



National Association of Boat Owners

This response contains the comments and evidence provided by The National Association of Boat Owners (NABO) in March 2010 to the Consultation on the Government's strategy for the Inland Waterways of England and Wales - Waterways for Everyone dated December 2009.

The structure of the response follows the questions asked in the consultation documents, together with some further comments that we wish to make.

NABO wish to express their appreciation for the opportunity to contribute to the consultation and welcome the Government's wish to commit to an updated policy statement.

Should DEFRA wish to discuss this response, the following contact should be used

Chairman David Fletcher nabochair@nabo.org.uk

Q1. Do you agree that the range of benefits of inland waterways identified above and expanded upon in the following chapters are correct? Are there any benefits that we have missed or overstated?

We would like to see reference to the contribution to the waterways by the community of boaters who live and play there. Waterways are not inanimate but a unique community and family resource that provides life and vibrancy and in itself contributes significantly, both financially and morally, to the United Kingdom. It is estimated that between 20000 and 50000 people live on boats on Britain's waterways. Boating is a benefit to the waterways in addressing several agendas of both national and local governments. We wish to see clear content in the document as to how these benefits should be encouraged and delivered.

The demand for residential boating is growing due to the lack of low cost housing and the life style that the waterways offer. It is the main area of non commercial waterway use in which demand is rising. This covers boaters wishing to moor in static environments and also those who wish to cruise continuously and widely. This increase is both an opportunity and a threat which goes unrecognized and largely neglected in policy. There is need for central policy for navigation authorities and for local authorities.

In addition we observe that it is well known that boats on the waterway are a catalyst that makes bank side activities attractive and exciting to all visitors. There is always friendly interaction between walkers, anglers and boaters, routine greetings, conversations at lock sides and moorings. A waterway without boats is but a drain, dull and lifeless. The key contribution needs to be recognized. Boaters invest billions of pounds in hiring and buying their boats, and spend hundreds of millions of pounds every year in licence fees, insurance, fuel and upkeep. This contributes to the waterside boating business, the UK economy and VAT revenue. NABO believes that the tax contribution of

boaters exceeds the grant in aid made by DEFRA every year. We suggest that it is not reasonable for the waterways in crisis for funding, to be a profit centre for the UK economy.

NABO undertook a survey on the cost of boating. A summary of the results of this are available on: <http://nabo.org.uk/issues/surveys/60-cost-of-boating-survey-2009.html>

With the above exceptions we are satisfied that the benefits are stated.

Q2. Do you consider that waterways are in a better condition now than they were 10 years ago? What have been the main achievements over this time and what could have been done better?

NABO does not agree that the question put is relevant. We recognize in the last ten years hundreds of millions of pounds have been spent in necessary maintenance and improvements. It is clear that the notional condition of the waterways passed a peak some 5 years ago, and has been in decline since that time. So the trend in the condition of the waterways is the relevant issue.

Taking BW as an example, grant in aid has been cut in recent times, year on year and the maintenance backlog stands again at hundreds of millions, and is growing by tens of millions per year. Every year, there are significant canal breach events which are repaired at great cost without extra DEFRA assistance, and so impact the routine maintenance effort. It is pure good fortune that in 2009, no boater or nearby resident has drowned in a breach event. It is very difficult to understand what the long term future will bring with an increasing backlog and associated safety risk. This issue must be addressed in Waterways for Everyone, or it is self evident that there will be 'waterways for no one'.

NABO has addressed this specific issue by conducting two online surveys in the autumn of 2009 - asking boaters' opinions about the state of the British Waterways and Other Agencies' waterways, including the state of waterways then compared to 10 years ago.

As the surveys show the general condition of the canals is not lost on boaters who are generally very experienced water people and who see the issues day in and day out. NABO is aware of the responsibility of the Waterways Minister under the Transport Act 1968 to maintain the BW waterways in a satisfactory condition. We wish to see this acknowledged in the Waterways for Everyone document.

Summarizing in the BW waters' survey, about half of respondents felt to some extent negative: 21% felt very negative, 16% negative and 14% slightly negative, while only 12% felt slightly positive compared to 10 years ago.

