

Welcome from Chris Murray MBE, WRSE Independent Chair

Hello everyone,

It's been a very busy start to my role since I joined WRSE back in April and I would like to thank everyone for the warm welcome I have received. I have thoroughly enjoyed meeting a wide range of stakeholders, both through individual conversations and the recent series of WRSE webinars on the different options being considered for our regional resilience plan (See page 6).

I'm also particularly grateful to the WRSE team for all the support they have provided in bringing me up to speed on the progress that's been made to date, as well as the next steps that lie ahead in further developing our plan, and, ultimately, delivering a host of social and environmental benefits for South East England.

Having now had the chance to look at things in more detail, I have been very impressed by all the work that has been completed so far, whilst recognising that, together, we still have a long way to go. I'm also excited by the approaching milestone of working with our fellow regional water groups to reconcile our plans as part of the over-arching national framework process. This will help ensure that the regional plans are fully integrated, with a comprehensive and holistic approach taken overall. You can read more about this on page 6 of this newsletter.

The opening weeks of my time as WRSE Independent Chair have left me with a growing sense of urgency that action needs to be taken as soon as possible to meet the significant challenge of keeping our taps and rivers flowing in the decades ahead – in the face of a growing population, a changing climate and the need to not only protect, but also improve the environment. Success will rest on balanced trade-offs being made, as we seek to deliver increased resilience, while factoring in issues such as affordability, deliverability, planning and environmental ambition.

With that in mind, I'm delighted that local councillors in Hampshire have recently resolved to grant planning permission for the Havant Thicket Reservoir (See page 5) – recognising the public need to safeguard resilient future water supplies for the South East, while benefitting rare and world-renowned chalk streams – the River Test and the River Itchen. The £120 million project is a key element of our current regional strategy and I would like to congratulate Portsmouth Water and Southern Water on this latest milestone, as they continue with their innovative partnership to deliver the first major new reservoir in the UK since the early 1990s.

Finally, I would like to thank everyone who has worked so hard on the exciting range of Strategic Water Resource Options (SROs) proposals that have recently been submitted for initial regulator assessment (See pages 3 & 4). These schemes have the potential to benefit our region greatly and I look forward to the feedback from our regulatory colleagues later this year on what's been put forward. As I mentioned earlier, a lot has been achieved, but a great deal also remains to be done and I look forward to working with you all to ensure that what needs to be done, gets delivered.

With best regards,

Chris Murray MBE
Independent Chair WRSE



CHRIS MURRAY

THE KEY HIGHLIGHTS FROM OUR NEWSLETTER INCLUDE:

[Environment Agency leadership update \(Page 2\)](#)

[Water resources planning - The view from Blueprint for Water \(Page 2\)](#)

[Key step for Strategic Water Resource Options for the South East \(Page 3\)](#)

[Havant Thicket Reservoir gets the go ahead \(Page 5\)](#)

[How we're ensuring all the regional plans work together \(Page 6\)](#)

[The latest findings from the WRSE customer research programme \(Page 7\)](#)

[Details of a very busy few months for the WRSE team \(Page 7\).](#)

Changes to Environment Agency leadership team

We would like to welcome two new leaders at the Environment Agency, who will be working closely with us as we develop our regional resilience plan.

Anne Dacey (pictured top right) has taken over from Simon Moody as Deputy Director for Water Resources, while Catherine Wright (also pictured bottom right) is the new Director of Operations for the South and East, replacing Sarah Chare.

Anne said: *“We know the South East is at the heart of the climate change and environmental agenda, with restoring the health of our rare chalk streams being just one of the many challenges the new WRSE regional plan will need to address for a more sustainable and resilient future. We are encouraged to see water companies working so closely together, under the WRSE alliance, with open and collaborative work with other sectors, environmental groups, ourselves at the Environment Agency and other regulators.”*

Catherine also commented: *“The climate and nature emergencies are the biggest challenges we face. In the Environment Agency, we know how important it is to work together. If we are to deliver sustainable water for both people and nature for decades to come, then we need a new era of collaboration and partnership. Regional water resource planning provides a real opportunity to bring together everyone with an interest in water across the South East to tackle those problems.*

“My previous role in the Agency was in Flood and Coastal Risk Management, so I’m really pleased to see WRSE building relationships, not just across those with an interest in water resources, but across the whole water cycle. This includes sharing with, and learning from, the world of flood risk planning, establishing links to the Regional Flood and Coastal Committees (RFCCs) and water company-led Drainage and Wastewater Management Plans (DWMPs). All these activities have people, river basins and catchments at their heart. Managing our natural resources in the best way possible is key to sustainable water and a healthy environment in the South East.”



Securing water resources, sustainably

Ali Morse, Water Policy Manager at The Wildlife Trusts, provides a view as Chair of Blueprint for Water - a coalition of environmental organisations working across the water environment.

