

NOVEMBER 2019

## Welcome

*A milestone event for our organisation occurred at the end of September when WRSE officially launched its new way of working, and we outlined our approach and ambitions to produce a multi-sector, regional resilience plan to a broad range of stakeholders.*

We were delighted so many of you could attend this event (the first of many we will be undertaking) and were particularly pleased to see the enthusiasm and energy at WWF's fantastic Living Planet Centre, as we debated some critical issues.

I may be biased of course, but I think it's an exciting time to be working in water resources, not least as I think we can all sense the renewed enthusiasm and ambition to address the serious water resource challenges we face – not just in our region but nationally too.

The role that water regulators can play in facilitating the changes needed is no longer in any doubt either, which is why we are delighted our 'Focus On' feature on pages 4 and 5 carries an interview with Crystal Moore, the newly-appointed Stakeholders and Programme Director for the appropriately named RAPID (The Regulators' Alliance for Progressing Infrastructure Development).

Our own work to develop the regional resilience plan itself – and the supporting customer and stakeholder engagement that will likely need to happen when it is published – has been a key focus of work for our Programme Management Board (PMB) and Engagement and Communications Board (ECB). You can find out more on pages 3 and 6 respectively.

We hope you continue to find our updates informative. Don't forget, if you would like to find out more about our work and get involved please do drop us a line at [contact@wrse.org.uk](mailto:contact@wrse.org.uk)

Simon Cocks  
Independent Chair, WRSE



## WRSE launches multi-sector regional resilience plan

*Water Resources in the South East (WRSE) has launched its new, ambitious programme of work to develop a multi-sector, regional resilience plan.*

At an event attended by over 60 stakeholders from across the water, environmental, energy, agricultural and local planning sectors, the WRSE team showcased the part it is playing in the shift towards greater regional planning for water resources – and how that will deliver more resilient water supplies to the South East, and wider UK, in the future.

Simon Cocks, Independent Chair of WRSE, outlined the new approach being taken, one that moves from developing scenario-based strategies to a regional resilience plan which will ignore water company boundaries and consider the water needs of other sectors too.

The new approach will mean the South East's resilience to climatic events is increased, the environment is improved, water is used more efficiently, and best value options are delivered for current and future customers.



But he also left the audience in no doubt about the challenge, as the region needs to find at least an additional 910 million litres per day, and possibly up to 2.6 billion litres a day, over the next 60 years.

Simon Cocks concluded: *"This is urgent, serious and complicated – but it is something that we need to get on with."*

*"I'm absolutely certain we have the technical capability and experience to do this, but this is now about collaborating*

*(Continued on page 2)*



## WRSE launches multi-sector regional resilience plan (Continued)

*really effectively to create a multi-sector plan, and in doing so bringing a positive attitude and shifting our level of ambition to serve the overall best interests of people living and working in our region."*

Panel speakers at the event, which was held at WWF's Living Planet Centre in Woking, also included representatives from Defra, the Environment Agency, RAPID (Regulators' Alliance for Progressing Infrastructure Development) the National Farmers Union, energy firm RWE, Blueprint for Water and the Greater London Authority.

Round table sessions were also held with delegates to test two key areas:

- What key areas does the regional resilience plan need to address?
- How do people want to be involved in the development of the regional resilience plan?

The outputs from this first stakeholder event will be collated into a report and shared with attendees and other interested parties, as well as being published at [www.wrse.org.uk](http://www.wrse.org.uk)



# Publication pending for new National Water Resources Framework

*Plans for a new National Water Resources Framework that will provide greater clarity and guidance for regional groups are in the final stages.*

The document will be published by the Environment Agency in January 2020 and is expected to become the industry's new blueprint for water resource planning.



Jonathan Dennis

Jonathan Dennis, from the Environment Agency, which has spearheaded this work, said: *"The senior steering group, which Water Resources South East (WRSE) is part of, has been crucial to developing the new framework and tackling future approaches to long-term water resources planning."*

*"We have been able to do that by bringing together key stakeholders with an interest in securing resilient supplies of water for the long term – including water companies, agriculture, energy and environmental groups – as well as Government, regulators and customer bodies."*

*"We believe the group will continue to have an essential role to play in ensuring regional plans are aligned, and also as the framework evolves, and so we're delighted that everyone backed the need for it to continue to meet when we proposed this at the October meeting."*

Aside from the work to produce the actual national framework report, the group has recently been focussing on key areas, such as:

