



Recognising Britain's inland waterways as part of the national infrastructure and a unique national asset

Fund Britain's Waterways (FBW) welcomes the opportunity to make a representation to the Spending Review 2025.

Our aim in doing so is to reinforce the widely acknowledged benefits that our inland waterways provide, to explain the need for increased government funding, and to request an urgent review of inland waterway funding.

Our key asks are that:

1. the importance of Britain's inland waterways as a unique national asset and part of the national infrastructure is recognised
2. the deterioration in condition that is already happening and the threats posed by climate change are acknowledged
3. a review of government funding for all Britain's inland waterways be carried out as a matter of urgency, with the aim of defining a sustainable funding solution which will enable the current benefits of our canals and rivers to be maintained and enhanced for future generations.

To fund Britain's inland waterways properly would cost a small (in government terms) investment measured in millions not billions of pounds. In return the country will continue to obtain billions of pounds of benefits for health, economic and environmental benefits, much of the benefits in less well-off areas.

We are already seeing the waterways deteriorating and businesses suffering. Without urgent action the inland waterway network will be in serious jeopardy. If the condition of waterways continues to deteriorate, waterways will ultimately have to be closed, businesses will be harmed, communities placed at risk, the benefits lost, and millions of hours of volunteer effort wasted.

Benefits and value of inland waterways

Britain's network of 5,000 miles of canals and navigable rivers is a unique national asset. Almost 80% of local authorities have a navigable waterway or a waterway under restoration, disproportionately so in more deprived areas, and waterways touch the lives of millions.

In 2022 an estimated 8.9 million people took part in an inland boating or watersports activity, according to British Marine research. The Canal & River Trust (CRT) estimates that more than 10 million people use its 2,000 miles of waterways and towpaths each year. Millions of hours of volunteer effort have already gone into restoring derelict waterways, and volunteers around the country are continuing restoration projects or helping to maintain and operate active waterways. Widespread media coverage is helping to highlight the importance of waterways to local communities, as well as their contribution to the environmental resilience, heritage, health and wellbeing and economic prosperity of the nation. Visitors from around the world are attracted to Britain by our unique canal system and other beautiful waterways.

In economic terms, the inland boating sector and its wider associated tourism generated a combined economic contribution to the UK of £7.6bn and supported over 340,000 jobs in the year 2022/23¹. The combined annual economic and social value of the waterways managed by CRT alone has been quantified as £6.1bn, including cost savings of £1.1bn for the NHS from active use of the waterways and towpaths³. With current annual government funding for CRT at £52.6m this equates to a benefit:cost ratio of 116:1.

In terms of broader benefits, the Covid-19 pandemic demonstrated the value of Britain's inland waterways as people sought blue and green spaces to help recover. This was acknowledged in Defra's own Environmental Improvement Plan. Our waterways thus provide levelling up, economic, environmental, health and wellbeing benefits in a wide variety of ways² and across multiple government departmental areas including business, culture, education, energy and net zero, environment, health, housing and transport.

On top of this, the inland waterway network is a critical part of the national infrastructure. It already helps ensure a sustainable supply of drinking water, it provides a route for cables and utility pipes, it provides flood protection and it enables low-carbon freight transport as well as heating and cooling. In each of these areas there is the potential to do more to help increase national resilience⁴.

Impact of climate change on waterways

On New Year's Day 2025 sustained heavy rainfall in the North West caused the collapse of embankments on both the Bridgewater Canal and the Huddersfield Narrow Canal. Repairs will be complex, lengthy and expensive. The resulting extended closures will have a substantial impact on cruising opportunities and consequently on businesses and local communities. The embankment collapses were accompanied by widespread flooding on river navigations across the country, again causing damage and impacting use of the waterways.

This was not an isolated incident. Extreme weather events are becoming much more frequent and severe as a result of climate change. CRT has reported spending an additional £10m in emergency repairs after the eight named storms in three months over winter 2023/24. The four named storms at the end of 2024 have also caused significant damage.

The Environment Agency estimated⁵ in 2021 that in order to future-proof critical assets maintenance budgets may need to increase by 30-80% compared with present levels. Recently CRT concluded⁶ that its network is likely to need a similar level of increase.

Effects of inadequate waterway funding

Despite the understanding of their value, government funding for the inland waterways is already inadequate, at a time when the impact of climate change is combining with ageing infrastructure and the ongoing effects of recent high inflation to make further demands on waterway budgets.

Management of Britain's 5,000 miles of navigable inland waterways is fragmented. CRT has the greatest responsibility covering 2,000 miles, and together with the Environment Agency and Scottish Canals is one of only three navigation authorities to receive government support for navigable waterways. CRT is already in a difficult financial situation with a fixed government grant of £52.6m per year until 2027, when the government plan resulting from the last administration is to apply a 40% cut in real terms. Other waterways face similar problems. The Environment Agency is operating with £22m per year, one third of its identified requirement, and reported in its last Navigation Business Plan a capital requirement of £143m to "reverse managed decline and sustainably manage our assets". The most recently reported figure for Scottish Canals' outstanding maintenance work was £112m.

