Annual review of water resources management plans guidance

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Developed by the Environment Agency and Natural Resources Wales

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1 Introduction

Water companies in England and Wales are required to produce a water resources management plan (WRMP) every five years. The plan sets out how a water company intends to maintain the balance between supply and demand for water over a 25-year period and is complemented by a water company drought plan, which sets out the short-term operational steps a company will take as a drought progresses.

As part of the WRMP process, it is a statutory requirement for water companies to produce an annual review.

This guidance provides a framework for water companies to follow to develop and present the annual review of their WRMP.

This guidance will help a water company:

- report on the progress against its WRMP;
- advise of any changes made to its WRMP;
- report on the actions the Environment Agency or Natural Resources Wales and Defra or the Welsh Government have asked the company to work on after it has published its final plan;
- report an overall summary of the supply-demand situation.

On 1 April 2013, Natural Resources Wales became operational and took over the responsibilities of the Forestry Commission Wales, Countryside Council for Wales and the Environment Agency Wales, as well as some functions of the Welsh Government.

The Environment Agency and Natural Resources Wales have a duty for long-term water resources planning. We have developed this guidance at the request of Defra and the Welsh Government to help water companies review and report on their WRMPs. This guidance applies to all water companies in England and Wales and has been agreed with Defra and the Welsh Government.

2 Water resources management plans

Water companies have a statutory duty to prepare, consult, publish and maintain a WRMP under new sections of the Water Industry Act 1991, brought in by the Water Act 2003.

The Water Act 2003 (Section 37A (5)) also states that:

Before each anniversary of the date when its plan (or revised plan) was last published, the water undertaker shall —
(a) review its plan; and
(b) send a statement of the conclusions of its review to the Secretary of State and Welsh Ministers[1].

The relevant provisions are contained in section 37 A-D of the Water Industry Act 1991, as introduced by section 62 of the Water Act 2003 and came into force on 1 April 2007 through the Water Resources Management Plan Regulations 2007.

Water companies that operate wholly or mainly in Wales should send their annual review statement to Welsh Ministers. If their supply area also includes any part of England they should also send their review to the Secretary of State. Water companies that operate wholly or mainly in England should send their annual review to the Secretary of State. If their supply area also includes any part of Wales they should also send their annual review to Welsh Ministers.

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[1] Government of Wales Act 2006

3 Commercial confidentiality and national security

Although there is no legal requirement for annual review statements to be published, an independent review[2] group recommended that annual reviews should be made available to the public. Water companies have supported this principle.

If a water company chooses to make the annual review statement available to the public it should exclude from the public version information that is commercially confidential or has implications for national security. If in doubt, water companies should check with Defra and/or the Welsh Government before publishing.

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[2] lhpr – review of water resources management plan process final report. June 2011.

4 Annual outturn data requirements

Water companies should complete the template in [Appendix 1](#) and submit to the Environment Agency for plans that impact on water resources in England and/or Natural Resources Wales for plans that impact on water resources in Wales by 30 June each year. This applies to all water companies including those that have not published final WRMPs.

We expect water companies to demonstrate progress with their WRMPs. This will also allow the Environment Agency and Natural Resources Wales to monitor water company WRMPs and discuss any issues that arise. The data is a sub-set of the information we ask for in a WRMP and is information we would expect a company to collect to monitor its own progress. Companies may choose to submit the data directly to the Secretary of State or Welsh Ministers with their annual review statement if they prefer.

5 What form should your annual review take?

Water companies should:
- report progress against their WRMPs;
- report any changes to the WRMP as set out in section 5.1;
- complete the spreadsheet in Appendix 1.

Water companies should ensure that they report the progress of any specific items that were detailed in the letters sent from either Defra or Welsh Government advising them to publish their plans or from the Environment Agency or Natural Resources Wales following WRMP publication.

We do not expect a new set of water resources planning tables to be submitted for the annual review. Water companies should use the most up-to-date data to complete the spreadsheet in Appendix 1, and submit it to the Environment Agency and/or Natural Resources Wales by 30 June each year.

