



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. The intention is to mature our accounting to start to capture the wider MLC staff costs associated with our navigation authority role.

This year we have returned to rectify the snagging associated with the previous year's work to replace the downstream gates at Marmont Priory Lock. This represented initially un-budgeted expenditure. We have learnt lessons from this work that will be reflected in the approach to future gate replacement. The financial scale of the capital works needed over the next 5 years on our navigation assets is likely to be significant. Facilities improvements are moving forward, albeit much slower than we would like. We have no dedicated resources to manage this work. Whilst provision may seem simplistic in nature, the complexity of securing agreements with other bodies has stifled the pace of water point provision at Stanground and Salters Lode.

Section 1: Income		
Middle Level Registration Fees	£188,548	
Anglian Pass	£11,931	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
Visitor Licences	£2,412	
Sale of Lock Handles & Keys	£657	
Other Income	£487	
TOTAL INCOME	£204,035	
25% of registration income for Link Route Facilities	£50,723	

Section 2: Expenditure - Running costs		
Staff costs & overheads for dedicated Navigation staff	£62,263	Includes direct admin costs
Navigation administration	£29,095	Indirect staff time. To date a simple approach has been taken. Improved definition is planned.
Additional enforcement costs	£392	EG External solicitors fees
Boat removal	£0	
Professional fees	£0	
Customer engagement, promotion & marketing	£0	
Public safety assessments and measures	£0	Not an annual cost
New/replacement plant & equipment	£0	
Operation & maintenance of locks	£67,593	Includes Lock-keepers
Maintenance of channels for navigation	£163,175	Includes vegetation management
TOTAL	£322,518	

Income as a percentage of running costs	63 %
Income less link route commitment as a % of running costs	48 %

Section 3: Expenditure - Navigation improvements		
Structures	£132,922	Marmont Priory d/s gates
Watercourses	£0	
TOTAL	£132,922	
Facilities (to meet IWA standards)	£23,782	Stanground Lock access and initial prep for other facilities

TOTAL EXPENDITURE	£455,440
Income as a percentage of all costs	45 %
Income less link route commitment as a % of all costs	34 %

Contribution from Middle Level Commissioners	£302,128	From agricultural ratepayers and special levies from District Councils
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Section 4: Middle Level Act - Link Route Facilities Commitment	
Income from 2024/25	£50,723
Balance from previous years	£137,390
Accrued interest in year	£3,249
Expenditure in 2024/25	£23,782
Available for allocation in future years	£167,581

Paddling - Ringfenced Income		
Paddle UK Income 2024/25	£2,371	2024/25 was Year 2 of an initial 3 year agreement with British Canoeing (now Paddle UK). We have agreed to ringfence the fee an invest in improved portage within our system. A grant from the Canoe Foundation has also been awarded for 50% of the costs of portage at Stanground Lock. The grant income will feature in 2025/26 accounts.
Balance from previous years	£4,172	
Accrued interest in year	£59	
Canoe Foundation Grant	£0	
Expenditure in 2024/25	£2,204	
Available for allocation in future years	£4,399	