The consequences of the current inadequate level of funding are beginning to become clear as the condition of waterways is deteriorating and business are suffering. CRT's annual Boater Satisfaction Survey shows a substantial decline in the proportion of boaters who are satisfied with their experience, from a peak of 76% in 2017 to 46% in 2024. Its National Boat Count for 2024 reported the first reduction in the number of boats on its waters since its formation in 2012.

There are also wider consequences of failing to maintain waterway infrastructure. Major structures such as embankments, aqueducts, tunnels and reservoirs often directly affect the safety of local communities. This was clearly demonstrated by the need to evacuate 1,500 residents of Whaley Bridge in 2019 in case the dam at Toddbrook Reservoir collapsed. This event has resulted in the need for CRT to increase its spend on reservoirs to up to £25m per year – almost half of its current government funding, which is thus no longer available for operation and maintenance of the waterway network.

Fund Britain's Waterways campaign

In May 2023 more than 20 waterway-related organisations met to discuss their concerns about the level of government funding being made available to maintain Britain's canals and navigable rivers, and the lack of certainty about future funding. It was agreed to be timely to launch a dedicated, time-limited, action group – 'Fund Britain's Waterways' (FBW) – with the stated intention of significantly widening membership to any organisation or individual with an interest in using or supporting inland waterways whether canal, river, tidal river or estuary but excluding navigation authorities.

The sole purpose of FBW is ***“campaigning collectively for an increase in government funding of Britain's inland waterways to avert their decline, and to promote awareness of the huge economic, environmental and social well-being value they provide”***. This is not only about boat enthusiasts. The founding organisations agreed that this is a critical moment for the millions of people who work, live, study or simply enjoy rivers and canals each year.

FBW now has a membership of 145 national and local, large and small organisations representing hundreds of thousands of users and supporters of inland waterways. It continues to campaign for national and local government to act now and protect the public benefit and natural capital of all our waterways.

Summary of representation

FBW recognises the poor state of the country's financial position. Yet to fund our inland waterways properly would cost a small (in government terms) investment measured in millions not billions of pounds. In return the country will continue to obtain billions of pounds of benefits for health, economic and environmental benefits, much of the benefits in less well-off areas.

Government spending needs to be carefully targeted to achieve best value. The return achieved from a small additional investment in waterways makes it money exceedingly well spent.

We are already seeing the waterways deteriorating and businesses suffering. If underinvestment continues this will become worse until a tipping point is reached and waterways have to be closed, wasting the benefits as well as the millions of hours of volunteer time and millions of pounds of public money that have gone into the current network.

We therefore request that:

1. the importance of Britain's inland waterways as a unique national asset and part of the national infrastructure is recognised
2. the deterioration in condition that is already happening and the threats posed by climate change are acknowledged
3. a review of government funding for all Britain's inland waterways be carried out as a matter of urgency, with the aim of defining a sustainable funding solution which will enable the current benefits of our canals and rivers to be maintained and enhanced for future generations.

Without this urgent action the inland waterway network will be in serious jeopardy. If the condition of waterways continues to deteriorate, waterways will ultimately have to be closed, businesses will be harmed and communities placed at risk.

About Fund Britain's Waterways (FBW)

FBW brings together a wide range of organisations with the sole purpose of campaigning collectively for an increase in government funding of Britain's inland waterways to avert their decline, and to promote awareness of the huge economic, environmental and social well-being value they provide. Established in June 2023, it already has 145 member organisations representing hundreds of thousands of users and supporters of inland waterways and has secured over 50,000 signatures to its public petition.

Founding members of the Fund Britain's Waterways campaign include:

- The Association of Waterways Cruising Clubs
- British Marine
- The Inland Waterways Association
- The National Association of Boat Owners
- The Royal Yachting Association.

For further information about Fund Britain's Waterways, email info@fundbritainswaterways.org.uk

References

The benefits of Britain's inland waterways are documented in:

1. The latest [British Marine 'Economic Benefits' report \(April 2024\)](#) which includes:

The combined economic contribution of the inland boating sector and its wider associated tourism generated the UK was £7.6bn in total for the year 2022/23 (the figure includes £1.6bn from the inland marine industry plus £6bn from wider tourism)

generated by expenditure of those participating in inland boating and other inland watersports on non-boating goods and services such as food and hospitality)

Employment - the inland marine industry provides 41,166 total jobs. In addition, wider tourism associated with inland boating provides 295,886 jobs, so not only does inland boating directly employ over 41,000 people but it also supports almost a further 300,000 jobs through its associated wider tourism.

2. [‘Waterways for Today’ report](#) published by the Inland Waterways Association (November 2022)
3. [‘Valuing Our Waterways’ report](#) published by the Canal & River Trust with social value experts Simetrica-Jacobs, with all methodology aligning with 2022 HM Treasury Green Book valuation techniques (November 2022)
4. [‘Impact Report 2023/24’](#) published by the Canal & River Trust, January 2025

The impact of climate change on the waterways and the adaptations required are documented in:

5. [‘Impact of Climate Change on Asset Deterioration’](#) published by the Environment Agency, February 2021
6. [‘Our Climate Adaptation Report 2024’](#) published by the Canal & River Trust, December 2024