

28<sup>st</sup> August 2024

Ofwat,  
PR24 consultation,  
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Birmingham,  
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Dear Sirs,

## **Ofwat PR24 Consultation – Draft Determination for Southern Water**

Rowlands Castle Parish Council (RCPC) has considered the draft determination for Southern Water (SW) and offers the following comments.

Ofwat expects the company to reduce leakage by 13%, household water use by 2%, and business water use by 2% in the 2025-30 period. RCPC considers these targets as way too low and the first and cheapest priority for dealing with potential future water shortfalls is to reduce demand in the first place. SW must set more challenging targets for itself and work to achieve them.

SW is also proposing some major water projects within its plan and these include the Hampshire Water Transfer and Water Recycling Project (WT&WRP). RCPC agrees that there may be possibly (but not certainly) a lack of water when demand outstrips supply at a time of serious drought, though climate change may actually bring more water to the UK throughout the year as the predominant maritime climate absorbs more water from the Atlantic in particular. SW proposes to use a full-advanced treatment process to turn treated wastewater into purified recycled water at a new water recycling plant south of Havant. This recycled water would then be transferred via a new pipeline to supplement the spring-fed water that will be stored in the planned Havant Thicket Reservoir and then be piped onwards for 40km to the Otterbourne WTW.

RCPC agrees that there is a need to transform the way we ensure that water can be resourced effectively and efficiently but completely disagrees with the approach being put forward by SW. Therefore, the Council strongly objects to the proposal by Ofwat to allow further funding to be spent on developing this scheme and requests that SW be directed to look at the other solutions given below.

The current funding mechanism is driving completely the wrong behaviour by SW in meeting the potential (not certain) challenges in supplying sufficient water to the population. Under the proposed scenario water companies will continue to take as much water as they can from rivers and aquifers, which provide the cheapest source of water. If we want to protect our river catchments then we need a completely new approach to water resource development, but not one that is led by any water company's drive for profit, selecting infrastructure heavy solutions (such as effluent recycling) that require huge amounts of energy and carbon usage (operating 365 days a year even though they are selected as drought resources), have a relatively short life expectancy and which works against climate change. Their selected solution does not provide best value for customers or the environment.

The problem needs a different approach. A large part of the potential demand deficit in Hampshire is driven by sustainability reductions rightly required to protect the environment, especially the chalk streams, so it is necessary to look for more sustainable ways that can protect the environment while still meeting water supply needs for the population. These ways are likely to be cheaper for customers (to build and operate) and have less adverse impact on the environment.

#### Solutions that should be developed in advance of effluent recycling

These can include;

- Making it a priority to move abstractions from the upper catchment of rivers to the tidal limit to provide an immediate and certain environmental improvement to the whole of the freshwater catchment, which is not then reliant on the Company making the right operational choices for the environment, protecting the river flow and ecology all year round and in a drought. This can be done in line with the United Kingdom Technical Advisory Report on Environmental Standards and Conditions. It cannot be sensible to allow large volumes of river water to flow out to sea in a drought, then to construct large energy/ carbon hungry desalination or effluent recycling plants as a solution. Moving abstractions in this way would allow a substantial quantity of river water to be captured without any significant adverse impact on the downstream tidal estuary, removing, or substantially reducing the pressure for abstraction reductions.
- Where there is no abstraction on rivers consider whether it is practical/ appropriate to install new abstractions at the tidal limit to help meet demand, especially in a drought. Most of our population centres are on the south coast, taking the water from closer to where the water is needed reduces transfer & pumping costs. Large volumes of freshwater are flowing out to sea even in a drought, so it is necessary to determine if some of that water can be taken without there being a significant adverse environmental impact. The water companies and regulators should be funding investigation of these type of solutions now?
- Prioritise the investigation and delivery of new reservoir schemes and aquifer storage solutions that can store surplus water in winter, a solution that works with climate change forecasts for wetter winters. Proposing to build one new reservoir in West Sussex and one aquifer storage scheme on the Test by 2040 does not respond to the urgent need for more storage to protect the environment in a drought.
- Prioritise the investigation and movement of existing abstraction boreholes to suitable locations down catchment where they will have less environmental impact so that there is then less pressure for abstraction reduction.
- Developing a more flexible approach to abstraction licensing that allows more water to be taken in winter to encourage storage solutions, in association with time limits on the licence to enable volumes abstracted to be regularly reviewed and amended based on evidence.
- Developing the prevention schemes that include a large increase in reducing leakage and educating all customers on how best to reduce water usage, thus reducing any possible shortfall in the first place.

