore any boater (existing or intended) must be able to plan their mooring arrangements with some certainty”.

**12 August 2008**

**Response 29**

“Please see below my comments on various passages taken from the Consultation Document.

BW has no statutory obligation to provide long term moorings, but since a home mooring is a legal requirement for the majority of boaters under the British Waterway Act 1995.

This requirement should be scrapped allowing boaters to decide if they require a mooring or enforced by BW providing basic moorings and allow private operators to offer extra facilities plus encourage the formation of boat clubs to run their own moorings.

Recent years have seen exceptionally strong growth in the number of boats on our waterways – a net increase of 5,800 (23%) since 2000, bringing the total to 31,000. But the supply of moorings has not kept pace with this demand, and this has caused both steep increases in the price of moorings and a lack of available moorings in many locations and among different operators.

What is the growth now as builders are going out of business and brokerages are full?

2.7. With this realisation – and prompted by pressure from the British Marine Federation (BMF) – in 2005 BW considered how it could best stimulate the market to increase the supply of moorings. Two key conclusions were that we needed to improve our procedures for working with marina developers to remove unnecessary obstacles to construction of new mooring sites, and that we should take great care to ensure that our directly managed online moorings business (which comprises over 400 sites and some 4,600 customers) was not inadvertently distorting the overall market for moorings.

No Market Forces here. BMF told BW to put the price up otherwise developers would not enter the market.

The **definition of market price** is the one that equates demand with a fixed supply (e.g. of moorings) when there are multiple buyers and good information about the product itself and comparable alternatives. Prices below the market rate will result in unsatisfied demand (which may be manifest by waiting lists), and any price above it will result in un-sold supply (e.g. unfilled vacancies).

Other factors are more relevant, location, distance from home, friends, facilities. If there is a demand then action should be taken to satisfy it not exploit it.

The 'moorings matrix' was replaced in 2002 with a set of guidelines that requires local managers to assess mooring demand and supply within the relevant geographic market for each site, and to use this to determine the appropriate price for the next year's mooring agreements. The guidelines prescribe the steps that local managers are required to follow in this price setting exercise. These are:

1. Define the local market within which each mooring site operates. This involves establishing the relevant geographic area within which moorings compete and identifying the sites offering comparable service.
2. Research the prices charged for moorings by other operators catering for the same market
3. Compare the characteristics and facilities of the various sites
4. Identify changes over the past year within the local market (eg changes in supply of moorings)
5. Analyse demand for the BW mooring site as indicated by occupancy levels and size of waiting list (if any)



6. Draw on the above information to deduce the appropriate price for the BW mooring for the forthcoming year. Essentially this mirrors the principles of property valuation used generally to set rents for property.

This is the right formula but basically not enough staff or resources were made available to implement properly.

3.6.1 There are two broad approaches to pricing: cost-based and demand-based. Oxera concluded that cost-based approaches were not suitable for BW to use for moorings. This is because they are both complicated to calculate, and to a large extent arbitrary since they would be highly dependent on the assumptions made about allocation of costs between the operation of the mooring and the operation of the navigation.

Funding the Navigation has nothing to do with mooring. The cost of Mooring should be based on the provision and maintenance of the site and facilities provided.

3.6.2 The alternative demand-based approach, which they concluded as the only viable one for BW moorings, is termed 'scarcity' pricing also sometimes referred to as 'pricing to the market'. This involves setting prices so that the market clears (i.e. all moorings are filled). It is based on the concept that the service being sold is scarce and that the rationing system is price, not queuing.

This is artificial because scarcity is deliberate no attempt is made to increase the number of similar types of mooring only expensive marinas

3.6.3 They noted that our current pricing policy was a form of scarcity pricing. But from their case studies they found some systematic under-pricing relative to private operators' sites in similar locations. This was evidenced by long waiting lists for moorings and apparent divergence between BW and private operators' pricing.

If private operators prices were acceptable to the market they would be taken up. If BW and Private Operators set the price this is a cartel and is illegal.

3.6.4 They warned however that in some locations where BW is the dominant provider of moorings, BW must be careful not to constrain the supply of moorings, by BW or by third parties. We noted in para. 2.8 the progress now being made in increasing moorings supply.