In contrast, 37% felt positive about the state of Other Agencies' canals and rivers, while 21% felt to some extent negative, when compared to 10 years ago.

Boaters reported a lack of necessary maintenance, which in turn creates safety issues, for example: windlasses slipping on worn lock spindles endangering users, boats caught up on damaged brickwork in locks and in danger of sinking, shallow moorings preventing narrowboats drawing alongside banks and necessitating boaters jumping onto collapsing banks and unrepaired towpaths and breaches threatening boaters as well as waterside homes and business.

Among other symptoms, this was evidenced by lock gear out of use with signs "BW Aware", more temporary fencing or netting marking structures yet to be repaired, locks harder to use compared to previous years and more unrepaired, badly damaged bridges.

The deterioration of the BW network is detrimental to the ease and pleasure of cruising, and if it

continues, threatens the future of the inland waterways leisure industry.

Boaters noticed:

A lack of necessary dredging

An increased number of underwater obstacles such as trolleys, sofas and fridges

Increased weed and reed proliferation

Inadequate vegetation control

A shortage of available, usable visitor moorings

While there have been reductions in overall contributions from other users over the last three years via the tax system, boaters' costs, including fuel and licences, have increased above inflation.

Unsurprisingly, 85% of boaters were concerned about the trend. We hope that government will heed the warning that a lack of preventative maintenance is threatening the future of one of the UK's most treasured leisure resources. £30 million annual underfunding cannot continue indefinitely without catastrophic consequences.

Full details of the surveys are available on:

<http://nabo.org.uk/issues/surveys/64-bw-waterways-condition-survey.html>

Q3. Do you agree that it is important for regional development bodies and local authorities to work closely with those responsible for managing the Inland Waterways to ensure that the potential benefits in respect of place making and shaping are maximised?

We agree, and believe that it is a key factor in developing the unique attractions of the waterways. Communities need to be routinely part of the place making and shaping around the waterways. We very much welcome the initiative by the Waterways Minister in arranging interdepartmental Government meetings, but NABO sees no clear and effective leadership to ensure that there is change on the waterside. Action is considerably hindered by the prevailing attitude of local authorities that waterways are someone else's problem.

In the meantime communities in general make no financial contribution, but continue to enjoy the amenity, drainage, and business benefits that their local waterways bring. Communities routinely cause the waterway authority to incur unreasonable costs for items such as towpath wear and tear, rubbish and dog waste removal, repairs to bridges due to road vehicles, over restrictive dredging rules, inflexible approval to planning, and failure to support residential status of boaters.

NABO accept that whilst there are some welcome exceptions to these generalities these are far too few. The best practice must be incorporated into policy and requirements.

Q4. What more can navigation authorities do to encourage local authorities to consider using waterways to improve the quality of life of their local communities?

We agree local authorities should consider using waterways to improve the quality of life of their local communities. NABO do not agree that it is for navigation authorities to be the prime moving force to provide this initiative. It is an unreasonable duty and inefficient use of scarce funding. They cannot possibly know the detailed needs of local communities, and should confine their activities to generic advice and consistent best practice. It is for Government to set the policy for the local authorities and ensure that it is delivered. The 'pull' must be from the communities and they cannot

rely upon 'push' from navigation authorities.

Q5. *What do you think the barriers are to local authorities taking more interest in waterways in respect of place making?*

Money and ignorance are the main barriers. Local authorities will always be in denial over available funds to spend on a facility which is presently maintained by navigation authorities alone. This status quo needs to be broken so that local authorities see the amenity provided by waterways passing through their area as their responsibility as well as the navigation authority's. This could start with simple issues of litter picking, security and towpath maintenance to be followed by providing if the community so wish with more elaborate facilities such as visitor moorings, car parking, picnic areas etc which can be enjoyed by all.

Q6. *Do you agree that inland waterways offer an opportunity to help the UK mitigate and adapt to the effects of climate change? Are there any areas you consider that should be explored further in this context, including how the waterways themselves will need to adapt?*

The waterways' primary use should be for recreation and leisure, including boating. Allied to this must obviously come flood control and movement of resources. The small scale hydroelectric schemes presently being investigated need to be managed sensitively to avoid conflicts with waterways users such as boaters and anglers. Water levels need to be maintained at those levels which are best for the prime users and schemes should allow for this primary need when in the design and operational stages.

