

## WRSE Stakeholder Group, 17 May 2019: Meeting report

The report summarises the first meeting of the WRSE Stakeholder Group. It should be read in conjunction with the slide pack that was presented.

1. Welcome and introductions - details of Stakeholder Group members can be found XX
2. Introduction to WRSE – see slide pack
3. Overview of the National Framework – presentation by Jonathan Dennis, The Environment Agency and comments by Ed Beard, Defra:
  - Keep coming back to the 25-Year Environment Plan – this particularly important for the south east
  - Objective is for water resources to be more resilient and efficient
  - Do as much as we can through exiting legislation/framework. Environment Bill is big and not everything may make it in
  - Spatial strategy - we need to be able answer questions about how water needs will be met where there are big projects that cross company boundaries (e.g. Oxford/Cambridge arc).
4. Break
5. Views of members -the following table summarises what we heard from members about:
  - What is the long-term vision for your sector?
  - What is the future water needed to deliver it?
  - What do you hope to get from the WRSE regional plan?

Stakeholder	Summary of key points
<b>Russ Money, Natural England</b>	Priorities for the regional plan are: <ul style="list-style-type: none"> <li>• Nature recovery – need to really get to grips with legacy issues, unsustainable abstraction is a priority together with using and obtaining water in different ways. The regional plan is an enabler to use and supply water differently, which will help to solve historic unsustainable abstraction– some of which have been very difficult to solve. Also, an opportunity to look at the relationship between water resource planning and land use management – catchment schemes and protection of raw water quality. How does this link to measures that will assist nature recovery?</li> <li>• Resilience to climate change – build up the resilience of the natural environment.</li> <li>• Sustainable growth – more proactive engagement with development planning for water resources and need to work hand in hand with development and planning policy (PCC etc)</li> </ul>

	<ul style="list-style-type: none"> <li>• People – huge social dimension, how can the regional plan help make the connection with people to their environment and tell a story about water resources.</li> </ul> <p><b>Key insights to consider</b> – Sustainable growth and its relationship to development planning - how do we get to a position where the water agenda is not reacting, and that water management is done in tandem with other facets of planning.</p>
<p><b>Alan Turner, Kent County Council</b></p>	<ul style="list-style-type: none"> <li>• Spatial Planning – Local Authorities need tangible evidence that their growth numbers are in the plan (difficult when multiple companies operate across one patch) the regional plan can address this and provide transparency</li> <li>• Growth and development – greater ambition across different sectors for water management. Greater link up needed between water resources, drainage, surface water management and flood risk. Both at regional and more local scale. Inconsistency between how different water companies currently approach it.</li> <li>• Agriculture and horticulture – sector want lots of cheap clean water. What they really need is help to improve water efficiency, soil quality, and help with understanding their long-term future needs. Together this will help them develop drought resilience. They would appreciate back stop support for extreme events.</li> <li>• Is emergency planning fit for purpose?</li> <li>• It’s a struggle within existing paradigm to think really long term</li> </ul> <p><b>Key insight to consider</b> – greater ambition around integration, surface water management – how does it figure? “it’s all water”.</p>
<p><b>Kane Horton, Canal and Rivers Trust</b></p>	<ul style="list-style-type: none"> <li>• CRT is a user and a solution provider with both regional and national level, focused on creating and maintaining a vibrant waterway – navigation, environment and linking communities. Has an important social role.</li> <li>• See an opportunity to re-purpose the 2000-mile network. Our water needs are driven by customers’ needs – what our boaters want – we have a 5-year strategy but don’t have the same resource to look ahead and understand the future needs.</li> <li>• What do we want from regional plan – embrace the canal and waterways network and its role in moving water between regions. Canal transfer schemes are being included in the WRMPs (Thames and Affinity). We would like to work collaboratively to generate more water if we can – what innovation can we drive to release more water as and when its needed. Where there are multi-beneficiaries.</li> </ul>

