

Chief Executive's summary:

The Middle Level Act required us to develop separate accounts for our navigation. Given the expectation and commitment made that income received from navigators would be nowhere near sufficient to cover costs, a simple approach to accounting expenditure has been employed in the early years of charging. Whilst I suspect we are currently under-estimating the wider MLC staff costs associated with delivering our navigation role, I am keen that we avoid introducing inefficient time-recording approaches. However, we ought to now develop better definition for the administrative aspects of running cost expenditure.

I feel these accounts provide a solid platform to build from with licence holders making a sizeable financial contribution to the running and improvement of the navigation. We now have a small fund available from the income received to invest wisely in facilities improvements to meet our commitment to provision of IWA standards on the link route. However, the improvements we'd all like to see in terms of moorings and facilities are expensive so with current income levels and funding sources will take time to plan, fundraise and deliver. User input and involvement here will be vital.

Now we have greater certainty in terms of income levels, have trialled navigation administration and have an improved understanding of customer expectations, we can start to develop a Business Plan for the coming years.

Section 1: Income

Middle Level Licence Fees, inc Anglian Pass	£194,380	<i>The commitment within the passage of the Middle Level Act (2018) was to allocate 25% of annual gross income on provision of facilities on the link route between Stanground and Salters Lode locks until the IWA recommendations for facilities provision has been achieved</i>
Visitor Licences	£2,451	
Sale of abandoned boats	£125	
Sale of lock handles & keys	£1,201	
TOTAL INCOME	£198,157	
25% of licence income for Link Route Facilities	£49,208	

Section 2: Expenditure - Running costs

Staff costs & overheads for dedicated Navigation staff	£55,785	<i>Includes direct admin costs</i>
Navigation administration	£25,665	<i>To date a simple approach has been taken. Better definition suggested as part of Business Plan development.</i>
Additional enforcement costs	£6,925	<i>External solicitors fees</i>
Professional fees	£0	
Customer engagement, promotion & marketing	£0	
Public safety assessments and measures	£0	
New/replacement plant & equipment	£0	
Operation & maintenance of locks	£82,935	<i>Includes Lock-keepers</i>
Maintenance of channels for navigation	£144,423	
TOTAL	£315,733	

Income as a percentage of running costs 63 %

Income less link route commitment as a % of running costs 47 %

Section 3: Expenditure - Navigation improvements

Structures	£49,432	<i>Ashine Lock imps, Rural Moorings, Marmont Priory landing stages</i>
Watercourses	£44,023	<i>Well Creek works</i>
Facilities (to meet IWA standards)	£0	<i>See comment in Section 1 and available fund in Section 4</i>
TOTAL	£93,454	

TOTAL EXPENDITURE £409,187

Income as a percentage of all costs 48 %

Income less link route commitment as a % of all costs 36 %

Contribution from Middle Level Commissioners £260,239 *From agricultural ratepayers and special levies from District Councils*

Section 4: Middle Level Act - Link Route Facilities Commitment

Income from 2022/23	£49,208
Balance from previous years	£39,655
Expenditure in 2022/23	£0
Available for allocation in future years	£88,863