

Water Resources Management Plan Consultation (Southern Water) Water Services Department for Environment, Food and Rural Affairs Seacole Ground Floor 2 Marsham Street London SW1 4DF

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### Consultation response: Water Resources Management Plan Consultation (Southern Water)

Hampshire & Isle of Wight Wildlife Trust is increasingly concerned about the management of our collective water resources as we see pressures from abstraction and pollution on legally protected and important sites for wildlife, including some of the Trust's nature reserves and the internationally renowned and legally protected chalk streams.

We are pleased to see that the Southern Water Resources Management Plan takes steps to reduce reliance on abstraction from our chalk streams by tackling leaks and implementing water efficiency measures. However, we consider that the plan must go further to place the environmental limits of our river catchments at the heart of decision-making and ensure that the highest environmental ambition scenario is delivered.

We have concerns that the 'best-value approach' does not effectively consider the environmental impacts and recommend a natural capital approach to cost benefit assessments of all investments. Furthermore, the best-value approach could be overruled by customer, stakeholder and shareholder views which could further dampen environmental ambition – something we cannot afford to do.

Currently <u>nearly a fifth</u> of our surface waters, and over a quarter of groundwaters, do not have enough water to protect the environment and to meet the needs of fish and other aquatic life, and this situation will only worsen with climate change and increases in demand.

# Reducing abstraction from our precious chalk streams

One of the Trust's key priorities is to encourage Southern Water to vastly reduce their reliance on abstraction from our chalk streams, especially the designated River Itchen SAC. With climate change increasing the frequency and severity of droughts, we must see accelerated plans to develop long-term, more sustainable, solutions that rapidly reduce abstraction and eliminate the use of drought permits.

While we welcome supply schemes that will reduce unsustainable abstraction from chalk groundwater and meet environmental flow targets, we consider that they must reduce reliance on short-term

mitigation measures in future and provide better long-term resilience for our internationally important chalk streams.

It's vital that Southern Water secure an alternative water supply as soon as possible to protect our chalk streams, yet the plan outlines that no additional large scale water resource solutions will be available until early 2030. We would like to reemphasise that under Section 20, Southern Water are legally required to use all best endeavours to find an alternate water resource to abstraction from the River Itchen.

We are pleased to see that the Isle of Wight, River Itchen and Upper Test are high priority catchments and will be prioritised for abstraction reduction. However, it is currently unclear to what extent abstraction will be reduced and whether the scenario exceeds the minimum environmental requirements set out in the Environment Agency's BAU+ scenario. BAU+ represents the *minimum* level regulators expect water companies to plan for through their WRMPs, whereas the enhanced scenario considers additional long-term requirements for sites with environmental designations, principal salmon rivers, and chalk streams. We would expect to see a clearer commitment to applying the most sensitive flow constraints on these rivers.

We are very concerned that Southern Water will continue to use drought permits up until 2040. We remain unconvinced that the drought permit won't have a detrimental impact on the internationally renowned and legally protected chalk streams such as the River Itchen SAC and SSSI. Where there is uncertainty in the impacts on designated sites, Southern Water should adopt the precautionary principle ensuring the needs of the environment are being met until the evidence shows that any additional abstraction will not result in unacceptable impacts on it.

The section 20 agreement signed by Southern Water Services Limited in the context of the 2018 inquiry into abstraction limits from the Candover, Itchen and Test included an objective: "not to require the Itchen and Candover Drought orders after 2027 and only to require the Test Surface Water Drought Order or Permit after 2027 in extreme drought events (1 in 500-year drought severity)". However, evidence from WildFish suggests this no longer the objective and that drought orders in excess of that objective are now likely to be required well beyond 2027 until the Havant Thicket Reservoir and associated projects are completed (early to mid 2030's). Until the Havant Thicket related supply proposals are in place, the substantial 1:500 baseline deficit from 2025/2026 onwards will be met primarily by Drought Order abstraction from the Candover, Itchen and Test. This means the internationally important chalk streams will bear the brunt of the drought deficit – with huge potential environmental costs - for far longer than was envisaged in the section 20 agreement.

This is not presented in a transparent way in Southern Water's dWRMP consultation documents as there is no clear information as to the levels of abstraction from the Candover, Itchen, or Test that is anticipated in the various drought scenarios.

We must strongly reiterate the importance of water efficiency measures, reducing leakage of supply pipes, water recycling and bulk water transfers to ensure that abstraction to a potentially damagingly low HOF level is truly a last resort measure.

#### House-pipe bans and Temporary Use Bans

The Trust would like to raise concerns about Southern Water's plans to reduce the frequency of hosepipe bans and Temporary Use Bans (TUBs) during droughts. The Southern Water Summary document on page 24 indicated a proposal to reduce the use of TUBs from 1 in 5 years to 1 in 10 years from 2030 onwards.