Increase the types of moorings available, give choice in the types and size of moorings, the facilities and the way they are run, eg company or club

### 3.7. “Mooring Matrix”

During the pre-consultation phase, we were asked to include consideration of reverting to this former 1990s system. It comprised a grid of prices determined by the intersection of a ‘site facilities score’ and a ‘location score’. All mooring sites were assigned a ‘score’ representing the extent of facilities at the site and, in theory, they were also assigned a ‘location score’ – a measure from 1 – 10 purported to reflect the site’s general attractiveness and strength of local demand. In practice, no appropriate objective guidelines could be agreed for location scoring, with the result that local managers would simply select the mooring fee directly from the grid – the method as implemented was thus a ‘fudge’.

Prices within the grid were increased each year broadly in line with general price inflation. For this method to operate properly, a means of determining the array of prices in the matrix from intelligence about the local market would still be needed.

This information can be computer based linked to data supplied by interested moorers

3.8. The issue for consultation then is not the pricing policy nor even the current guidelines for pricing, but rather how BW could improve the judgements it makes to ensure that prices set are an accurate estimate of the local market rate. We think there are two ways in which we could do this. One would be to make use of the data emerging from tenders or auctions, and the other is to try and further improve the consistency and quality of mooring site valuations using existing methods.

3.10. Improving the consistency and quality of mooring site valuations using existing methods

The process described in para. 3.5 above involves research and analysis which may demand a greater level of technical expertise and resource than we have so far allocated to our local teams. In the course of our research for this consultation, we identified significant variation between local teams in the amount of time that they allocate to the exercise, so this must be a cause for some concern.

We are therefore considering ways in which we might apply greater central support to the process to ensure that appropriate geographic markets are defined; relevant data are collected and analysed consistently, and the correct conclusions drawn. We have seen great benefits from the establishment of the New Marinas Unit in improving the way in which we support marina developments, and this may suggest a model for mooring pricing. For fair trading reasons however, it would not be appropriate to assign the mooring pricing task to the same team.

Perhaps a linear mooring team? The above demonstrates the mooring matrix is viable but that BW is incapable of administrating it.

The introduction of the tendering trial was clearly a great disappointment to those people who had been waiting patiently on one or more of our many waiting lists because they wanted or expected to get a mooring at a below-market price. But many of them would have had no option but to continue waiting. The change to the new system makes waiting lists redundant and gives everyone the opportunity to move to the front of the queue.

Only one person can go to the front of the queue the one with a large bank balance, the others are still waiting but are no longer visible.

Whilst an understandable desire on the part of the boater to have low mooring prices, even if BW did have a remit to provide affordable moorings for anyone who wanted one, it would not be in the long run interest of boaters. It would seriously reduce the commercial attractiveness of the new investment in moorings which is so essential to the long term sustainability of boating on the BW network. Neither BW or anyone else could in practice create the number of moorings necessary to satisfy the demand that would result from prices being kept below the market rate.

BW is defining the market rate. If a number of moorings are required, by not providing them BW are manipulating the market not satisfying it.

## Conclusion

BW has set out not to increase moorings but to increase their revenue. They have installed a computer to auction the existing places but it does not have the facility to accept payment for said moorings. The cost of the computer system plus the loss of income from empty moorings must be staggering. BW wishes to reduce linear moorings but has succeeded in creating a waterway full of haphazardly moored boats throughout many more lengths of bank side.

BW needs to recognize the need for choice, in size, number of facilities and type of operator, some will welcome marinas with everything available but equally others have more modest requirements. It must be more cost effective to have every boat on a mooring producing income than a minority providing high returns and the rest nothing.

I suspect BW will continue with the mooring auction regardless of the long term damage this will do to the Waterways. If that is the case then it should be conducted on a one to one basis via True Market Forces

Remove the clause for a home mooring to obtain licence as this is not enforced

No starting price

Price paid to have no effect on other moorers

Make available charges by other operators and facilities offered”

## **13 August 2008**

### **Response 30**

“This is not a personal indictment.

I am not in need of a mooring in this vicinity but am writing to protest about the principle of tendering. It is unfair and discriminatory and I look forward to the system being abolished in the very near future.

It shows BW to be money grubbing and not looking to the benefit of boaters. The argument that the extra revenue will benefit boaters is specious. The only boaters able to be on the canals in the future will be those who (like myself) can afford expensive moorings. I want EVERYONE to be able to have the opportunity of scraping together the fixed price. Back to the waiting list please!”

