

Blueprint for Water response to *'Reliable services for customers – consultation on Ofwat's role on resilience'*

Q1 Is our basic understanding of resilience aligned with your own – are we addressing the right things in the right way?

Ofwat's understanding of resilience, as reflected in the working definition on page 10, does align with our own. This definition makes it very clear that resilience has only been achieved when services to people can be maintained indefinitely alongside protection of the natural environment.

However, the interpretation of the resilience objective in Appendix 1 and summarised in footnote 1 on page 1 focuses entirely on *'water systems and services'* without reflecting the importance of ensuring resilience of the natural environment. It is very unlikely that we will be able to achieve resilience in future freshwater supplies, in the face of increased demand and predicted increase in extreme weather events, without improvements in how the natural water environment is managed. We would like to see Ofwat more clearly support and promote the duty that water companies have to ensure environment resilience.

We believe that a healthy freshwater environment is a more resilient one, with a greater capacity to cope with natural and manmade pressures than a system that is already pushed to its limits. For example, a wetland is less able to cope with drought conditions if it is already over-abstracted or subject to artificial drainage. Notwithstanding the duty water companies have to ensure that their activities do not reduce the wider resilience of the natural environment investing in wider environment resilience is economically beneficial. Increasingly water companies are investing in improvements to the overall health of the water environment because it makes sound business sense through reducing the long-term cost of treating water.

Q2 Do you agree with our view of what Ofwat should deliver, including where we might step in, and what is for others to deliver?

We think that Ofwat has defined its own responsibilities too narrowly and does not appear to be proposing a sufficient level of active leadership or a clear enough intention to allow companies the tools they need to deliver on their resilience objective or sufficient willingness by Ofwat to take action when they are not fulfilling this responsibility.

We believe that Ofwat has a statutory responsibility to ensure that water companies plan for and deliver a resilience of the environment that enables ecosystems to cope with and recover from drought and other extreme events, in

the same way as it has responsibilities to ensure a continuity of water supply and wastewater services to paying customers.

We believe that Ofwat's duties with regard to the resilience objective must go beyond the monitoring of company activities and recognition of good practice. Instead, Ofwat must actively ensure that water companies plan for and deliver resilience, both with regard to their ability to deliver services to their customers and their ability to protect the natural environment.

We note Ofwat's reluctance to '*turn resilience into a compliance issue*' and agree that it would be inappropriate and ineffective to impose a fixed set of standards across the sector. However, we believe an assessment of approach on a case by case basis against standards that are proposed by the companies, in consultation with their customers and other stakeholders would be appropriate. We believe that Ofwat not only has a responsibility to actively encourage, promote and facilitate water company activities to ensure resilience but also to assess the adequacy of their plans and actions.

Q3 What views do you have on how the water and wastewater sector might measure its performance in delivering resilient services – and the best way for us to demonstrate that we are carrying out our role?

As described above, we agree that setting a fixed set of standards across the sector is not appropriate as it cannot account for the very different environments that water companies operate in. Instead we would expect individual companies to make their own plans for how they will deliver a resilient service, including a healthy natural environment, in line with the definition Ofwat proposes on page 10. Plans that set out how this objective will be met should include appropriate targets and a programme of monitoring for both supply and demand management. These plans should enable water companies to demonstrate that the standards of service reliance meet the expectations of their customers and the economic regulator whilst protecting the natural environment.

Water companies should already be able to demonstrate compliance with statutory environmental duties. The resilience objective must set a significantly higher standard than this and account for a range of extreme weather events and demand scenarios. It must recognise the long term benefits to the sector that a healthy environment can provide and set standards that the companies and their customers support.

Final comments

Ofwat's role on the resilience objective needs to be broader and more proactive than the position it has set out in this consultation to ensure it sufficiently embraces

its duty towards achieving environmental resilience. We support the definition of resilience that Ofwat is using and would like to see their broader position more closely aligned with this. Given climate change and increasing population pressures customer needs will not be met without water companies ensuring that the environment is also resilient to these pressures.

Blueprint for Water coalition

The Blueprint for Water is a unique coalition of environmental, water efficiency and fisheries and angling organisations that is calling on the Government and its agencies to set out the necessary steps to achieve “sustainable water” by 2015. The Blueprint for Water is a campaign of Wildlife and Countryside Link. More information is available at www.blueprintforwater.org.uk

If you would like to talk through the development of Ofwat’s resilience duty further with the Blueprint for Water coalition please get in touch with raul@wcl.org.uk.

This consultation is supported by the following ten organisations:

- Angling Trust
- Amphibian and Reptile Conservation
- Buglife
- Friends of the Earth England
- The Rivers Trust
- The Wildlife Trusts
- The Woodland Trust
- Royal Society for the Protection of Birds
- Salmon & Trout Association
- Wildfowl & Wetlands Trust

Wildlife and Countryside Link

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