

## Section 2 : Engagement

In this section we set out the engagement activities we undertook during the preparation of the draft Water Resources Management Plan and Water Resources Management Plan

### Introduction

2.1 Our engagement strategy was designed and delivered to be in accordance with: the statutory requirements set out in s.37 of the Water Industry Act 1991, as amended by the Water Act 2003; Water Resources Management Plan Regulations 2007 and the Water Resources Management Plan Direction 2012. The strategy we followed comprises three key phases of consultation (see Figure 2.1), and has led to engagement with a wide number of key audiences (see Figure 2.2).

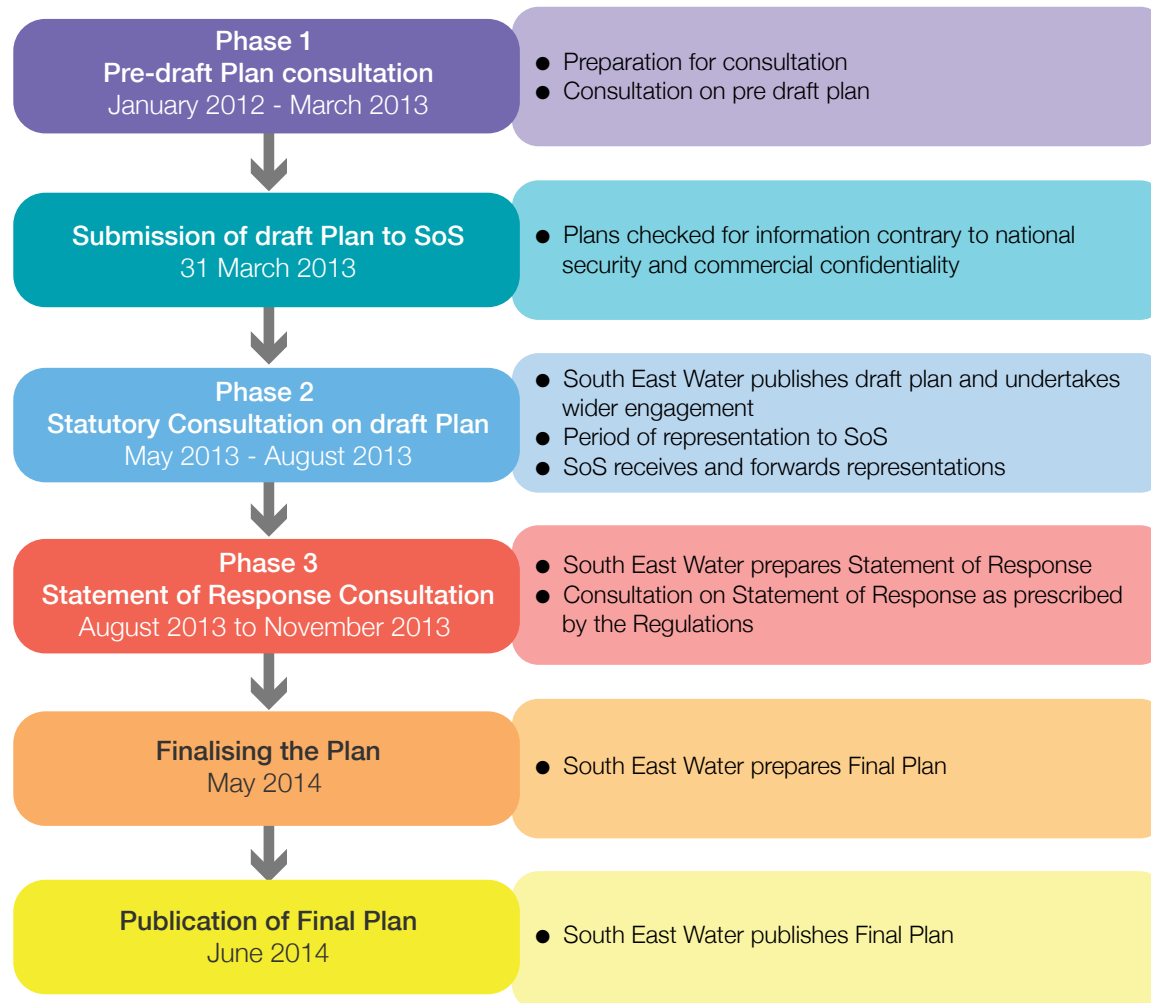
### Statutory requirements for Phase I consultation

2.2 Section 37A(8) of Water Industry Act 1991 as amended by the Water Act 2003 requires us to consult with the following Regulators:

