

# LEE CONSERVANCY

r e R I V E R S T O R T .

## REPORT OF CLERK ON QUESTION OF PURCHASE.

LEE CONSERVANCY OFFICE,  
12, FINSBURY CIRCUS,  
LONDON, E C.

*6th Sept., 1902.*

GENTLEMEN;

In compliance with your direction I beg to Report, in as few observations as possible, on the suggested Purchase of the River Stort, particularly as regards the Financial Question.

At the meeting of the Board, held on the 13th June, 1902, the following Resolution was passed: "That it is desirable that the Lee Conservancy should " take over the management of the Stort Navigation, if the transfer can be "arranged on a sound financial basis, and on favourable terms."

### **Tolls.**

Mr. Tween in his Report of the 17th of October, 1901, has already told you that the Lee Tolls derived from the Stort had fallen from an average of £2,043 a year, for the years 1860 to '79, to an average of only £783 for the years 1894 to 1900 ; " also that the Gross Average Receipts for Stort Tolls (collected, on the Stort, were for fifteen years, 1855 to '59, £2,131, and for the two years, 1899 to 1901, only £826 per annum.

The Expenditure for the maintenance of the Stort in past years is hardly a guide to what it will be in the future, as only such Maintenance has been kept up as Funds in hand would allow of. This must be the fact, as it is stated that the Navigation had been starved, and that prior to 1884 the Expenditure in lieu of Maintenance was £1500 a year, but in 1899-1900 it had dropped to £861. From the foregoing figures it would seem that if the Stort be allowed to become practically extinct, the Lee Conservancy would lose an income (assuming it does not continue its downward course), of £783

only per annum, and that if the Lee acquires the Stort, the Lee, as set out above, retains this income of £783, and a further income from Stort Tolls of £826 per annum, total, £1,609. But against this must be set the amount required for the Maintenance of the concern.

### **Accounts.**

It should be noticed that all the Accounts and Toll Returns (Stort) have been supplied by the Owners for the time being of the Navigation, in Totals, as given in Appendix No. 1 of Mr Tween's Report, and no Books or Accounts in detail have been examined by any Official or Accountant on behalf of the Board.

### **Maintenance.**

Mr. Child, in his Report of 1894, put it that not less than £1,500 a year ought to be allowed for Maintenance. Mr. Tween, in 1901, states that Capital Sum of £10,800 would have to be spent to enable Traders to carry 60 to 65 tons in their barges, and that in the event of the Conservancy acquiring the Stort £1,500 to £2,000 a year should be expended in placing it in satisfactory condition.

Under the head of Maintenance in the hands of the Conservancy, extra expenses would be incurred, such as Engineering Superintendence, Clerk or Secretary, Wages Payer and Chief Collector of Tolls.

### **Rating**

In addition to these items comes the question of Rating. At present the concern is exempt from all Rates, Taxes and Assessments. If an Act of Parliament had to be obtained for raising Money, Confirming Agreements with Local Authorities as to Bridges, and Mill owners as to keeping up head levels of Water and other matters, the Local Government Board would, for a certainty obtain a repeal of the old Exemption Clause, and the Navigation throughout would have to pay Local Rates and Taxes; this might come to £200 or £300 a year. This was exactly the case with the Lee; there was a similar Exemption Clause in the Act of 1766, and when the Trustees went to Parliament, in 1850, that was repealed. The amount paid in Rates and Taxes last year was £1,374, and is increasing annually.

### **Present and Future Traffic.**

The present Trade depends entirely on two firms. Should one or both of them cease business what would the Tolls fall to?

In the last paragraph but one in Mr. Tween's Report he states

“In my opinion there is a future for this river; it has a splendid Water Supply; Canals generally are becoming more appreciated and as the districts near London are so rapidly being built over, and so densely populated, factories must go further afield, and on the Stort good sites can easily be obtained.”

As well-known, except at Bishops Stortford, Sawbridgeworth and Harlow, the Stort Valley is a District of Gentlemen's Country Seats and Parks, and it would be very

doubtful whether the owners would care to dispose of any sites on or near their Estates for Factory purposes. But a stronger point than that is, would any Manufacturer, even if driven out of London, go right away up the Stort to build a Factory (having to pay both Lee and Stort Tolls, and extra cost of towing for every mile), when there are many hundreds of acres of land ripe for the purpose on the Lee at Ponder's End, Edmonton, Brimsdown, Enfield Lock, and thence right up to Rye House, where the Stort joins? If the Lee Valley Sewer Scheme is carried out, and the Enfield and Edmonton Sewage Farms are abandoned an additional and very much larger area of land will be available for factory sites in those districts

**Capital Outlay. Borrowing Powers, &c**

£10,800 required.

I would call the very careful attention of the Board to the following sections of the "Lee Conservancy Act, 1868."

**Power to borrow for purchase of Stort.**

82. In order to raise Money for the Purchase of the *Stort* and of the Millowners Interests, the Conservancy Board may from Time to Time borrow at Interest such Sums of Money think requisite, on the Security of their Income from the *Stort*, and may mortgage that Income to secure repayment of the Money so borrowed, with Interest, accordingly.

