

Department for Environment, Food and Rural Affairs

Water abstraction reform project

Meeting note: Abstraction Reform Advisory Group, 25 April 2012

Attendees

External

Sarah Mukherjee – WaterUK	Luke DeVial - Wessex Water
Simon Wood – EDF	Andy Limbrick- Association of Electricity Producers
Susanne Baker – EEF	David Bellamy - Food and Drink Federation
Nicola Owen - Mineral Products Association	Rose Timlett – Blueprint for Water (WWF)
Derek Holliday - Country Land and Business Association	Phil Burston – Blueprint for Water (RSPB)
Adam Comerford - British Waterways	

Internal

Gabrielle Edwards (Chair) – Defra	Henry Leveson-Gower – Defra
Lisa Oakes – Defra	Vicky Inness (minutes) – Defra
Lorna Solak – Defra	Michelle Russ – Welsh Government
Clare Dinnis – Environment Agency	Karen Saunders – Environment Agency
Paul Hope - Ofwat	Alice Mahar – Ofwat
Anna Wetherell – Natural England	

Apologies

Jackie Coates – Chemical Industries Association

David Bassett – British Trout Association

Debbie Stringer – Confederation of Paper Industries

Jenny Bashford – National Farmers' Union

John Adlam – Horticultural Trade Association

Chris Brett – British Hydropower Association

Rhian Nowell-Phillips – Farmers' Union of Wales

1. Welcome and introductions

GE welcomed everyone to the first ARAG meeting and members provided introductions.

2. ToRs, meeting processes and practicalities

Meeting practicalities were discussed. The general consensus was to hold future ARAG meetings in London. The aim would be to hold these at Defra depending on meeting room availability. Meeting space within CLA and Water UK offices was also offered as a possibility.

GE stated that minutes would be taken at meetings and would be available publicly. These minutes would be based on Chatham House rules meaning that there would not be attribution of comments/points made by stakeholders attending.

The Terms of Reference were agreed by the group.

GE highlighted that, where possible, there was a need to try and keep the continuity of membership the same throughout the reform process.

3. Case for Change

CD and AM gave presentations around the key pieces of evidence within the case for change document, which highlighted the need to reform the abstraction regime.

Following CD's presentation, the following comments were raised:

- It was highlighted that the reformed abstraction regime would need to be adaptive to climate and ecosystem change. In responding to this point, it was agreed that the levels of environmental flows required need to be adaptive over time as new evidence becomes available (re. flows required to protect ecosystems), particularly as the climate changes. However, to accept any deterioration in ecological status would be contrary to current legal requirements except in exceptional situations.
- In terms of meeting environmental targets, it was suggested that it was necessary to weigh up the costs to business vs. the benefits to the environment. In response to this comment, it was noted that the reform process was not proposing a trade off between stakeholders and the environment. Instead, there is a need to design a system that can meet environmental requirements whilst having least cost impact on abstractors.

<p>ACTION: CD to send ARAG members details of the breakdown of water abstracted from ground water and surface water from RSA sites.</p>
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Following AM's presentation, the following comments were raised:

- Due to the potential for significant investments needed by water companies to respond to changes to their abstraction licences, it was

pointed out that levels of the environmental justification in any new regime would need to be proportionate to these costs. This needs to be set against the need to make more flexible and quicker decisions on water availability. Such quick decisions may be irrelevant where inflexible assets such as pipelines and other infrastructure are involved. It was noted that there may also be other areas where flexible and quicker decisions were beneficial such as in short term trading.

