**CHAIRMANS REPORT**

I would like to welcome you all to the first “open” AGM and particularly our three new Trustee members, Alan Graves, Peter Watson and Tim Scott.

My election followed the death of Steve Jeffery in September from cancer. Steve led the Trust since 2005, shortly after I joined up.

There has since been a significant change to the Constitution of the Trust. It is more like a normal company.

* 1. Members are equivalent to shareholders. They attend General Meetings and have a high level of control exercised by appointing directors/officers and approving accounts.
  2. Trustees are nominated by stakeholders – Local Authorities, The IWA, and DSCS. They attend quarterly Trust meetings and act to safeguard the organisation and ensure it meets statutory and Charity Commission regulations and ensure we are following the objectives.
  3. Directors are appointed by members to run the Trust day to day. They have delegated authority given by Trustee meetings and are required to “make it happen”. Most detailed decision making is through the Board/Development Group meetings. All directors must also be members.
  4. Co-opted members are members invited by the Board to assist delivery. Currently they are Duncan Inwood, Mike Wingfield, Mike Wood, and Andrew Baird and thewy attend Board meetings as required.

**Progress Report**

**Strategy**

The overall project is enormous at £60m or so. Our immediate aim is to raise the profile of the project and gain support across a wide cross section of the public and business communities. The project will succeed when others with larger resources see the value of the restoration. We are continuing to gain support for the projects and are moving from “it will never happen” to “how long will it take?” We need to sell the benefits in terms of economic regeneration, wildlife improvement, heritage restoration and general public wellbeing. If we can do this we will attract the funding at the necessary levels.

Critical to this approach is our demonstration of progress on the ground. Whilst the cottage restoration or the Derwent river trips are not restoring the canal per se they show we can get things done, that we have the support of the community and keep us in front of the public.

**Funds raising** £121k this year compared with 47k last year, with expected income of a further £93k already committed for the current year. We have had support from S106, Erewash grants, crowdfunding and donations and we are getting better at identifying funding options. The trial employment of our fundraiser resulted in mixed results. The cost was around £14k, we achieved good structure development and contacts and have draft bids waiting for submission, but those already submitted were unsuccessful. We have decided we need to write our own submissions as we believe we will be more passionate and therefore convincing if we do so.

We have also achieved loan funding to support the cottage development. We have total loan funding promised to date of around £500k from directors and members. This attracts interest, which is below market rates. We have also reached £96k of pledges for the Draycott canal development roughly half of which has been already donated and is included in the accounts.

**Land Purchase**

Last year we completed the purchase of almost 2 miles from Derbyshire CC at Sandiacre and Borrowash. This year we acquired a further 450 m in Spondon from Derby City a small piece from Redrow at Borrowash and Paul Turner is negotiating the purchase from Sustrans of a stretch at Breaston. This will give us the majority of the east west stretch. The precedent of the gift from Derby City is important as this will aid future gifts/purchases from them.

**Projects**

**Draycott Cottages**

This project involves the conversion of a canalside building built as a mill in around 1815 and subsequently converted to farm workers’ cottages. We plan to create a3 houses, and a community hub with café, museum and Trust offices. Work has continued during the last year. The building is now structurally secure with a new roof and fully repaired/replaced walls. We are currently working on the last floor replacements and installing utilities in the grounds. We have now dealt with the areas where unexpected problems might be found so projecting costs is becoming easier and we are currently running under budget. Volunteer effort has been magnificent – now three times each week – and we hope to be ready for internal fit out in the autumn. We’ve also had visits from WRG, Sky Engineers and DWP staff.

Planning permission for a change of use is nearing completion.

We anticipate the final asset created will be worth over £1m costing just £600k to create.

**Draycott Canal**

We now await completion of planning permission. We have successfully fought off a need to sample spoil, which at Sandiacre cost us a lot of money and delay. We now need to complete wildlife and drainage reports to achieve permission. Following this we will be able to resubmit bids that have been rejected awaiting planning. Costs are reasonably stable, but David is keeping abreast of them and so far we remain within our contingency. This project caught the attention of the Draycott community so much that we were their theme for Draycott in Bloom this year. I think that demonstrates how the whole community is committed to and supportive of the work we are doing.

