

Divisions Affected - All

CABINET

15 March 2022

WATER RESOURCES EMERGING REGIONAL PLANS CONSULTATION RESPONSE

Report by Corporate Director, Environment and Place

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to:**
 - a) Consider the content of a response to the consultation on the emerging Water Resources South East regional plan - the draft is Annex 1 to this report.
 - b) Delegate the final written response to the Corporate Director for Environment and Place in consultation with the Cabinet Member for Climate Change Delivery and Environment.

Executive Summary

2. An Oxfordshire County Council response is proposed to a current consultation for a water resources regional plan covering the South East of England. The draft response is in Annex 1.
3. Similar consultations for adjoining regions closed 28th February 2022, and officer responses have been sent and are attached as Annexes 2, 3, and 4.
4. This is the first time such regional plans for future water supply are being produced. The government set out the requirement for such regional plans in a recent government guideline, following the national framework for water resources called 'Meeting our Future Needs' produced in 2020.
5. Although there are many matters of interest in the consultation for the emerging South East regional plan, the most significant to Oxfordshire is the indication that a South East Strategic Reservoir Option (SESRO) between Abingdon, East Hanney and Steventon, should be built before 2040.
6. The draft County Council response in Annex 1 on the emerging Water Resources Regional Plan for the South East includes the following points:
 - Regional water resource groups need to work together more closely.

- Opportunities should be taken so that interested parties are better able to influence the plans.
- Water companies must do more on water metering, information, innovation and lobbying for government regulation.
- Unsuitable existing abstractions should be stopped or reduced, while not over-estimating the need for new infrastructure as a result.
- Better use of existing infrastructure needs to be a priority.
- All variants of the SESRO size and their effects need to be evaluated.
- We have concerns about the SESRO that include its carbon footprint, construction effects, the range of permanent effects, its cost, and its effectiveness.
- There needs to be better consideration of options across regional boundaries.
- The forecast need for additional water supply appears to be exaggerated, particularly given the uncertainty about future population growth, and given this, the regional plan should be more adaptable and not lock in early decisions to progress controversial new strategic infrastructure options such as the SESRO.
- Preference for low carbon and least environmentally damaging solutions should be given, therefore favouring existing or refurbished infrastructure and smaller, more innovative schemes.
- New pipelines may be appropriate to transfer water into the South East. The Severn to Thames Transfer and the Grand Union Canal transfer should be further considered and brought forward in time if needed. Transferring water from the East should also be progressed with the development of rural reservoirs in Lincolnshire and Fenland. Additional water recycling and desalination schemes could also be investigated.

Significance to Oxfordshire of the Water Resources South East (WRSE) Regional Plan Consultation

7. Water resources regional plans will cover the whole of England. The five regions are: South East, East, North, West and West Country. The plans will be in accordance with the [National Framework 2020](#) and a recent [government guideline](#). The Water Resources South East (WRSE) consultation is between 17th January 2022 and 14th March 2022. WRSE has accepted that Oxfordshire County Council's final response will be delivered after this Cabinet report on 15th March 2022.
8. Initially, we expected that this consultation period would be on a draft Water Resources South East regional plan. Instead, this is a consultation on documents describing the emerging regional plan available at <https://wrse.uk.engagementhq.com> and there are additional explanatory documents available in <https://www.wrse.org.uk/library>. All the regional groups will undertake further work, prepare a summary of consultation responses and then produce draft regional plans with further consultation on those later in 2022. It may be that consideration of those documents is brought again to Cabinet at that later point.

9. The emerging regional plans address how sufficient water will be supplied by the water companies under various scenarios. The emerging regional plan for the South East is significant to Oxfordshire because it includes the South East Strategic Reservoir Option (SESRO), to be located in Oxfordshire, between Abingdon, East Hanney and Steventon, as a solution for water supply in the South East. In addition, there is a proposal for a new pipeline from Oxfordshire to Hampshire. Also, the Severn to Thames Transfer (STT) to Oxfordshire, is included for the period beyond 2040 in two of three scenarios.
10. The regional planning process is intended to set the framework for the statutory Water Resource Management Plans (WRMP) of each water company which will follow with consultations in autumn 2022 at the same time as the draft regional plans. The final regional plans and water company plans are likely to be produced in tandem.
11. In due course, the water companies will need to seek planning consent for reservoirs and pipelines that are identified in the WRMPs. The SESRO in common with other significant proposals would qualify as a Nationally Significant Infrastructure Project (NSIP) and therefore consent would be sought through the Development Consent Order (DCO) process. That process is run by the Planning Inspectorate and local councils become involved providing comments, but do not make the decision.