	<p><b>Key insight to consider</b> - Line of sight between plans and resources crucial on a local / regional / national basis if we are to be able to consider widest possible use of the broadest range of solutions.</p>
<p><b>Martin Pilbim, RWE</b></p>	<ul style="list-style-type: none"> <li>• Power generation (Didcot) and assets throughout the country. Energy sector generally – National Grid run the network and model scenarios and general trend for decarbonisation. It means going forward a change in the way the existing asset base will be used. Moving to a more security of supply-type products not day to day assets. Energy sector only uses 10% of carbon – most in heat and transport. Need for water doesn't change – There will be value based change in use of legacy assets</li> <li>• What do we want from this group, looking at capacity and glide path towards the water shortage and look at the commodity of water and flex commodity for different needs</li> <li>• Flexibility to create the market and let the market to decide. Speed at which projects can be delivered is important. Role of the RAPID group</li> <li>• Insurance products have a role in capacity market constrained conditions and pathways to drought.</li> </ul> <p><b>Key insight to consider</b> – flexible water sharing mechanisms -incentives, water usage for the power sector will not change as we shift from conventional to distributed generation.</p>
<p><b>Tom Ormesher, NFU</b></p>	<ul style="list-style-type: none"> <li>• High level vision – profitable and productive sector, animal welfare, zero emission, food production for a healthy balanced diet. Farming sector to underpin the rural economy and a skilled rural workforce.</li> <li>• Policy pillars:             <ul style="list-style-type: none"> <li>- productivity (social elements and know-how of the sector) – step change needed to incentivise and produce more food;</li> <li>- volatility (economic sustainability / climate) – sector needs to be better prepared and able to adapt to change;</li> <li>- environment (delivering public goods like clean air, clean water and biodiversity) – sector has a role to play in this.</li> </ul> </li> <li>• Future water needs:</li> </ul>

	<ul style="list-style-type: none"> <li>- water availability – big questions about how we sustain food supplies and where the water comes from in a context where it is hard to predict the increase in demand</li> <li>- Systems resilience – there are services that farmers can offer and this needs to be developed and understood to support environmental and water resilience</li> <li>- How can we incentivise this sort of behaviour? The agriculture sector does not really actively plan for prolonged periods of dry weather</li> <li>- Volatility of water demand for different crops – potatoes - a seven fold increase in need for water compared to other crops.</li> </ul> <p><b>Key insights to consider</b> – farmers could offer services – some are already 80 to 90% self-sufficient, rural economic development is important to the country - we need to think about different scenarios around this and their impact.</p>
<p><b>Cassie Sutherland, Greater London Authority</b></p>	<ul style="list-style-type: none"> <li>• Mayor’s vision – economic, social and environmental role of water. Twin track approach – greater investment in leakage/water efficiency and new strategic resources. Also needs to link with target around emissions and skills targets. Also, better integration with wastewater planning needed</li> <li>• Greater investment in innovation and technology to make water supply more sustainable to meet future growth. Need to ensure accurate growth projections are used</li> <li>• Some things are tricky in London – need to address this and it should be reflected in investment plans and funding</li> <li>• Also need to understand and mitigate the disruption to Londoners</li> <li>• Agree we need it to be sector-based</li> <li>• Held drought summit in London last year. Nobody can manage with serious water restrictions; we need to be on the front foot and economic impact of severe drought is unthinkable</li> <li>• New development – promoting an integrated approach to water, water efficiency, water re-use and innovation and systems thinking for water. Safe, secure, reliable supplies with customer driven outcomes are a table stake</li> <li>• Delivered through a combination of leakage, water efficiency and resource development / management.</li> </ul> <p><b>Key insights to consider</b> - Water planning should take into account a broader range of value factors; we should use common data sets – regulatory frameworks should change to accommodate this.</p>

<p><b>David Howarth, The Environment Agency</b></p>	<ul style="list-style-type: none"> <li>• We want to achieve a resilient water supply system, balancing the needs of environment and people within the constraint of reaching good ecological status for all water bodies</li> <li>• WINEP directly sets out the environmental need for water and WRMPs should identify the right balance of demand management and supply side solutions</li> <li>• Potential for real and proper engagement through the regional plan.</li> </ul> <p><b>Key insight to consider</b> - Opportunity for more linkage between the water/wastewater planning processes. Past project by UKWIR/EA looked at this but didn't change much would be good to pick this up again. Key part of the best value solution so needs to look at the wastewater side.</p>
<p><b>Karen Gibbs, CCWater</b></p>	<ul style="list-style-type: none"> <li>• CCW Represent people using public water supply – most people don't give much thought to it, but most have an expectation of a continuous service now and into the future. They don't make the link between what comes out the tap and the natural environment</li> <li>• People trust that water companies will do the right thing – tremendous responsibility of this group and others to come up with the right answers</li> <li>• Engagement and communications are going to be a key element for this project going forward.</li> </ul> <p><b>Key insight to consider</b> - Fairness and equity issues –perceptions around some big strategic transfer options where you are arriving at a situation where customers have different levels of risk and how cost of such projects will be shared across customer base, governance of costs being used for what it should be.</p>
<p><b>Tom Andrewartha, Waterwise</b></p>	<ul style="list-style-type: none"> <li>• Water efficiency should be essential not optional. Wasting water should be deemed as socially unacceptable. Driving greater ambition for water efficiency</li> <li>• More resilient to drought and climate change; less impact on the environment; reduce carbon emissions</li> <li>• Water Efficiency seen as water company responsibility – going to need everyone to play their part and WRSE regional plan will drive and enable responsibility and action across all sectors</li> <li>• Non-domestic users need greater focus and no targets for this – this is a gap and could be addressed through WRSE</li> <li>• Water companies are planning high level WE reductions – these must be achievable</li> </ul>