## **13 August 2008**

### **Response 31**

“This is my personal response to the mooring tender trial. I have had massive reservations about the tender process from the beginning. This is because:

1. The waiting list system was a fair system, just poorly managed.
2. Tendering in the way the trial was undertaken was not fair or open.
3. The tender process fails to achieve its spoken objective: to set the market rate. It only shows the amount a person is willing to pay at a particular point in time, and BW take the highest bid. This is not the market rate.
4. As a result of point 3, it consequently fails on the “Waterways for all” principle, and focuses on the richer boater. This is exclusive.
5. It is unclear about its process, and so unfair. Low bids are not effective; instead if BW are not happy, the mooring is either taken out of the tender process, or re-tendered at a later

date.

6. Engaging in the “trial” has been unnecessarily costly. How much was spent in holding back the waiting list during this process, let alone administrative time? At a time when BW funding cuts are so relevant, I am amazed that this process has been allowed to go ahead. I expect tens of thousands has been lost.

7. It is not a trial.

8. The consultation for the trial was awful. Most, or all interested parties were ignored.

9. I am amazed that BW are unable to establish the market rate of moorings without entering such an elaborate and ineffective process.

I would also like to suggest a solution; to return to the pre “trial” system of waiting lists. This would need to be properly managed, run nationally, and reviewed annually. This would be cost effective and fair to all boaters”.

**15 August 2008**

#### **Response 34**

1. In order to make the most efficient use of a scarce resource, BW should price and allocate moorings according to boat length. People should not be allowed to pay for a mooring that is bigger than the length of their boat, in order to avoid wasting space and reducing the number of moorings available.
2. Mooring prices should be fixed and transparent. People should know in advance how much a mooring will cost. Any system, whether tendering, modified tendering or auction, that sells to the highest bidder is unfair and disadvantages the poorer boater in favour of the rich. I believe the competitive tendering trial has discouraged boaters on low incomes from seeking BW moorings and has driven potential customers away from BW.
3. Moorings should be priced per boat length and moorings should be allocated either by waiting list, by lottery or by first come first served. All of these methods are fair and transparent.
4. The majority of prices for services in the private sector are fixed and transparent. This includes private end of garden, marina and boatyard moorings, and harbour fees. People and businesses do not normally have to bid the highest to buy the

services they use. This does not prevent adequate functioning of the market in the private sector, so why should the moorings market be any different?

5. BW obviously has a different definition of transparency from its customers. Tendering is the least transparent way of setting a price. The operation of the process may be transparent but the pricing system is not, and this is what most concerns customers.
6. BW's statement in Appendix 5 (2) is tantamount to saying that, because only 14.3% of boat owners are women, that they don't matter. This is not only offensive, it is contrary to the letter and spirit of sex discrimination law. The potential adverse impact on a small minority is just as important as an adverse impact on a majority. Just because BW believes that the number of women adversely affected by the introduction of competitive tendering is very small, does not mean that it is justified to introduce a system that would have a negative effect on a small minority. If only 14.3% of boat owners are women, this is all the more reason to take action to ensure that this minority is not discriminated against.
7. Appendix 5 misses the point about the unfair impact of competitive tendering on women. Regardless of how competitive tendering affects the final price of each mooring, the results of imposing competitive tendering will firstly, discourage women from bidding for moorings because they believe they will not be the highest bidder due to their lower incomes, and secondly, the actual result of any tendering or auction process will be that moorings will go to the highest bidder, and this is less likely to be a woman, due to women's lower incomes, and this is why such a system disadvantages women.
8. Regarding Appendix 5 (3), BW cannot pick and choose which laws it obeys. BW has to comply with the law on sex discrimination as well as the law on competition. It cannot breach the law on sex discrimination in order to avoid breaching competition law.
9. Appendix 5 (1) states that the purpose of the tendering trial is not to increase mooring prices. However, this has been the effect of the process as stated in Appendix 4: 54% of completed tenders were 11% to 167% above the guide price. This proves that the well-off are benefiting from the tendering trial and therefore those on lower incomes, the majority of whom are women, are being disadvantaged.

