

South
Cambridgeshire
District Council

| Report to:           | Cabinet                                      | 15 May 2023                       |
|----------------------|--|-----------------------------------|
| Lead Cabinet Member: | Lead Cabinet Member for Economic Development |                                   |
| Lead Officer:        | Joint Director of                            | Planning and Economic Development |

# Cambridge Water Draft Water Resources Management Plan 2024 - Consultation Response

## **Executive Summary**

- 1. Cambridge Water (CW) are consulting upon their draft Water Resources Management Plan (WRMP24). WRMPs identify how water supply will be managed, are produced every 5 years, and cover a 25 year period. The draft plan sets out the significant challenges faced in meeting demand for water including population growth, changes in water use due to Covid-19, climate change causing an increased likelihood of drought and the need to reduce abstractions to protect the environment. The plan considers these challenges and sets out the options to best meet them.
- 2. Water resources are a significant issue for the development of the Greater Cambridge Local Plan and this provides an opportunity for South Cambridgeshire District Council with Cambridge City Council to put forward their views by means of a joint response. The proposed response is supportive of the overall aim of the draft WRMP in that it seeks to address the identified development needs whilst also achieving the abstraction reductions required by the Environment Agency. However, the Councils urge Cambridge Water along with the Environment Agency, DEFRA, DLUHC and OFWAT to work effectively together and in a timely manner to resolve the final WRMP and to bring forward the necessary supply and demand measures as rapidly as possible.

# **Key Decision**

3. No

#### Recommendations

- 4. It is recommended that Cabinet:
  - a. Agree the consultation response to be sent jointly with Cambridge City Council set out in Appendix 1 and that this should be sent to Defra.
  - Agree that any subsequent material amendments be delegated to the Lead Cabinet Member for Economic Development in consultation with the Joint Director of Planning and Economic Development.

c. Agree that any subsequent minor amendments and editing changes that do not materially affect the content be delegated to the Joint Director of Planning and Economic Development in consultation with the Lead Member for Economic Development.

#### **Reasons for Recommendations**

5. Water resources will be critical to the development of the Greater Cambridge Local Plan and this is an opportunity to put forward the views of South Cambridgeshire District Council jointly with Cambridge City Council on the Cambridge Water draft Water Resources Management Plan.

#### **Details**

## **Background**

- 6. Cambridge Water (CW) are responsible for supplying water in their operating area which covers the area of South Cambridgeshire District Council, Cambridge City Council and a small part of Huntingdonshire District Council. All water companies are required to produce a Water Resources Management Plan (WRMP) every 5 years. The WRMP24 will cover the period between 2025 and 2050. CW are consulting on their draft plan between 24 February and 19 May 2023 and this provides an opportunity for the Councils to put forward their views on the plan. Following the closing date, CW will have 14 weeks to prepare a statement of response and update the draft WRMP, before submitting the final version to their regulators.
- 7. The plan sets out the significant challenges CW face in this 25 year period, and changes since their 2019 plan, including:
  - a greater demand for water because of population and housing growth.
  - the continuing impact of Covid-19 which increased the amount of water used per person per day, and which hasn't returned to pre-pandemic levels.
  - the need to plan for large reductions in the amount of water abstracted from the aquifer, as this is having a detrimetal environmental impact on the rare chalk streams. Nearly all of the water CW take from the environment comes from the underground aquifer which also feeds the chalk streams. Sustainability reductions or caps on abstraction licences are being brought in by the Environment Agency to prevent further deterioration of water courses in line with the Water Framework Directive. In the longer term, improvements will be made to the water courses as part of an environmental destination.
  - the impact of climate change on water availability.
  - the need to make a step change in resilience to drought to a 1 in 500 year chance (0.2% in any given year) of needing to take extreme measures (such as standpipes) by 2040.
  - the expectation to do more to reduce leakage.

- the classification of the area as 'an area of serious water stress' by the Environment Agency, which enables CW to consider metering all customers (universal metering).
- 8. The increase in demand coupled with the need to significantly reduce abstraction means that there would be a forecast future deficit in water supply. The WRMP must show a balance between supply and demand for water. The plan therefore sets out a number of demand management and water supply options to resolve the deficits.
- 9. The WRMP is closely aligned with the Water Resources East (WRE) draft plan which was published in November 2022 and to which the Councils made a joint response in February 2023.

