Draft British Waterways Board (Transfer of Functions) Order 2012, Draft Inland Waterways Advisory Council (Abolition) Order 2012

The Committee consisted of the following Members:

Chair: Nadine Dorries

† Adams, Nigel (Selby and Ainsty) (Con)

† Bell, Sir Stuart (Middlesbrough) (Lab)

† Benyon, Richard (Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs)

† Donohoe, Mr Brian H. (Central Ayrshire) (Lab)
First Delegated Legislation Committee

Tuesday 26 June 2012

[Nadine Dorries in the Chair]

Draft British Waterways Board (Transfer of Functions) Order 2012

4.30 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): I beg to move, That the Committee has considered the draft British Waterways Board (Transfer of Functions) Order 2012.

The Chair: With this it will be convenient to consider the draft Inland Waterways Advisory Council (Abolition) Order 2012.

Richard Benyon: It is a pleasure to serve under your chairmanship today, Ms Dorries.

I am pleased to have the opportunity to debate the two draft orders in Committee. The draft transfer order transfers the functions of the British Waterways Board in England and Wales to a new charity, the Canal and River Trust, to which I shall refer as the CRT, and it makes consequential provision in Scotland. The British Waterways Board will continue to operate as a Scotland-only body and will be accountable to Scottish Ministers. The second draft order abolishes the Inland Waterways Advisory Council, an independent advisory body to the UK and Scottish Governments.

The Scottish Parliament has given its consent to the two draft orders, and the National Assembly for Wales has given its consent to the transfer order. Both the draft orders have been subject to the enhanced affirmative procedure and examined by the Select Committee on Environment, Food and Rural Affairs here in the Commons and the Secondary Legislation Scrutiny Committee in the other place. I will summarise the aims and objectives of the draft orders and pay consideration to the points of interest mentioned by the Committees and during other representations.
The project began under the previous Government and I am grateful for the cross-party support received. It is no exaggeration to say that it could not have made the rapid progress that it has without the support of hon. Members in all parts of the House. I take the opportunity to thank the all-party waterways group for its sterling work throughout the development of the policy. The group proved to be an excellent source of passion and knowledge about the waterways, and I especially thank the right hon. Member for Cardiff South and Penarth (Alun Michael) for his chairmanship. His support for the policy has been instrumental. I also take the opportunity to wish the hon. Member for Ogmore (Huw Irranca-Davies) and my recently honoured and hon. Friend the Member for Banbury well as they assume joint chairmanship of the group.

Column number: 4

I also pay tribute to my hon. Friend the Member for Thirsk and Malton (Miss McIntosh), the Chair of the Select Committee on Environment, Food and Rural Affairs. I thank the members of that Committee for their constructive engagement. Lastly, I am grateful for the work of the Secondary Legislation Scrutiny Committee in the other place.

The transfer will give those who are passionate about the waterways greater opportunity to get involved and to influence how they are managed. We have consulted widely in preparing for the transfer. I am confident that the clear public support for the change will make the CRT a successful charity. The Government have agreed to provide a 15-year grant agreement, worth around £800 million, a settlement that the CRT has described as “tough but fair”. The grant agreement will give the waterways a level of financial certainty that will enable them to plan for the long term, realising efficiencies and achieving best value for money.

On the points made in the various Committees that scrutinised the legislation, as requested by the Secondary Legislation Scrutiny Committee in the other place, I arranged for a draft of the transfer scheme to be laid in the Libraries of both Houses in advance of today’s debate. The transfer scheme provides for the transfer of British Waterways’ assets and liabilities. In order to allow for scrutiny of the financial development of the new organisation, I am happy to agree to the recommendation that the Department for Environment, Food and Rural Affairs should provide Parliament with a written statement setting out the financial position of the CRT two years after the draft order is made.

In consideration of the draft order, the Environment, Food and Rural Affairs Committee questioned us about the property and charitable income projections for the new charity. I assure the House further—as I did the Committee—that although, as with any projection of future income, there is a degree of uncertainty, the CRT has undertaken extensive due diligence and is confident in the projections. The estimates of charitable fundraising were finalised in 2011, and reflect recent attitudes to charitable giving. They are based on evidence-based market research, expert judgment and benchmarking by a leading consultancy in the sector. The CRT has recruited a fundraising team that is motivated, not daunted, by the challenge that lies ahead.