Boats used as recreation and as homes have a much smaller carbon footprint than hotels and houses and can be run on renewable energy such as biodiesel, wind power and solar power far more easily. Boaters use less water and power for domestic purposes than house dwellers.

Waterway transport is much more climate friendly than road, and incentives to bring freight back onto the waterways should be imposed as contract requirements for public expenditure such as the Olympics and Cross Rail.

Q7. *Do you agree that the unique cultural heritage associated with inland waterways provide a key benefit to those who use and visit waterways? How can these resources be used to further enhance and encourage use of the waterways?*

Unfortunately much of the industrial heritage that was a feature of the waterways has been lost. It is a key and unique factor in the attraction of the waterways and it is imperative that there is an aggressive attitude to preserving what remains and not just demolition to build blocks of modern apartments because this provides the best economic return. NABO would like to see a sustainable modern use for heritage buildings and other waterways assets. Instead of building accommodation on heritage hot spots, there should be opportunities for small industry to take over the wharves, warehouses and factories, with an eco-friendly, ready-made transport system on their doorstep.

Q8. *Do you consider the protection of the natural and built heritage to be one of the waterway authorities' primary tasks?*

Yes, but it has to be balanced with survival. If we continue to demand the highest standards of heritage funding has to be forthcoming. When time comes for non unique assets such as bridges to be renewed, then the additional cost of construction in the original manner should not be presumed but justified on a case by case basis. The principle purpose of the waterways is for navigation and the emphasis has to be on functionality. Organizations like English Heritage provide welcome guidance but contribute nothing in the way of funding. Repairing bridges to Grade I listing standards while failing to dredge the same waterway to any reasonable standard because of lack of funds, is poor decision making.

Q9. What area of waterway heritage do you consider most under threat?

Firstly the gentle way of life on the waterways and the traditions are constantly under threat from a lack of understanding and the unremitting pressure for cost efficiency.

This heritage cost has to be balanced with a decreasing funding stream. NABO believes that significant mistakes have been made on redevelopment issues with BW assets and one reason for this is perhaps because of unreasonable Treasury expectations cash returns from the property portfolio. It is unrealistic to set cash return targets comparable with private industry, and still preserve the heritage of the canals and the large number of listed buildings.

Waterways for Everyone cannot set a policy for retention of the heritage and then have the Treasury apply funding regimes which make it impossible to achieve. There has to be some flexibility.

The success of the leisure business, whilst welcome in terms of funding, is turning the waterway into a less inclusive environment. We have no time for protecting the quality of life of the community of people who live, work and travel on boats and they need protection and opportunities for an inclusive society to be preserved. A good example is the use of the internet. Many boaters are not computer literate or ever likely to be. Yet there is a presumption that communication by the internet is enough to achieve inclusivity. This is not so in the case of the waterways.

The heritage of the operational knowledge and history of construction of the waterways is held by the navigation authorities. This is the key to the longevity of navigation and cost effective incident free maintenance. Yet there is relentless pressure to reduce the number of these staff. Due emphasis must be put on this expertise and the funding that is needed to retain it. We sacrifice this continuity knowledge at our peril. It cannot be relearned after arbitrary funding cuts have destroyed it.

Q10. Do you agree that inland waterways, including their paths and surrounding environments provide an important resource for outdoor recreation, sport and improving public well being? What more can be done to protect and improve these important resources?

Yes, we agree. Local funding must be increased, providing a greater sense of local ownership. However, local funding should supplement, not replace, the national contribution. Where funding is delegated to local authorities, the councils must be forced, by law, to maintain standards, not withdraw as has been the case with the Basingstoke Canal.

Local authorities should take responsibility for cleaning up the towpaths and waterways. Part of this could be achieved by making all waterside properties legally responsible for keeping the land adjacent to their property and the waterway tidy and free of rubbish and overhanging vegetation, with failure to comply punishable by fines.

