



**The case for keeping IWAC
until
the Canal & River Trust
(Glandwr Cymru in Wales)
is fully established**

Response by the

Inland Waterways Advisory Council (IWAC)

**to the consultation on the Government's proposal
to abolish IWAC**

Consultation on the Governments proposal to abolish the Inland Waterways Advisory Council

Response by IWAC

Role of IWAC

IWAC was set up in April 2007 by the Natural Environment and Rural Communities Act (2006). The reasons and context for this decision are significant.

IWAC replaced and succeeded the Inland Waterways Amenities Council (IWAAC), a non-statutory body which had been set up in 1968 to advise British Waterways (BW) on the recreational use of the waterways. This restricted mandate was subsequently extended by Ministerial decision to include advice on recreational issues for all the waterways in England and Wales. IWAAC produced valuable reports, including *Britain's Waterways: an Undervalued Asset*, which prompted Government to produce the important policy statement, *Waterways for Tomorrow*. Following that statement Government accepted that, if progress was to be sustained and if the public benefits from the development of the waterways were to be maximised, a more authoritative advisory body was required, covering all the navigable waterways of England and Wales, and with a mandate to advise on all waterway issues, including such important policy matters as freight and climate change, which had been outside the scope of IWAAC.

The Natural Environment and Rural Communities Act gave IWAC the task of providing good quality and independent advice to Government, navigation authorities and other interested parties about all inland waterways issues. The Act also made IWAC a statutory consultee in respect of a range of decisions affecting the waterways. Subsequently, in a letter of guidance, the Minister required IWAC to undertake the additional duty of becoming a "conduit" to carry the views of waterway stakeholders through to Government. The Minister laid this extra duty on IWAC because it was accepted that the small inland waterways section within Defra would not have the capacity to maintain close contact with the large number of waterways organisations.

Membership of IWAC

IWAC's unpaid Council members are recruited specifically to deliver IWAC's wide-ranging brief. As a consequence IWAC contains a spread of well-qualified members, including an accountant, an economist, a consultant, an environmentalist, an engineer, two charity workers, a local government officer and an expert on the visitor economy as well as two persons employed by boating organisations. IWAC is also advised by two experts – on heritage issues and on volunteering.

Members are drawn from many parts of England and Wales. This wide geographical spread gives IWAC the knowledge and confidence to speak authoritatively about local and regional differences which are so important in the operation of the waterway networks.

This breadth of knowledge and expertise means that IWAC is well equipped to take a holistic view of waterways issues. IWAC's independence also means that the Council can take a wider view than is generally possible in the many organisations representing groups of waterway users.

Work of IWAC

With its broad mandate and diverse Council membership, IWAC has produced, since 2007 authoritative Reports on such varied issues as:

- funding of all navigation authorities;
- conservation of wildlife in the waterway corridor;
- combating social exclusion;
- how to attract, integrate and retain volunteers;
- how the waterways can help to deliver climate change policy;
- better use of waterway paths;

All IWAC's Reports are available on IWAC's website and a list of Reports is attached as an Appendix to this Response.

In 2007 IWAC advised Defra that, in order to guide public policy and to improve the quality of investment decisions, research should be undertaken to assess the monetary values of public benefits provided by the waterways. As a result, a three year research programme has been undertaken, sponsored by Defra and managed by IWAC, which has produced valuable material to assist policy makers.

IWAC has also led initiatives on partnership working and, together with Visit England, on the use of the inland waterways to increase tourism.

The case for independent advice

When IWAC was created by statute in 2007, the case for creating an independent Council to offer expert and authoritative advice was based on:

- the belief that the waterways could make an increased contribution to *public benefit* in Britain and that policy should be further developed to maximise public benefit;
- an acceptance that the small inland waterways section within Defra did not have the *capacity* to undertake the necessary policy development work without outside help;

- the concern that most of the *waterway organisations* were rather narrowly focused on the needs of their members and that there was no organisation taking a holistic view;
- an appreciation that the *structure of the sector* has placed operation of the waterway network in the hands of over twenty different navigation authorities, varying greatly in size and with different ownership and governance arrangements; many would benefit from access to strategic advice.

These arguments remain valid:

- *Public benefit* - recent IWAC reports have explained how public benefits could be increased: the opportunities range from initiatives to increase the contribution made by the waterways to reduce carbon emissions through to the use of the waterways to combat social exclusion.
- *Capacity* - the inland waterways section of Defra has no greater capacity than was the case in 2007.
- *Waterway organisations* - there has been little change in waterway organisations between 2007 and 2011.
- *Structure of the sector* - there has been no significant change in the ownership and operation of the twenty navigation authorities who manage that large part of the network outside the hands of BW. In 2010 IWAC reported on the weaknesses and missed opportunities that arise from the waterway sector's fragmented structure.