The CRT trustees believe that the projections for growth in commercial income are prudent. British Waterways has a proven track record in property management and has outperformed industry benchmarks. It has shown itself to be an excellent custodian of the commercial property portfolio, which has become vital to the sustainability of the waterways. Its careful management of the property portfolio and the safeguards we have put in place through this transfer will ensure that these assets continue to supply the waterways with much-needed revenue.

The Committee also questioned us about volunteering. I am confident—even excited—that the move to the charity sector will significantly increase volunteering on the waterways. Indeed, the creation of the CRT has already boosted volunteering numbers: a sign of the public’s enthusiasm for the move ahead. This is a good thing, for society at large and of course for the waterways. Let me assure the Committee that the CRT will not use volunteers to replace existing staff. Volunteers will be used to undertake activities that British Waterways cannot undertake at current staffing levels.

During the 60-day procedure in Parliament, DEFRA received representations from two separate groups of private boaters. One group asked for reassurance about the consultation procedures to be followed for making orders under sections 104 and 105 of the Transport Act 1968. Such orders concern changes to the classification of a waterway or to the prescribed navigation dimensions to which a waterway must be maintained. My officials have given the requested assurances, and the consultation process will be set out in the memorandum of understanding between DEFRA and the CRT, which I will publish in due course.

The second representation received was from the National Bargee Travellers Association: one of a number of organisations that look after the interests of boat-dwellers. The NBTA had already issued responses to our two consultations in 2011, and submitted reports to the EFRA Committee and to the Lords Secondary Legislation Scrutiny Committee, as did a separate number of live-aboard boaters. We addressed the concerns of the NBTA about human rights and the application of the Freedom of Information Act in our evidence to the parliamentary Committees.

Let me repeat some of my assurances. The rights of boat dwellers will not be removed or weakened as a result of this transfer order. The Human Rights, Equalities and Freedom of Information Acts will all apply to the CRT as it carries out its statutory functions. On the specific concern of the removal of boats that are used as homes, the CRT will only exercise its powers to remove sunk, stranded or abandoned vessels or vessels moored without lawful authority on the waterways after due process has been followed, including giving any required notice and periods of grace.
In response to its most recent representation, I can give the NBTA an assurance, on behalf of the CRT, that the CRT will not exercise its powers to remove a vessel that is thought to be someone’s home without first taking the matter to the county court and obtaining a declaration from the court that the removal is lawful. In response to a recommendation from the Lords Secondary Legislation Scrutiny Committee, I am also happy, on behalf of the CRT, to assure the House that the CRT will take into consideration the specific needs of all stakeholders, including itinerant boat dwellers, in the development of all future byelaws. I should also assure the Committee that it is Ministers who will approve CRT proposals for byelaws.

The approval process requires public consultation, allowing any person potentially affected to make representations to the Minister, who may subsequently approve, refuse or require particular changes to any byelaw proposed by the trust. Furthermore, when Ministers consider the CRT’s proposals for byelaws, we shall consider carefully what the CRT says about the consultation it has undertaken.

More generally, on the ethos of the CRT, let me say that this will be a charity that actively seeks to engage all its stakeholders. There will be opportunities at every level of the organisation for stakeholders to get involved. It will be up to those members of the public who are passionate about the waterways and who want to be involved to get engaged with the CRT through its governance structure.

The CRT is also setting up a number of small advisory committees, one of which will have the task of advising senior managers responsible for boating and navigation matters. This committee will include at least one boater without a home mooring who understands and campaigns for the interests of itinerant live-aboard boaters. I will write to the NBTA shortly to set out my position on the other points that it has raised.

The creation of the CRT will significantly improve what I might call our national dialogue about the waterways. The CRT’s governance model will bring some 200 people into the business of running the waterways, whether as trustees, as members of the council or in the waterway partnerships. With all this expertise and engagement, the CRT will become the Government’s principal, though not our only, interlocutor on the waterways in the years ahead.

The creation of the CRT means that the Government no longer need an independent statutory body to advise on the waterways. The CRT’s governance model will bring some 200 people into the business of running the waterways, whether as trustees, as members of the council or in the waterway partnerships. With all this expertise and engagement, the CRT will become the Government’s principal, though not our only, interlocutor on the waterways in the years ahead.

The proposed abolition of the Inland Waterways Advisory Council is part of my Department’s simplification of our frankly very complex delivery landscape. In addition to the improved accountability arising from the creation of the CRT, the abolition of IWAC will lead to greater efficiency, effectiveness and economy. It will, for example, save £200,000 a year.