**Power to give collateral Security on Lee for Purchase Money of Stort**

83. The Conservancy Board may from Time to Time, if they think fit, agree with any Lender of Money borrowed by them for the Purchase of the *Stort* or of the Millowners Interests, to give to him a Security for the Money borrowed, with Interest, on their Income from the *Lee*, subject to and after the Money for the Time being raised or authorized to be raised by them under the *Lee* Navigation Improvement Acts, and, subject as aforesaid, on such other Terms as the Conservators and any such Lender agree on, and may in every such Case give such a Security accordingly.

**Power to borrow from Public Works Loan Commissioners**

84. For the Purchase of the *Stort* and the Millowners Interests, the Conservancy Board may borrow from the Public Works Loans Commissioners, and those Commissioners may lend to them, such Sum of Money and on such Security as those Commissioners think fit, but without Prejudice to any Security then existing.

**Instalments or Sinking Fund.**

85. Except with respect to Money borrowed from the Public Works Loan Commissioners, the Conservancy Board shall, within Forty Years from the Time of borrowing, pay off any Money borrowed by them for the Purchase of the *Stort* and the Millowners Interests, either by Instalments or by means of a Sinking Fund invested in

Government Securities and increased by Accumulation in the way of Compound Interest or otherwise.

### **Power to reborrow**

86. If the Conservancy Board at any Time pay off otherwise than by Instalments or a Sinking Fund any Money borrowed by them for the Purchase of the *Stort* or the Millowners Interests, they may from Time to Time reborrow the same or any less Amount in the Manner and on the Security aforesaid, and so *toties quoties*.\*

(\*As often as)

### **Power to mortgage Lands, &c.**

87. Any Lands or other Property acquired by the Conservancy Board by or under this Act by the Purchase of the *Stort* may be made, either alone or with their Income or any Part thereof, Security for Money borrowed by them, on such Terms as they and any lender agree on.

### **Saving for existing Debentures**

85. Nothing in this act shall prejudiciously affect the Security or Priority of the Holders of Debentures granted by the Trustees before the Establishment of the Conservancy Board, or granted by the Board by virtue of the Borrowing Powers conferred on the Trustees by the *Lee* Navigation Improvement Acts and transferred to the Board by this Act; and all such Debentures shall in relation to the Income or Property on which they are charged have Priority to any Debentures granted by the Board by virtue of the Borrowing Power conferred on them by this Act ; but the holders of Debentures granted by the Trustees before the Establishment of the Board, or granted by the Board by virtue of the Borrowing Powers conferred on the Trustees by the *Lee* Navigation Improvement Acts, and transferred to the Board by this Act, shall not, as such, have any Security, Charge, or Lien on the additional Income provided by this Act for the Board (other than the Tolls in the Second Schedule), or on any Property from Time to Time acquired by the Board under this Act (not being Property transferred from the Trustees by this Act).

On the foregoing Sections the following questions suggest themselves:

### **Power to Borrow Money.**

**82, 84, and 87.** On the Accounts and Reports would any Person, or the Public Works Loans Commissioners, lend Money on the Security offered, apart from any question as to the liability to maintain Bridges?

## **Collateral Security.**

### **83. "Power to give collateral Security on Lee for Purchase Money of Stort."**

The Board will please note that in line 5 of the Section it says:-" Subject to and after the Money for the time being raised, or authorized to be raised by them under the Lee Navigation Improvement Acts."

The Lee Borrowing Powers are £230,000. Present Debt £194,000, £10,000 about to be raised now, and £5,000 for Bow Bridge within 2 years, and with other items for Capital Improvements required, the Lee Powers will soon be exhausted.

Supposing no person being willing to advance money on the Stort Security, would the board be justified in offering or pledging the credit of the Lee and the security offered to their present and future Debenture Stock Holders, for the purpose of acquiring the River Stort Navigation? Could they legally do this?

## **Land**

**87.** There is none to offer. In 1870 the Engineer reported "there are many strips and wide banks alongside the River suitable for depositing Dredgings, etc., but not of intrinsic value for sale, nor should they be sold". To that Mr Tween adds:- "Unfortunately the late Mr Davis thought otherwise, and sold every piece he possibly could."

## **Generally**

It would appear that instead of the Conservancy paying anything for taking over the Stort, a large sum should be given to them by the Vendor for relieving him of the great responsibilities and liabilities thrown on him under the River Stort Act. This was the view of the Conservancy in 1885, the last time when the whole matter was exhaustively considered, the Income being then much greater than it is now, and the condition of the Navigation instead of improving, being, as reported by the Engineer last year, "as now circumstanced is in a precarious state, the takings in tolls being not half enough for it's up-keep"

The present owner purchased the Stort in July 1898, for £350 (see Minutes of Evidence on "Lee Conservancy Bill, 1900," Question 1,492, p. 112), and is now prepared to sell it for £2,000.

The foregoing points and questions I respectively submit for the consideration of the Board. I have the honour to be, Gentlemen,

Your obedient servant,

GEO: CORBLE

*Clerk*