However, as Southern Water intends to continue to use drought permits on our chalk rivers, including the Test and Itchen up until 2040, we consider that Southern Water should continue to rely upon hosepipe bans and TUBs during droughts from 2030 onwards. The Southern Water Options Appraisal confirmed that retaining the TUBs saves 4.01 MI/day, which would otherwise be abstracted from our sensitive rivers during periods of drought.

It is inappropriate for Southern Water to trade-off the inconvenience of hosepipe bans for the public directly at the expense of the ecological viability of our precious chalk streams during drought conditions.

## Reducing personal and non-household water consumption

We are pleased to see Southern Water exceed Defra's national target to reduce household consumption to 110 litres per person per day by 2050 and forecast a reduction to 109 l/p/d. We also applaud Southern Water's ambition to reduce daily usage to 100 litres per person per day by 2040 and urge them to put these measures in place urgently to reduce the abstraction needed from our precious chalk streams.

Around 25-30% of public water supplies are used outside the home, for example in schools, shops, gyms and businesses. There is a huge opportunity to reduce this non-household (NHH) demand. The government's Environmental Improvement Plan confirms non-household use should be reduced by 9% by 2038 and 15% by 2050 as a contribution towards achieving Environment Act targets, so the plan should include more detail on how this will be supported. Ofwat, for the first time, has included a specific performance commitment to reduce NHH demand.

Reducing personal and non-household water use should be a priority to prevent unnecessary and damaging abstraction from important and legally protected chalk streams across the region.

### Leakage reduction

We are pleased to see Southern Water aims to exceed the government ambition to half leakages by 2050 from 2017/18 baseline. We urge Southern Water to commit to its higher target of 62% leakage reduction by 2050.

While three-quarters of UK water companies are reportedly on track to meet leakage targets according to Ofwat, Southern Water are currently failing to meet the government target. We must see real progress on tackling leakage reductions over the period of this plan in order to reach Southern Water's ambitious target.

#### **Reducing the water footprint of new developments**

A proportion of the potential supply demand deficits in the plan are driven by the need to provide water to support new developments. However, there is no reflection of the role that water neutrality could play. We consider the plans should promote a position where any large-scale developments should be water neutral, particularly in areas with water deficits and where abstraction licenses are being capped or reduced to protect legally protected habitats.

Southern Water should be proactively working with local authorities and developers to minimise the water demand footprint of new development focusing on those areas under greatest growth, abstraction and environmental pressure.

#### Delivering more for nature – going beyond 10% Biodiversity Net Gain

While we are pleased to see an increased weight on environmental decisions within the plan, we want Southern Water to go further to put the environment at the heart of decision making, invest in naturebased solutions, incorporating a natural capital approach to cost benefit assessments, and adopting a target to exceed Biodiversity Net Gain requirements.

Under the Environment Act (2021) any works requiring planning permission are required to leave nature in a better state than which it was found, through Biodiversity Net Gain. While we see Biodiversity Net Gain is referenced in the WRMP, there is no target to go beyond the Government's mandatory 10% net gain.

We urge Southern Water to adopt a target of 20% Biodiversity Net Gain for the Price Review, in line with the industry's commitment to 'champion measures through which water companies can enshrine what it means to operate in the public interest'. Showing leadership by adopting a target greater than the minimum 10% is entirely fitting for a sector that benefits from a healthy water environment.

No reference is made in the plan to Local Nature Recovery Strategies; these should be used to guide delivery of BNG to ensure that preferred options contribute more strategically to the recovery of nature.

### **Nature-based solutions**

We are pleased that the plan highlights the value of nature-based solutions across whole river catchments for securing water resources but also for providing multiple benefits – reducing pollution, lessening flood risk or boosting biodiversity. We are pleased that the plan seeks to develop the evidence base for nature-based solutions to inform future water resource planning.

To drive natural capital increases, we must overlap with natural capital approaches for water quality and flood risk management, as similar interventions (such as wetland habitat creation) can improve water quality, regulate peak and low flows and reduce flooding. A 'multiple benefits' approach to investment in natural capital for water related benefits is therefore an efficient approach. There is also immense opportunity for water companies to invest in nature-based solutions in order to minimise business risks that arise from depleting the natural capital assets upon which they depend and to ensure the natural assets are resilient to future challenges.

The plan could also do more to factor in that the nature-based solution schemes are important from a climate perspective to help river systems to adapt to a changing climate. We would also urge the plan to adopt a natural capital approach to cost benefit assessments for all investment rather than decisions made on financial costs alone.

#### **Hampshire Desalination plant**

We are encouraged that Southern Water is no longer progressing the Desalination Plant proposal on the Solent, for which we raised serious concerns about the impact the brine discharge would have on wildlife and the designated areas of the Solent.