I should acknowledge that the abolition of IWAC has proved mildly controversial. There were only 35 responses to our formal consultation, less than a tenth the number of responses to the consultation on the creation of the new charity, but most of those who responded wanted to keep IWAC, at least until the Environment Agency navigations transfer to the new charity from 2015-16. I considered those views carefully. However, I believe that the practical work to prepare for the transfer of the EA navigations is better carried out by my officials, working closely with our engaged and committed stakeholders. To the extent that we may need independent advice from time to time, it is more cost-effective to commission such advice as needed, rather than have a standing body, which, in the way of the world, makes work for itself.

In proposing the abolition of IWAC, I should acknowledge the very valuable knowledge and expertise of current IWAC members. They have made a really useful contribution to the development of Government policy on inland waterways, and I have written to them all to encourage them to make their knowledge and expertise available to the CRT.

In conclusion, moving the waterways to the new waterways charity and abolishing IWAC will bring many benefits. The transfer will afford waterways users the opportunity to play a role in the governance of the waterways and bring their passion and expertise to the waterways that they cherish. Local communities will have a greater say in how their local canal or river is run. This is localism in action. Volunteering will increase, benefiting society, the heritage and the environment. The financial footing of the waterways will be sustainable into the long term. New commercial and private income streams will become available. The long-term grant agreement offers security.

**Column number: 6**

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**Column number: 7**

Fifty years after British Waterways was created, it is time to move on, and I commend the draft orders to the Committee.

**4.44 pm**

Mr Tom Harris (Glasgow South) (Lab): I welcome you to the Chair, Ms Dorries. It may be too early to say, but I am sure it will be an unalloyed pleasure to serve under your watchful eye. Having ingratiated myself appropriately, can I risk a modest diversion by pointing out that in the week that the “Better Together” campaign to keep Scotland as part of the United Kingdom was launched, I welcome the delicious irony that, after the orders are agreed, the British Waterways will exist only in Scotland? I think that is excellent.

I thank the Minister for his opening statement and echo his tribute to my right hon. Friend the Member for Cardiff South and Penarth...
for his excellent work on the all-party waterways group. Committee members and the Minister will be aware that the previous Labour Government long ago recognised the need to change the structure of British Waterways. In December 2009 we published details of its asset portfolio, seeking to consider alternative models for British Waterways as a whole, such as mutual or third sector structures.

The explicit need to reform how our waterways are both governed and funded, in order to ensure their sustainability and to preserve the burgeoning role they play in public life, was clear then, and it is clear now, and the orders are born out of cross-party consensus—something that all Committee members will welcome.

I am aware of a broad range of interest groups and stakeholders concerned with the proposals, and I am pleased that feedback has been largely positive—with the notable and important exception of the National Bargee Travellers Association—particularly the feedback from the Inland Waterways Association and the British Marine Federation. The well-documented strength shown by the transition trustees in substantially negotiating its 15 years of funding with DEFRA earlier this year, including the securing of additional resources to address the past service pension liability, is of course welcome. We all hope that these successes represent early signs of positive things to come. The agreement also constitutes a strong platform from which the potential for improved governance and new income sources can be developed, as the Minister has said. I am sure that the Committee will join me in hoping that this can be achieved at a reduced cost base and with increased engagement by volunteers. Nevertheless, the progress made is a clear indication that the new trust is now ready for the transfer.

Notwithstanding the Minister's welcome reassurances, I want to raise the concerns of the National Bargee Travellers Association, representing 5,000 to 10,000 itinerant boat dwellers who live on our canals. This issue touches on how we will ensure that the new charity will reflect the full duties and responsibilities entrusted to British Waterways by Parliament, namely, the specific duty towards those who live on the waterways without a fixed mooring, provided they do not spend more than 15 days in one location. Will the Minister enlighten the Committee as to when, if it has not done so already, he expects the new trust to achieve charitable status for those itinerant boat dwellers?

