



## **BRITISH WATERWAYS**

### **CHIEF EXECUTIVE'S BRIEFING PAPER**

**MARCH 2005**

#### **1. STAKEHOLDER RELATIONS**

##### **1.1 Ombudsman Complaints**

The Ombudsman has decided four cases.

The first involved a houseboat resident who complained that BW had not fully complied with their obligations in regard to services and facilities. BW was using a management agent but accepted there were shortcomings and final responsibility rested with them. The Ombudsman determined that this failure constituted maladministration but considered the compensation already provided by BW in freezing the mooring charge to be adequate.

In a second case, the issue was the amount and method of calculation of the mooring charge for the complainant's narrowboat. This covered a number of points. In particular, grass cutting was not carried out properly, constituting maladministration, with a recommendation that this be rectified in future. The Ombudsman also found that an increase in the mooring charge, contrary to the complainant's understanding of his conversation with BW's GM, constituted maladministration. In doing this he made plain that he was not accusing anybody of bad faith, but felt that the complainant's version of events, supported by a contemporaneous note was more likely to be correct. The recommended reduction in the complainant's mooring charge will be implemented.

A further case involved a narrowboat owned jointly with others and managed by a limited company in whose name the craft was registered. BW had required the boat to have a business licence. The Ombudsman considered this unfair treatment and recommended the charge be adjusted to the appropriate Private Pleasure Boat Licence. This has been done and we are now reconsidering our pricing policy in this area.

A case involving a Gold Licence was about whether BW should issue the licence from any date in the year, rather than 1<sup>st</sup> January as at present and charge accordingly. The Ombudsman decided the collaborative nature of BW's arrangement with the Environment Agency meant they were not in a position to do this and there was no maladministration or unfair treatment.

##### **1.2 Marketing**

We have begun an important project to unlock investment in marinas by the private sector and thus fulfil our medium term projections for growth in leisure income from licence income and income from connection agreements and rents.

We have briefed specialist consultancy OC&C to support us in the production of 'prospectus' which will explain to potential investors in marinas:

- the nature and scale of the marina market in the next 5-10 years
- areas of potential demand
- typical business models
- what a potential investor can expect from British Waterways.

We are working on this project with The Yacht Harbours Association and British Marine Federation.

### **1.3 Media & Communications**

We have provided strategic advice and communications support on a number of reputational issues again this period. The public affairs agency Four has been contracted to provide advice and information to guide our activities in London in respect of the GLA and other key bodies and partners.

We handled a range of media enquiries about the proposed development at the 'Alchemy' boatyard at Jericho in Oxford, including from the Guardian, Daily Telegraph and local television and radio.

We also responded to detailed enquiries from a national newspaper concerning a dispute between a residential boater and other users.

Two major JVs were publicised this period, mainly to relevant trade titles: the announcement of Canary Wharf Group and Ballymore Properties Ltd as our preferred partner for Wood Wharf, and the completion of our Waterside Pub Partnership.

We launched our national Towpath Tidy event, both internally and externally.

Waterway holidays were promoted in the BBC TV Holiday programme and, through our partnership with VisitBritain, in the Daily Mirror and Telegraph newspapers.

### **1.4 Lochrin Basin, Edinburgh – Official Opening Event**

The Minister for Transport, Nicol Stephen MSP, has agreed to formally open Lochrin Basin. The event is scheduled for 22 March and the Minister will lead a flotilla through Leamington Lift Bridge and into Edinburgh Quay.

## **2. RISK ISSUES**

### **2.1 Safety – Scotland**

The HSE served a Prohibition Notice on one of our contractors on the Crinan Canal. This was Kishorn Construction and related to a lack of edge protection at a site where no work was actually taking place, but to which plant was being delivered by the plant hire delivery vehicle. BW Health & Safety Advisor carried out an audit of Kishorn activities as a result and the company have been given a copy with items highlighted for immediate attention.

### **2.2 Safety Management**

Central Shires Waterways is arranging training using specialist consultants (ex-HSE Inspectors) involving incidents simulation and improvement of our response to these. The results will be shared with the other waterways.