The water industry will never take action unless pushed to do so as there is no significant profit in a more sustainable approach. The water companies should be incentivised to identify and develop more sustainable solutions which would also be cheaper to implement and operate for customers. For example, you could build three new reservoirs the size of Havant Thicket for the same price as the

Hampshire effluent recycling scheme. To deliver the wholesale change in approach for the benefit of customers and the environment it is necessary for;

- Ofwat to urgently change the funding mechanism to drive sustainable solutions such as moving exiting abstraction infrastructure and promoting winter storage solutions.
- The environmental regulators to support and encourage a more sustainable approach to public water supply abstraction by changing the licensing regime to help facilitate and drive these changes as quickly as possible.

Research across the water industry has shown that customers support more natural solutions such as catchment management, reservoirs and aquifer storage solutions, rather than effluent recycling and desalination. Companies and regulators should be listening and taking action to respond to this feedback. Other areas of the country are building new reservoirs in the plan period and Southern Water should be identifying new sites in Hampshire for winter storage.

There is a requirement to make a major investment package to change the way we take water for the environment, but not the package of measures put forward by SW based on construction of effluent recycling plants. A solution that due to the lack of trust in the company and how it manages its systems risks driving people away from drinking tap water to using bottled water, which would be another environmental disaster with all the plastic involved.

Effluent recycling does not provide best value for customers or the environment. Risks to the environment of Langstone Harbour, the Solent and Havant Thicket Reservoir from the Hampshire effluent recycling scheme are not yet understood. Despite this SW are pushing hard ahead with their plans, while other more sustainable solutions are not even being investigated, this is not acceptable. While climate change is used as the argument to say we need to provide much more water for consumers, that is not a given. A warmer air mass can hold far more water and, given the prevailing maritime climate of the UK, there is a strong chance that even in the summer we will see more storms and large amounts of rainwater deposited on Britain, including in the south east. It is important to develop less expensive and more durable means of improving the water supply while also reducing consumption through proper education of customers. That will provide time to see how climate change for the UK actually pans out.

The Hampshire Waste Transfer & Water Recycling project is not a sustainable or cost-effective solution for meeting water supply needs in the years ahead in both environmental and financial terms. Effluent recycling is a very expensive solution which is not supported by customers. In the 2022 consultation 48% of respondents indicated that they did not support effluent recycling. This demonstrates that the Company have no mandate from customers to proceed with this option and that the Company is not responding to public concerns when developing their plan. Given this feedback it is not appropriate for Ofwat to support Southern Water's plan.

Also, in the 2022 consultation 41% of people did not support the selection of Site 72 for the location of the Havant Water Recycling Plant. Locating the plant on a former landfill site poses significant risks to Langstone Harbour SPA, SAC and Ramsar site. If effluent recycling really has to go ahead an alternative site for the Water Recycling Plant must be found.

Finally, the higher priority for SW is to improve their sewage treatment system to prevent the overflows and discharges that occur with monotonous regularity. This is today's problem; the possible shortage of water is tomorrow's problem. The sewage discharges are destroying the chalk streams and the important coastal environment and it will not be long before those will have deteriorated beyond the point at which

they can be recovered to what they should be. If money needs to be found to support infrastructure projects it should be directed first and foremost to dealing with sewage, as this problem is just getting worse with more people and more rain to exacerbate the situation.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Lisa Walker', written in a cursive style.

Lisa Walker – Clerk to the Council  
On behalf of Rowlands Castle Parish Council