

BRITISH WATERWAYS ADVISORY FORUM

14TH NOVEMBER 2008

HOW DO WE PRIORITISE WHERE WE ALLOCATE
OUR FUNDS?



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**Our Steady State Model is the foundation
for cost allocation/prioritisation**



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The Model structure is Activity Based

- Costs built up by Activity and Sub-Activity, e.g.

Soft Towpath Management

- Wearing Course
- Surface Renewal
- Patch Repairs
- Reconstruction



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Model Structure

Summarising Results

- Activities/Sub-Activities grouped into Categories:

Asset/Activity Type	Asset/Activity Sub Type	Unit	No of Units	Frequency (Years)
Soft Towpath Management	Wearing Course	sq m	2,410,702	10.000
Soft Towpath Management	Surface Renewal	sq m	2,410,702	200.000
Soft Towpath Management	Patch Repairs		0,702	200.000
Soft Towpath Management	Reconstruction		0,702	80.000
Hard Towpath Management	Wearing Course		3,234	12.000
Hard Towpath Management	Patch Repairs		3,234	200.000
Hard Towpath Management	Reconstruction		3,234	25.000

Category	No of Units	Frequency (Years)
Lock Operations	3,234	12.000
Lock Repair & Maintenance	3,234	200.000
On Call/Standby	3,234	25.000
Other Hard Asset Repair & Maintenance		
Pump Out Cleaning & Servicing		
Refuse Collection		
SCADA		
Signage Updating / Maintenance		
Toilet Cleaning & Maintenance		
Towpath Management		
Tunnel Repair & Maintenance		
Vegetation Management		
Visitor Mooring Repair & Maintenance		

- We know on average how much it costs us to keep every activity in a 'steady state' condition



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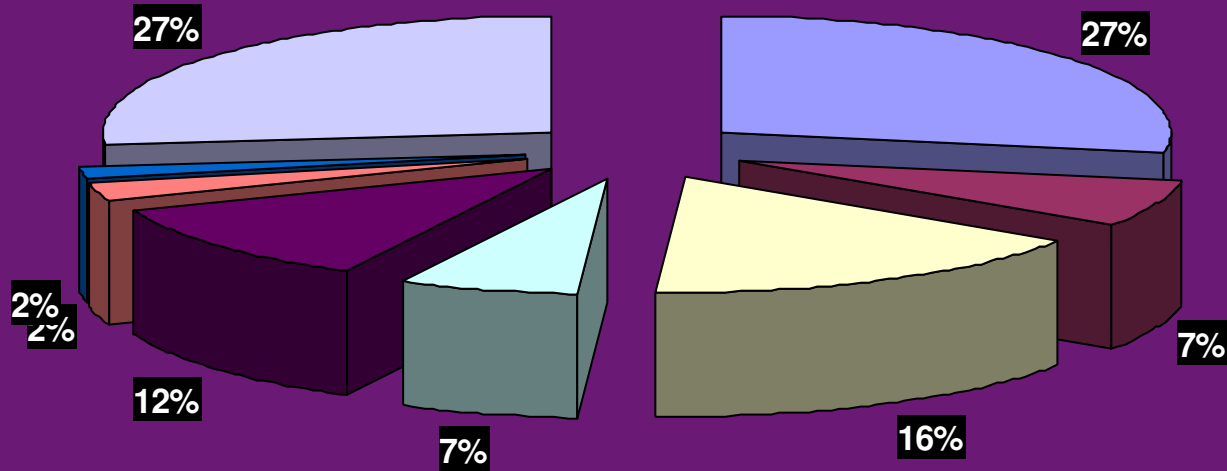
From this detailed information we can allocate funds to each business unit to deliver

- A major works programme - determined centrally
- A general works programme - determined locally