**Borrowash**

We entertained Waterways Recovery Group last July and they enjoyed it so much that they will be returning in a couple of weeks to complete the lock walls rebuild and work on the canal edges and towpath. This provided excellent regional publicity to promote the project.

We are now looking at the next stage at this location which will involve relocating sewers and building an aqueduct over the Ockbrook. We are investigating proposals to rebuild the cycle track on the “Spondon Canal” as an opportunity to achieve progress on the towpath and canal line.

**Spondon**

We are working well with Wheeldon Brothers to build 300m of canal at Spondon. They will build the canal if we can dispose of the 5000m3 of spoil. We have a plan, which may not involve too much funding. The path has already been relocated.

**Sandiacre Lock**

We at last achieved a partial clearance of the lock chamber. We have now removed the hazardous waste identified in the sampling, but await progress in moving the sewer that cuts across the lock chamber before we can proceed. Once the sewer is moved we will be able to complete the clearance and rebuild the lock wing walls and bridge. The funding for this project came from S106 funding and a Rural communities Grant on the understanding that we would improve the conservation area in which it sits. The sewer is therefore critical to further significant progress and is likely to be a significant expense to rectify.

We have used some of this and Coop funding to equip ourselves to maintain the path here and along the line so that it looks presentable throughout the year. Hedgerows will be tackled in the autumn.

The serious damage to Cockayne Bridge therefore came as a shock in June, but we hope to turn that to our advantage. We will discuss this later in the agenda.

**Derby**

We have continued to develop a working relationship with the city officers following the change in administration. The reaction of the politicians is more mixed. We introduced a potential investor for the Derby Arm, but the city has not responded positively. There is also continued interest in a joint transport route between Nottingham and Derby to connect to HS2 at Toton, which puts at risk our route. We are developing arguments to contest the comparative value of canal v tram, supported by our recently completed video presentation showing the potential for the city if it embraces the river/canal. We have already enlisted the support of Rolls Royce and the University. We also have the active support of Maggie Throup MP, a Trust Director.

On a more positive note the City is keen to establish a trip boat on the river. We have funding, which should cover capital costs if we factor in volunteer support and this would provide a very public opportunity to promote our project and may even generate some income. We are working alongside the Silk Mill development to provide an electric boat with disabled access to take passengers from the Council House up to Darley Abbey. We have received very positive public support. Mike Wingfield and Liz Gordon have taken on responsibility for this project and Mike has involved Rolls Royce and the university. R-R trainees have provided activities for children to promote canals; the University have provided advice on organisation of the boat trip volunteers and have worked with us to provide an automatic commentary app. The university is also looking at a system to work alongside the trip boat to clean the river of microplastics.

Unfortunately, the bureaucracy of Environment Agency permits, planning permission, Council Licences, etc. mean this is unlikely to be launched until next year.

**Volunteers**

I referred to the change in constitution earlier. There has been substantial debate in the Trust and Society about how to operate most effectively, which will be discussed later and as you will realise we are growing ever more dependent on the volunteer support to keep up the increasing pace of progress. We may be two organisations, but we operate ever more closely in our common aim. The constitutional changes reflect that.

Our progress is now dependent on the hours we can put in – not only for cleaning bricks, building floors or mowing grass, but especially for the need to write funding bids, meet with interested parties, give talks and promote the undertaking, organise visiting groups, research history, etc, etc, etc. I ask again for you to search your diary to see if you can spend some time moving matters forward. We’ll find something you enjoy and support you – just let us know!

**Bequests**

A couple of years ago we advertised the value of legacies in the Packet. We thought it had fallen on deaf ears, but as is often the case it is only when the executor calls that you know about a potential legacy. The Inland Waterways restoration bodies record significant legacies each year, but we received our first one – of £22k – this year. It makes such a difference to what we can do especially when we add volunteer labour to it. Please have a thought about whether you might want us to do something your family will be proud of in years to come.

Thank you all for your support in the last year.