

IWA Briefing Note

Inclusion of EA Navigations in CRT

This briefing note sets out The Inland Waterways Association's views on the future of waterways funding, and proposals to transfer the Environment Agency navigations to the Canal & River Trust.

IWA believes that the navigations currently managed by the Environment Agency should be transferred to Canal & River Trust.

IWA was a major influence in ensuring that Canal & River Trust received an adequate financial settlement from Government and it continues to campaign for long term funding for both Canal & River Trust, and also the Environment Agency for the navigations in their control.

Whilst funding for Canal & River Trust was guaranteed for 15 years, IWA is concerned about Government budget for the navigation function of the Environment Agency, which is still subject to grant cuts.



Photo: The Great Ouse at Denver Sluice

Background

When the Department for Environment Food and Rural Affairs (DEFRA) announced the funding settlement for Canal & River Trust (CRT) prior to its formation in 2012, IWA welcomed the fact that the settlement was considerably more realistic than was originally offered, and that many of the issues that IWA raised and lobbied for through our supporters and Members of Parliament had been properly addressed.

In order for EA waterways to be successfully transferred to Canal & River Trust, there needs to be an adequate funding package in place, and IWA will continue to lobby Government Ministers and DEFRA officials concerning this.

Currently there are over 5,000kms of navigable waterways in the ownership or control of over 30 navigation authorities, the two largest being Canal & River Trust and the Environment Agency. IWA's vision is to encourage the formation of a larger, rationalised organisation, incorporating both Canal & River Trust and Environment Agency managed waterways, together with the opportunity for other non-publicly funded navigations to join.

The transfer of the Environment Agency waterways to Canal & River Trust would be a further step towards IWA's long held vision and aim for a National Waterways Conservancy which could offer a single licensing authority for all navigations. This will potentially provide a more sustainable, innovative and efficient inland waterway system for the two thirds of the inland waterways currently managed by CRT and EA. The new organisation will have more clarity of purpose and ability to partner with others with overlapping objectives in public leisure and awareness of the resource inland waterways represent. The transfer will potentially also reduce pressure on the public purse, as the combined organisation is freed from the constraints of government controls and able to better focus on customer requirements and effective asset management.

Current Issues

IWA expressed disappointment in July 2013 when the Government announced a postponement of the proposed transfer of the Environment Agency's river navigations to Canal & River Trust. IWA believes that the new Government should now reconsider the transfer, in order to enable the surety of income, the opportunity to raise additional funds and the voluntary sector support that the transfer to the charitable sector would provide. In the meantime, budgets will continue under pressure and IWA fears that boaters and other users can expect a deteriorating service and standards on those river navigations. IWA believes it would be better for all parties if the necessary funding could be provided now, as it simply has to be found sooner or later, and delaying can only make matters worse and increase the cost.

The Environment Agency manage waterways including the Rivers Thames and Medway, and in the Anglian Region the River Ancholme, Black Sluice Navigation, River Great Ouse, River Nene, River Stour, River Welland and the River Glen, as well as Lydney Harbour and Rye Harbour, its two remaining ports. The Dee Estuary was recently transferred to Natural Resources Wales and Rye Harbour is understood to be commercially viable and could be sold off. Lydney Harbour may be transferred to a not-for-profit body for £1 along with a dowry. Proposals are with the Agency's board for consideration.

IWA is aware of a number of navigation structures in Environment Agency management that, despite the best efforts of the local staff, are currently not available for navigation. This is simply unacceptable and IWA is putting pressure on EA to address the position. The problems are mostly in EA's Anglian Region whilst the much higher profile River Thames has yet to suffer any long term closure problems.

The future for the Agency's navigations is looking bleak if the promised transfer to Canal & River Trust fails to materialise.

Key points

Key points of IWA's lobby for the Agency's navigations to be transferred to Canal & River Trust are:

- IWA strongly supported the formation of CRT as it opened up new sources of income and provides greater financial flexibility and stability.
- CRT has made good progress in reshaping itself and the way it works with customers, partners and employees to deliver a sustainable inland waterway network notwithstanding its age and original condition. Whilst there remains more to do, CRT customers are already enjoying significant improvements from the Government's decision to make that change.
- The previous Government had indicated that it wishes to see EA navigations transferred to CRT subject to affordability and agreement of CRT trustees. IWA strongly supports such a transfer.

- EA navigations are heavily dependent upon government subsidy with 65% of income coming from government grant and 35% from boaters. The level of grant is under pressure and may well reduce further. If new income streams are not found boaters and others will have to pay much more.
- Inclusion of EA navigations in CRT will provide a more secure future for them and potentially open up new sources of income. This together with economy of scale could help protect the funding of the navigations and reduce the need for potentially very significant increases in licence fees.
- Canal & River Trust (and formerly British Waterways) has long held navigational responsibility for several rivers, including the Trent, Soar and the Severn, where the Environment Agency is responsible for flood management. On these rivers there is no difficulty caused by the navigational and flood functions being run by different bodies.
- The current position is damaging to the EA navigations and will result in increased costs in order to maintain a valuable and important national asset.

Background – The National Waterways Conservancy

It was as long ago as the mid 1950s that IWA co-founder Robert Aickman argued that the inland waterways should be managed as a conservancy outside of direct government control. This was a time of great decline and waterway closures as the freight role of most waterways disappeared. However Aickman was a visionary and he recognised the leisure potential of the green corridors running across the country. Largely due to IWA campaigns the closure programme was halted by the end of the 1960s and growth in leisure use resulted in a renaissance of our waterways. However most waterways remained under government control and funding was always a hand to mouth affair. For example, in the early 1980s Blisworth Tunnel was closed for over four years as there was not enough money to repair it. Even before the recent financial crises there was a steady drop in government funding of waterways, and the recent austerity era has not just introduced cuts but has led government to question how much the taxpayer should subsidise leisure pursuits. IWA will continue to argue that some government funding is necessary given the wider benefits waterways bring to communities but the Association realised that a new model was necessary.

IWA strongly supported the formation of Canal & River Trust. Handing over the former BW waterways to a specially created charity is a first step towards realising the Aickman vision. The investment property portfolio has been locked into the charity and the 15-year financial settlement with government is sufficient to sustain the network compared with what has happened elsewhere in the public sector. More importantly it provides a known and secure income from government whilst CRT looks to develop new sources of income. Had BW still been in existence the latest austerity round would have certainly led to more cuts and significantly limited its ability to reduce costs through long term planning.

More details of IWA's Vision for an Inland Waterways Conservancy can be found on the IWA website. https://www.waterways.org.uk/documents/inland_waterways_conservancy