Water companies cannot delay their annual review statements beyond the anniversary of the publication of their plans, though they may publish earlier, for example, to align with the June outturn data request.

The overall summary should be reported at the company level. Progress with, and changes to, the plan should be reported at the water resource zone level.

Water companies should report on the items detailed in section 5.1 of this guidance and should refer to the Water Resources Planning Guideline (October 2012)[3] for more detail on individual items. The regional Environment Agency and/or Natural Resources Wales water resources teams are available to discuss annual review requirements with each water company.

We have classified the items as 'requirement' or 'requirement triggered by change'. Water companies should provide information on all items marked 'requirement'. Water companies should only report on the 'requirement triggered by change' items if there has been a change from the published WRMP.

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[3] Environment Agency (2012) Water Resources Planning Guideline

5.1 Items to include in the annual review

We do not prescribe a report structure but we suggest the following sections may provide a suitable format.

An overall summary of the supply-demand balance situation for the water company should also form part of the annual review.

Individual items are categorised below:

General		
Water resource zones	▪ Any changes to boundaries	Requirement triggered by change
Level of service	▪ Any changes to the proposed target level of service	Requirement triggered by change

Supply		
Deployable output	▪ Any changes to deployable output	Requirement triggered by change
Outage	▪ Explain reasons for any outage incidents and any work being done to reduce outage	Requirement
Bulk supply	▪ Explain any changes to bulk supply agreements	Requirement triggered by change
Sustainability reductions	▪ Detail any alterations to the sustainability changes required. ▪	Requirement triggered by change
	▪ Report on progress with implementation of sustainability changes.	Requirement

Supply		
Deployable output	▪ Any changes to deployable output	Requirement triggered by change
Outage	▪ Explain reasons for any outage incidents and any work being done to reduce outage	Requirement
Bulk supply	▪ Explain any changes to bulk supply agreements	Requirement triggered by change
Sustainability reductions	▪ Detail any alterations to the sustainability changes required. ▪	Requirement triggered by change
	▪ Report on progress with implementation of sustainability changes.	Requirement

Demand		
Demand forecasting	▪ Highlight and explain any changes to the demand forecast. Give details of any change to the data set used	Requirement triggered by change
Per capita consumption (pcc)	▪ Highlight and explain actual pcc over the year.	Requirement
	▪ Explain any change to the forecast pcc	Requirement triggered by change
Metering	▪ Provide an update on progress with household metering (please distinguish your baseline metering from any included in the final planning scenario)	Requirement
Leakage	▪ Provide an update on progress with leakage reductions (please distinguish your baseline leakage reductions from any included in the final planning scenario)	Requirement
Water efficiency	▪ Provide an update on progress with water efficiency initiatives (please distinguish your baseline water efficiency initiatives from any included in the final planning scenario)	Requirement

Climate change		
Impact on supply	▪ <mark>Provide an update on the forecast impact of supply from climate change.</mark>	Requirement triggered by change

Headroom and options		
Target Headroom	▪ Any changes to target headroom	Requirement triggered by change
Options	▪ Progress with the planning and delivery of **all** options	Requirement
	▪ Any changes to the options chosen	Requirement triggered by change

6 Contacts

Water companies should send the annual review to the Secretary of State or Welsh Ministers using the contact details below. They should send the data tables to the Environment Agency and/or Natural Resources Wales, or if combined with the annual review to the Secretary of State or Welsh Ministers, by 30 June. If a water company has any questions about the statutory process, they should seek clarification from Defra or the Welsh Government.

Welsh Government

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Cathays Park
Cardiff
CF10 3NQ

Email: water@Wales.gsi.gov.uk

Department for the Environment Food and Rural Affairs

Ingrid Doves
Water Resources Management
Area 2C
Ergon House
Horseferry Road
London
SW1P 2AL

Email: Ingrid.Doves@defra.gsi.gov.uk

Environment Agency: Water-Company-Plan@environment-agency.gov.uk
Natural Resources Wales: suwwaterresources@cyfoethnaturiolcymru.gov.uk

If a water company has any questions about the content of this guidance, they should contact their regional Environment Agency or Natural Resources Wales water resources representative.