Regional water resources planning isn't just about providing water supplies for society. It's a key mechanism for ensuring that we move towards doing so sustainably – making sure the environment can cope with the demands we're placing upon it and will be able to continue to provide us with water into the future. At Blueprint for Water, we've set out a series of environmental challenges for regional water resources planning, which you can read on page 3.

Southern Water's Chairman recently referred to the company as 'both an environmental and a customer service business'. We think that's entirely correct – water companies rely on the natural environment to do business, so investing in environmental improvements



Blueprint for Water Chair Ali Morse

isn't just a nicety, it makes good business sense. Customers see that too, strongly supporting projects that benefit nature.

Water companies in the South East have some of the most fantastic habitats and species in their area to help protect – like our iconic chalk streams. However, they also have the highest predicted additional water need of all the regions, so the challenges here

are particularly acute.

Blueprint for Water has identified 10 areas where regional plans could be used to help enhance the environment. By adopting key approaches, principles and goals, we see the plans as a crucial means in helping us turn around the fate of our ailing waters. **Cont'd on page 3.**

Cont'd from page 2. With around 50 per cent of the national need for extra water by 2050 being in the South East, stakeholders and water company customers will be

looking to WRSE to chart a path to securing the necessary water supplies sustainably. These challenges won't be easy to meet, but as society emerges from the Covid-19

pandemic, it is becoming increasingly clear that fixing our broken relationship with nature is not just an expectation, but a need.

Blueprint for Water's 10 areas where regional plans could be used to help enhance the environment:

1 Meeting the needs of the environment first

Then looking at how the needs of businesses and households are met when planning where to take water resources from

2 Increasing the resilience of the environment

Taking action so that the environment can adapt to climate change and other increasing pressures

3 Delivering 20 per cent biodiversity net gain

Government is setting a minimum target of 10 per cent, so that development leaves the environment in a better, not a depleted state. The water sector should show leadership by selecting options in regional plans that deliver even greater increases in biodiversity, enhancing the environment that companies rely on to operate

4 Supporting the achievement of Net Zero as soon as possible

Contributing to water industry and then national targets on carbon reduction, enhancing nature and reducing business risk

5 Supporting the achievement of national water demand reduction targets

Via short and longer-term targets for reducing demand in homes, businesses and through leakage reduction

6 Ensuring all abstractors play their part

All sectors involved in regional planning must commit to using water efficiently and reducing demand where possible

7 Reducing the impact of water-intensive development in areas of water stress

Including working collaboratively to explore the feasibility of new development being water neutral

8 Delivering multiple benefits using nature-based solutions

Choosing solutions that help address water resource needs and also reduce pollution or flood risk, or enhance the environment

9 Working in partnership and committing to keep engaging with stakeholders

Including after plans have been adopted

10 Being vocal where there are policy gaps

For example, calling for tighter water efficiency standards for new development.

Exciting times - Proposals submitted on Strategic Water Resource Options

A key milestone has been reached, with feasibility reports, referred to as Gate 1 reports, submitted for a host of major water resource solutions (known as Strategic Resource Options, or SROs). These SROs could help provide a secure and sustainable water supply, as well as significant social, environmental and economic benefits for the South East and its communities.

The SROs are being considered in the development of the WRSE regional plan and the plans of other regional water groups, alongside hundreds of other potential

options. As such, the SROs are not preferred ways forward – they will be assessed in the same way as all the other proposals being looked at.

Affinity Water, Thames Water and Southern Water are looking at a number of SROs (please see the list on page 4), working in combination with each other and / or a range of other partners including Anglian Water, Bristol Water, the Canal and Rivers Trust, Severn Trent Water, South West Water, United Utilities and Wessex Water.

The Gate 1 reports for all the SRO schemes were submitted to [RAPID, the Regulators' Alliance for Progressing Infrastructure Development](#) in early July, as part of RAPID's

gated review process. These documents set out the feasibility of the solutions, including how much water they could supply, how much they would cost to build and operate, their carbon footprint and the wider benefits they could bring.

RAPID will now assess the submissions in detail, before making a recommendation to Ofwat on whether they should move forward to the next stage in the development process. Ofwat will then publish its final decision in November this year. If the proposals are given the go ahead, further developed scheme plans would be submitted to RAPID in October 2022.