- **Environmental protection:** The group emphasised the need to value iconic habitats, including chalk streams. It is expected that national environmental policy ambitions will be set out on how best to protect and improve these habitats, so that groups like WRSE can work with others to deliver these improvements in their own region
- **Understanding demand from outside of the water industry:** There are huge variations in agricultural, power and industrial demand for water across the regional groups' supply areas. The National Framework will delve deeper into each of these to give greater clarity as to what the demand for water, for each of these sectors and for each region, is likely to be

- **Per capita consumption (PCC):** The group agreed to support a national average PCC figure of 110 litres per head per day by 2050 as a planning assumption, with the potential to reduce this further with associated policy changes e.g. mandatory water labelling of appliances. *(Editor's note: See personal water use story on page 6)*

## The National Framework in a nutshell

**It will outline statements of both national and regional water needs, and what Government and regulators expect to see from regional groups – like WRSE – to address issues of resilience while also managing and reducing demand.**

**The framework will become the blueprint for making sure the local, regional and national pieces of the water resource planning jigsaw are clearly linked and are future proof and fit for purpose.**

## Technical work for regional plan gathers pace

*It's been a busy time for the water company specialists who are developing the technical data and evidence that will form the foundations of WRSE's regional resilience plan.*

The Programme Management Board (PMB) – the decision-making group for all WRSE's technical work and comprised of the water resource leads in each of the region's six water companies – has developed a comprehensive programme of work that will be delivered over the next three years.

A total of 17 work packages have been developed and include undertaking tasks associated with:

- simulation modelling
- environmental appraisal
- assessing third party options
- costing of new options
- customer engagement
- document production

To date, contracts have been awarded to Ricardo/Atkins (Environmental Appraisal)



Mott MacDonald (third party options) Jacobs (Quality Assurance) Atkins (simulation model) Edge Analytics (growth forecasts) and HR Wallingford/DecisionLab (investment model).

Separately, two of the PMB members, Andrew Tucker from Thames Water (pictured above) and Ben Earl from Southern Water also gave

an update to the September meeting of the WRSE Senior Leadership Team (comprised of water company Chief Executives and regulators) on how the regional plan could help drive further reductions in people's daily water use – known as per capita consumption (PCC).

Meyrick Gough, WRSE Technical Director and Chair of the PMB, said: *"The six water companies in the South East region already have the largest demand reduction programmes in the UK, but the expectation is that PCC targets will be set even lower when Ofwat makes its Final Determination of their 2020-2025 business plans."*

*"We had a good discussion about the various levers – strategic, policy and behaviour change – that could be used to drive customers' daily water usage to much lower levels."*

*"The water companies especially recognise this has the potential to become as high profile an issue as leakage and so supported the need to develop a clear PCC reduction role within the WRSE regional resilience plan."*



# Focus on RAPID

## Leading the charge to get strategic infrastructure off the ground

*First, we had the “jaws of death” warning – the point at which the margin between water demand and water supply is so narrow we may not have enough water unless urgent action is taken, according to Environment Agency Chief Executive Sir James Bevan. And Rachel Fletcher, Chief Executive of Ofwat, admitted that future proofing the nation’s water resources is an issue that “keeps her awake at night.”*

Now, enter RAPID, the Regulators’ Alliance for Progressing Infrastructure Development – a new cross-regulator unit comprised of Ofwat, the Environment Agency and the Drinking Water Inspectorate – charged with facilitating timely and co-ordinated development of strategic water resources schemes so they are ‘construction ready’ by 2025.



Crystal Moore has recently been appointed to RAPID as Stakeholders and Programmes Director and attended WRSE’s stakeholder event (as pictured here) where she outlined to delegates the role and remit of the new group. An

acknowledged expert in leading partnership work, and a strong advocate of collaboration, she is relishing her new role – and is encouraged how senior water company leaders are getting their shoulders behind the new initiative.



So, why is RAPID needed and what can it achieve that the current regulatory regime of water companies’ 25-year+ Water Resources Management Plans (WRMP) and five-year Business Plans may have struggled to do?

Crystal said: *“What we have had are incremental improvements with individual companies working out the water resource needs of their customers and their supply areas but recent reports from the National Infrastructure Commission and Water UK have pointed to a step-change being needed in water resources planning. We need to move to regional planning with a clear link to the national picture on all things water so that we are acting as one co-ordinated unit if you like.”*

Crystal maintains that means looking at water resources in their totality – not just traditional supply and demand options but the opportunities offered by wastewater and, potentially, flood water too. So, as well as water transfers and new reservoirs, using RAPID’s national lens to do this exercise means options like water re-use (direct and indirect) could come to the fore.