### **2.3 Occupational Health**

A complaint has been made to Adastral/NOH regarding health surveillance and advice given to the BWL Grand Union team. Operatives were told they had high blood pressure and impaired hearing (some were told they would no longer be able to drive BW vehicles). Comments made by the nurse raised doubts over the quality of the equipment used. Operatives have since visited their GP and have been given a clean bill of health. David Bell, our Senior Safety Advisor, is now

dealing with this on BWL's behalf.

### **3. STRATEGIC PEOPLE ISSUES**

**3.1** Finance Department – Sally Roberts has been appointed to the new role of Group Finance Controller as the lead finance professional reporting to the Finance Director. Sally's previous role of Finance Controller (South) has been taken by Paul Williamson recently acting Finance Controller (North). This follows the impending return to that role of Jon Griffiths who has been covering as General Manager during Julie Sharman's maternity leave.

Scotland management restructure – Jim Stirling has reorganised his senior team to focus countrywide accountability for Service (Richard Millar – including the Falkirk Wheel), Operations (George Ballinger), Property (Norrie Courts), Finance (John Wallace) and Legal & Corporate Affairs (Nicola Christie)

Shared Services – Mick Crowder, Procurement team leader has been appointed Head of Shared Services.

Estate Manager, Central Shires – Richard Stanton has transferred to the London property development team to further development his potential. The post he vacates in Central Shires is being advertised.

Operations Manager, Yorkshire – Stephen Talboys has resigned to take up a Director position with the Teeside Development Corporation. The post he vacates is being advertised.

### **3.2 Equality and Diversity**

As part of our review of pay and reward processes and as a further development of our equality and diversity initiatives plans are being progressed with our recognised trade unions for an Equal Pay Audit to be undertaken. The Audit will investigate all our pay processes to ensure that unintentional bias does not exist. Equal Pay Audits are strongly promoted by Government and likely to become compulsory in the public sector in the near future. We do not anticipate any negative findings from the Audit and see the process as a helpful check. There is the possibility of external funding to support the work involved.

## **4. CORPORATE SOCIAL RESPONSIBILITY**

### **4.1 Caledonian Canal**

Andrew Ross, Highland Canals, attended Inverness Curling Club's Annual Bonspiel to present prizes on behalf of BW. BW Scotland sponsor the event, which is tied into the WoW SAFE programme with the aim of highlighting that rinks are the only safe place for children (or adults) to play on ice.

### **4.2 Spring 2005 Canal Clean-up Campaign**

The Canal Clean-up Campaign, involving BW people, volunteers and local community groups will take place between 18<sup>th</sup> and 24<sup>th</sup> March. Particular attention will be given to safety induction for all participants.

### **4.3 Weed Harvester: Lee Navigation**

The naming ceremony for the new Berky Weed harvester was held at Lea Bridge with the Rushmore Primary School and local press. The name was chosen by Class 3 and is "The Lee Mean Clean Machine". The machine is in operation although there are still some alterations to be made to meet with Health & Safety

recommendations. A method statement is in place to manage the identified risks.

## **5. PROPERTY**

### **5.1 Middlehaven Dock, Teesside**

We have given an indicative price to Tees Valley Regeneration (TVR) to acquire this dock from them. This comprises a dowry for managing infrastructure, risk and provision for immediate safety improvements. TVR have asked for additional information to support our assessment.

BW have made clear the need for any dowry to cover all risks, provide sufficient reward for taking the dock over and provide arrangements to ensure waterspace activity is in line with BW's values and approach. We have offered to carry out further work to refine the assessment providing our costs in doing so are covered.

### **5.2 Swansea Dock**

BW and BWML made a presentation to the Welsh Development Agency in February led by the Managing Director, North, with a view to becoming preferred operator for the Prince of Wales Dock, Swansea. The arrangement has not been fully confirmed by the Agency as they have not yet determined their preferred level of risk transfer for the Dock Infrastructure (former Docks plus new-build lock) or their planned investment level in new marina facilities.

We expect to hear shortly whether we have reached the next stage.