4.50 pm

Sir Tony Baldry (Banbury) (Con): I want to make a brief contribution to the debate in my capacity as co-chair of the all-party waterways group. I pay tribute,
as has the Minister, to the right hon. Member for Cardiff South and Penarth (Alun Michael), who for many years excellently chaired the all-party group. It is an indication of his contribution that he is now succeeded by two Members of Parliament, myself and the hon. Member for Ogmore. I am fortunate to have the Oxford canal, the most beautiful canal in England, go through the middle of my constituency, but it is good that the all-party group has support from both sides of the House, and we are sponsored by the Inland Waterways Association. As the House and the Committee will know, that association is the largest national charity for the waterways, formed more than 65 years ago to save the inland waterways from extinction. The IWA believes that a charity is the best way forward and it has promulgated this idea for more than 60 years. It and the all-party group fully support the move and see it as a further step in the safeguarding of an important national asset. I am sure that proceedings in the House should continue to reflect the broad consensus around the transfer as being the best way to secure the future of the waterways and this national asset, and we should all congratulate the Minister and the Government on what they have achieved in recent years.

It is important to note that the formation of a third sector body to look after these waterways is a direct result of a cross-party concept that has retained support on both sides of the House ever since it was mooted. British Waterways has striven fully to understand the sector that its assets are moving into, meeting with charity organisations fully to comprehend the sector, and has recruited both staff and trustees with a detailed and expert knowledge of the sector to help them both in governance and fundraising. With the exception of some of the bargees, whom I will speak a little about in a moment, I have yet to meet anyone who has objected or is concerned about the proposal. In all my years in the House, I think this is the first time I have ever had a project that has secured such overwhelming support from those whom the policy concerns.

British Waterways has made a significant commitment to ensuring that the various users and stakeholders interested in the waterways understand what is being proposed and have been fully consulted. This ranges from the Inland Waterways Association and the industry representative body, the British Marine Federation, to individual canal and river trusts. I am glad to say that the trustees have already shown diligence and strength by emerging from Government contract negotiations with a 15-year funding agreement. This is a major benefit of the move, as previously funding was determined annually and allowed little certainty of forward planning.

Many of the building blocks for the new trust are now in place and ready for the transfer to take place. The trust is registered with the Charity Commission, has a royal patron, the Prince of Wales, a board of trustees, a governing council comprising appointed and directly elected stakeholders, local partnerships and specialist advisory boards. I am glad to say that the Government have agreed an unprecedented 15-year funding package, of about £800 million, to replace the uncertainty of the annual grant. The new trust will further be granted with a charity-locked property endowment, of about £450 million, and I am glad to say that the trust has its first corporate partners, Google, the Co-operative bank and People’s Postcode Lottery. Organisations such

as the IWA are already working with British Waterways to set up volunteering schemes and joint fundraising initiatives in anticipation of the Canal and River Trust.

I suggest that the Government’s plans to abolish BW as a public corporation in England and Wales and transfer it into the Canal and River Trust, a civil society organisation, will give greater control to communities and stakeholders in the running of their waterways and open up access to new forms of funding, voluntary giving, appeals and charitable grants as well as more favourable borrowing and investment terms for major waterway development schemes. The move will see the transfer of all the canals, rivers, docks and reservoirs, currently cared for by BW on behalf of the Secretary of State for Environment, Food and Rural Affairs, into the new Canal and River Trust, along with BW’s property endowment and a 15-year funding contract from DEFRA. The powers under which the transfer can be undertaken are included in the Public Bodies Act 2011.

There is enormous potential for improved governance, new income sources, a reduced cost base and an increase in volunteers. There are huge benefits to community and there will be more engagement, ownership and responsibility. Local communities can reclaim their waterways for their needs. Obviously, there are also financial benefits because the measure virtually removes growing liability for the waterways from the Government. The Canal and River Trust’s net income will benefit from voluntary giving, appeals, charitable grants, borrowing on commercial property, volunteer benefit and a reduced cost base.

I was slightly surprised that the hon. Member for Glasgow South sought to be an advocate for the National Bargee Travellers Association. Let me put on the record what the IWA has to say about the issue. The IWA supports boat owners’ right to live aboard their boats, subject to their complying with the rules and laws set out in the relevant statutes, byelaws and regulations. The IWA believes that between 3,000 and 5,000 such boats are used as permanent dwellings and that about 3,000 people are represented nationally by the Residential Boat Owners’ Association. Those members reside in officially sanctioned moorings or adopt a legitimate nomadic lifestyle, moving around the canal network in a continuous journey, obeying BW continuous cruising rules and never stopping for more than the maximum of 14 days in one place as part of a continuous journey.