Also critical to RAPID’s work is identifying the barriers to progressing strategic water infrastructure, whether they be regulatory, environmental or commercial.

Furthermore, Crystal concedes that Development Consent Orders (DCOs) – the means by which planning permission is given for water resource developments categorised as nationally significant infrastructure – could feature more prominently in water. *“It would certainly mean the need for these schemes is not ambiguous when they are designated this way”* she added.

One immediate sign that the renewed focus on getting water resource infrastructure progressed is being realised is that, for the first time, some water companies were awarded specific funding by Ofwat to progress strategic schemes in the draft determination of their 2020-2025 business plans.

This £450 million of ‘enabling money’ is critical to allowing water companies to properly investigate, plan and develop strategic water resource options as, at this stage, there is still some uncertainty as to which are the right,

best value options. Funding is released in a staged manner through a newly designed 'gated process' where schemes will be assessed against certain criteria.

By September 2020, Southern Water will have reached the first of these gates for its strategic scheme options and Crystal expects that "we will learn a lot from doing that first step in a new process which we can then fine tune for other companies facing the same gates the following year. But ultimately we do believe this is the start of change in how we deliver strategic water infrastructure."

Of course, there is always a price tag associated with delivering strategic water resource schemes and, as customers ultimately see some of those costs reflected in their bills, RAPID needs to achieve a balance between delivering greater resilience and a high-quality environment with affordable bills.

Crystal added: "Affordability will absolutely be part of our best value assessment of schemes. Ultimately however I think there is a bigger issue here – how do we create better public value so that we all understand and appreciate water more?"

## About Crystal Moore

Crystal Moore has been seconded to RAPID from the Environment Agency (EA) where she was Deputy Director for Readiness and Response, looking after all the EA's national incident response activities.

A scientist and Chartered Environmentalist, Crystal has often found herself at the sharp end of some major, high profile issues and events during her extensive career – for example, as Head of the Flood Forecasting

### Current and future price reviews aside, what is in store for the next 12 months?

*"We're a new organisation so since funding was agreed in April 2019 there's been a lot of behind the scenes work to get the right people in, from economists and strategy specialists to administration support."*

*"Then in the next few weeks the National Framework will publish its report. This will outline both regional and national water needs and set out what Government and regulators expect to see from regional groups – like WRSE – to address issues of resilience while also managing and reducing demand."*

Crystal concurs with the views expressed by Simon Cocks, Chair of WRSE, at the recent stakeholder event that the challenge ahead is "urgent, serious and complicated – but it is something that we need to get on with."

She concluded: "We can't kick the can down the road and put off delivering strategic water resource infrastructure."

*"The danger is the options you then have to fix a supply demand deficit in the timeframe available become even more limited and that is simply not a viable, resilient or sustainable situation to find ourselves in."*

## Crystal Moore's views on WRSE

*"It's always been founded on good evidence which is fundamentally important for decision making and the inevitable scrutiny and challenge that follows."*

*"But we would like to see more of a multi-sector approach being adopted, and beyond public water supply to other sectors, so that we make a rounded technical examination of options and make decisions around feasible options that can be delivered."*

*Crystal cites the farming sector as an example where greater engagement and input to water resource planning is needed.*

*"The National Farmers Union effectively represents some 250,000 small and medium sized businesses. Now some of these businesses understand and can forecast their future water needs really well – for example soft fruit growers – but I was really surprised to learn that livestock farmers are not able to articulate their future water needs as well. All of this needs to play into the mix of decision-making made by regional groups like WRSE."*



## Regional resilience plan engagement work steps up a gear

*Research and engagement specialists from WRSE's member companies have begun to develop a plan of action on how best to engage customers – and on what issues and when – to support the development of the regional resilience plan.*

The meeting was an important step forward to help define the scope of WRSE's engagement work as it needs to complement and support the statutory public consultation that water companies carry out on their own Water Resources Management Plans (WRMPs).

An immediate task has been to undertake an in-depth review of what customer research was carried out for the last round of Water Resources Management Plans, the main findings that emerged, and where there was consistency or differences.