Relevant Previous Cabinet Reports and Council Resolutions

12. The current SESRO proposal is similar to the reservoir proposal included in a draft WRMP in 2009 which led to a public inquiry on the plan in 2010. Oxfordshire County Council opposed the plan. The Inspector in her report of 13th December 2010 found that the need for the reservoir had not been established. The Inspector also commented that not all feasible water supply options had been investigated. The Secretary of State accepted the Inspector's recommendations in March 2011.
13. Thames Water and Affinity Water again proposed the SESRO in their WRMPs during 2018 and 2019.
14. The County Council carried the following motion on 10th July 2018:

Motion by Councillor Mike Fox-Davies

"The Thames Water Draft Resources Management Plan (dWRMP19), consultation was opened on the 8th February and closed on the 29th April. The plan proposes a new reservoir near Abingdon to serve the forecast needs of not only the Thames Water area, but also the wider South East.

The consultation response from OCC looks for clarification on:-

- the population forecast figures
- how much water will be sold to other water companies
- how Thames Water will speed up their programme of leakage reduction.

This Council supports the position of GARD in response to the plan which asks Thames Water to:-

- Reduce leakage by half by 2050
- Improve water-use efficiency to match the norms of other companies
- Provide a proper analysis of water available through other measures, including Teddington DRA and water re-use.

Which together should together solve the water shortage issue and provide a 1 in 200 severity drought resilience.

And calls on the Leader of the Council to write to Thames Water, Defra, the Environment Agency and Ofwat, requesting that a second consultation be undertaken due to incomplete information or errors on the information used to base their recommendations."

15. The then County Council Leader wrote as per the agreed motion, and there was a second Thames Water consultation. There were Cabinet reports on 20th November 2018 and 23rd April 2019 and the County Council sent responses to the WRMP consultations.
16. The government approved the Thames Water and Affinity Water WRMPs in March 2020 and has now set in place this new system of regional plan consultations in advance of the next set of WRMPs.
17. WRSE has held a number of online events over the last couple of years and has produced a number of evidence documents for their regional plan, some of which we provided County Council officer comments on.
18. The Regulators' Alliance for Progressing Infrastructure Development (RAPID) released draft decisions on 14th September 2021 about funding for progressing 15 strategic regional water resource solutions across England, following the closing of 'Gate One' about these on 5th July. We provided an officer response on RAPID's consultation at the end of October 2021. Key points of that response are summarised as follows:
 - The SESRO is one of the most expensive water supply schemes to build (between £1,051m and £1,437m) and there are additional specified costs in the related transfers, with some of the transfer pipelines themselves considered strategic water solutions.
 - Of the 15 schemes, the SESRO has the highest amount of public funding apportioned to development of the proposal (£121.7m). At the 'Gate One' stage, the regulators' allowance for spend was highest for the SESRO.
 - The Severn to Thames Transfer option (STT) is also a high cost option (between £67m and £1,706m), and the public funding apportioned to development of the proposal also high (£66.6m).
 - We advised of our concerns about the effects on Oxfordshire from the options.
 - We questioned whether the SESRO or STT were needed, given other options such as the South Lincolnshire Reservoir, Fenland Reservoir, Grand Union Canal Transfer, and London Effluent Reuse.
 - We stated that the regulators' funding should support the development of a wide range of options including smaller, more innovative and less environmentally damaging solutions.

19. The County Council, further to RAPID's consultation, passed the following motion on 2nd November 2021:

Motion by Councillor Richard Webber

"On 10 July 2018, Council passed a motion unanimously calling on the Leader of the Council to write to Thames Water, Defra, the Environment Agency and Ofwat, requesting that a second consultation on the proposed Oxfordshire Reservoir be undertaken due to incomplete information or errors on the information used to base their recommendations."

As information in the latest consultation remains incomplete, and what has been provided to support the proposal contains many errors, Council now confirms its position on the TW proposed Reservoir agreed at the Council meeting on the 10 July 2018 in that it remains opposed to the proposal, at least until the case for need has been clearly demonstrated by taking into account and answering the concerns of the whole scientific community.

To this end, Council will be including and taking full account of discussions with and opinions of all sources of independent scientific expertise including the Group Against Reservoir Development (GARD) when considering its response to Thames Water proposals."

