



The voice for water consumers
Llais defnyddwyr dŵr

**CCW's response to
Ofwat's consultation:
Updating the storm overflows
performance commitment definition for
the 2024 price review (PR24)**

23rd May 2023

1. Introduction

We are grateful to Ofwat for the opportunities to discuss and comment on their proposals prior to responding formally to this consultation.

2. Response to specific questions

Q1: Do you agree with our proposals to set a performance commitment based on average spills, with financial consequences for companies that do not meet their targets?

While we support a common measure to track storm overflow improvements, we question whether the average number of spills reflects the environmental impact storm overflows have on the rivers and streams. While measuring the average number of spills per overflow meets the Defra requirement for tracking spills¹, this needs to be a starting point for a journey towards reaching a siltation where only spills in exceptional circumstances are permitted.

This performance commitment will not reflect any improvements or deterioration in river water quality or reductions in the harm caused by storm overflows in environmentally sensitive areas.

We agree that there should be financial consequences when companies do not meet targets related to environmental performance.

Q2: Do you agree with our proposed approach to unmonitored storm overflows?

We understand that by early 2024 all companies will have made good progress in installing monitors on all storm overflows. However, by including all of these assets in the measure, it will incentivise companies to ensure they are not only installing monitors but that they are fulfilling their duties in maintaining them and ensuring they gather accurate data. Any exceptions may reduce the incentive for companies to do this.

We appreciate that this approach risks overstating the level of spills from a company's storm overflows and agree with the proposed approach to distinguish performance and payments associated with monitored and unmonitored storm overflows. This level of transparency in communication and reporting is important so the public can track progress.

¹ In the context of the long term target to reach 20 spills per overflow p.a. by 2050

Q3: Do you agree with our proposed approach to mid-period changes?

We support Ofwat's proposals to make mid-period changes to the number of overflows. Without this in place, companies would be incentivised to keep as many overflows as possible in order to improve the average spill numbers. This proposal will ensure that the average spill data is reported clearly and is not distorted by overflows that are no longer needed and can be removed completely.

Q4: Do you agree with our proposed approach to emergency overflows?

We agree with the proposed approach with regard to emergency overflows. We think this is preferable to the other options because these are different assets (e.g. an overflow used only when a pumping station fails), so including them could distort the figures on spills from 'standard' storm overflows. It may be an option to combine emergency overflow data in the future, but as they are different to other overflows (and the resulting pollutions from them can be more severe), we think the pollution incidents measures can pick up issues caused by emergency overflows. Separate reporting would also be more transparent.

We also agree with the proposal to introduce a new reporting requirement for companies' annual performance reports from 2023-24 on the number of spills from emergency overflows. This will help us, and stakeholders, assess how companies are performing as they install more monitors on emergency overflows.

Q5: Do you have any further comments on this performance commitment

People want data and information that is clear and easy to understand. Requiring companies to publish their own data in a transparent way on their website (in addition to any publication Ofwat makes) is a clear step in the right direction. We are working with companies to identify what presenting data in a clear and easy to understand way looks like, and are happy to share our progress to date on this and the next steps.

Enquiries

Enquiries about this consultation should be addressed to:

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