Waterwise
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21st February 2022

Deadline 28th February. Responses to granville.davies@yorkshirewater.co.uk or william.robinson@nwl.co.uk

Dear Sir/Madam

Consultation - Water Resources North 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 WReN is actively engaging with **non-PWS abstractors** to try to better understand their current and future needs. We accept that this is a new approach for those sectors and they are generally not in the same place as the water wholesalers when it comes to forecasting future use. However, this is one of the main benefits of this process….encouraging other sectors to think about and plan for future needs and integrating that with plans for PWS. Currently the emerging plan relies heavily on existing national datasets and we would like to see greater evidence of regional engagement with these sectors, particularly power which is showing a 20% increase in consumptive demand and agriculture which has more than 30% increase.

- There is a general need in water resource planning to improve the understanding of future **non-household PWS needs** and the opportunities for NHH demand reduction. 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 metering 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 WReN plan more clearly set out those NHH PWS sectors with high water use in the region, including mapping where they intersect with areas of current or future water deficits. The plan should also 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, including uncertainty over interregional transfers, and this is an area that definitely needs ongoing attention. 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 WReN has modelled the Enhance environmental destination scenarios alongside BAU. We expect to see the headline outputs from this environmental needs modelling (Table A6.1) in the main plan alongside the information in Table 5.4 on future needs of other sectors…..rather than just including it in Appendix 6.

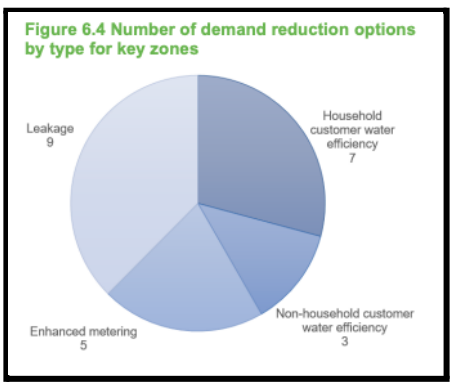
- We believe that this first regional plan should be ambitious in terms of what it sets out to achieve for the environment. We want to see environmental needs embedded in the forecast of future needs before considering making more water available to other sectors. Subsequent trade-offs to reduce environmental ambition should not be considered without "trade-offs" or enhanced commitments being made by other sectors to reduce their future needs (see below). The approach set out in Appendix 6 for the Regional Scenario and on p46 and p61 of the main document implies the current and future needs of other sectors are met first before those of the environment which are deferred awaiting further evidence. If this is not correct then it could be made clearer in the plan.

- We appreciate that meeting the enhanced scenario could result in a significant deficit in parts of the region and that the solutions such as a Tees transfer will take a long time to bring forward. Therefore it is crucial that this potential pathway is more explicitly considered in the main plan document with a clearer programme of work set out to resolve the uncertainty in a timely manner.

Proposed Solutions

- We fully support the emerging WReN plan in its ambition to deliver significant **PWS demand reduction** savings and we do want it to target meeting the planning assumptions set out in the National Framework (e.g. 110lppd and a 50% reduction in leakage by 2050). In testing this level of demand ambition with customers WReN will need to be clear with them about the wider consequences of not meeting this level of ambition.

- However currently there is **no demand reduction plan** set out in the emerging WReN plan for any of the key sectors (including PWS HH or NHH) beyond the very general schematic shown here and an assumption that either the



national ambition will be met or partly met. This is a **major omission** given the reliance on demand management to maintain the supply demand balance. We would have expected to see far more detail on the actions that are needed / will be taken across each major water using sector, when and how much they can potentially contribute. The WRSE emerging plan (including Annex 2- The Solution) or the WCWR Plan could be referred to as examples of the information that could be included. The lack of detail on demand management contrasts markedly with the level of detail included on supply side solutions.

- We were pleased to see Section 7.2 presenting a demand management **PESTLE analysis** which is excellent and very useful. It just needs to be linked more explicitly with a demand reduction plan.

- In terms of the question about the pace of action on demand management we believe water companies should look to increase investment in demand management to both deliver the savings that are needed but also to reduce the **uncertainty** in achieving significant demand reductions highlighted earlier. Close monitoring of progress with demand reduction is important so that adjustments and adaptations can be made to both the programmes and to policy. 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.

- Water resource management planning guidance requires explicit consideration of a **smart metering** roll out option and we would like to see this in the next iteration of the plan, particularly given the comments in the PESTLE table. There is a growing body of evidence that they can deliver significant benefits both in terms of leakage reduction and engaging with HH and NHH customers on consumption reduction. 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 WReN region. New research by Frontier Economics and Artesia has shown that this is cost beneficial for all the companies in the WReN region.

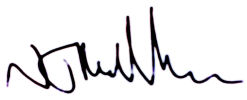
- We are pleased to see the WReN plan clearly setting out where **government policy** is needed to help deliver the deep demand reductions needed. We fully support the calls for a mandatory water label and for more ambitious building standards.

- As highlighted earlier further work is needed as the plan develops to include the future needs of **non-PWS abstractors** and we would like to see a section added to the plan highlighting the **commitment and plans** of the main sectors (power, food and drink, minerals and farming) 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.

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.