

## **National Framework Senior Steering Group Summary November 2021**

The national framework senior steering group held its twelfth meeting on 30 November 2021. This was the sixth virtual meeting held and was chaired by Jean Spencer. The meeting focused on the development of the emerging regional plans. This included reporting back on the process of making sure the plans fit together across regions (reconciliation) and a look forward at the likely content of the January consultations. The meeting also focused on how ambition on demand management can be realised through water efficiency and leakage management and reviewed the risks associated with the reconciliation process.

The meeting agenda was shaped to help manage the following risks from the risk log maintained by the regional coordination group:

- The risk that there is a lack of alignment between regional plans – in particular the risk that strategic transfer schemes do not line up between plans
- The risk that, despite investment in managing demand, it is not possible to reduce consumption to the levels water companies and regional groups are aiming for. This could have substantial impacts on the plans which are very sensitive to projected demand
- The risk that investments are not made to reduce leakage and help customers manage demand including per capita consumption (PCC) or progress is not made as expected

The meeting included a presentation by the Regional Groups on the emerging themes from their regional water resource plans, an update from the Senior Water Demand Reduction Group on its progress, an update from Water UK on its leakage road map and a review and refresh of the risks associated with the reconciliation process.

The meeting began with an update from Defra. The group were informed that the Environment Act was approved by Parliament on 9 November. There has also been a written ministerial statement regarding actions to be taken on 'Reducing Demand for Water'. Defra has consulted on the government's strategic priorities for Ofwat and is working on finalising the National policy statement regarding water infrastructure.

Jean Spencer presented the item on the emerging themes from the regional water resource plans on behalf of the Regional Groups. The themes included:

- The marked increase in estimated water needs identified in the plans in comparison to the estimated need set out in the national framework. The increased needs are due to a reduction in abstractions to improve the environment, a forecast increase in growth and revised estimates on water needed to improve levels of service in an extreme drought
- The role of demand management savings from PCC and leakage reduction in offsetting the national deficit
- Water resources need that are likely to be met through supply side investment and transfers
- Regional Groups' plans for consultation in January.

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An update was presented on the progress made within the independent Senior Water Demand Reduction Group. MOSL's Sarah McMath will be taking on the role of deputy chair within the group. The national framework's senior steering group were advised that, according to dashboard shared by Defra, the sector is not currently on track to meet the ambition set across water demand. As a result of this, the groups chair will be addressing a letter to ministers, Ofwat, the EA and water company CEO's setting out measures and recommendations that the chair believes are needed for the sector to meet this ambition.

Jean Spencer led the item on Water UK's update on its leakage road map. The senior steering group were presented with Water UK's project objectives, a review of the last 30 years of leakage management, an overview of the workshops completed by Water UK with practitioners and the progress made on developing its road map.

SSG held a discussion around the risks associated with the reconciliation process. This item was led by Jonathan Dennis. The group identified risks around stakeholder engagement, the impact of sharp reductions in abstraction due to regulator policy change on regional plans and the importance of factoring in the impact of combined risks. SSG also requested that a risk around the lack of a demand reduction target for the non-household market be incorporated into the current risk register. The group agreed to feedback on any additional risks and mitigations that it may identify

SSG briefly reviewed the March forward look. The November meeting will hear from the regional groups on the outcome of their January consultations and from the Environment Agency on developing the next national framework. To close, Jean Spencer thanked all attendees for their contributions to the meeting.