## **6. LEISURE**

### **6.1 Pontcysyllte Aqueduct**

The bi-centenary celebrations for the Pontcysyllte Aqueduct are to be launched in March. There will be a full programme of events throughout the year culminating with a re-enactment of the original 1805 ceremony on Saturday 26<sup>th</sup> November. Derek Cochrane will launch the events at a high profile ICE talk as part of Wrexham Science Week on 17 March and the Press launch will be the day before. This is all part of a programme to raise awareness and attract more visitors to this spectacular site.

### **6.2 Cycling - Paddington Basin**

Signs have been erected along the towpath at Paddington Basin from the Marks & Spencer building to the Toll House at Little Venice. The signs ask cyclists to dismount. To reinforce the No Cycling policy along this stretch, a cycling awareness morning took place at Paddington Central. During the session, 57 cyclists were stopped and asked to dismount from the bicycles. Bicycle bells were given out to cyclists who did not have one on the bike already.

## **7. RESTORATION/REGENERATION**

### **7.1 Burslem Port Regeneration**

We hosted a fringe event on board the Edwin Clark during the ODPM's Sustainable Communities summit in February. This event promoted our involvement in the Regeneration of Stoke with particular emphasis on the Eutruria Valley. It was hosted by Joan Whally MP who informed the Deputy Prime Minister of our progress.

### **7.2 Bow Back Rivers**

BWL Regeneration Manager met with David King, Director of Water Management from the Environment Agency and Richard Caborn, Sports Minister at the London Boat Show. BW's proposals for restoring the Bow Back Rivers was discussed and received welcome support. Both were interested in attending river trips to see the site first hand. A series of trips have now been organised for the Spring.

### **7.3 Towpath Improvements – River Lee**

The London Borough of Enfield has confirmed that £400,000 will be available to BWL to undertake towpath works on the River Lee Navigation at Harbet Road Industrial Estate. This stretch of towpath is considered to be one of the worst sections on the London network. Design and project management will be funded and undertaken by British Waterways.

## **8. LEGAL**

### **8.1 Openness & Accountability**

#### British Waterways Advisory Forum

Following the second meeting of the working group of user representatives under the chairmanship of Professor Jeffrey Jowell QC, a draft constitution for the proposed British Waterways Advisory Forum has been agreed and is being sent to all candidate member groups. The inaugural meeting of the Forum is planned for 11 May 2005. [post meeting note: This meeting was held on 11 May].

The BWAFF is the preferred name for what had been initially proposed as the 'National Consultative Council'. The title of 'Forum' was felt better to reflect its purpose as framework for two way communication and debate with national user groups rather than as a decision making or policy proposing body. There was considerable concern amongst some in the working group that the creation of the Forum and its work should not encroach upon the existing relationships of individual user groups with BW nor threaten the diversity within the user group community.

The constitution provides for two general meetings of the Forum per year, to which every member group will be entitled to send a representative. These meetings are intended to be an enhancement of the former (annual) National User Group meeting with agendas that facilitate more of a dialogue. They will be chaired by the (elected) chairman of the Forum with the BW Chairman, Chief Executive and some Board Members and Senior Executives attending as invitees.

To facilitate the general meetings, and provide an opportunity for more detailed discussion there will be two smaller intermediate meetings per year between BW and the chairman and selected members of the Forum, held between each of the general meetings. These will consider and follow up issues from previous general meetings and consider agenda issues for forthcoming meetings. They will also be an opportunity for more discursive debate and discussion within a smaller group. Extraordinary meetings can be held outside the regular cycle if circumstances require it but they are anticipated to be rare.

#### Waterways Ombudsman

The Waterways Ombudsman Committee is being formed to take on oversight of the reformed Ombudsman scheme. The committee will comprise a chairman (Professor Jowell), two non-aligned members, two BW members and three members selected by the BWAFF.

The two non-aligned seats were advertised and a substantial response received from many very eligible candidates. Following a selection process Professor Jowell has appointed Miles Smith and Michael Reddy to the (voluntary) positions.

Miles Smith is Director of Corporate Services at the London Borough of Croydon with responsibility for customer service, democratic and legal services, human resources, IT and asset and facilities management. He is the Council's statutory monitoring officer and has responsibility for the Council's complaints system and for liaison with the Local Government Ombudsman and the Standards Board for England.

