

**Press Release from Defra**

**OVER £1 BILLION INVESTMENT SECURES FUTURE OF NEW WATERWAYS CHARITY**

A new charity to look after England and Wales' network of 200-year old canals and rivers will be given over £1 billion of Government help to give it the best possible start, Environment Minister, Richard Benyon, announced today.

This unprecedented funding for a new charity paves the way for the launch of the new Canal & River Trust later this year - a new "national trust for the waterways" that will harness the support of thousands of supporters and volunteers to help look after the canals and rivers in England and Wales for the benefit of future generations.

This is a good deal for the taxpayer, the waterways and for the millions of people that enjoy them. Releasing the nation's waterways from Government control gives more certainty than ever to their financial future. The Canal & River Trust's charitable status will mean new opportunities for revenue through donations, charitable grants and legacies, increased borrowing powers, efficiencies and volunteering activity.

Environment Minister Richard Benyon said:

"The Canal & River Trust will be a national trust for the waterways, maintaining and restoring 2,000 miles of heritage sites, wildlife habitats and open spaces so that we can all enjoy them for generations to come.

"Bringing our waterways into the Big Society puts decision-making into the hands of the thousands of people who cherish the waterways near their homes. Our £1 billion investment will get this new charity off to the strongest start possible, and let local communities and volunteers shape the future of our world-famous waterways."

Tony Hales, the chairman of the Trustees of the Canal & River Trust said:

"We congratulate the minister on this settlement which creates a bedrock on which to build the future prosperity of our precious waterways. In the 20<sup>th</sup> century the network was saved from destruction by committed waterway campaigners, volunteers and staff. In the last decade alone British Waterways has made an enormous contribution to securing the network's future. In the 21<sup>st</sup> century they will be held in trust for the nation as a national treasure and a haven for people and wildlife.

"With greater certainty of funding than ever before, we now have the opportunity to attract new investment and new supporters and give a greater role to the millions of people who live alongside and on the waterways."

In order to help the Canal & River Trust get off to the best possible start, Defra has committed a property endowment worth £460 million and funding of £800 million over the next 15 years to help put the nation's historic network on a firm footing for the future. In addition the new Trust will give local communities and stakeholders a greater role in caring for their waterways.

## Notes

The funding deal has the following components:

- Core grant of £39m per year (index linked to inflation from 2015/16 onwards)
- Additional grant of 10m per year (reduced gradually over the last five years of the grant agreement, tied to three performance measures):
  - satisfactory condition of principal assets
  - satisfactory condition of towpaths
  - satisfactory flood risk management measures
- A £25m one-off grant to be spread across the next few months, and a capped 'last resort' Government guarantee in relation to the historic public sector pension liability;
- The government has already announced that the £460m commercial property endowment used by British Waterways to fund the infrastructure network will be transferred to the CRT for the same purposes.

Subject to satisfactory conclusion of outstanding issues, the Government plans to lay the Transfer Order in Parliament in February. Subject to Parliament's approval, we hope to see the new charity launched in June. Following scrutiny by Parliament, the new charity will be launched in June.

The inland waterways managed by the Environment Agency will transfer to the new waterways charity from 2015/16, subject to the next spending review and the agreement of the charity's trustees.

The Scottish Government have decided not to change the status of British Waterways in Scotland and the Scottish canals will therefore remain in public ownership.

A record 13 million people now visit British Waterways' canals and rivers – and that is only half the waterways network.

Over half the population lives within about 10 minutes of a waterway.