Extracts from River Cam Navigation Benefits Assessment
A Report to the Conservators of the River Cam
1 December 2011
http://www.camconservators.co.uk/pdf/Navigation-Benefits-Assessmen-011211t.pdf

In the context of the River Cam, benefits are derived by those who actively make use of the river environment. Theory suggests that this use would only take place if the benefits derived by the individual outweighed the costs incurred. Therefore, those using the river for non-commercial purposes would be expected to derive an enjoyment from the river which contributes positively to their overall wellbeing. This included a range of benefits including opportunities for leisure and recreation, social interaction, education, and improving physical health and/or mental wellbeing. The river also provides a place of residence for a number of residential boat owners who have chosen to moor on the Cam and is a source of amenity value for those who spend time in the area. The river serves a number of important ecosystems functions which offer indirect benefits to local residents, for example carbon sequestration and flood prevention, and is an important natural habitat which supports a range of plant and animal species. Many of these benefit streams and functions are heavily dependent on the river being maintained in a navigable state.
A number of commercial operations also benefit from the river environment and are able to use it to generate a monetary return (e.g. punt hire). Again, these operations are largely dependent on the river being maintained in a navigable condition.

We can estimate that the benefits derived by those participating in waterway-based activity can be valued in the range of up to £5 per person per visit.

Without continued day-to-day maintenance and capital works the river could cease to be navigable. If this were the case, users would potentially incur additional costs in travelling to an alternative site to undertake rowing, punting or boating activity. If moorings were closed then residential boat owners would be required to move to another site, incurring costs in the process and incurring mooring fees in a new location.

A failure to properly maintain the navigation would also impact on the flood prevention benefits which the river provides to riparian owners and local residents more widely, potentially causing significant additional and ongoing costs to property owners and the Environment Agency.

Evidence from the wider literature also shows that the value to riparian owners and to other local residents of proximity to and/or views of the river environment is likely to be reflected in property prices. There is evidence to suggest that property values are enhanced by proximity to waterways. Work by Garrod and Willis (1993) found that waterfront properties (i.e. those that are adjacent or close to the water) commanded a premium over similar properties which were located elsewhere. Using a contingent valuation approach, based on the judgement of a random sample of members of the Royal Institute of Chartered Surveyors, the average uplift in value of new residential waterside properties was found to be 19%, while properties in the hinterland of the waterway attracted an average uplift of 8%. The paper also reported that a hedonic pricing model, based on actual sales data for the existing property stock (waterside properties, houses near the waterside and properties located some distance away), identified an uplift value of between 3% and 5%. Work carried out by Lambert Smith Hampton in 2003, comparing the offer prices for a range of residential properties in Hertfordshire, both with and without proximity to water, found an average uplift of 18% for waterside properties.