- **Secretary of State (SoS) for the Environment Food and Rural Affairs (Defra)** – this is the Government department responsible for defining policy within the water and environmental sectors, and for directing companies on the content of their final statutory WRMPs.
- **Environment Agency** – the Environment Agency has a duty to safeguard the interests of the environment and to conserve, manage and secure the proper distribution of water resources in England and Wales, as the government appointed environmental regulator. For this plan, the Environment Agency has acted as expert technical adviser to Defra.
- **The Water Service Regulation Authority (Ofwat)** – Ofwat sets the price limits for water and sewerage companies in England and Wales through a five yearly determination process called the Periodic Review which takes account



Figure 2.1 : WRMP Engagement Phases



of the companies' business plans. Ofwat has a duty to:

- Ensure that companies can finance their functions;
- Encourage companies to promote water efficiency by their customers;
- Make a contribution to sustainable development, whilst protecting customers' interests by making sure they receive a reliable service which remains value for money.

2.3 In accordance with Section 37A of the Water Industry Act 1991 (as amended by the Water Act 2003) we sent a letter to our Regulators on 24th October 2012 to advise them we were in the process of preparing the dWRMPI4 (see Appendix 2).

2.4 A new requirement introduced with the guidelines, was to publish a statement of availability and need for water across our operating area ahead of preparing our plans. This was published in September 2012 to give third parties the opportunity to put forward water management options that we have considered further in Section 8.

2.5 Through our participation in the WRSE Group modelling all water supply licensees (Holder of a water supply licence as defined by Section 17B

of the Water Industry Act 1991 (as amended by the Water Act 2003) who has an access agreement to an appointed water company's supply system in order to supply eligible premises) were contacted and given an opportunity to add new options to be considered by the group.

2.6 More specifically we worked with the Environment Agency to obtain the list of private abstraction licence holders whom we have engaged to identify new options to trade or transfer licences or supplies.

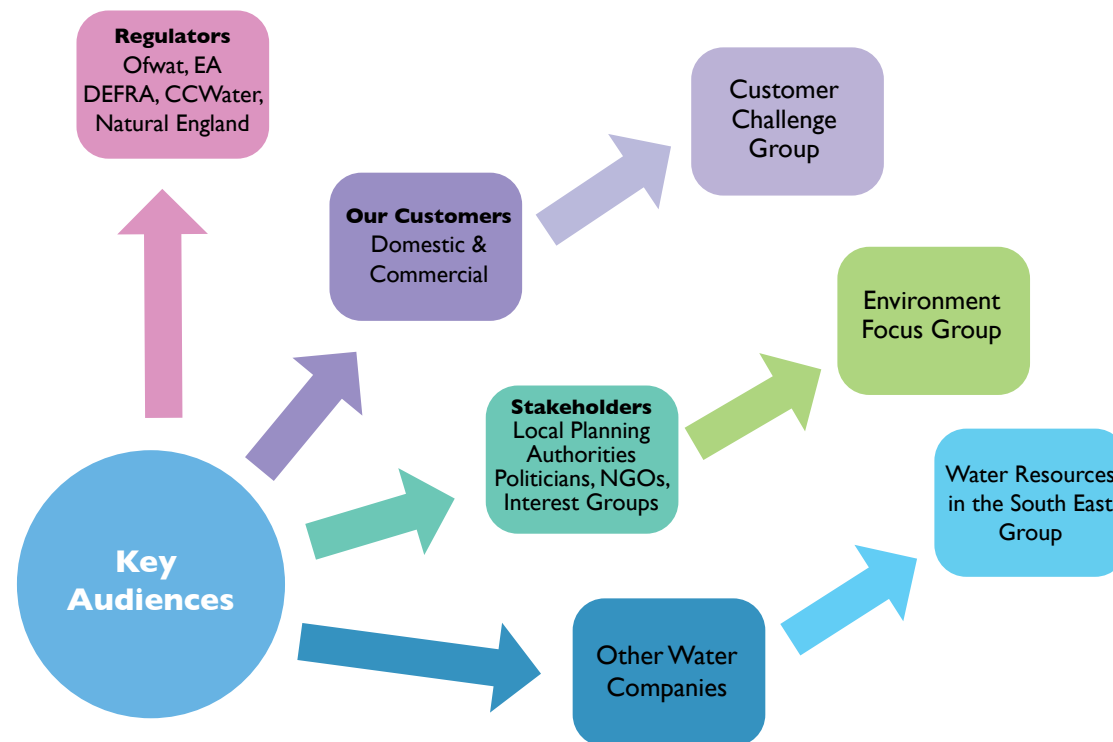
### Phase I engagement activities

2.7 Our Phase I engagement activities for dWRMP14 have been designed to be far in excess of the minimum statutory requirements. Full details, including a list of who we have consulted, are included in Appendix 2. A summary is provided below for each of the key audiences shown in Figure 2.2.