Q11. What needs to be done to make waterside paths more accessible and better appreciated by local

communities?

Local authorities must be responsible for access to these paths, rather than the national navigation authorities. Context-sensitive choice of surface should be considered - rather than necessarily choosing the cheapest option.

Q12. Do you agree that waterside paths offer considerable potential for increasing green commuting, both for pedestrian and cyclists? What more can be done to encourage this further?

Yes, but regulation of cyclists' use of such paths should ensure that boaters and pedestrians should always have priority. At present, despite guidance papers, too many cyclists ignore other users, endangering both. The cycling lobby has had a disproportionate effect on the development of waterside paths; a balance needs to be found at planning stages. Cyclists should not present a threat to pedestrians and family use, anglers, or the needs of boaters navigating their craft.

With the introduction of community support police officers and more police officers patrolling towpaths, the reintroduction of cycle licences should be considered, with the police, not the navigation authorities, being responsible for enforcement.

NABO receives reports of too many cases of motor cycles being used (repetitively in time and by the same people) on towpaths. This highly dangerous practice is ineffectively policed and is another example of community's abuse use of the waterways assets and the disinterest of local authorities. It could and should be stopped immediately, but it is not. The effect is that boaters and local communities become nervous of the section of the towpath and go elsewhere. The effect is primarily a loss of business opportunity for the community and the loss of a community asset. Boaters tend to move on, not to return taking their business with them.

Q13. What can be done to reverse the decline in freight on the inland waterways in recent years? Which elements of the commercial waterways have the greatest potential for freight use? How should the planning process ensure the protection of freight interests in those areas with greatest freight potential?

Freight is not declining everywhere. In areas where commercial operations are still common there needs to be a concerted effort to keep and maintain suitable wharves and road links to them so that freight traffic can access city centres. Recent announcements such as those in Leeds recently are to be welcomed but BW must collaborate with freight carriers to ensure that waterways freight is encouraged as much as possible. It is unfortunate that freight traffic is lost to the waterways because of lack of maintenance. Waterways for Everyone should address this issue so that commercial traffic can grow with confidence.

Q14. How can we best encourage a common purpose between different users of the waterways? What can be done to better manage potential conflicts?

Better communication between BW, EA and the waterway users, with users of the waterways being consulted properly at every stage when changes are planned. This may help to avoid conflicts and by listening to the experiences of waterway users it may be possible to avoid costly mistakes and bad

decisions.

Changing the term from 'users' to a term that implies partnership or ownership might help. 'Users' need to be turned into 'Supporters'. At the moment, the majority of active waterways supporters are boaters, with anglers apparently supportive, but probably active to a lesser degree.

A waterways-wide scheme like Neighbourhood Watch - Waterway Watch? - should be set up, which encourages people to take responsibility for their local waterways, with a phone number and email address or website that they can use to report problems and make suggestions.

Q15. *What do you believe should be done to maintain and increase the number of boat registrations on our inland waterways?*

There are two aspects.

Firstly, the potential boater must be confident of the future. It is important that boaters and boat businesses see a future in the waterways and not a continuous cycle of funding arguments and lack of maintenance and increasing costs. Boating is by and large a discretionary expenditure with a value in billions of pounds. An expensive choice is made to hire, or buy or live on a boat on the waterways. If consumers are not confident, they will go elsewhere. Many of these individual decisions are for periods like 10 or more years and there has to be confidence for the long term. The confidence has to be that the waterway system will be functional and that the increases in the cost of boating will still be proportionate to other alternatives. Boaters do not see that now. The central funding is decreasing, the number of major incidents is at a worrying level, and licence costs are increasing well above the rate of inflation.

We have to get out of this spiral and NABO expects Government to lead and make solid commitment in Waterways for Everyone. It is unrealistic to expect numbers to increase when there is no clear way forward.

Secondly, there has to be space and places on the waterways for new boats. Some areas of the waterways are underutilised and have capacity. Not surprisingly there are a few popular areas that are in high demand at it is not realistic that new boats will be accommodated permanently in these areas. In a regime of underfunding, NABO believes that it is not realistic to increase licence numbers other than on the margin, without investment in waterways and facilities.