The creation of the Canal & River Trust

The Government's core argument for the abolition of IWAC is that the creation of the Canal & River Trust (C&RT) changes matters so fundamentally that independent advice is no longer needed. IWAC believes that the reverse is the case and that, for the next two years at least, the need for independent advice is greater than at any time since 1968.

The proposal to create C&RT in place of BW is the biggest change in the waterways in two generations and, while it presents significant opportunities to improve the waterways, the development is both difficult and risky. IWAC's response to the Government's Consultation document, *A New Era for the Waterways* pointed out that there is no precedent for the transformation of a public corporation into a charity. This in itself meant that the task faced by the Transition Trustees would be formidable but the risks and difficulties have been increased because of the very tight timetable set for the transformation.

IWAC has examined the Government's Summary of responses to the Consultation document, the newly issued Supplementary Consultation on the proposed Transfer Order and the Progress Report issued by the Transition Trustees. On this basis IWAC believes that the following tasks remain to be completed:

- the **funding contract and arrangements** (to be negotiated during this Autumn by the Transition Trustees);
- details of the **Trust Obligations**, the wording of which will be the subject of further discussion and agreement between the Government and C&RT's Trustees;
- wording of the **Charitable Purpose** (the outline will be further revised in the light of advice from specialist charity lawyers and discussions with the Charity Commission);
- the development of a **localism strategy** to bring about genuine engagement at a local level;
- details of the **membership scheme**, including a strategy to recruit members;
- arrangements and scope of operations for the **Community Interest Company**, details of which are to be determined by the Trustees;
- the development of **commercial waterways** - consideration at this stage has only been given to broad options about status;
- the policy towards **remainder waterways** (on which the Government's Summary of responses is silent);
- the determination of a **restoration policy** (on which the Government's Summary of responses is silent);
- performance measurement and monitoring arrangements for **the use of public money** which will be negotiated between the Government and the charity's Trustees this Autumn and which may or may not be based on the illustrative performance measures set out so far;
- performance measurement and monitoring arrangements for **the use of statutory functions** which will be negotiated between the Government and the charity's Trustees this Autumn and which may or may not be based on the illustrative performance measures set out so far;
- the future of **existing partnership schemes** between BW, local authorities and others which exist in Yorkshire, Derbyshire and elsewhere (on which the Government's Summary of responses is silent);
- training and communication arrangements to **change BW's culture** - a very significant factor in the success of the new organisation (on which the Government's Summary of responses is silent);
- arrangements to provide independent scrutiny of proposals from the C&RT to **change the status of waterways** under the Transport Act 1968 - an issue on which the technical consultation has just begun;
- the extent to which the C&RT comes within the scope of the **Freedom of Information Act**, a matter which is subject to the technical consultation which has just begun.

In addition there may well be a need to revisit the plan for Partnership Committees, as there are already suggestions that those Partnership Committees that have so far been established might require help to develop a constructive role in the new governance arrangements. Amongst other problems is the difficulty in determining an appropriate balance of representation. Recent research demonstrates that the opportunity to use waterway paths is the most valuable public benefit in the waterway corridor yet walkers and ramblers have very thin representation on the Committees.

The size of this programme of work means that there is likely to be a serious capacity problem in the next two years. IWAC has already examined many of these outstanding issues and is well placed to provide assistance to the Trustees and to Defra Officials. An initial meeting between IWAC and the Trustees in September provided an opportunity to focus on some of the key issues which are still outstanding and the offer of continuing assistance by IWAC during the transitional period was put forward.

IWAC's conclusion is that the imminent creation of C&RT, far from removing the need for IWAC, generates an increased requirement for well-informed independent advice and support.

The Government's proposed alternative plan

The Government's Consultation document suggests that, once C&RT is created, the advice provided by IWAC can be replaced by advice from the charity and from AINA.

This plan has significant weaknesses:

- C&RT can hardly be expected to give impartial advice about its own activities. A significant part of IWAC's work has been to suggest, on the basis of careful research, how BW might increase the public benefits delivered by its waterways. There is a strong case to retain an independent advisor who will, from time to time, prompt C&RT in a similar manner.
- AINA is a trade association and its policy will be driven by the interests of its members. It is a valuable source of information about the activities of navigation authorities but it cannot be regarded as independent. The distinction between the role of AINA and the role of IWAC was illustrated by the work of the two organisations on volunteering. AINA produced useful data on the current state of volunteering on the waterways and IWAC examined how the best companies in Britain recruited and retained volunteers, with suggestions as to how the lessons from these case studies might be applied by navigation authorities. AINA gave a snapshot of the present; IWAC suggested opportunities for the future. The work of AINA and IWAC can be complementary but their roles are distinct.
- The creation of C&RT leaves a substantial proportion of the waterways network unchanged and, while they remain separate, the Government will

require independent advice on these navigations: public money is involved in the Environment Agency navigations and the Broads, and Government will wish to promote best practice and the maximisation of public benefit on the other navigations.