### 'Hampshire Water Transfer and Water Recycling Project' at Havant Thicket Reservoir

The Trust has been involved in reviewing the Havant Thicket Reservoir proposals for several years, including through the Havant Thicket Stakeholder Board.

We have been made aware of a number of concerns raised by the community regarding the environmental impact of 'Hampshire Water Transfer and Water Recycling Project' proposals for Havant Thicket. We therefore seek firm commitments, supported by robust evidence, that the proposals would not adversely impact the River Itchen Special Area of Conservation (SAC) or Chichester and Langstone Harbours Special Protection Area (SPA), the Solent Maritime SAC, the Solent and Southampton Water SPA and Ramsar and, Portsmouth Harbour SPA and Ramsar.

### Reduce reliance on abstraction in our internationally renowned chalk streams

One of the Trust's key priorities is to encourage Southern Water to vastly reduce their reliance on abstraction from our chalk streams, especially the designated River Itchen SAC.

In principle, the Trust would not object to a solution, such as wastewater recycling, that would reduce reliance on abstracting water from our chalk streams. However, the implementation of measures designed to address this issue, should not come at the expense of unsustainable downstream environmental impacts.

We are concerned that water companies can continue to abstract, including in periods of drought, from our internationally renowned chalk streams such as the River Itchen Special Area of Conservation up until 2040. We urge water companies to accelerate a range of measures to reduce reliance on abstraction from our chalk streams as quickly as possible. However, they must also carefully consider and assess the potential impacts of these proposals on other designed sites including the harbours and the Solent, a legally protected ecosystem which is already under immense pressure due, in part, to the legacy of routinely discharging treated and untreated effluent into our rivers and seas.

# Impacts to our legally protected harbours in the Solent

Currently, we do not consider that Southern Water has assessed the environmental impact of the 'Hampshire Water Transfer and Water Recycling Project' on the designated Solent Marine Sites. In particular, we urge Southern Water to provide more information, including a Habitats Regulations Assessment (HRA), on what will be directly discharged into the Solent as a result of this project and the potential impacts on the designated sites.

We seek confirmation that the net benefit of the Havant Thicket reservoir on nutrients in the designated harbours will be maintained. We would like to see accurate detail of the potential increase in inputs through the Lavant and Hermitage Stream and also the volumes and composition of the outputs through the long sea outfall.

Considering the significant public concern, we urge this information to be provided in time for a robust consultation on the proposals in the summer.

### Impacts on the ecosystems at Havant Thicket reservoir

During the initial proposal and consultation for Havant Thicket reservoir, we were pleased to see the creation of new wildlife habitats integrated into the reservoir design. The wildflower-rich outer slopes would create much-needed pollen and nectar for insects and the wetland is probably the main feature of interest from an ecological point of view within the locale of the reservoir.

Furthermore, technical analysis from Natural Capital Solutions suggests that there is a large increase in the ecosystem services benefits that may be derived from the reservoir project worth approximately £2,243,667 annually in a normal year, rising to £4,913,467 annually in a drought year.

We need to see clear evidence provided by Southern Water that the water recycling proposals for Havant Thicket will not undermine the net gain for wildlife or the ecosystem services provided by the project.

## Tackle sewage issues and provide robust ecological evidence on impacts to build trust

It is of the utmost importance that the proposals for the 'Hampshire Water Transfer and Water Recycling Project' are correctly scrutinised to ensure it doesn't have an adverse impact on the designated sites and provides a sustainable long-term solution to abstraction from our chalk streams. This necessitates additional engagement and scrutiny beyond what has taken place so far.

Although out of scope of this plan, we consider that Southern Water's efforts so far haven't been sufficient in tackling water quality and supply issues, considering that the most recent Environment Agency water and sewage companies environmental report found Southern Water to be performing significantly below target on security of water supply, the worst performing company in the country. This has ultimately led to an understandable level of skepticism within the local community regarding Southern Water's ability to deliver these wastewater recycling plans without adverse ecological impacts on highly designated sites.

The Trust is clear that water recycling could be an essential component of a suite of measures needed to help us reduce reliance on chalk streams, if accompanied by robust ecological analysis. We must urgently see robust evidence that the proposals would not adversely impact any legally protected habitats, including the Chichester and Langstone Harbours Special Protection Area (SPA), the Solent Maritime SAC, the Solent and Southampton Water SPA and Ramsar and, Portsmouth Harbour SPA and Ramsar.

We would urge Southern Water to rapidly address some of the shortcomings in the information provided to support this application and to bring forward parallel plans to address issues around sewage

and water quality in the Solent, for example by reducing reliance on storm overflows. Without robust and credible plans to address the wider environmental impacts of their operations, Southern Water will struggle to be seen as a trusted deliverer of schemes like this.

Kind regards,

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