Proposed Strategic Resource Options for the South East



Minworth Wastewater Treatment Works:

An option to provide treated wastewater as a way of increasing raw water flows in waterways / rivers, to support either the Grand Union Canal and Severn to Thames Transfer SROs (see below). Click [here](#) for more



The Grand Union Canal:

This scheme would see existing canal infrastructure used to transfer treated wastewater (from Minworth Wastewater Treatment Works in the Midlands) to Affinity Water in Hertfordshire and North-West London. Click [here](#) for more



The Severn to Thames Transfer:

This scheme would provide water to the South East via an interconnector, a new pipeline or restored canal network, which would enable the transfer of water from the River Severn to the River Thames. Click [here](#) for more



The South East Strategic Reservoir (SESRO):

A proposed new storage reservoir near Abingdon, in Oxfordshire, which would offer a resilient supply of raw water to the River Thames during periods of low flow. This additional flow could then be re-abstracted in London or be used for transfer to other water companies in the region. Click [here](#) for more



Water recycling in London:

There are four potential recycling schemes at Beckton, in East London, and Mogden, in West London. Treated wastewater would have further treatment and would then be released to the River Thames or the River Lee, where it could be re-abstracted as a raw water resource. Click [here](#) for more



The Thames Water to Affinity Water Transfer:

A raw water transfer to Affinity Water that could use a variety of new potential source waters in Thames Water's area - including the South East Strategic Reservoir, the Severn to Thames Transfer or the different London water recycling options). Click [here](#) for more



The Thames to Southern Transfer:

A raw water transfer to Southern Water that could use new potential source waters in Thames Water's area - the South East Strategic Reservoir or the Severn to Thames Transfer. Click [here](#) for more



The South Lincolnshire Reservoir:

A proposed new storage reservoir that's expected to be located in Lincolnshire. When river flows allow, water would be sourced from the River Witham, supported by a transfer from the River Trent. Water could be transferred to the reservoir, either by a pipeline or an open water transfer. Click [here](#) for more



The Anglian to Affinity Transfer:

A proposed new piece of infrastructure that would transfer water from the Anglian Water region to supply Affinity Water customers. The transfer would source water from a new supply to be developed in the Anglian Water region, which could be the South Lincolnshire Reservoir, the Fens Reservoir or a new source from the River Trent. Click [here](#) for more



West Country North Sources and Transfers:

A project that would see a new reservoir in Bristol Water's area to supply water to Southern Water, via a transfer across Wessex Water's area. Click [here](#) for more



West Country South Sources and Transfers:

This option would see additional water supplied to Southern Water from a South West Water reservoir, via a transfer across Wessex Water's area. It also includes recycled water from Wessex Water being provided to Southern Water. Click [here](#) for more

Please also see page 6 for details of how to access video recordings of the recent WRSE webinars which included presentations on a number of the above schemes.

Framework for Strategic Resource Options put forward

RAPID, the Regulators' Alliance for Progressing Infrastructure Development, recently consulted on [its work on the regulatory and commercial framework for Strategic Water Resources Solutions](#).

RAPID published a report explaining how its approach fits in with established and developing frameworks for water resources

planning, as well as wider work, including Ofwat's thinking on the next Price Review (PR24) and RAPID's own gated process.

The document also outlined RAPID's view across a number of key areas, including environmental regulation, multi-sector solutions, charges, drinking water quality and how solutions could be financed. Finally, RAPID shared its initial thoughts on the [review it commissioned on bulk supply contracts and pricing in England and Wales](#).

Following this initial consultation, RAPID plans to seek further feedback on policy options towards the end of this year, ahead of consultation on the draft regional plans in January 2022.

The results of RAPID's policy consultation will feed into its advice to other regulators, ahead of Ofwat's consultation on its draft PR24 methodology.

Havant Thicket Reservoir gets green light

The first major new reservoir in the UK for decades has been given the go ahead by councillors in Hampshire.

In June, East Hampshire District Council's Planning Committee resolved to grant planning permission for [Havant Thicket Reservoir](#) near Havant – an environmentally-led scheme which will secure vital water supplies for the future, while protecting world-renowned chalk streams.

The decision comes after elected members in neighbouring Havant Borough gave their support to Portsmouth Water's reservoir proposals, along with plans for an associated pipeline.

The next step is for legal commitments to be finalised with the local authorities, before full planning permission is granted, potentially this summer. The reservoir is due to be completed and operational by 2029.

Bob Taylor, Chief Executive Officer of Portsmouth Water, said: *"It is great news that both Havant Borough and East Hampshire District's planning committees have resolved to grant permission for our reservoir proposals – recognising the growing public need for reliable and resilient water resources and our ambitions and commitment to support the environment and communities.*

"As well as securing much-needed future water supplies, Havant Thicket Reservoir will help safeguard the River Itchen and River Test, two of Hampshire's rare and world-famous chalk streams, by enabling less water to be taken from them. It will also create a new green leisure hub for people and wildlife."



A new visitor centre is planned at the reservoir



How Havant Thicket Reservoir could look after completion

Making sure regional plans work together

Later this summer, our regional plan for the South East will start to go through a reconciliation process, involving the four other regional water resource groups. This is to make sure all the plans are aligned and integrated. The WRSE team has led work on developing the approach for this important stage in further refining the plans.

