

**Reference: Thames Water WRMP19**

**Communities  
County Hall  
New Road  
Oxford  
OX1 1ND**

**Susan Halliwell  
Director for Planning & Place**

**20 April 2018**

Dear Sir/Madam

**Re: Thames Water Draft Water Resources Management Plan 2019**

**Introduction**

Thank you for providing Oxfordshire County Council with the opportunity to respond to Thames Water's Draft Water Resource Management Plan 2019.

The following letter provides Oxfordshire County Council's comments on the proposed plan focussing on water trading, the need for a reservoir in Abingdon, Thames Water's forecasting and proposed demand management measures.

**Key Issues**

***Water Trading***

1. It is noted that in April 2017 Water Market Deregulation took place which no longer restricted businesses, charities and public sector customers to buying retail water services from their regional water company.
2. Through water trading, which is promoted and incentivised by Ofwat (the economic regulator of the water sector in England and Wales), it is recognised that water companies can import and export to each other and can include this within their forecasting. By introducing incentives, it would be expected that it would be in an individual water company's interest to have surplus to sell.
3. Thames Water is part of a wider alliance of water companies, Water Resources in the South East (WRSE). Along with the Environment Agency, Ofwat, the Consumer Council for Water, Natural England and Defra, the alliance comprises the following water companies: Thames Water, South East Water, Southern Water, Portsmouth Water, Sutton and East Surrey Water and Affinity Water.

4. Thames Water includes in their Plan an expectation to purchase 17 million litres of water per day (17MI/d) and to export approximately 120MI/d of water to Affinity and South East Water in total by 2065.

### ***Proposed Reservoir – Abingdon***

5. To enable Thames Water to maintain their supply resilience and support regional demands for raw water from Affinity Water and South East Water, from approximately 2040 onwards a regional reservoir at Abingdon is planned. Oxfordshire County Council would like to understand more around the methodology used and calculations arrived at when considering the amount of water needed for Thames Water's catchment. The County also needs clarification on the quantities expected to be sold to other members of the alliance and the infrastructure required within the Thames Water Valley to ensure this water supply. Following on from this urgent, further discussion is essential on its location and the size of reservoir required.
6. Our understanding is that evidence on appraisals of suitable reservoir locations within the Thames Water catchment area has taken place, with a number of sifting exercises undertaken resulting in the Abingdon location being taken forward as the preferred site. The results of this can be found in the Thames Water Resource Options: Reservoir feasibility report - Executive Summary (September 2016).
7. However, the county would like further discussion with Thames Water and possibly other members of the WRSE on the potential sites that have been assessed across the South East region. As the reservoir is a 'Regional Reservoir', the County needs to fully understand the process that has been undertaken to assess other sites for their suitability for such a reservoir.
8. The proposed reservoir would be a significant piece of strategic infrastructure of national importance with a long lead in time, a planning application for which would be determined by the National Infrastructure Commission. Whilst new water resources will be required to meet Oxfordshire's needs, the scale of the new reservoir is driven by London's growing demands and other parts of the South East of England.
9. The reservoir would have substantial environmental, transport and landscape impacts in southern Oxfordshire, both during construction and when in operation. However, it could also provide an opportunity for a new leisure and/or green infrastructure resource if Thames Water's community benefits as part of their scheme. As such the County Council welcomes immediate and regular engagement with Thames Water on the potential reservoir, how, if the Plan is agreed, it is proposed to be developed and timescales for an application.

### ***Population Forecasting***

10. The Thames Water supply area contains 95 Local Authorities and Appendix E (Population and Property Projections) states that the forecasts have been produced

using Local Plan housing evidence from each authority with a data capture in August 2017. It is noted that in the revised March 2018 population data that post-2045 population and housing figures have been revised down from those originally forecast.

11. It is accepted that housing numbers and Local Plans are emerging in some cases but there are significant concerns over these figures. Numbers for South Oxfordshire are lower than those contained in the emerging Local Plan and, in all Plans except for West Oxfordshire, Oxford's unmet housing need is omitted. It is also unclear whether Thames Water's forecasting takes into account any growth in Oxford City at all, as the housing number in appendix E contains a question mark.
12. The figures contained within this appendix underpin the entire plan and consequently there are significant concerns that not only has housing growth in Oxfordshire been miscalculated, identifying lower housing growth, but this may also be the case for other authorities within the Thames Valley.
13. Oxford is at the western end of the Oxford – Milton Keynes – Cambridge corridor which has been identified by the National Infrastructure Commission as an area of growth. Recognising this, all Oxfordshire County and District Councils have recently signed a Growth Deal with Government which commits to jointly delivering 100,000 homes to 2031 including an accelerated programme of delivery over the next 5 years. This deal includes a commitment to produce a Joint Statutory Spatial Plan by 2021, which would identify strategic locations for housing and employment growth within the county to 2050.
14. In this context, it is recommended that Thames Water reassesses the expected housing growth within Oxfordshire, and potentially elsewhere, and re-examines whether the preferred programme contained within the Plan is adequate to accommodate growth within the region. Oxfordshire County Council would welcome further discussion with Thames Water on this.

### ***Demand Management - Leakages***

15. Thames Water aims to reduce leakages to 15% by 2025 which equates to 100MI/d.
16. Oxfordshire County Council would expect Thames Water to maximise their infrastructure (pipes, leakages and sewerage etc) and speed up their programme of leakage reduction early on in the plan period to delay the need for a reservoir as long as possible.

### ***Further Engagement***

17. Oxfordshire County Council would welcome a presentation to local members by Thames Water and will be in touch to arrange this over the coming months.

Yours sincerely

Susan Halliwell  
Director for Planning & Place

Direct line: 01865 323792

Email: [susan.halliwell@oxfordshire.gov.uk](mailto:susan.halliwell@oxfordshire.gov.uk)

[www.oxfordshire.gov.uk](http://www.oxfordshire.gov.uk)