Michael Reddy is Deputy Adjudicator and CEO of the Office of the Independent Adjudicator for Higher Education. Previously he was the Deputy Banking Ombudsman and then an Ombudsman within the Financial Ombudsman Service.

The BW representatives on the Ombudsman Committee will be George Greener and Nigel Johnson. The user representatives will be elected by postal ballot of the candidate member groups of the BWAFF (one vote per national user group).

The first major task of the Waterway Ombudsman Committee will be the appointment of a successor to Stephen Edell, the current Ombudsman who is retiring. An advertisement of the post was placed in the national press in the first week in March. [post meeting note: The new Waterways Ombudsman, Hilary Bainbridge, was appointed in June].

## **8.2 Draft Natural Environment and Rural Communities Bill**

Defra published the above draft Bill for pre-legislative scrutiny on 10 February. Its primary focus is the rationalisation of the many agencies involved in the delivery of the Government's rural strategy including the merger of English Nature and much of the Countryside Agency and Rural Development Service into an integrated agency.

There are two provisions in the Bill of direct interest to BW. The first is the modernisation of IWAAC by (in England & Wales) de-linking it from BW and extending its advisory remit to other navigation authorities. BW will cease to be responsible for funding any of its activities (including in Scotland).

The other provision of some interest to BW in the Bill is a general power for public bodies in the Defra 'family' to authorise, by mutual consent, others to carry out specified functions on their behalf. BW and the Environment Agency are included in the list of designated bodies that may authorise others to carry out functions on their behalf. There is additionally provision to enable designated bodies to enter agreements with non-designated bodies (for example, local authorities or voluntary organisations).

## **8.3 Boat Licence & Mooring Enforcement (England & Wales)**

The increased intensity of enforcement, following the modernisation of enforcement procedures and improved focus is showing results. Following the introduction of the Human Rights Act, BW's powers of enforcement in respect of boats used as a home ('liveaboards') was thrown into some doubt. Those doubts have now been resolved and, following some successful pilot cases, the courts have fully accepted the legitimacy of our revised procedures.

In enforcement generally our focus is now on using civil law remedies, rather than the former most common method of criminal prosecutions under the Byelaws. Under civil law, the serving of a 's.8 notice' gives us power ultimately to remove a boat and sell it if BW's costs are not paid. In most cases the threat of removal is

sufficient to achieve payment of licence and/or mooring fee arrears.

In the current financial year, to date around 450 s.8 notices have been served. Furthermore some 40 boats have actually been removed and 70 or so further removals are due to take place.

## **9. CORE WATERWAY**

### **9.1 Llangollen Canal**

The Llangollen Canal is being re-opened ahead of schedule at the beginning of March. The canal has been closed at Bettisfield on the English/Welsh border since a major breach occurred on 7 December. Urgent repairs have been carried out at a cost of about £500,000. The aim has been to reopen this section of canal in time for the official opening of the new Llangollen Mooring basin on Thursday 10 March, and this has been achieved with over a week in hand.

### **9.2 Bridgewater Canal**

A meeting has been held with the Coal Authority at CEO level attended by BW, Peel Holdings and our consultants, Wardell Armstrong, to pursue the potential of obtaining a dowry to carry out works relating to the historic coal subsidence over a more appropriate timescale than currently. A further meeting has been arranged. The Coal Authority is keen to involve BW in the approach, which will need to be made to the DTI for the additional funding.

### **9.3 Brayford Pool Lincoln**

Swan deaths have generated negative local publicity in the last few years. A Species Action Plan (part of Lincoln City BAP) addresses the issues contributing to their poor health. This is the result of discussion involving the EA, Lincoln City Council, RSPCA, local wildlife and volunteer groups and BW. The importance of BW's litter clearance using the tug was highlighted. Other issues were provision of feed dispensers, litter bins and additional access ramps around Brayford Pool.

### **9.4 Hydro Power Schemes**

Our waterway teams have received expressions of interest from two different parties for establishing small hydro power schemes at Holme Lock, River Trent, Cromwell Lock, River Trent and Kegworth Deep Lock, River Soar. Discussions are taking place with regard to possible exclusivity agreements to allow these investors time to work up more detailed proposals.