The reconciliation work, which will include 'stress-testing' the regional plans, is due to

run until December. The outputs will then be shared via consultation in January of next year, when the regional water groups will be asking for stakeholders' and customers' views on the biggest issues identified in the plans, together with the potential solutions to deal with them.

Jonathan Dennis, Principal at RAPID, the Regulators' Alliance for Progressing Infrastructure Development, commented: *"The regional groups are currently preparing for a process of sharing their developing plans to make sure that they fit together and create a cohesive whole. WRSE has worked*

with all the regional groups to co-develop this process and the focus on reconciliation of the plans is a really positive indication of the collaborative approach the groups are taking."

The Regional Coordination Group (RCG) has been working since November 2020 to build a shared view on how to best produce aligned regional plans and has designed the iterative reconciliation process which is about to get underway. We plan to hold a webinar in the autumn to explain the reconciliation process.

Webinars on WRSE water resources options prove popular

We would like to thank everyone who joined us for our recent series of eight webinars on the planning challenge we face and the range of options being considered for our regional resilience plan.

The online events attracted more than 250 attendees, and we covered a range of topics from managing demand for water, to major projects to transfer water from elsewhere in the UK to the South East (See pages 3 & 4 also). Overall, we received positive feedback about the sessions.

The webinars enabled people to learn more about the different approaches and potential water resource schemes we're looking at, with the WRSE team answering a wide range of questions and gathering feedback to help inform the regional plan's development.

Lesley Tait, Water Resources Engagement Lead at Thames Water, coordinated the team that delivered the webinars. She said: *"We're really pleased that the sessions proved so popular with a wide range of stakeholders, from local councillors to colleagues from water sector regulators.*

"It's great that there's such strong interest in

the variety of options that could be included in our regional plan."

Lesley added: *"We're already planning for our next round of engagement events, with a series of stakeholder workshops scheduled for the Autumn to discuss the different water resource programmes that are being developed.*

"This is so we can understand stakeholders' preferences and any trade-offs required."

Recordings of all the options webinars can be found on [the WRSE engagement platform](#).

Thank you for feedback on proposed drought plans

Our six member water companies would like to thank everyone who commented on their updated drought plans, which were published for consultation earlier in the summer.

All water companies in England and Wales are required by the Government to produce a drought plan – setting out the actions they would expect to take in the event of a drought to maintain essential supplies of water, while also protecting the environment.

The feedback received during the consultations will now be looked at in detail, with a Statement of Response to be published



by each company, covering what comments people made and what action is being taken as a result, in terms of the draft plans being

updated. The revised drought plans will then be submitted to Defra for review and approval.

Key findings from latest WRSE customer research

Our latest research with customers to shape our regional plan has identified the most important outcomes people would like to see the plan deliver.

In terms of what customers want from a 'best value' regional plan, we found that 'Delivering a secure supply of water' is the highest priority for householders. The second key outcome is for our plan to come at a cost that's acceptable to customers, with 'Delivery of environmental improvements and benefits to society' rated as third most important, ahead of 'Increased resilience in the South East's water systems'.

We've also been working with customers to co-create a digital 'visualisation' tool, which will enable people to easily understand our proposed options for our regional plan – in particular, how different versions of the plan could deliver a variety of end results.

The research took an innovative approach, using an online bulletin board to enable customers to look at, discuss and comment on a range of topics, such as how to make the tool easy to use and how to present key detail about the various 'candidate' plans, to enable them to be compared.

We got a clear view from the customers involved that the tool should set out more

prominently the amount of water that different interventions would provide – for example, leakage reduction, water-saving measures and new supply schemes. Our proposed mapping element of the tool received a big 'thumbs up' from customers, with people wanting further detail on the locations and timescales for supply schemes. Indications of positive or negative environmental impacts from different options are also key for people, along with easily understanding how customers would be affected, whether in terms of bills, or how they use water.

What we've been up to:

TREVOR BISHOP, WRSE Organisational Director



Oversaw completion of the resilience baseline assessment, which has highlighted pressure points in the water supply system. We will now be able to demonstrate how different planning options will mitigate resilience risks for customers

Presented a session jointly with Paul Hickey (RAPID) and Ed Beard (National Infrastructure Commission) on 'Driving water and environmental resilience' at the WWT Water Security conference

Spoke at two pre-COP26 events, one focused on sharing best practice for adaptation and another looking at how governance and institutional arrangements can support water security.

MEYRICK GOUGH, WRSE Technical Director



Working across the WRSE team as we have started to generate the first investment modelling results, which are providing valuable insight on the likely shape of our regional plan

Continued to work with colleagues, from the other water resource groups and National Framework organisations, on the regional plans reconciliation process. This will run through to December 2021

Leading collaboration across water companies and regulators to agree how future, long term, environmental sustainability abstraction reductions should be incorporated within our plan.