However, there is a sizeable minority of people who have chosen to live aboard without abiding by the rules. They seek to stay in any convenient spot without permission and without paying for a legitimate mooring for reasons of schooling, work, collecting benefits or receipt of local authority services. That minority is resistant to having to make a continuous journey as wayfarers and, at best, shuffle a few yards up and down the canal, seeking to evade BW’s enforcement terms. At worst, they just ignore them and seek to use every means of the legal system to thwart BW in making the application of the rules fair. Those people are allegedly represented by the National Bargee Travellers Association, which, as far as the IWA is concerned, is run by four individuals but has no
Whatever system of governance one has for our waterways, everyone has to play fairly by the rules. There will always be competition for our waterways.

In conclusion, transferring BW to the charity sector has the potential to bring huge improvements and more value for money from how the waterways are run. The move will also secure a redistribution of power, increasing local engagement while minimising the risks associated with the management of complex assets. The IWA and the all-party waterways group fully support and welcome the transfer of BW’s network as a way of securing the long-term future of the waterways. BW has itself engaged widely during this period, and as a result the IWA is fully aware that the move has broad stakeholder and cross-party political support.

The Canal and River Trust has been described as the most exciting project in the public or voluntary sectors. It is certainly the most important development for the waterways of this country in more than a generation. On completion, the Canal and River Trust will be one of the biggest charities in the UK. The trust will bring benefit to millions of people’s lives and help consolidate the future of our most important and beloved national treasures. Putting the historic canals and rivers of England and Wales in trust to the nation will secure this remarkable legacy of the industrial revolution for ever.

I hope that the Committee will recognise that today something important and significant is happening in ensuring that our canals and rivers can be of significant benefit to the whole nation for years to come.

5 pm

Duncan Hames (Chippenham) (LD): I am grateful, Ms Dorries, for being called to speak in this debate, which has been good humoured and reflected the cross-party consensus about the project. I am aware that, as a new Member of Parliament, I come to this matter late in the day. I take an interest in it, not least because of the Kennet and Avon canal, which runs between Dundas aqueduct and Semington along the southern end of my constituency.

We have heard agreement that it is important that the new Canal and River Trust should take account of the views and interests of all groups who have a stake in our waterways. We have also heard disagreement about the significance or otherwise of some of the representations that the Government will have received in objection to the transfer. Whatever the position of the hon. Member for Glasgow South (Mr Harris), in drawing on some of those concerns I do not seek to represent any particular association but to fulfil my responsibilities as a Member of Parliament, knowing that from time to time, at least, the correspondent to whom he referred is resident in my constituency, as are others in the organisation whom I have met on the canal.

I am also fully aware that several of my constituents are very excited about the Government’s proposals and very enthusiastic about bringing the canals into the charitable sector. Although there have been criticisms of British Waterways—in my mailbag there have been some from BW employees—as there have been of many public bodies, there is a great deal of optimism about the future of the Canal and River Trust. I certainly hope that all stakeholders in the canals can share in that future.

I followed yesterday’s House of Lords debate and it will be pertinent to cover some of the points raised. The Minister there, like the Minister here today, gave his assurance that the Canal and River Trust will take into consideration the specific needs of all stakeholders. It is appropriate, as the Minister said, that byelaws should require ministerial approval. It was helpful to hear his explanation of how the process will operate and I note that he intends to publish further information, reach a memorandum of understanding and correspond with the National Bargee Travellers Association, about which we heard earlier.

The Minister spoke of the Canal and River Trust’s commitment to take into account the specific needs of all waterways stakeholders in the process. Does he envisage a role for the waterways ombudsman in resolving any disputes that might arise? He also said that the Canal and River Trust is setting up an advisory committee to advise senior managers. He talked about the composition of that committee, which seemed to reflect his assurances about inclusiveness. Indeed, I have often been of the view that having transparency and openness is the best way to avoid differences of opinion becoming matters of mistrust. I therefore welcome the position that he has taken with regard to the Freedom of Information Act in relation to the Canal and River Trust and its statutory functions. We have also heard from him today about how other Acts similarly apply to the trust. Given his comments about consultations on byelaw changes, I wonder if he could clarify whether it is the intention of the trust that its consultations will be in line with the Government’s code of practice on public consultations.