That has given WRSE a good baseline position from which to start determining what research questions it needs to ask of customers for the regional resilience plan, and which are likely to be centred around:

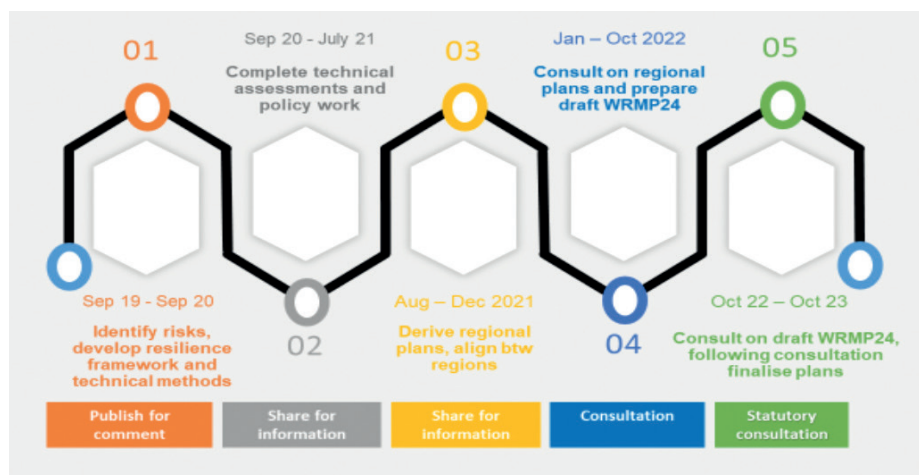
- Preferences around the types of options that can secure future water supplies
- Expectations around levels of service and how resilient water supplies should be
- Further leakage reductions
- How to lower per capita consumption – including more focus on how far water companies can and should go before it impacts on personal choices and understanding other drivers of water use such as medical issues and religious practices.

Discussions then centred on issues which WRSE may need to explore more in-depth with customers than perhaps has been done by water companies in the past – for example the acceptance of water reuse schemes, how best to protect rare chalk streams, and applying different water charges at different times of the year.

In terms of next steps for customer research, WRSE will draft a scope of work to issue to research agencies setting out our requirements and ask them to propose an appropriate and effective mix of research methods, with the aim of starting fieldwork in 2020.

For stakeholders, ECB members have designed a forward engagement programme to align with and support critical milestones of the regional plan as it is developed, so that interested parties have an opportunity to input and influence it, as the following diagram shows.

WRSE's Trevor Bishop said: "WRSE and its member companies have always worked with regulators, stakeholders and customers during water resource planning processes, but we have recognised we need to build on this with dedicated research and wider engagement activities if we are to truly reflect a multi-sector, regional resilience plan for the region."



## WRSE makes its points on how to reduce personal water use

*WRSE has submitted its response to a consultation by Defra on setting personal water usage targets (per capital consumption) and how to ensure any reductions are technically feasible and/or achievable.*

Meyrick Gough, WRSE Technical Director, welcomed the consultation and Defra's ambition to reduce personal water use but said it was essential "that this is not seen as something that is only needed in the South East."

He added: "A consistent and co-ordinated approach is needed across the UK and not just in areas that are currently classified as being in serious water stress – not least if

the benefits of the new National Framework for Water Resources to be effective. (Editor's note: See National Framework story on page 3)

*"This will help mitigate against the impacts of climate change and the potential that more areas of the country will become seriously water stressed in the future. This is essential to ensure that transfers that are developed between regions remain resilient and that the water from the 'donor' regions is available when needed."*

WRSE outlined in its response the most important interventions that would deliver significant and sustainable levels of personal water use across the UK, and which are:

- A UK-wide mandatory water labelling scheme
- revised building regulations linked to a mandatory water label
- removing the need to link universal metering to water scarcity issues
- an increased focus on smart meters
- a co-ordinated and multi-sector approach to water efficiency
- a collaborative approach to rainwater harvesting and grey water reuse.

# What's making the news?



## Portsmouth Water begin reservoir investigation work

The first visible work to develop plans for a new reservoir in Hampshire got underway this month.

Small drilling rigs and JCB-type excavators arrived on Portsmouth Water's land between Staunton Country Park and Havant Thicket, in Havant, to take soil samples and install monitors to measure underground water levels. This will involve creating temporary boreholes and shallow excavations on the grassland.

Portsmouth Water plans to submit a planning application to build a reservoir on the site in late 2020 to secure much-needed supplies for the water-stressed county. It will also create a new, public leisure space for nearby communities and a wildlife haven with wetlands for birds.



*Trevor Codlin, Environmentalist at Portsmouth Water being interviewed by BBC Radio Solent about Havant Thicket Reservoir*

It would be the first reservoir to be built in the South East region since the 1970s and is being developed in partnership with its water company neighbour, Southern Water.