10. In Section 4, BW states that the tendering system “tends to favour those with higher incomes”. Appendix 5 (3) states that “The trial is designed to ensure that we do not breach UK competition law. The consequences of any breach of its requirements would substantially outweigh any short run negative impact on women from increased mooring prices”. This is an admission that the moorings tendering trial has an adverse impact on women and therefore an admission that it is discriminatory – in other words that it breaches the Sex Discrimination Act.

**15 August 2008**

**Response 35**

“Transparency/tender trial, modified tendering: the reason I marked down transparency is that I think the trial depends too much on BW’s opinion of the worth of a mooring and therefore may wrongly set the expectations of bidders. I have always been suspicious of the past rationale for setting mooring prices based on the perceived backlog. I know that many people are on multiple lists and that one moves up the waiting list far faster than the availability of moorings would suggest. This may be coloured by my experience on the G&S! However, if you analyse the data from the mooring trial results and measure the ratio between the perceived backlog and number of bids you will see the correlation is not good for most waterways with the G&S and Lancaster being by far the worst.

Operating costs/waiting lists: I suspect there are hidden costs here as BW staff seem to find it very difficult keeping these lists current.

Operating costs/ tender trial, modified tendering, open auction: I believe an ‘eBay like’ system would be very good but suspect it would cost a lot more than the current trial system. The sophistication offered by eBay is orders of magnitude greater than the current system.... plus IT system costs are normally underestimated. Why not do a deal with eBay rather than re-inventing the wheel?

Operating costs/lottery: This seems pretty easy to implement and could be done without any specialised IT systems.

Measure of market price/ tender trial, modified tendering: same comment as for the ‘transparency’ issue. BW’s estimate of the price could skew the market.

Other points:

I am in favour of an open auction however, to get a true measure of market price this should be extended to BWML. Currently BW set the effective floor price for all moorings whether

they be in private hands of managed by BW. In effect the current proposals treat linear moorings in a different way to marina moorings despite BW owning both types of a mooring. This would create a truly transparent and objective view of the market value”

**16 August 2008**

**Response 36**

“\*1 The reason Waiting lists score so badly at transparency is because they were not handled well (e.g. boaters who knew BW employees ‘queue jumping’ etc – both in reality and perception) and poor communication with boaters on the lists. Option 1 could score much higher if waiting lists were handled well.

\*5 I am assuming that you can improve the transparency, efficiency, and communication with boaters on waiting lists, advertise vacancies etc and thus increase the acceptability of waiting lists significantly. **I think you have massively overplayed the ‘need’ of someone to have an immediate mooring and given too much emphasis to a very vocal one-man minority pushing this agenda**, and used this as an excuse to decry waiting lists as less acceptable.

\*2 I doubt customers would have as high an acceptance as 8/10 for the lottery. Why do you think a lottery is fairer than a waiting list? I would rank it significantly lower.

\*3 I don’t see how the lottery is considerably more transparent than waiting lists either. Both these scores for option 5 should be lower, making it a non-starter.

**\*4 You are being very harsh on waiting lists being useless for a measure of market price, and giving over-confident scores on the usefulness of options 2, 3 and 4. I know this is your basis for the whole trial and consultation, but how helpful is it to know that there is one person willing and able to pay significantly more than anyone else for a mooring?** Again, if waiting lists were monitored properly, ie refreshed more regularly, boaters on more than one list only counted once etc, they would be a better measure of demand at the price advertised.

Why is it so bad to be on a waiting list? We queue at the checkout in the supermarket to buy things at fixed prices. We pay the same as the people in front and behind. If rice is scarce, the price goes up for everyone and less is bought, but we can all look at the price and decide if we can afford to buy it. Does anyone’s ‘need’ to be out of the supermarket door 10 minutes sooner allow them to jump the queue ahead of everyone else’s ‘need’? We don’t say, “I’ll pay twice as much for my rice, but I want to jump to the front of the checkout queue”, do we? NO!

I was against tenders from the start and that has been reinforced by my talks with those fellow boaters who have been more directly involved over the last 9 months or so. However I



have gone through the tabulated scores above fairly, to come to the final scores (ie not worked backwards to engineer a pre-conceived outcome). I have begrudgingly spent all my Saturday afternoon reading your extensive consultation documentation, but some good things have at least become obvious to BW, (eg about needing more longer moorings, and less shorter ones and having ideas about how to achieve this) and particularly the insightful comments on what was bad about the previous waiting list system. They in themselves must make it obvious to BW how the waiting list system could be improved”.