There are a small number of new canals and restorations that provide significant opportunity for increased waterway usage. These are 'enabler' canals that could provide attractive cruising on large areas of existing quiet waters, much greater than their own length, and would be used by hire and private boater alike. These are the Bedford Milton Keynes link, the Hatherton and Lichfield Canals, Cotswold Canals and the Upper Avon link. Consideration should be given to ensuring that these projects are realised in the foreseeable future.

Q16. *How can the waterways increase their share of the holiday market?*

Firstly, by streamlining their operations to become more financially competitive.

Secondly, boat hirers have to be confident that the experience will be safe, reliable, incident free and they have the depth of water and moorings that they need. There needs to be confidence based on robust funding.

Q17. *Do you agree that there is scope for increasing waterway related volunteering activity? How can this be achieved?*

Yes, there is great scope for volunteering and also a great willingness to be involved by many waterway users. There needs to be a change of heart in how volunteers are viewed. In the recent past the role of volunteers has run the danger of being sidelined into litter-picking and clean-up parties and even these have been over regulated because of the interpretation of Health and Safety legislation.

Volunteers can also play a useful part in many other aspects of waterway management but a first step must be to identify individual talents and experiences so that their efforts can be directed to best effect. Considering the tremendous variety of trades and professions carried out by waterway users, it is a shame that this experience is not presently used to its proper potential.

Q18. How can schools and colleges be encouraged to make greater use of the waterways for educational purposes?

By schools having access to, and being made aware of, waterway related resources that relate to the curriculum. These could be provided by teachers who are also boaters or waterway enthusiasts. The communities boat organisations do excellent work in embedding an appreciation of the waterways in the youngsters of today. NABO believes that it makes an important contribution to the safety and quality of life on the waterways by bonding young people positively. This addresses the potential of antisocial behaviour at source in a cost effective way.

Q19. What can be done to help NCBA to increase the use of waterways to improve social inclusion?

Provide assistance in funding and by reducing access costs. NABO understands that compliance with regulations has become increasingly expensive to many community boating groups and support from local authorities is less forthcoming.

Q20. What can be done to overcome barriers to achieving greater diversity among boaters and anglers using the waterways?

There is already good diversity. The most significant barriers are well known and identified as the increasing licence fees (which make boating an elitist activity), the lack of clear local authority guidelines for residential moorings (which results in unregulated mooring), and the constant pressure on continuous cruiser lifestyles.

NABO have consistently campaigned for boaters to have the right to licence a boat on the BW canal system without a home mooring. The so called Continuous Cruiser is an important and unique choice of lifestyle, little understood by authority and the general public. The rights are covered by the British Waterways Act of 1995.

We have already mentioned the presumption of the use of the internet as a barrier to inclusivity.

Q21. In view of the pressure on public finances, how can waterway authorities make the most of their resources over the next few years? Would mutual or third Sector status for British Waterways be beneficial in this respect?

NABO has already written to BW confirming its support for the 2020 vision. The text of the letter is included.

I write to state NABO's 'in principle' support for the current initiative to move British Waterways to the third sector.

We have carefully considered the suggestions made in the past months, separately and with other user groups, and we thank you for the opportunity to be involved in this process. We recognise that many details are still to be settled and commit to working with you in this endeavour.

Our reasoning is underpinned by the belief that the 3rd sector gives the best opportunity for all who love the waterways to engage with BW to support and influence the future. By working together we would be in a better position to understand and contribute to the priorities and ensure a sustainable future even in years of poor funding.

Furthermore we would wish to see a long term funding arrangement with Government away from politics and annual budget cycles and also create opportunities for contributions of time and money from other sources without the fear that it will be negated by reduced funding. We would wish to see the volunteer contribution to the waterways increasing without replacing the core expertise and work of BW staff involved in operations and maintenance, who are appreciated and highly valued by boaters.

NABO is part of the BW Advisory Forum. This body has also expressed its joint support for 2020 and NABO is pleased to be associated with this.

Q22. What scope is there for enhanced partnership working to improve the resources available to protect and enhance the benefits delivered by inland waterways?