## **Demand management / supply options**

- 10. The draft WRMP states that ambitious demand management is at the core of the plan to meet the growth needs and reduce the impact on the environment. The measures set out are:
  - a 50% reduction in leakage (from 2017/18 baseline) by 2050, and triple the rate of leakage reduction in AMP8 (this is the period 2025-2030)
  - a commitment to reduce water consumption to 110 litres per person per day by 2050 (the per capita consumption - PCC). Current average consumption is 136 l/p/d.
  - reduction in non-household consumption of 9% by 2037
  - rollout of universal SMART metering between 2025-2035
- 11. The Government's plan to implement water labelling of household appliances is used as an enabler to optimise demand management activities in the plan.
- 12. Managing demand is not going to be enough to meet future needs and the draft WRMP sets out the following supply options to be taken forward:
  - A time-limited bulk water transfer from Anglian Water. This would be taking water from Grafham Water by means of a new pipeline passing through CWs supply area.
  - Optimising sustainable licences. This involves taking water from a gravel source at Fenstaton in an environmentally sustainable way
  - Re-use and storage from water recycling works. This would be using water from Anglian Water's Milton wastewater treatment works to support flows in the River Cam, which would enable CW to take water from the river without affecting the environment.
  - A partnership with Anglian Water to develop Fens Reservoir, a regional winter storage reservoir. The reservoir could be in supply between 2035 and 2037 and would provide a significant new source of water.
  - Working with planners and developers to explore the potential for installing site-scale grey water recycling and rainwater harvesting schemes in all new large housing developments.

## **Supply / Demand Balance**

- 13. The draft WRMP recognises at Section 11.3.1 that 'Despite selecting all supply options available, alongside the preferred demand management options, there remains a deficit from the beginning of the planning period, once licence caps are applied as sustainability changes. This deficit is primarily a result of the need to reduce abstraction licences for no deterioration, and of the assessment period being historical, along the assessment approach for no deterioration baseline changing from WRMP19. The proposed demand management measures seek to offset a large proportion of growth in demand, however these will take some time to become fully effective.
- 14. The draft plan goes on to say that they are unable to produce a plan that shows a deficit, and the options explored in the period until new supply options can be implemented are:
  - applying drought management measures each year in the dry year scenario, which would require a variation to drought planning principles and levels of service
  - deferring some of the licence cap reductions, which is in effect an exemption to meeting the objectives, as defined by EA methodologies, under Regulation 19 of the water framework directive (WFD) Regulations 2017.
- 15. The plan says that 'we have decided not to take the route of Regulation 19 exemptions in this instance, based on advice from the Environment Agency. However, this does not preclude us from utilising Regulation 19 inside the planning period'.
- 16. As an alternative to Regulation 19 the following are proposed:
  - Acceleration of the transfer from Anglian Water. This was scheduled to be available about 2031 but following discussions with Anglian Water, as part of the Defra Accelerated Scheme, acceleration of the work is proposed which would enable the water to be available about 2027.
  - Drought management measures. This is explained at section 11.3.4 of the plan and the savings in water would be through appeals for restraint communications, restrictions on use for domestic purposes under temporary use bans (hosepipe bans) and commercial activites under non-essential use bans. The plan says that if this is used the drought triggers and potentially drought plan would need to be reviewed and the levels of service may require updating.
- 17.CW ask for views on the application of drought measures in the plan in lieu of Regulation 19 in the consultation period.

## **Response to Draft WRMP24**

- 18. A proposed joint response to CWs Draft WRMP24 is set out in Appendix 1. The response is generally supportive of the overall aim of the draft WRMP in that it seeks to address the identified development needs whilst achieving the abstraction reductions identified as necessary by the Environment Agency. However, this is with the proviso that the Councils are not the responsible authorities in water resources planning and would look to the expertise of the Environment Agency to assess whether the measures proposed in the WRMP will be effective in providing a sustainable water supply.
- 19. The housing growth that has been used in the draft WRMP is broadly in line with the housing trajectory within existing Local Plans and the development set out in the Greater Cambridge First Proposals Local Plan (2021). However, the Councils agreed updated objectively assessed needs in January 2023, based upon new evidence and the Councils will need to work collaboratively with Cambridge Water, to understand the implications of this and their relationship with the available water supply.
- 20. The response is generally supportive of the demand management measures included within the draft WRMP, although it questions whether universal smart metering could be implemented more rapidly. The use of site scale rainwater harvesting and greywater reuse in the draft plan is also supported, and reference is made to the proposed water efficiency policy in the Greater Cambridge Local Plan, which could support these measures. The response asks Cambridge Water to support the Councils in trying to achieve a more ambitious water efficiency policy in the Greater Cambridge Local Plan of 80 litres/person/day, which currently goes beyond Building Regulations by lobbying Government and providing any relevant supporting evidence.
- 21. The response is also supportive in principle of securing new sources of water supply, and the acceleration of the transfer from Anglian Water to Cambridge Water, which would involve a new pipeline from Grafham Water. The Councils also support the development of the Fens Reservoir to provide additional strategic scale water supply, and request that this is advanced as soon as possible to support future housing and economic development and enable environmental benefits from the reduced abstraction from the chalk aquifer.
- 22. Cambridge Water ask for views on their proposed use of drought management measures as a way of addressing the short to medium term deficit in water supply as an alternative to deferring the reductions to abstraction licences required by the Environment Agency by way of a Regulation 19 exemption on the grounds of overriding public interest. It is unclear from the plan what this would mean in practice for agriculture and non domestic users across Greater Cambridge, but the proposed response is more supportive of the use of drought measures such as restraint communications, temporary use bans (hosepipe bans) and non-essential use bans for commercial activities. In this way everyone would be playing their part in using water wisely. Such measures would need clear communications to the public and wider education. The response also questions why such measures were not used last year during the heatwave. This is rather

