



Representing Abstractors in Broadland CAMS & North Norfolk CAMS

2nd June 2020

By email: waterdetermination2020@cma.gov.uk

Dear Sir,

In respect of the Anglian Water Business Plan for 2020-25, we would like to say that broadly speaking we support the comments about capital expenditure by the water companies to build in resilience for a lasting water plan along with addressing the pressures from the environment going forward.

Through its support for Water Resources East (WRE) and initiatives such as Business in the community (BITC), Anglia Water (AW) is committed to delivering long term value for its customers and the people it serves. This includes positive outcomes for the environment.

For example, AW, WRE & BAWAG are working together with the Rivers Trust and the Environment Agency to find solutions to the difficult problem of restoring abstraction to sustainable levels in the Ant Broads and Marshes.

Through a funding contribution from AW and effective partnership working, our aim is to identify a way forward which costs less and is more sustainable than any equivalent single-sector alternative. Discussions have focused on building water resource planning capacity in the agri-food and environmental sectors; water trading and options for water re-use. In London water is used up to seven times before flowing out to sea and this may be something that should be taken into consideration going forward. If successful, the environment, business, AW and its customers will all benefit.

We understand that the recent determination is significantly less than requested. Specifically, funding for base requirements and enhancements is several hundred million pounds lower and there are equivalent reductions to growth related budgets. We note that measures to improve the environment are the significant driver for the enhancements program.

While we expect water companies to spend their customers money efficiently and keep bills low, we are concerned that this determination undermines the ability of AW to deliver its public interest commitments. Without a reasonable settlement and the funding which follows, we think that there will be fewer opportunities for the collaboration we are seeing in the Ant Broads and Marshes and that more broadly, that AW will be unable to function in the kind of leadership role which is set-out in the joint letter to water companies from DEFRA, Ofwat, the Environment Agency and the Drinking Water Inspectorate (August 2018).

Since we operate in a region beset by the triple challenge of drought, climate change and growth, we think that these are important considerations which should be properly accounted for in the CMA assessment. We think that short term reductions in customer bills must not be at the cost of building the trust and relationships which will be needed in our region in the longer term to protect the environment, safeguard public and private water supplies and deliver resilience. It may be that the general public will also need to be educated in managing their own domestic supply, as we are told regularly “every little helps”.

Yours Sincerely

Anthony Seaman
BAWAG Chairman