### **9.5 Forth & Clyde – Pollution**

On 23 January, trade effluent was discharged into the Forth & Clyde Canal at Port Dundas, causing significant environmental damage and the loss of approximately 2,500 roach.

The discharge of distillery waste overflowed from a defective sewer. SEPA are investigating the incident.

BW has met with Diageo, the distillery operator and Scottish Water, the sewer owner regarding the incident and losses incurred by BW. We expect both parties to reimburse our costs, approximately £12,000 through "without prejudice" ex-gratia payments.

### **9.6 Unplanned Canalside Events**

The following report from the West Midlands Waterway illustrates the range of unplanned events faced by our bankside people: -

- Conservation locks on Wolverhampton Locks 5, 6 and 7 replaced three times this month and Locks 12, 13, 17 and 21 have seen their second conservation locks this month;
- Fisherman dug pot holes in the towpath creating hazards for the general public;
- Several power lines have been attacked with an axe;
- 43 ASDA shopping trolleys removed from the canal at Gt Bridge;
- Fly-tipping included beds, mattresses and numerous tyres;
- Police were called to a suspected bomb at Lock 18 Wolverhampton (proved to be inert). Police also provided a wanted list of 12 people against whom they have secured ASBO's and will arrest on sight should they be found on the towpath;
- Transport Police were called to the bridge over the canal at Lock 4 Wolverhampton where a train driver recorded a near miss with youths on the track.

#### **9.7 Solar Powered Way Markers**

Solar-powered way markers have been installed along the canal in Market Drayton. These units will improve customer safety considerably in rural and unlit areas.

#### **9.8 Dredging – Bridgwater & Taunton Canal**

After protracted discussions, we have secured £20,000 of additional funding from Sedgemoor District Council which is to be spent on dredging the B&T Canal in the approaches to Bridgwater Docks. This is only 10% of what was requested and so will only permit limited spot dredging around the bridge holes and the most prominent high spots. We will be able to make a difference with this money, however, for our boating customers. The funding is due from the local authority as a result of the long-standing canal maintenance agreement. The work will be completed during April 2005 ahead of the planned boat festival in the Docks in May. We will continue to press the Council to fully meet their obligations in respect of this waterway.

#### **9.9 Docklands - Crossrail**

Meetings continue between BW and Crossrail to discuss the issues relating to ventilation shafts in Limehouse and Cannon Workshops and the station in North Dock. The hybrid bill was deposited at the end of February. BW will now petition the Select committees to keep intrusion into dock waters to a minimum and use innovation and imagination to provide benefit to BW's waterside strategy as well as enabling Crossrail. Crossrail has agreed to give a presentation to the Docks Management Advisory Group in March.

#### **9.10 Freight**

British Waterways has now signed the funding agreement with TfL to receive c£720,000 grant to undertake projects which will help facilitate freight on West London's Canals. A recent meeting between TfL (Peter Hendy, Managing



Director) and British Waterways (Robin Evans, Mark Bensted and Richard Rutter) identified the ways in which both organisations could work together in the future to help assist the GLA's plans to reduce congestion on London's roads.

In response to the freight activity in London, BWL has established a "London Freight Working Group" which meets monthly to ensure that planning, development, operational and environmental issues are considered as freight plans are developed. External participants are occasionally invited to help inform this process.

**9.11 Anglian Water**

We have successfully concluded a deal with Anglian Water including back payments in respect of the Company's sewerage discharges into our waterways.

**9.12 Caledonian Locks Programme**

Due to unforeseen structural defects at Dochgarroch Lock we have amended the programme. A temporary dam has been installed to maximise the stabilisation work that can be done this winter. The canal will be re-watered in time to meet our published commitment to our customer but we will now have to return to Dochgarroch next winter.

**10. VENTURES**

**10.1 Wood Wharf, Docklands**

Following the approval by the Board of the Canary Wharf and Ballymore Consortium as the preferred partner, detailed negotiations with the Consortium are underway. In parallel, discussions are being held with DEFRA with a view to achieving Ministerial sign-off of the transaction by 24 March 2005 (on the basis that this is likely to be when the election starts to impact upon Government decision timescales). We are on target to achieve financial close of the transaction before the end of March 2005.

**ROBIN EVANS**

**March 2005.**