- than deferring the reductions to abstraction licences which could cause deterioration to waterbodies.
- 23. The response also refers to the Councils' view, which was previously expressed to the Regional Water Plan consultation, that the longer-term aim should be for an 'enhance' environmental destination as this includes enhanced protection for our precious chalk streams.
- 24. There is support for schemes to improve the morphology of the chalk streams as a form of mitigation (subject to the appropriate approvals from the Environment Agency, planning permission etc) before flows can be returned. However, the response recognises that the new water supplies are critical to the return of flows to the chalk streams and that these should be brought forward as soon as possible. Any improvements to the chalk streams should also be through a coordinated approach, with the Councils and other environmental groups to secure the greatest benefits.
- 25. Given the well publicised local concerns around water supply in the area, the response urges Cambridge Water along with the Environment Agency, DEFRA, DLUHC and OFWAT to work effectively and urgently together to resolve the final WRMP and to bring forward at pace the necessary supply and demand measures required. Resolution of these issues are crucial to allow the development needs of the Greater Cambridge area to continue to be met in a managed and sustainable way through the adopted Local Plans and with confidence into the future through the next Joint Local Plan.

## **Options**

26. Members may decide to:

- a. Agree the consultation response as proposed, without making any further amendments;
- b. Agree the consultation response, making amendments; or
- c. Agree not to make a consultation response.

## **Implications**

27. This is a response to a consultation and there are no direct implications arising from this consultation but note that there are wider implications for plan making and decision taking.

#### **Financial**

28. There are no financial implications arising from the report as it is to approve a consultation response. However the wider implications for plan making and decision taking noted above could have staff resource implications insofar as addressing ongoing uncertainties regarding water could take staff time, and delay to the WRMP process could potentially affect the Local Plan timetable.

## **Alignment with Council Priority Areas**

## **Growing local businesses and economies**

29. Adequate water resources will be key to the development of local businesses and the economy to be included in the Greater Cambridge Local Plan and it is therefore important to use this opportunity to comment on the draft WRMP.

## Housing that is truly affordable for everyone to live in

30. Adequate water resources will be key to the development of housing to be included in the Greater Cambridge Local Plan and it is therefore important to use this opportunity to comment on the draft WRMP.

## Being green to our core

31. The draft WRMP includes measures to improve the environment by reducing the amount of water that is abstracted and which is currently having a detrimental impact on the chalk streams and rivers in Greater Cambridge. The Councils will need to consider the water resources available as set out in the WRMP in consideration of appropriate targets for jobs and homes in the Greater Cambridge Local Plan. It is therefore important to use this opportunity to comment on the draft WRMP.

## A modern and caring Council

32. Water resources is one aspect that will need to be taken into account in the development of the Greater Cambridge Local Plan. The Local Plan will be subject to full consultation, which supports the Council's priority of being a modern and caring Council.

# **Background Papers**

Background papers used in the preparation of this report include:

- Cambridge Water Draft Water Resources Management Plan 2024 www.cambridge-water.co.uk/media/3872/cam-draft-wrmp24-final-version.pdf
- WRMP24 Non-technical summary <u>www.cambridge-water.co.uk/media/3871/cambridge-water-wrmp24-non-technical-summary.pdf</u>
- Information about WRMP24 and links to supporting documents <u>www.cambridge-water.co.uk/about-us/our-strategies-and-plans/our-water-resources-management-plan</u>

# **Appendices**

Appendix 1 Cambridge City Council and South Cambridgeshire District

Council proposed joint response to Cambridge Water's Draft

Water Resources Management Plan (WRMP) 2024

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