	<ul style="list-style-type: none"> <li>• There is an opportunity to promote the narrative about where the water comes from and connect people to their environment.</li> </ul> <p><b>Key insights to consider</b> – how to effectively make resilience / efficiency trade-offs, multi sector approach critical – what happens if we don't make PCC reductions?</p>
<p><b>Jerry Bryan, Albion Water / Water Level</b></p>	<ul style="list-style-type: none"> <li>• What can we do innovatively to address extreme drought events? Need to look somewhere else where water will be there in extremis. E.g Norway – transporting water over. Not easy (transport, tankers, ports, connectivity) but we can do it and cost is attractive compared to investing in assets that are never used. Could be set up as an insurance policy</li> <li>• New housing – Albion Water is building houses with dual supply and reducing PCC. Doing it competitively</li> <li>• Embrace the farming community – build on site reservoirs for water and flood alleviation. Need to break out of silos and there is much more that we can do.</li> </ul> <p><b>Key insights to consider</b> - No house should be built in SE area without dual supply, water efficiency should be hard wired into new homes. Role of insurance products and how to raise funding for seed corn initiatives.</p>
<p><b>Dave Hinton, South East Water</b></p>	<ul style="list-style-type: none"> <li>• Currently we assess demand on our network, look for solutions and then check impact on environment. If we move to resilient approach for wider use of water – we can start to look at whole demand on catchment (not just customers) – look at what the catchment can sustainability cope with and how you decide on the trade-offs and manage the risk.</li> </ul>

6. Developing the multi-sector regional resilience plan (see slide pack) – summary of follow up discussion points:
- Need to think really hard about innovation options that haven't been on the list before (Dave Hinton).
  - Can't dismiss behaviour change – there is a huge opportunity here (Tom Andrewartha)
  - Integration between water and wastewater side – increasing pressures within the wastewater sector will make recycling water opportunities easier (Alan Turner)
  - Options need to be as low carbon as possible (Tom Ormesher)



- We need to think about the insurance options alongside typical demand/supply side and assess objectively. Will be a challenge to do more to full integration with the wastewater planning for this plan but definitely a long-term ambition. This plan will look at reuse options more seriously (Trevor Bishop)
- We need to think of the things we agree on and need to do really well for this plan. Also need to look at alternatives for funding, e.g. private investment. Can't let WRSE funding constrain us (Simon Cocks)
- Risk sharing is something for the national framework. If we are moving more water around, we need to understand consequence. Do we need to involve customers or is there a policy mechanism to balance risk across regions (Dave Hinton)?
- National Framework will look at levels of resilience in recipient and donor region (Jonathan Dennis)
- Is the WRSE planning horizon to 2100 going to be a barrier to other sectors engaging and putting forward options? (Jonathan Dennis)
- Need to clearly articulate short, medium- and long-term needs and solutions to allow others to engage and contribute, need to do more to stimulate third party options (Meyrick Gough)
- Must also reflect wider industrial use particularly in key cities (Cassie Sutherland)
- Water companies could be clearer about putting information into public domain – info is hard to find and WRSE can stimulate companies to make information more accessible

7. Final remarks / next steps (Simon Cocks)

- Today has provided a wider ranging inventory of ideas and we 'll play this back to you – we need you to help us prioritise
- Would like to hear from you to understand you see as success
- We'd like to publish things transparently throughout the process.