

**WRITTEN MINISTERIAL STATEMENT
DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS
Transfer of Environment Agency Navigations to the Canal & River Trust
3 July 2013**

Parliamentary Under-Secretary for Natural Environment and Fisheries (Richard Benyon)

On 28 February 2011, I made a statement about inland waterways policy for England and Wales (WMS 52). I set out the Government's vision of a national trust for the waterways that included the British Waterways and Environment Agency (EA) navigations. I said that there would be a phased approach to the delivery of this vision. In phase 1, the functions, liabilities and assets of British Waterways in England and Wales would transfer into a new charity and that in phase 2, the EA navigations would transfer in 2015/16. I made clear that the transfer would only take place if sufficient funding could be found in the next Spending Review to enable the charity to take on the liabilities associated with EA's navigations, and that a transfer would be subject to the agreement of the charity's Trustees.

British Waterways' functions, assets and liabilities in England and Wales were transferred to the Canal & River Trust on 2 July 2012. This was a great achievement which has been widely welcomed and has already delivered considerable benefits such as raising almost £1m and drawing upon 29,000 volunteer days to support the waterways.

The fiscal situation remains challenging and as a result Defra must identify additional savings in 2015/16 to help deal with the deficit. Initial scoping work on transfer costs which was undertaken during the New Waterways Charity Project indicates that the transfer of EA navigations is unlikely to be affordable in the current climate. The Government has therefore decided that the Review planned for 2013/14 to consider options for the transfer will be postponed until Defra's finances improve and there is a realistic prospect of the transfer being affordable and that it can take place on terms which would enable CRT's Trustees to manage the additional liabilities involved.

I realise that this decision will come as a disappointment to all those with an interest in our inland waterways who share the Government's view that a transfer to CRT offers the most sustainable long-term future for EA's navigations. The Government, however, remains fully committed to transferring the EA navigations when the economic circumstances allow us to do so. The Government will review the position after the next Spending Period and will make a further announcement at that time on the timing of the transfer.

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