

The Rt Hon Philip Dunne MP
Environmental Audit Committee
House of Commons

Sent by email

14th May 2024

Dear Philip,

Re: EAC Inquiry 'Water quality and water infrastructure: follow-up'

I am writing to you as Chair of Blueprint for Water, part of Wildlife and Countryside Link, regarding the Environmental Audit Committee's follow-up inquiry into 'water quality and water infrastructure'.

Blueprint for Water is a unique coalition of environmental, water efficiency, fisheries and recreational organisations, working to restore the health of our water environment. We welcomed the Committee's 2021 report 'Water Quality in Rivers' and were pleased to submit evidence to the inquiry.

Though there has been some progress since, we remain concerned by the scale of the challenge facing our water environment, and the lack of [a strong, effective regulatory framework](#) to drive improvement. As the [OEP concluded](#) just last week, 'Government is not on track to meet the Environmental Objectives it has set' under the Water Framework Directive Regulations. This is due to a combination of insufficient investment, gaps in monitoring, and a lack of clear governance.

We are writing to submit further written evidence and we would be delighted to follow up with further information if that would be helpful to the Committee.

Inadequate investment in improving water quality and water security

Blueprint for Water has engaged extensively both with Ofwat and the water industry to advocate for an environmentally transformative Price Review in 2024. Despite some welcome

improvements, we remain concerned that water industry business plans will not meet environmental needs.

It remains unclear to what extent the record investment forecast for PR24 will contribute towards delivering the Plan for Water, Net Zero, and the Environment Act targets, including to halt the decline of nature by 2030. We are concerned that necessary abstraction reductions identified through the National Framework will remain unmet. This is reflective of a broader trend within the plans that investment and ambition for improving water security appears neglected compared to wastewater. Government steer issued to the water industry to [phase non-statutory activities to future price reviews](#) risks a further watering down of ambition.

It is essential that water industry investment delivers maximum environmental and social value, including through driving progress toward Government environment targets and nature's recovery. Yet the plans [continue to miss](#) opportunities to do so effectively and efficiently, for example through the use of [catchment and nature-based solutions](#) (CNBS). Government has indicated support for CNBS, yet significant barriers remain, and their inclusion within the plans appears disappointingly limited.

Insufficient progress in urban planning and development

There has been insufficient progress in implementing sustainable drainage to reduce pressure on the sewer system. The final consultation on introducing standardised sustainable drainage systems, through implementing Schedule 3 of the Flood and Water Management Act, is far overdue. There is now a significant risk that this Government will not have time to implement these promised changes, resulting in further delay.

Insufficient ambition and investment in water resources, undermining resilience to water scarcity, is exemplified by current events in Cambridge, and the need to resort to a system of water credits following Environment Agency objections to planning applications.

As [reflections from the Agency](#) show, the water industry is reliant on national policy drivers such as improvements to Building Regulations and water efficiency labelling schemes to deliver sustainable water supplies for people and nature. If Government does not deliver on these commitments, over-abstraction will continue to drive further environmental harm until alternative costly and carbon-intensive interventions can be delivered.

Further action needed to support farmers to reduce agricultural pollution

Whilst enhanced incentives to support farmers to reduce agricultural pollution are welcome, a lack of targeting means that actions are unlikely to deliver the required outcomes. In order to drive progress towards water quality targets under the Environment Act, an effective Land Use Framework will be necessary to direct activity and funding.

Stronger, more effective regulation for the water environment is required

The current regulatory framework is [not delivering positive outcomes](#) for waterbodies, or the wildlife and water users they sustain. Regulators are underfunded and under-resourced, undermining their ability to deliver a strong advisory, monitoring and enforcement regime. This means that the performance of regulated sectors is not improving, and non-compliance is commonplace.

Furthermore, inconsistent approaches across the Environment Agency and Ofwat are creating barriers to the use and uptake of environmentally beneficial actions, such as CNBS. We have serious concerns that these challenges [will be further exacerbated](#) by the imposition of the Growth Duty on Ofwat.

Clearer environmental purposes and duties must be established for all regulators, including the Environment Agency and Ofwat. This should include the introduction of a strong new 'Green Duty' for Ofwat. This would require Ofwat to contribute, wherever possible, to the delivery of environmental targets under the Environment Act 2021 and the Climate Change Act 2008. In tying Ofwat's duties as a regulator explicitly to delivering environmental targets, this would ensure that these become main drivers of Ofwat's work and decision-making processes.

This Green Duty should also relate Ofwat's function and priorities more strongly to protected site condition and the Habitats Regulations, to ensure that decisions are made with regard to how investment will deliver the best environmental outcomes. Guided by the Green Duty, Ofwat's decision-making processes would enable delivery of low carbon, multi-benefit infrastructure by default.

Blueprint members believe that these shortcomings and others have contributed to the slow progress towards achieving healthy waters as identified by the OEP. We encourage the committee to consider the above concerns as contributing factors in our slow progress towards achieving WFD objectives across England's waters.

We would be pleased to discuss any of these points further, if helpful.

Many thanks, and kind regards,



Ali Morse
Water Policy Manager, The Wildlife Trusts
Chair, Blueprint for Water