**18 August 2008**

**Response 39**

“I hope that you will be able to consider my views without completing the World document, which in my opinion misses the point since you are evaluating against your own criteria rather than enabling feedback.

I think the online moorings tendering system is absolutely wonderful in its current form.

It gives a clear procedure for obtaining a mooring which suits your needs and plenty of backup information.

The four week timescale seems to work just fine too.

My only criticism and recommendation for improvement is to make it into a Ebay style auction rather than a closed tender.

The closed tender is not serving its aim of establishing a market rate – it is simply enabling the bidder with the highest bank balance to score a result while distorting the true value of the mooring.

Therefore please retain an online system modelled on the above.

Add to it a facility to bid and counter-bid, and in particular allow the user to name the highest price which they would be prepared to offer, which would allow an automatic bidding process to be carried out, as per Ebay.

This way the true market rates will be established and those who wish to bid regardless of final value will still be able to outbid each other, but without excluding those who also wish to participate.

Finally would it be possible to add the distance to the nearest railway station as well as naming it. That is a big consideration for those who do not use a car”.

**20 August 2008**

**Response 43**

**“Waiting Lists:** If operated properly, with pricing based on “open book” practices and with current positions published regularly ([say] via web site), this system offers near total transparency and might go some way to improve the boating fraternity’s confidence in BW.

**Tender Trial:** Poorly conceived, apparently much distrusted by the boating public and, by nature, highly inflationary and in danger of having a direct and overall unfair upwards influence on mooring prices. Clearly favours the more affluent sector of society.

**Modified Tendering:** Much the same as the current tender trial and carrying the same drawbacks.

**Open Auction:** By its nature, more visible than the trial tendering process but still in danger of being highly inflationary and directly encouraging upwards movement of mooring prices – obviously favourable to private enterprise but not to customers of BW which is, after all, a public owned body.

**Fixed Price with Lottery:** More acceptable in terms of price setting, but by introducing “luck of the draw” becomes a totally unacceptable way of allocating mooring spaces.

**Note:** My own view is that the BW board are custodians of an important national heritage and asset in which I and many others have a particular vested interest; not just as users but as tax payers and boaters with huge personal investment in our own craft which, themselves, add colour and vibrancy to the network.

Whilst it is acknowledged that pricing generally has to be fair rather than “cheap”, involvement in the inland waterways should be maintained at an affordable level for the average man in the street not just the wealthy.

BW should, surely, be seeking to encourage and maintain, long term, those customers who are totally committed to the waterways and their heritage rather than seeking out those with high, but possibly short lived, disposable incomes who treat the waterways as the latest fad and then duck out again in just a few years – certainly the high number of relatively new second hand boats currently on the market would appear to support the idea that many recent entrants into the arena are already pulling back as the economic climate continues to decline.

In short, I believe that BW should modify the waiting list system to the point where it may be seen to be transparent, fair and reflective of the greater public’s ability to afford inclusion in what is after all their own waterway network”.

**20 August 2008**

**Response 46**

“Regarding tendering; modified or otherwise I strongly disagree that a few people bidding for moorings as and when they become available sets the market rate. It simply reflects what one or a limited number of people are willing and able to pay at that time. It would only be a measure of market rate if ALL moorings in an area became available at the same time and all were tendered for.

I fail to see why BW makes such a meal of the amount of effort to set market rates without tendering; every business manages to do this to remain in a market.

Without going as far as to say BW should be subsidising mooring fees it is certainly not a fair and equitable system where a few people with relatively unlimited funds can use their purchasing power to secure a mooring against people who may have been waiting a considerable time.

Whilst in a time of boom additional people may join the ranks of boaters; bidding high for moorings at the cost of traditional, long term boaters who may be lost to boating as a result. If a period of boom is followed by a flattening off or even recession some of these new boaters will be lost. Coupling this with those long term boaters who have been lost due to rising mooring costs as a result of tendering setting the so called market rate the net result is an overall loss in boating numbers”.

**20 August 2008**

**Response 47**

“With most marinas having vacancies the moorings tender has proved that some boaters are prepared to pay over the odds for online moorings because that is what they want and adds fuel to the argument that in the long term online moorings should command a better price than offline moorings”.