### Engagement with our regulators

2.8 A pre-consultation letter was sent to Defra in 2012 notifying it of the commencement of preparing dWRMP14 and advice was received, in particular regarding key Government policy priorities. Representatives from Defra were also part of the WRSE Group to offer guidance on the process.

Figure 2.2 : WRMP engagement - key audiences



2.9 A meeting was held with Ofwat in January 2013, briefing them on the preparation of the building blocks for our plan and also on our extensive engagement activities undertaken. In March 2013 a follow up meeting was held with Ofwat to discuss the final components of dWRMP14.

2.10 We worked closely with the Environment Agency in developing dWRMP14. Meetings were held to brief it on the details of the buildings blocks, the assumptions being applied to some of the emerging data, and on the optioneering process. We consider that the Environment Agency were fully engaged on all aspects of preparing the dWRMP14 and are pleased that the

Environment Agency has welcomed this proactive engagement (see the Environment Agency pre-consultation response letter in Appendix 2).

2.11 Consumer Council for Water (CCWater) is the independent customer representative body responsible for ensuring customer interests are protected. Representatives from CCWater have participated in our Environment Focus Group and Customer Challenge Group which has offered the opportunity for feedback and comment at all stages of the dWRMP14 preparation process.

2.12 Natural England's role is to ensure that water companies can deliver their statutory obligations for Natura 2000 sites, SSSIs and Biodiversity Action Plans (BAPs). Natural England also has an objective to promote more sustainable methods for tackling water quality and water resource problems at source, through catchment management based approaches that deliver multiple objectives, and to promote climate change mitigation and adaptation. We adopted an early and transparent approach to our engagement with Natural England, working closely with it to agree what options should be excluded, where unacceptable effects on nature conservation interests are considered likely. This was achieved through a series of technical meetings to discuss the options appraisal process, including options in our supply area that emerged from the WRSE regional modelling work. We also engaged with

Natural England on the scope of our Strategic Environmental Assessment and the range of issues that report should consider:

2.13 The Environment Agency, Natural England and CCWater are key members of our EFG and CCG. Their involvement in these processes ensured a good understanding of the linkages between both the dWRMP14 and our business plan for 2015 to 2020. It has also enabled our regulators to work openly alongside other key stakeholders, sharing views, as we developed the dWRMP14.

#### **Engagement with key stakeholders**

2.14 We commenced engagement with our key stakeholders from October 2011. A wide range of stakeholders, many of whom were actively involved in the WRMP09 Inquiry, were invited to participate in briefing sessions held at venues across our area. The briefing sessions provided us with the opportunity to form the Environment Focus Group (EFG).

2.15 The overall objective of the EFG has been to advise and challenge us as we interpret customers' views on how best to secure the balance between supply and demand, while taking into account any environmental impacts, and how we eventually reflected this within the dWRMP14.

2.16 The role of the group was also to advise and challenge us and other members of the EFG to consider:

- The opportunities for the use of innovative, sustainable and environmentally acceptable means of delivering the required or desired outcomes;
- The scope, justification, cost-effectiveness and environmental sustainability of the preferred delivery mechanism; and
- Phasing delivery or outcomes to maximise the affordability and acceptability in terms of both the plan and any environmental impact of our plan to customers, stakeholders and regulators.

2.17 The group worked within agreed Terms of Reference which are included at Appendix 2. Membership of the EFG covers a wide range of interests and includes representatives from the following organisations:

- Environment Agency
- CCWater
- CPRE – Kent, Sussex and Test Valley Divisions
- Salmon and Trout Association
- RSPB – South East
- The Inland Waterways Association
- Council for British Archaeology – South East
- Kent County Council
- Lewes District Council
- Basingstoke and Deane Borough Council

- Rushmoor Borough Council
- Ringmer Parish Council
- White Water Preservation Society
- National Farmers Union
- Ouse & Adur Rivers Trust
- Natural England
- South Downs National Park Authority

2.18 During Phase I of our engagement strategy the EFG met regularly from January 2012 through to March 2013. Members were involved in the development of the key building blocks of



dWRMP14, in particular our options appraisal and decision making processes. The EFG provided us with constructive feedback on the identification of options and the optioneering process. This included its identification of potential new resource options, amendments to already identified options and, in some cases, the removal of options from further consideration. At Appendix 2 we have provided a summary of the EFG discussions and outcomes.