We heard the Minister’s assurances about any procedures that would be followed relating to the removal of vessels from a canal. I tried to listen carefully to what he said, but I wonder if he can help me in his concluding remarks. Was the position that he was outlining that removing a vessel on which it is thought someone lives would only happen after approval from a county court declaration has been obtained? I think that is what he said, but I would welcome his clarification.
We heard the discussion on both sides of the Committee about the matter of the 14-day limit. I will be interested to hear the clarification that the Minister will give in response to the question from the hon. Member for Glasgow South. As I understand it, the issue of vessels not moving on within 14 days is the source of most of the complaints from different users of the canal in my constituency. Proper enforcement of that rule, especially on crowded waterways such as stretches of the Kennet and Avon canal near my constituency, will surely be the key to creating a system that is fair and that works for everyone.

I am sure that it is the Minister’s intention to do so, but many users of the canal in my constituency would welcome him giving an assurance that there will be a continuation of and perhaps an increase in free public access for pedestrians to canal towpaths, and flexibility to draw up rules applying to bicycles or indeed horses.

Waterways such as the Kennet and Avon canal have been nurtured back to life. Undoubtedly that has primarily happened because of the energy of hugely dedicated volunteers, so the future for the canals that has been

Column number: 13
outlined today seems appropriate. The strength of the trustees in reaching the deal that they have reached with the Government—the funding agreement over 15 years—certainly indicates that the new body is every bit as committed as previous bodies. I am sure that the Minister will agree that getting its governance right will ensure that that energy is directed in the best way for everyone concerned.

5.8 pm

Richard Benyon: I am very grateful to Members for their contributions and I will do my best to answer the questions that have been put as quickly and fully as I can.

I am grateful to the hon. Member for Glasgow South for his support. As he rightly said, there is a thread that runs through this Government and the previous Government in terms of what we are trying to achieve with waterways. I hope that the assurances that he has given, and the assurances that I can give now in response to his questions, will allow us to leap the last hurdle. Once it has passed this Committee and affirmed tonight at the close of business, the trust, which was accepted by the Charity Commission in April, can start to carry out its functions at vesting date, which will be in the next few days—early in July—if we can proceed.

The hon. Gentleman asked a specific question about the rights in the 1995 Act, which I think my hon. Friend the Member for Chippenham also touched on. I can confirm that the rights in that Act will transfer, as will the safeguards and the protections, to the new measure. The powers of entry under that Act are primarily for health and safety reasons, for example to avoid fire risks, and we are adding no new enforcement powers.

The question of funding has been touched on, and it is worth reiterating that, although negotiation was tough, what was achieved was accurately described by the “tough but fair” moniker. The funding agreement continues a long-term downward trend in real terms. Averaged on an annual basis, the 15-year funding package represents a 38% reduction in real terms compared with the previous 15-year period. It was designed to provide strong incentives to the CRT to maximise its efficiency, to avoid wastage and to ensure a strong fundraising effort, and that is done in a number of ways: through continuing the long-term downward trend in Government funding; providing a fixed 15-year contract that enables the CRT to plan for the long term and to take full responsibility for the network; making a portion of grant conditional on meeting clear and challenging targets on asset maintenance, towpath condition and flood risk management; and providing protection against inflation for the core grant of £39 million.

The agreement is possible because British Waterways has become increasingly efficient in managing its business. We must remember that we are transferring an asset base worth £460 million. British Waterways has proved that it can manage such assets and exceed industry benchmarks. Through the funding arrangements announced and the income projects looked at so rigorously, therefore, we can be sure that we are protecting the assets to a particular standard. That has been our key priority throughout.

Column number: 14

We looked at employment issues carefully, and there has been regular and close consultation with the trade unions under the umbrella of the national joint forum. Informal consultation took place long before the statutory requirements under TUPE and, because British Waterways is an arm’s length public corporation, we have not received direct requests from its employers to meet Ministers, but we have met employers regularly and we—like my hon. Friend—have broadly speaking found them supportive of what we are trying to achieve.

Executive pay is a question for the new board of trustees—it is for them to be held to account on such matters. The remuneration committee is a committee of the board, but it has direct discussions with the trade unions. It is a matter for the board of trustees to decide, and there is already an elected employee on the council.

The hon. Member for Glasgow South represented the concerns of the National Bargee Travellers Association. It is important to point out that the Residential Boat Owners’ Association, which is a membership organisation and speaks for a great many of those who live on our waterways, is supportive of what we are trying to do. Indeed, one of its members, Ivor Caplan, is an elected member of the council of the new charity. Those associations, therefore, will be represented by such people, who are absolutely passionate about
and committed to what we are trying to achieve.