NABO welcomes partnership working. As has already been stated, boaters are experienced people with eyes to see and time to contribute. It is a regret to NABO that in the past, offers of advice have been made, but have been ignored; also that decisions have been made without consultation and money wasted as a result. We welcome the initiatives of the main navigation authorities to harness the experience of boaters.

Q23. What activity should be undertaken to monitor the benefits delivered by the inland waterways over the coming years
No comment

NABO now makes the following general comments

- 1. NABO welcomes the Interdepartmental commitment to Waterways for Everyone. The waterways suffer greatly because of the responsibility split between DEFRA, DCLG and DFT. NABO would like to see a senior Cabinet Minister with responsibility to ensure that waterways issues are fully addressed across all departments.***
- 2. NABO understands that Waterways for Everyone is intended to be the one substantive policy document for the waterways and that it replaces Waterways for Tomorrow. We request that the final draft be screened to ensure that no content is lost.***
- 3. NABO campaigns mainly on issues surrounding the BW areas of influence. Yet we believe that the document should be relevant all the 30 navigation authorities and examples of best practice should be included particularly from the smaller navigations who offer a low cost model.***
- 4. NABO recognises the pressures on public finance but believes that Great Britain can and***

should afford the cost of the unique waterway systems. We are fortunate that this in ONLY some hundreds of millions of pounds per year and not billions. To date boaters have been the significant user cash contributors to the waterways through their licence fees and tax paid on the related boating services. NABO recognises that significant public funding cannot be for the benefit of a minority interest alone, and that indeed waterways must be for 'everyone' but then 'everyone' must bear the cost too. In the absence of a simple payment structure for other visitor categories then public funding appears the best way. We do not object to a model that involves part central, part local and part voluntary funding, but there has to be some way that this is brought together without in fighting and in a holistic way. Otherwise the navigation authorities cannot provide a continuity of service and the planning that this duty requires. The attempts in recent years to encourage local funding have failed all but a few local examples. If there is to be a future for the waterways, NABO believes that Government must take a lead to fund the waterways properly and not leave it for departments and local authorities to work it out. They will fail without firm direction because there will always be other higher priorities.

- 5. In 2009 NABO wrote to the Waterways Minister about these issues of management of the waterways. We repeat the text below because we believe it to be relevant to this consultation.***

This is the text from NABO's letter to the Minister in September 2009:

British Waterways are struggling to maintain the Waterways system. The clear evidence from boaters is that there is a progressive deterioration in the assets and a virtual cessation of work on dredging. Every year there has been at least one serious canal breach costing hundreds of thousands of pounds. Such breaches are only repaired by diverting funds from other essential activities. This is a sorry state of affairs, and all the more so when recent canal history and common sense tells us that the lack of routine maintenance will invariably result in even greater cost and possible serious consequence in terms of safety not only to canal users but to those that live nearby.

In 2009 British Waterways licence costs rose by 7.5% raising an estimate of £1.5 - 2m additional funding to help with the cost of running the Waterways. NABO, with other user groups, took part in "consultation" with BW at the time of this increase and fully understood the need for the additional income. We reluctantly had to agree that some additional contribution from our constituency was needed. There is perhaps a common misconception that boat owners on the Inland Waterways are wealthy and can afford their chosen residence and/or interest. Costs of boating are a big issue for our membership who, for the most part, are from the mature end of the demographic scale. Increasing cost is the main reason NABO members give to us when selling their boats to leave the Waterways. A predominance of them are on fixed incomes or investment incomes (that have dropped considerably as well at this time), and so are ill equipped to pay any increases, let alone those that are many multiples of current RPI indices.

It is from this perspective that we view your decision to cut BW's Grant in Aid. A cynical view would be to suggest that the additional licence fee income that the boaters reluctantly agreed to tolerate in order to support the Waterways, has actually been taken back by your Department. And you have taken back next year's increase too. You have effectively added an extra tax on the boater. We have demonstrated our commitment to the Waterways by accepting a licence increase above inflation but Government, it seems, is unwilling to even maintain its present share. BW licence increases are widely resented anyway, because they are not accompanied by an increasing say in the management of the Waterways, or a solution to the deterioration in conditions on the Waterways, or any sort of improvement in amenities and service proportionate to the increase.