2.19 The value of the EFG during the development of dWRMP14 (and later our WRMP14) cannot be underestimated and we are very grateful to its members for the time and effort that they have given to our plan. It is our intention that the group will continue to meet, not only to oversee the completion of our plan, but also its on-going implementation and eventual review.

2.20 Recognising that not all stakeholders were able to commit to the EFG process, we met separately with MPs, key stakeholders and other organisations during Phase I. More details of our activities are included at Appendix 2.

2.21 In the latter part of 2012, a series of local planning authority briefing sessions were held. Since WRMP09, we have been actively reviewing and inputting into individual Local Plan processes, sharing information with planning authorities to

understand where we need to deliver additional water to support growth, and promoting the provision of water efficiency and demand management measures through planning policies.

2.22 Our planning authority briefing sessions enabled us and the planning authorities to reflect on the relationship between spatial and water resource planning. Spatial planning, through the Localism Act 2011, places a 'duty to co-operate' on planning authorities. This applies to planning issues, such as water, that can cut across administrative boundaries and are 'strategic' in nature. The guidelines are clear in that the main source of information for projecting current and future population and household numbers in England must be the local authorities and local planning documentation. We have also had regard to the further guidance from the Environment Agency as to how water companies should work with their local authorities and use data from local plans in preparing WRMPs.

2.23 The briefing sessions provided an opportunity for us to explain in greater detail how we develop dWRMP14, and its relevance to spatial planning. This is discussed further in Section 4.

#### **Engagement with our customers**

2.24 We sought to reflect the views of our customers within dWRMP14 in a number of ways.

2.25 Firstly, our CCG was briefed at key stages of the plan's development. The CCG is an independent group, which includes our main regulators, key stakeholders and representatives of our domestic and commercial customers. The Group reports to Ofwat on our consumer engagement and business plan, scrutinising and challenging our strategic direction including our next five-year investment plan. One of the Group's key remits is to inform our policies and decision-making on key issues that affect customers' water bills or services, and on important issues such as metering and social tariffs.



2.26 In addition to direct briefing, the CCG also input into the dWRMPI4 process through three key regulators representation on the EFG – the Environment Agency, Natural England and CCWater. The CCG also provided input into the development of targeted research to determine customers' views and preferences on the range of water resource options we have considered.

2.27 Secondly, we undertook targeted and far-reaching customer research, for both domestic and commercial customers, to ensure that customers' priorities are built into the dWRMPI4. Using a combination of techniques, we explored customers' views about water, including their preferences around the range of options that could potentially be used to secure future water supplies. We investigated their willingness to pay, either for an enhanced level of service, or to test their acceptance of deterioration in service in return for reduced customer bills.

2.28 This research highlighted a number of key issues, not least that the continuity of supply and the quality of water supplied is a top priority of customers, closely followed by affordable bills. The results' of this research is included in Appendix 2 and a description of how it has been used to influence our assessment of options is discussed in Section 7.

2.29 Additional information and data was also gathered from other surveys, to provide a better

understanding of usage for demand forecasting. This is discussed in Section 4.

### **Engagement with other water companies**

2.30 We operate within the South East of England, a region where there is significant pressure on water resources, and one where the planning for water can be complicated by the presence of six water companies and 34 separate water resource zones. We therefore do not operate in isolation, and have undertaken proactive dialogue with our neighbouring water companies in developing this WRMPI4. Where there are existing arrangements to share water, we have reviewed these and confirmed their future availability. We have also investigated new opportunities to share water resources through the WRSE modelling process. This approach has enabled the exploration of new future transfer and water sharing options, and extended beyond the boundary of the WRSE modelling group to cover the UK. The minutes, reports and outputs of the WRSE group are available at [www.wrse.org.uk](http://www.wrse.org.uk).

2.31 The WRSE Group provides a co-ordinated mechanism for exploring opportunities for sharing existing and new water resources in the most efficient and effective way across the region. Membership of the group comprises the six water companies (South East Water, Southern Water, Thames Water, Affinity Water, Portsmouth Water



- Reduce the need for new water abstractions from the environment; and,
- Facilitate reduction of existing abstractions.

2.33 The WRSE Group developed and applied its own model to provide a selection of future options for water resource planning. As stated in the Water Resources in the South East Phase 2B Report (Water Resources in the South East – Progress towards a shared water resources strategy in the South East of England Phase 2B Report – February 2013), it is for water companies to then take into account the WRSE Group modelling and to explain where their own plans may vary from its results. The WRSE Report states, “in considering the options arising from the modelling, water companies will need to take account of issues such as customer views, need for adequate supply resilience, technological and environmental issues, and uncertainties in the data inputs and assumptions”. We followed this advice, as options that emerged from the modelling involve us sharing water with other water companies, or jointly utilising or developing resources. We discussed the feasibility of those options with the individual water companies.