In a significant paragraph, the Government's Consultation document accepts that there may indeed be occasions when specialist advice is needed on particular topics. In these circumstances the Consultation document indicates that the Government will set up "specialist advisory bodies to deal with specific issues". IWAC does not doubt that ad hoc bodies are sometimes useful but many commentators might find it surprising if a single low cost advisory Council were to be abolished and a number of separate advisory bodies were to be set up, apparently in IWAC's place.

A similar dilemma arises in respect of appeals concerning boat construction and equipment. Although this is not a big part of IWAC's work it might appear curious to replace this appeal function with a separate appeals panel "to avoid duplication of roles" when the reason for giving the appeal function to IWAC in the first place was to ensure that appeals were processed by an independent organisation with credibility amongst the waterways communities.

The final part of the Consultation document's alternative plan begins with the statement that policy development is the role of Ministers and goes on to make the commitment that the Government "will continue to work closely with users, communities, delivery bodies and stakeholder representatives" in developing policy in the future. This paragraph raises questions of principle and capacity. IWAC's role has never been to develop policy but instead to offer advice to those charged in Britain's parliamentary system with policy development. In offering that advice, based on expert knowledge and careful research, IWAC has increased the capacity of Ministers to take well-founded decisions on issues which Defra officials have neither the time nor the resources to explore in detail. Similarly, the small inland waterways section at Defra has neither the time nor the resources to develop the contacts that are necessary to ensure that Ministers are kept fully aware of the policies and opinions of stakeholder groups. That was why IWAC was given the task of becoming a "conduit" for those policies and opinions. Without IWAC, Ministers will be less well informed on waterway matters and on the views of stakeholder groups.

Cost of IWAC

The Government's consultative document suggests that the abolition of IWAC will save £200,000 a year. This figure is no longer appropriate because, since the beginning of 2011, IWAC has operated without staff and without an office. The well-qualified volunteers who serve on the IWAC Council and who commit between six and twenty days a year to IWAC's work, are entirely unpaid and the only cost of using their knowledge and expertise is the reimbursement of receipted expenses for attending meetings. The only paid member of Council is the part-time Chair and he has made modest claims for the time spent on IWAC business in

the past year. In the current situation, a decision to abolish IWAC would save scarcely £10,000 a year.

Nevertheless, during 2011 and without office and staff, IWAC has demonstrated its capacity to continue to produce valuable work. IWAC's Response to the Consultation document, *A New Era for the Waterways*, was full and authoritative. When IWAC met the Transition Trustees in September it was clear that IWAC's work was both useful and appreciated.

Conclusion

IWAC accepts that, once the CR&T is well-established and stable, there is a case for reviewing the advice and consultative arrangements in the waterway sector. However, good sense suggests that during the next two turbulent years of transition and reconstruction, when capacity is short and the risks are high, IWAC should be retained to advise, assist, and support the Trustees and Defra officials as they develop new policies and make the many important changes.

The volunteers who are members of IWAC would prefer IWAC to be properly staffed and have reasonable accommodation. However IWAC understands the political realities and that the Government will be reluctant to designate a new office or to assign new staff. In these circumstances IWAC proposes that it continues until the autumn of 2013 as a volunteer body with, if necessary, an unpaid Chair.

Ministers may feel that IWAC, working as a volunteer body to provide assistance in the enactment of an important reform, fits elegantly into the Government's aspiration for a Big Society and is extremely cost effective in a time of austerity

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APPENDIX

IWAC Reports

Details of the IWAC Reports referred to in this Response are given below. They are available from the IWAC website – <http://www.iwac.org.uk/reports/>

A New Era for the Waterways: IWAC's Response to the Consultation June 2011
[0.6MB PDF]

Making More Use of Waterway Paths and their Surrounding Corridors – Main Report November 2010 [7.6MB PDF]

Making More Use of Waterway Paths and their Surrounding Corridors - Case Studies & Appendices November 2010 [3.7MB PDF]

Surviving the Cuts and Securing the Future October 2010 [2.4MB PDF]

Volunteering and Inland Waterways: How to Attract, Integrate and Retain Volunteers August 2010 [24MB PDF]

Working Together - Effective Waterway Partnerships March 2010 [1.9MB PDF]

Funding and Income Sources for a Selection of Overseas Inland Waterways
November 2009 [6.0MB PDF]

Insights into the Funding of the Inland Waterways of Great Britain November 2009 [0.5MB PDF]

Climate Change Mitigation and Adaption: Implications for Inland Waterways in England and Wales April 2009 [11.4MB PDF]

Using Inland Waterways to Combat the Effects of Social Exclusion April 2009
[0.2MB PDF]

Britain's inland waterways: Balancing the needs of navigation and aquatic wildlife July 2008 [11MB PDF]

Decreasing Our Carbon Footprint: Moving more freight onto the inland waterways of England and Wales January 2008 [0.2MB PDF]