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TOTAL STEADY STATE MODEL

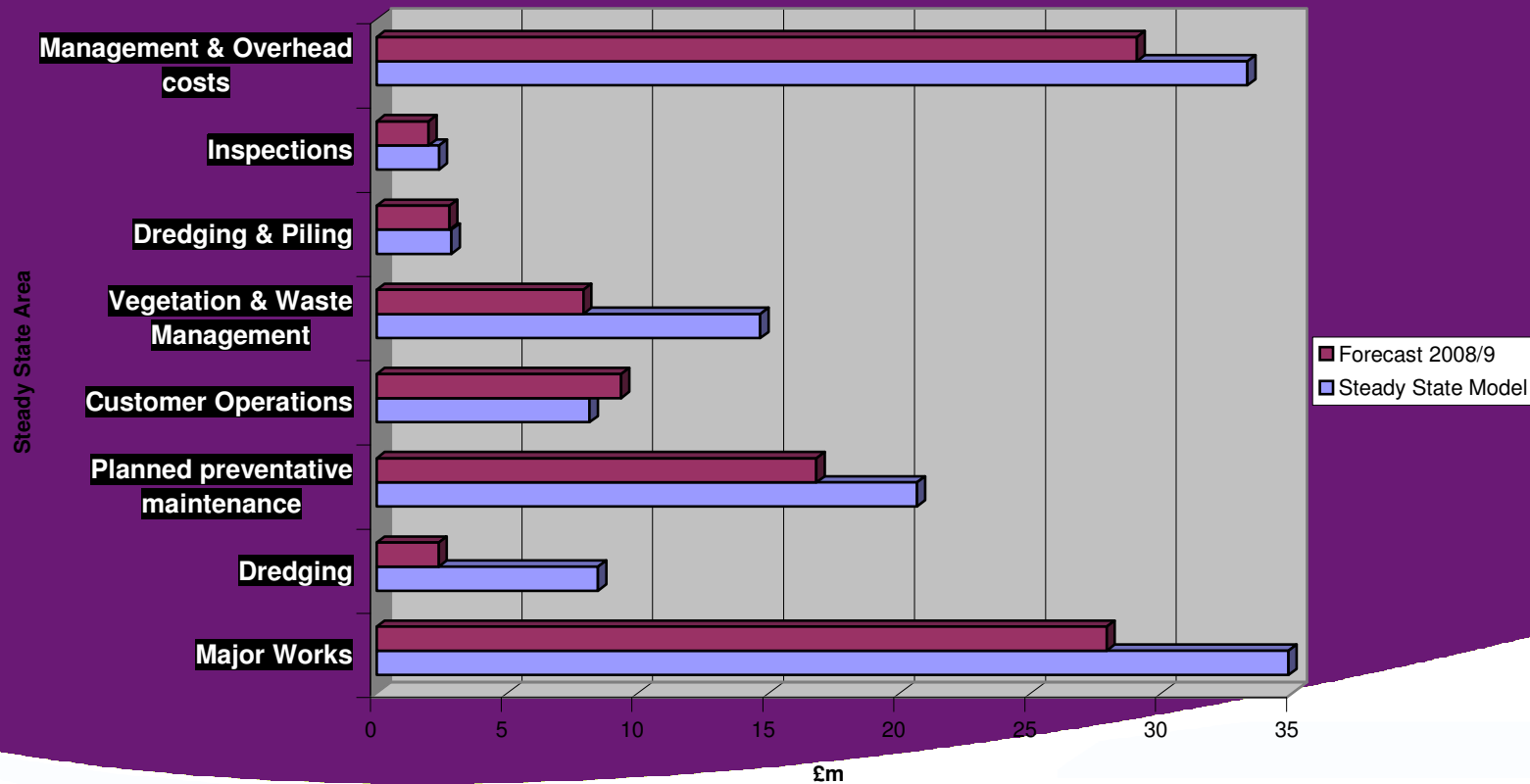


- Major Works
- Dredging
- Planned preventative maintenance
- Customer Operations
- Vegetation & Waste Management
- Dredging & Filling
- Inspections
- Management & Overhead costs

anytime

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COMPARISON MODEL TO FORECAST 2008/9



MAJOR WORKS PROGRAMME

2008/9 - £29m

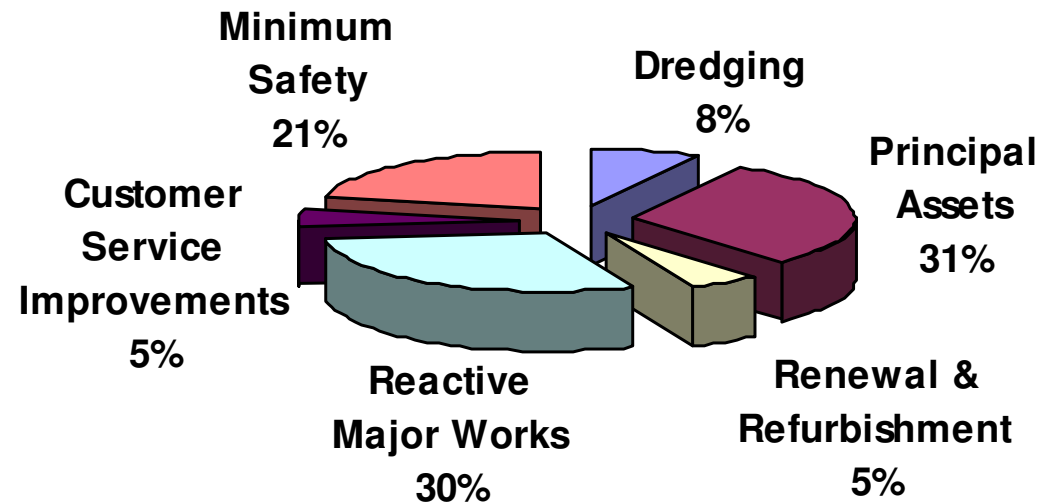
- D & E Assets with COF 4 or 5
- Reservoirs in the interest of safety
- Customer service standards
- Customer service improvements