#### **Engagement through targeted briefings**

2.34 Where we identified preferred water resource options that involve the development of new resources, we considered that those directly

affected should be appraised of those options. We sought to speak to local planning authorities, landowners, Parish Councils and elected politicians in relevant local areas, and completed those discussions in advance of the publication of dWRMPI4.

2.35 We undertook the following targeted briefings:

- Local Planning Authority workshops;
- Sussex, Kent and Surrey Wildlife Trusts;
- South Downs National Park Authority;
- Sussex, Surrey and Kent AONB Units;
- Key MPs;
- Key Parish Councils; and
- Landowners affected by our preferred supply options.

#### **Engagement through other consultation**

2.36 Separate from the consultation with our Regulators, we undertook a consultation for the purposes of scoping the Strategic Environmental Assessment (SEA). A summary of the consultation responses and how these were addressed within the SEA is included as part of the SEA Environment Report which was submitted alongside this WRMPI4.

and Sutton and East Surrey Water), Defra, the Environment Agency, Ofwat, CCWater and Natural England.

2.32 The WRSE Group has brought together water companies on a common basis to develop a regional water strategy to:

- Inform individual water company plans;
- Maximise the benefits of sharing of water resources;

## Phase 2 engagement activities

### *Engagement with customers and stakeholders*

2.37 We published our dWRMP14 on the 13<sup>th</sup> May 2013 for a 12 week period of consultation ending 5<sup>th</sup> August 2013.

2.38 During the consultation period the dWRMP14 was published and advertised on our website, with a dedicated series of web pages to further explain the plan (including videos), and to encourage customers to answer questions about the plan online.

2.39 We also undertook a series of further briefings with a number of those stakeholders we had met with during our Phase 1 of consultation, including:

- East Sussex County Council;
- Lewes District Council;
- Wealden District Council;
- South Downs National Park Authority;
- Sussex, Surrey and Kent AONB Units;
- Key MPs; and
- Key Parish Councils.

2.40 We held four public exhibitions on our dWRMP14 in areas where we proposed future water reuse and reservoir schemes.

2.41 In September 2013, we met with the EFG to present our review of the representations we had received on our dWRMP14 during the consultation process and to invite them to give their views on our proposed responses to these.

### *Engagement with other water companies.*

2.42 We continued our engagement with other water companies during and after the dWRMP14 consultation period. This ensured consistent up to date information is included in our WRMP14 regarding future water transfers and shared resource schemes, and that we took proper account of representations we had received during the consultation period regarding water transfers.

### *Engagement with our regulators*

2.43 We held regular dialogue with Natural England, and met several times with the Environment Agency during the consultation period to provide further clarification on the content of our dWRMP14.

2.44 Following the closure of our consultation period, we continued with our engagement with Natural England and the Environment Agency, to adequately address the matters raised by them in their respective representations on our dWRMP14.

2.45 On receiving their representation, we wrote a response and subsequently met with

Ofwat in October 2013 to adequately address the matters it raised with our dWRMP14 .

2.46 Further details of our plans and engagement can be found in Appendix 2H.

## Phase 3 engagement activities

2.47 We submitted our Statement of Response (SOR) to the representations received on our dWRMP14 to Defra on 11<sup>th</sup> November 2013, supported by a revised WRMP14 (rWRMP).

2.48 The SOR and the rWRMP14 were published on our website in accordance with the statutory process.

2.49 We wrote to all those who made a representation on our dWRMP14 to thank them for their comments, and advise them how they could view the SOR and rWRMP14.

2.50 In May 2014 we were pleased to receive approval from the Secretary of State to finalise and publish our WRMP.

## Conclusions

2.51 We consider our engagement activities have far exceeded the statutory minimum. We demonstrated an open, honest and transparent



approach to developing dWRMP14, SOR, rWRMP14, and final WRMP14 and have been pleased to receive positive feedback from key stakeholders, including our regulators and EFG members, on the approach we have taken throughout.

2.52 We believe our approach has enabled us to reflect the views of our regulators, key stakeholders and customers, and allow us to work successfully with other water companies in the South East, including the WRSE Group, to explore and include opportunities to share water and resources.

2.53 Many stakeholders and individuals invested significant time in: the development of dWRMP14; and making representations on the dWRMP14 (some of which are incorporated into rWRMP14). We wish to extend particular thanks to those participating in the EFG, CCG and the WRSE Group for their valued input into our process.