20. Vale of White Horse District Council also responded to RAPID's consultation, and resolved as follows on 8th December 2021:

Motion by Councillor Andy Cooke

"To reaffirm its position from the previous public enquiry that it opposes the reservoir proposal at least or until, the case for need for this specific solution (over and above the other potential cheaper, less disruptive, and less environmentally impactful solutions) has been clearly tested, demonstrated and agreed by independent scientific experts.

To recommend to OFWAT that a detailed and independently scrutinised carbon calculation be made, including all sources of embedded carbon, carbon used during construction, and ongoing carbon including methane outgassing. This should include more detailed carbon calculations as to the proposed mitigations, including the timescale on which these intended mitigations would be reached.

That failing the need being demonstrated as requested above or an independently scrutinised carbon calculation produced, the ongoing waste of public funds given to Thames Water for continued attempts to push for their reservoir should be questioned, and that we make representations to the Water Resources South East Plan and then share these with the Environment Agency and the Member of Parliament for the area."

21. RAPID's decisions on all the 'Gate One' submissions are available online <https://www.ofwat.gov.uk/regulated-companies/rapid/the-rapid-gated-process/gate-one-submissions-and-final-decisions/>. Decisions on most of the schemes were made in December 2021, and the decision on the SESRO was the last to be released on 5th January 2022. The decisions set out the additional work required on the options before 'Gate Two' submissions are due in October 2022.

Oxfordshire County Council responses to emerging regional plans

22. Cabinet is asked to consider the content of a response to the Water Resources South East consultation. A draft response is contained in Annex 1. This draft response is being forwarded to Water Resources South East in advance of their

consultation deadline of 14th March, but it has been agreed that the final response will be sent after this Cabinet meeting on 15th March.

23. The Water Resources West, Water Resources East, and West Country Water Resources consultations closed on 28th February. Officer responses sent before the closing date are contained in Annexes 2, 3 and 4.

Corporate Policies and Priorities

24. Providing sufficient water supply into the future accords with Corporate Plan priorities, for example it will assist in helping people live safe, healthy lives.
25. There could also be some benefits if a new reservoir is built in Oxfordshire, for example it could create a new facility for recreation and leisure.
26. The draft OxIS Stage 1 to 2040, consulted on during 2021, discusses Oxfordshire's existing potable water supply and the technical studies for further sources of water supply. The options were not appraised for the document because the detail is not yet known and they remain subject to ongoing optioneering.
27. The Regulation 18 Oxfordshire Plan 2050 consultation during 2021 includes a proposal for a policy requiring development to maximise water efficiency, which could help delay or avoid the need for some new water supply options.
28. Oxfordshire County Council has a net-zero target for 2050 for the County area as set out in the 2020 Climate Action Framework. The carbon impact of the SESRO proposal and associated infrastructure could jeopardise the achievement of that target.

Financial Implications

29. There are no anticipated direct financial implications for the County Council in agreeing a response to this consultation.
30. The County Council has engaged existing staff, funded through existing resources.

Comments checked by:

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Legal Implications

31. There are no anticipated legal implications for the County Council in agreeing a response to this consultation.

32. Thames Water is the utility company covering almost all of Oxfordshire (as well as other areas) and we work with Thames Water on a range of water-related matters, not just water supply, but also wastewater and surface water management. Such work is not affected by the County Council responding to this consultation.

Comments checked by:

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Staff Implications

33. The responses to the emerging regional plan consultations are being prepared using existing staff resources.
34. Ongoing regional plan consultations and consideration of the future water supply options being progressed for Oxfordshire will continue to require staff time and could require consultant input in future, which may need a dedicated budget.

Equality, Diversity, Inclusion Implications

35. Some communities in Oxfordshire, particularly those who live close to the SESRO or the proposed locations of other water resource options could be adversely impacted by that proposal. Communities could benefit from the greater resilience to water supply envisaged, or benefit from particular features such as recreational opportunities on the reservoir. If the SESRO or STT progress to Development Consent Order applications, then Oxfordshire County Council will be involved. However, at this stage of responding to the regional plan, it is considered that there are no equality, diversity or inclusion implications from responding to the consultations.

Sustainability and Climate Action Implications

36. No new policy is being proposed as part of this response. The intention is to respond to the WRSE Regional Plan consultation in line with the County Council's existing policies. The County Council's response addresses a range of sustainability issues.
37. Climate change is one of the reasons that future water supply options are being considered e.g. the potential for future droughts leads to the need to consider how to make the water supply more resilient. Our response indicates that options progressed by the water companies should be those which best respond to the need for climate action e.g. in relation to carbon footprint, involving the least possible amount of energy and using renewable energy.

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