An increasing proportion of the cost burden is passing to boaters. NABO welcomes the wider public to the

Waterways. Their use of the Waterways far outweighs that of boaters although their cash contribution through Grant in Aid is in effect reducing. Any aspiration to share some of the Waterways' costs with Local Authorities, with a few exceptions, is not working, and in NABO's view has very little prospect of working in the current fiscal climate. Boaters have also increased their tax burden through the changes to propulsion red diesel which is particularly disliked because payment recurs again and again and the money is lost to the Waterways.

The recent announcement of reduction in Grant in Aid is from our perspective a slap in the face to our goodwill. And it only exacerbates the severe financial crisis that is the back drop to all that BW tells us about cash constraints in their day to day business. NABO hears the argument that "all Government departments have to cut costs" and that the Waterways have to suffer with the rest. What is manifestly unfair is that boaters appear to be the sole group of paying customers being expected to bear a disproportionate part of BW's funding gap. Boaters expect to contribute their part towards the financial burden but we do not find acceptable or fair that other Waterway users are not being asked to increase their contributions too.

BW Grant levels had already been reduced in real terms because of the recent constraints in your Department. The grant was already cut to the bone, and now you are cutting into that bone! We are really not sure that the gravity of the situation has reached home. This together with an apparent reluctance of BW to publicly admit the condition of the Waterways, for they say for fear of scaring investors away leaves us with little confidence for the future. We question whether the hard facts are known to your Department about the current fragility of the Waterways.

We must also question the ability and effectiveness of the Board and Senior Management team at BW. We are still trying to understand the full impact of the huge losses in their property portfolio and the fact that last year BW reported in excess of £30 million in losses before revaluation of the remaining assets. We understand that it is not the role of Government to underwrite BW's commercial business, but neither is it the responsibility of boaters to contribute rescue funds in the wake of those losses. Now it seems that boater money, if not being used to offset reduced Grant in Aid, will next be called upon to cover these losses. There seems to be almost no prospect that any of it will actually go back into the maintenance and up keep of the canals.

We believe that the very well remunerated senior management at BW, apparently selected for their commercial acumen rather than the core business of infrastructure management, will not publicly admit to the serious state of the Waterways. This state is amply demonstrated by the serious leaks that are occurring, currently three, and all interfering with navigation. This reflects badly on several years of underfunding and a failure of numerous reorganisations and "visions" for the future. We ask "Who is going to become a nuisance to its funding Department" with a risk of losing patronage. How can we justify a Chief Executive and all his main board earning salary packages well in excess of our Prime Minister while failing to achieve objectives for costs, commercial activities, asset management or (last of all of course) user service?

If boaters are to be put in the position of being the funders of the Waterways by default, we ask the following:

That representatives of boat owners are offered constituency seats on the BW Board. We are increasing our contribution to BW funding and realistically expect that this will continue into the immediate future. We must insist on having a much stronger voice and greater transparency over how our contributions are spent. Our basic estimates are that through licence fees and moorings income we provide at least 11% of BW income – we think it would make sense therefore to hold a representative seat on the board to advise on what is actually needed from the perspective of the most significant group of BW's paying Customers. Your assurance that you will use your influence with the current BW board to ensure that there is a strict cap put on annual increases in charges to boaters in the coming years and that a demonstrable mechanism be put in place to ensure that above inflation increase are directed solely into the maintenance and up keep of the Waterways. We have already shown we are prepared to contribute to the Waterways but we are not content to sit by and see increases in licence fees applied to offset reduced Grant in Aid, to cover BW's commercial losses or to prop up the outrageous salaries and benefits of a

*senior management team who have overseen serious commercial failures and losses.
We would be grateful for an early meeting with you and your officials to discuss the themes in this letter.
We would like a full and frank dialogue with you and the Department about what constitutes a fair
contribution from boaters to the Nation's Waterways and how experienced and committed boat owners
can help and advise on the best use of limited funds and provide transparency for the users.*

This completes the evidence from The National Association of Boat Owners