Bob Taylor, CEO of Portsmouth Water, said: "It's an exciting time as we take these vital first steps on the ground to gather information to inform the design of the reservoir.

"We'll be preparing the planning application for the reservoir over the next 12 months and as we do this we'll be talking to residents, businesses, local groups and community representatives in the local area to share ideas and gather their views.

"The South East region as a whole is seriously water-stressed and while we are fortunate to have reliable supplies, building the reservoir means we can capture spare spring water to supply our customers, and release water in the west of Hampshire to share with our neighbours in Southern Water and its own customers.

"We're all facing the challenges of climate change and population growth, so it's important we work together to make the best use of the water available and protect our rivers and wildlife across Hampshire."

To find out more about the reservoir plans visit [www.portsmouthwater.co.uk/new-reservoir/](http://www.portsmouthwater.co.uk/new-reservoir/)

## Affinity Water's drought warning sees demand for devices soar

Demand for free water saving devices offered by Affinity Water skyrocketed by 5,000% in just 12 hours following the company's warning that its central region is in drought.

Many have been surprised by the drought warning due to the recent wet weather, however Affinity Water said "a good week of wet weather is not enough to make up for nearly three years of below average rainfall."

In response, customers have flocked to the company's website to order their free water saving devices and to get big discounts on water butts to make the most of the recent rainfall.

The central region needs sustained above average rainfall for this autumn and winter for groundwater levels to recover, otherwise water restrictions such as hosepipe bans may need to be introduced in Spring 2020. (Editor's note: See page 8 story on Draught fears)

## Andrex toilet wipes ad banned over 'flushable' slogan

An advert for Andrex toilet wipes carrying a slogan claiming they are "flushable" has been banned for misleading consumers.

A website for the Andrex Washlets wipes, seen in April, featured a logo headed "flushable" and proclaimed the wipes were specially designed to break down in moving water so wouldn't create blockages.

However, the Advertising Standards Authority (ASA) banned the ad after Andrex owner Kimberly-Clark admitted that the product did not meet Water UK's 'Fine to Flush' standards and relied on international industry flushability guidelines instead.

Rae Stewart Water UK Director of Corporate Affairs said: "If a wipe doesn't have the official 'Fine to Flush' label we do not regard it as flushable, and it should go in the bin not the toilet. We look forward to working with Kimberly-Clark as they seek to meet the 'Fine to Flush' standard for their products."



## MD recruitment for RAPID underway

Ofwat is expected to soon announce the appointment of a Managing Director to lead RAPID (Regulators' Alliance for Progressing Infrastructure Development) – the new regulatory team that works on behalf of Ofwat, the Environment Agency and the Drinking Water Inspectorate to promote the development of national water resources infrastructure. (Editor's note: See our Focus On feature about RAPID on pages 4 and 5)



## October's heavy rain not enough to ease 2020 drought fears

*The recent heavy rain may not be enough to avert a potential drought in some parts of the region during 2020, water experts have warned.*

The National Drought Group (NDG) – chaired by the Environment Agency's Chief Executive Sir James Bevan – brings together government departments, water companies, environmental groups and others to coordinate action to maintain water supplies and manage the other risks associated with drought.

In its latest assessment of water resources, the NDG says that water supply problems

persist in the south and east of the UK, despite the heavy rainfall over recent weeks.

In particular, groundwater levels in the south and east remain well below normal for the time of year and river flows in the chalk-dominated areas of Cambridgeshire, Bedfordshire, Essex, Suffolk and Hertfordshire were likely to remain below normal unless sustained winter rainfall provides recovery to the groundwater.

The NDG has warned: *"Another dry winter could lead to longer reaches of dry and fragmented river channel, increased weed and algal growth and greater numbers of incidents on fish and wildlife."*

Public water supplies could also be affected – and temporary water use restrictions necessary – if groundwater sources are low. Two companies (Affinity Water and Southern Water) have already highlighted a high risk to some customers' supplies in Spring 2020 if they receive less than 80% of the expected winter rainfall.

The impacts of drought also featured on the BBC's The One Show recently with the presenter explaining the role of chalk aquifers and that "two sunny days don't make a drought, so two rainy days don't solve one".



### What's coming up:

- 5 November 2019:** Social Contract Summit, Central Hall, Westminster
- 27 November 2019:** Joint meeting of WRSE Programme Management Board and Engagement and Communications Board
- 11 December 2019:** Ofwat makes Final Determinations of 2020-2025 business plans
- 15 January 2020:** WRSE Stakeholder Group meeting (provisional)

#### Contact info

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