It is also important to clarify another issue. British Waterways’ interpretation of the law has been subject to a variety of challenges in the courts, with the effect of clarifying its powers and duties under the various Acts and underpinning the licensing, mooring and enforcement regimes, which is important in any consideration of the 1995 Act. It would be open for the CRT, at some point in the future, to make the case to Parliament for a statutory change, if for example a consensus had been built in support of the NBTA proposals, and any change could be accomplished through private Acts of Parliament.

The CRT will be accountable in the exercise of its statutory functions. Under the move to the CRT, accountability will continue to be strong, but we have to recognise that there will be differences. The CRT will be directly accountable to Parliament for the statutory functions conferred on it by Parliament. If in the future such powers and duties are regarded as inappropriate, Parliament can change them. In practice, I encourage all Members of the House with an interest in the waterways to develop a good and direct relationship with the board of trustees and, importantly, the chair of their local waterways partnership. Like any other private body exercising statutory duties, the CRT will want to deal effectively with parliamentarians, because, as we have seen today, they represent their constituents’ interests. The good relations that Members have with, for example, the National Trust—another charity on which Parliament has conferred statutory duties—serve as a good model for the CRT. In addition, I hope that the Select Committee on Environment, Food and Rural Affairs will continue to take a probing, inquisitive interest in waterway issues in the months and years ahead.

We have set up a governance structure with accountability at its heart. Internally, the council will act as the charity’s conscience. The waterway partners, which will operate closer to communities, will enshrine that spirit of localism.

I am grateful to my hon. Friend the Member for Banbury for his support and his continued commitment to the waterways. Like my hon. Friend the Member for Chippenham, whose constituency and mine share a canal, my hon. Friend the Member for Banbury, whose excitement enthuses us all, knows how strong feelings are about these extraordinary national assets. They will remain national assets, managed by a charity for the people who use them.

My hon. Friend the Member for Chippenham raised a number of points, some of which I have covered, but I will address his key points. I assure him that the CRT will be required to consult publicly if byelaws are to be changed. In their assessment of byelaws, Ministers will want to take into consideration the amount of consultation that has taken place. The new charity is not bound by precise terms, but it will follow the code of good practice, albeit not slavishly, because it will not be bound by the code. It will also look at good practice in other charities. If it tells Ministers that it wants to change a byelaw, the first thing they will ask is whether the users and stakeholders would approve of the change. If the charity replies that it does not know because it has not consulted them, that gives a clear reflection of what Ministers will then do. There is a real incentive to continue with the same level of consultation.

The role of the ombudsman will continue, which is crucial. My hon. Friend also asked about the advisory committees. I indicated earlier that a representative of people who reside on boats will be on one of those committees. Advisory committees do not have the power to vote, but there will be complete openness about how they operate. They will give the board of trustees the information it needs to make decisions on a daily basis.

I can guarantee my hon. Friend the CRT will not be able to remove a vessel on which someone lives without first obtaining a county court declaration. That is the current situation and it will remain so in the future. I hope that my hon. Friend agrees that I have addressed his question about the CRT’s work to test out elements of the 1995 Act. I feel very strongly about his important final point on public access. The new charity will be in a better position to improve public access. He, like me, will know that many of the towpaths were designed for horses to pull barges along or for rights of foot passage, and that they do not always mix with cycle use, because they are so narrow. One of the great commitments that users of the canal system can make as part of the process is to increase pressure for wider, multi-use towpaths, which will be hugely appreciated.

I think that I have addressed all the points that have been raised. It is important to note, as my hon. Friend the Member for Banbury has, that His Royal Highness the Prince of Wales has agreed to be the CRT’s patron, which is a great start for the trust. It is fitting that the CRT canal boat was part of the 60-strong fleet of canal boats that took part in the jubilee pageant adjacent to Parliament. When we launch this new venture in the next few days—if the Committee agrees to it—we will achieve something very different and exciting in how our historic and much-loved canals will be cared for in future generations.

Question put and agreed to.

Resolved,

That the Committee has considered the draft British Waterways Board (Transfer of Functions) Order 2012.

draft inland waterways advisory council (abolition) order 2012
Resolved,

That the Committee has considered the draft Inland Waterways Advisory Council (Abolition) Order 2012.—(Richard Benyon.)

5.20 pm

Committee rose.