- It was highlighted that the move to a more flexible regime had different drivers to dealing with the legacy of unsustainable abstraction. Instead, the reformed regime would be preventative by nature and would aim for a medium to long-term visibility in terms of adapting to climate change. This should make it easier for businesses to plan investments in order to prevent deterioration in ecological status. However, the difficulties faced due to the variability in climate change scenarios would not be removed but the new regime should help abstractors manage this uncertainty.
- To help with the reform process, it would be useful to have more information re. stakeholders who think they will need more water in the future. However, it was recognised that this information would be difficult to source i.e. to find people who are not currently using water.
- Several members highlighted that the case for change was compelling and recognised that the current system needed to change to become more adaptive in the future.
- A point about national priorities was raised as an issue that required more thought i.e. which use of water was most important from a Government policy perspective. In response, it was stated that current thinking was that making such choices would not form part of the reform options as the vision was for a more market driven system rather than centrally planned outside drought conditions although it was recognised that further thought was needed on this issue.

4. Where we are with the programme of work & how to involve you

HLG presented Item 4, outlining the abstraction reform work programme, progress to date and how stakeholders could get involved. It was highlighted that the programme was still at an early stage with both long-term and short-term commitments underway. Progress updates would be reported at the ARAG meeting planned for September.

It was agreed that ARAG would be sent draft reports of work when completed instead of just before the meetings. This would give more time to review and provide comments. Members would also be given the opportunity to attend

project meetings/workshops in order to understand further details on each project. In addition, an offer was made to members for additional meetings to be arranged, in-between ARAG meetings, to discuss the work streams in further detail.

The following comments were raised:

- The timetable for short-term measures was thought to be unclear, in particular resolving the licence changes to RSA sites. In addition, the new round of RBMPs in 2014 could have potential to highlight further work for RSA. In responding to these comments, it was recognised that the EA were working as fast as they could to investigate the RSA sites and to alter licences accordingly. However, this work has recently been delayed by the resource constraints caused by the drought. It was confirmed that any delays in the RSA work would not delay the reform process as the need to deal with the challenges of climate change and increased demand remained. In doing so, the Water White Paper clearly stated that the reform will not be used to deal with any remaining RSA legacy.

ACTION: Defra to send diary of events to ARAG members for next 3-4 months.

ACTION: AC to send link to Defra re. NERC water security programme events. Defra to circulate to ARAG members.

ACTION: Defra/EA to join-up with other government departments to ensure that water scenarios are fed into policy e.g. Treasury, Green Economy Council.

5. Addressing your key issues

HLG presented Item 5 re. key issues addressed at the PDG meeting and how we had or were continuing to address them.

The following comment was raised:

There was a need to be aware of EU blueprint work which is starting to take an overview of the water area and to consider if this might result in any changes to the legislative framework. It was agreed to keep an overview of this work and to look for opportunities to influence using the knowledge gained from current work.

ACTION: For Defra to keep an overview of EU blueprint work and opportunities to influence.

6. Programme for future ARAG meetings

HLG ran through the programme for future ARAG meetings and stated that this was likely to evolve with time.

The following comments were raised by ARAG members:

- It would be good to have an element of facilitated workshop style interactions for the September ARAG meeting to get the most out of members.
- The timetable was challenging but realistic. However there was a need to keep this work programme under review in the face of challenges i.e. drought/resources.
- It would be good to involve interested ARAG members/other stakeholders in evidence projects that are currently undergoing scoping i.e. land management/ environmental protection.

ACTION: For Defra to consider the format of future ARAG meetings to enable pro-active discussions amongst members.

ACTION: For Defra to involve interested stakeholders in evidence projects which are currently at the scoping stage i.e. land management/ environmental protection.

7. Wider Engagement plan

LS provided a summary of the wider engagement plan (Item 7).

The following comments were raised:

- It would be good to develop key messages re. the common preconceptions around reform and how this fits in with the current short-term implementation work.
- There was a need to be clearer about what feedback was being sought from members and how they could influence the process.
- There was a need to engage with secondary abstractors i.e. supermarkets.

In order to raise the profile of the abstraction reform project, Defra offered ARAG members the opportunity for Defra to attend and speak at specific events. In addition, Defra are happy to write articles for specialist press.

ACTION: For Defra to develop the communication strategy further and to share this with ARAG members.

8. AOB

There was no other business.

9. Next meeting

The next meeting will be organised in September 2012 with dates to be sent around shortly.