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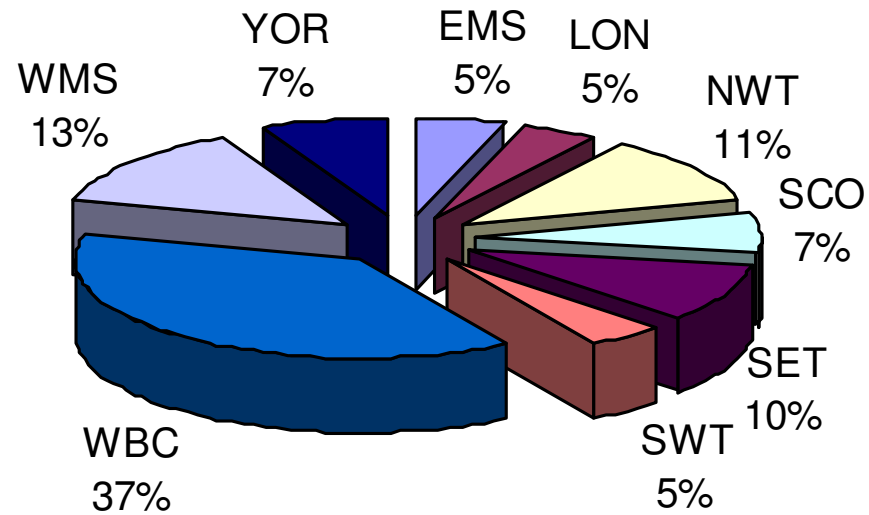
CURRENT MAJOR WORKS PROGRAMME 2008/9

Major Works F6 (%)



CURRENT MAJOR WORKS PROGRAMME 2008/9

Major Works F6 (%)



MAJOR WORKS PROGRAMME

2009/10

SAME PRIORITIES

APPROX £30M - PROGRAMME

CURRENTLY BEING CONSTRUCTED



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GENERAL WORKS PROGRAMME

Main priorities are

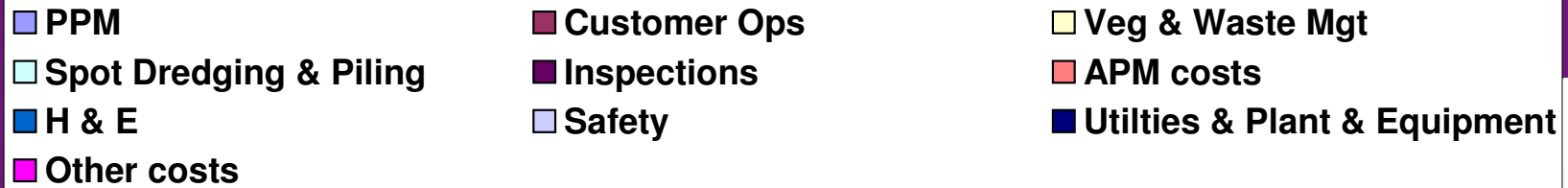
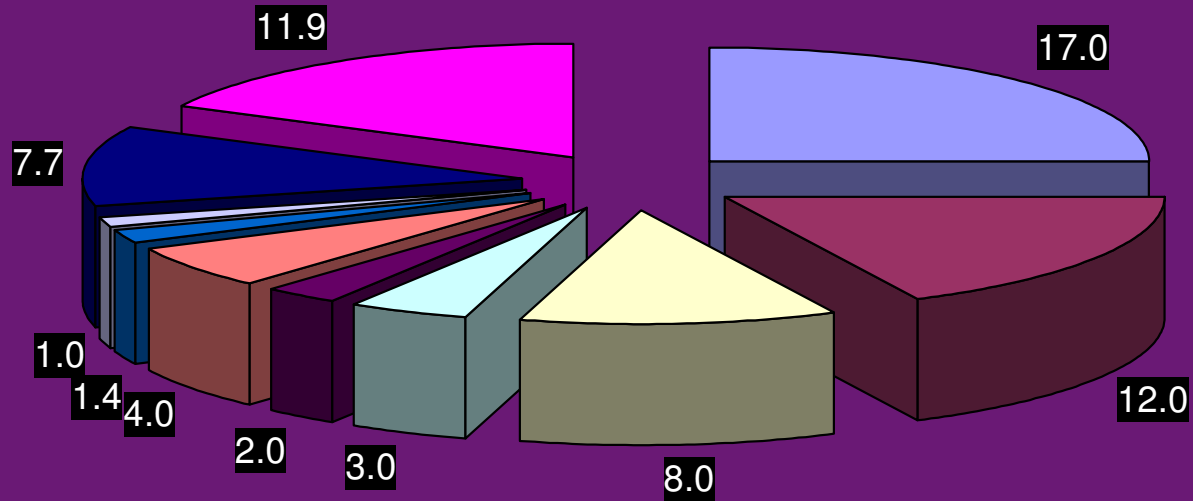
- Managing risk by a intensive inspection regime
- Planned preventative maintenance regime for all assets, customer facilities and vegetation
- Adhering to H & Safety and Environmental legislation and looking after our Heritage



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General Works Programme 2008/9 - £68m



GENERAL WORKS PROGRAMME 2009/10

**CURRENTLY PLANNING BASED ON SAME
SPEND AS THIS FINANCIAL YEAR.**



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