Waterwise
344-354 Gray's Inn Road
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21st February 2022

Deadline 28th February. Responses to contact@wrse.org.uk

Dear Sir/Madam

Consultation - Water Resources South East Emerging Plan

Many thanks for the opportunity to comment on the emerging plan. We have focussed our response on the demand management elements of the plan. We have also taken into account in our response the Waterwise briefing issued to the five regional groups in December 2020 that set out our thoughts on what we would expect to see in the emerging plans as well as a similar document issued by Blueprint for Water in 2021.

Assessment of Future Needs

- We are pleased to see WRSE engaging with a range of **non-PWS abstractors** including from the paper and horticulture sectors to try to better understand their current and future needs and to engage with them on potential solutions. This is a major step forward in water resource planning.

- There is a need to improve the understanding of future **non-household PWS needs** and the opportunities for NHH demand reduction in the plan. This area was weak in WRMP19 and has been challenging since retail market separation. However, it is an area where significant savings can be made. Evidence from Thames Water's smart meters indicates as much as 26% of the supply to NHH sites is continuous flow and may be leaking and their Smarter Business Visits have yielded significant savings from NHH sites. We would therefore like to see the WRSE plan more clearly set out those NHH PWS sectors with high water use mapping where they intersect with areas of current or future water scarcity. The plan should include a commitment to collaborate with water retailers, NHH users, their "trade" bodies and Waterwise to help encourage and support them in reducing demand and improving resilience.

- It is evident that there is a lot of **uncertainty** in most of the predictions of future needs and this is an area that definitely needs ongoing attention as highlighted in the report. In light of these uncertainties the approach of looking at scenarios and of developing **an adaptive plan** makes a lot of sense, providing the uncertainties are kept under review.

- In terms of **the needs of the environment** we are pleased that WRSE has modelled the Enhance and BAU+ environmental destination scenarios. However, we are concerned that the new Central scenario modelled and preferred in the plan is so different from either. It appears that, even in this first regional plan, meeting the needs of the environment is being traded off to meet the needs of other users. It will be important that the rationale behind this decision is clearly set out in the next iteration of the plan. We are also keen to see/hear the views on the acceptability of the approach from local environmental stakeholders. Any trade-offs that reduce environmental ambition (such as shifting to a Central scenario) should not be considered without "trade-offs" or enhanced commitments being made by other sectors to reduce their future needs (see below).

Proposed Solutions

- We fully support the plan in its ambition to deliver **significant PWS demand reduction** and we are pleased to see a significant increase in investment in the early years of the plan to do this. This will help deliver the savings that are needed but also help reduce the **uncertainty** in the deliverability of long term demand reductions and leakage reduction. Reference could be made of the role of the **Senior Water Demand Reduction Group** linked to the National Framework which was setup to provide oversight on progress with demand reduction. We would like to see a **breakdown of the £5.1 billion** allocated for demand management with reference to the % contribution shown on p18.

- We believe the plan could take a clearer position on **smart meter roll-out.** There is a growing body of evidence of the benefit they can deliver both in terms of leakage management and engaging with HH and NHH customers on consumption reduction. Water resource planning guidance requires consideration of smart meter roll-out scenario. We would like to see a commitment that no new "dumb" meters will be installed and a timeline to roll out new smart meters and/or convert existing meters to smart meters for HH and NHH customers across the whole WRSE region. New research by Frontier Economics and Artesia has shown that this is cost beneficial for all the companies in the WRSE region.

- We are pleased to see the WRSE plan clearly setting out where **government policy** is needed to help deliver the deep demand reductions needed. We fully support the calls for a mandatory water label and for more ambitious building standards. However, the statement in Annex 2 p1.22 that the 110 litre target included the effect of such government policy interventions is incorrect, it did not. The minutes of the National Framework Senior Steering Group confirm this including an agreement that ambition could be greater than 110 litres with supportive policy in place. Also in p1.23 the water label proposed is not just for white goods but includes taps, showers and toilets. On p19 of the plan the comment that tighter building standards can deliver savings by 2060 is misleading as savings will be realised well before 2060.

- We note the proposed retention of **TUBs and NEUBs.** It would be useful to set out if their anticipated use is going to increase or not. Both are potentially useful tools to reduce discretionary water use during dry weather periods and may also be relevant during peak demand events. However, it will be important that there is a strong communication plan in place for such measures, to include water retail companies, and that data is collected and their impact evaluated.

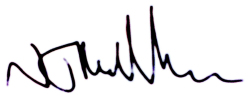
- Ongoing work is needed as the plan develops to include the future needs of **non-PWS abstractors** such as power, paper and horticulture and we would like to see a section added to the plan highlighting the **commitment and plans** of these other sectors to manage their future demand carefully (i.e. to use water efficiently and to minimise wastage). The WRAP 2030 Water Roadmap for the food and drink sector is a good example that could be referenced in the plan along with the NFU's integrated water management report and its regional reports and the 2025 water commitments of the Horticultural Trade Association.

- A significant portion of the potential deficit is driven by future decisions on the **type and location of energy supply and large scale future housing development.** Whilst we recognise the ultimate decisions on whether to locate these water hungry new developments in a region with a significant water deficit are not in the direct gift of the organisations developing the WRSE plan we do believe the plan needs to promote a position where such large scale water hungry developments, in a region with such a large water deficit, should be **water demand neutral….**in much the same way as regulators require new developments in flood prone areas to be flood neutral. For example:
    - With the OxCam Arc development WRSE could join others such as Blueprint for Water and Waterwise in calling for the new development to be made water neutral so that its additional water demand footprint is minimised and any residual demand is offset through savings locally. Recent work Waterwise has seen for the OxCam Arc has shown that such an approach is technically and economically feasible.
    - For new water hungry energy facilities, and decisions on where to site them, WRSE should be advocating for freshwater availability to be a material consideration. If such developments proceed and significant additional demand is located in a region with a serious water supply deficit then the new energy development should be required to both minimise its freshwater demand and also to offset any residual footprint by funding demand reductions elsewhere in the region.

- We are pleased that the plan includes commentary on p36 on the potential **carbon saving benefits** for wider society achieved through reducing water demand

If you have any questions on our response please do get in touch.

Regards



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Who is Waterwise

Waterwise was founded in 2005 and is the leading authority on water efficiency in the UK. We are an independent, not-for-profit organisation, receiving funding from supporters across and beyond the water sector and wider sponsorship and research projects. We like to be at the front, leading and supporting innovative efforts to realise our mission; that water will be used wisely, every day, everywhere.