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Submitted via TW online portal

And by email to: water.resources@defra.gsi.gov.uk

Cc

consultations@thameswater.co.uk

water-company-plan@environment-agency.gov.uk

wrmp@ofwat.gsi.gov.uk

CPRE Oxfordshire 20 High Street Watlington Oxfordshire OX49 5PY

Telephone 01491 612079 campaign@cpreoxon.org.uk

www.cpreoxon.org.uk

working locally and nationally to protect and enhance a beautiful, thriving countryside for everyone to value and enjoy

# <u>CPRE response to Thames Water Revised Draft Water Resources</u> Management Plan 2019 consultation, November 2018

CPRE welcomes the opportunity to comment on the latest version of the plan. CPRE has been concerned throughout that the demand forecasts are based on inconsistent data and as we set out below we are still concerned.

We are pleased to see a greater emphasis on looking at the whole SE area through WRSE, but at this stage this adds to uncertainty given that critical parts of the plan for the SE are still missing, notably the Affinity plan, and further analysis of the Transfer options.

Given these inconsistencies, uncertainty and gaps CPRE does not believe it is justified for Thames to be proposing a reservoir particularly on the timescale proposed. If Thames keep this in their proposed WRMP it should be subject to a Public Inquiry.

CPRE welcomes the comprehensive approach to affordability and vulnerability and would like to see that integrated with provision of more affordable housing, by Thames engaging specifically on this through developer contacts.

CPRE's continuing concerns with the WRMP are set out in some detail below.

## Population and demand projections

CPRE is pleased to see Thames Water (TW) now use the most recent Office for National Statistics (ONS) 2016 based projections for their population estimates beyond 2045. We note, however, that they are still making use of the ONS 2014 based projections up until 2045. The ONS 2014 based projections are considerably higher than the ONS 2016 and reflect well established trends of reducing fertility and a decrease in inward migration from historically high levels in the early part of this century.

Prior to 2045, the methodology uses OFWAT guidance to make use of the Local Authority Local Plans, however these generally only project to the early 2030s and beyond this: 'Population growth is higher thereafter as housing growth totals return to the trend evident in the ONS 2014-based projection. Paragraphs 0.65 and 3.85'. This increase in population is quite dramatic and represents a doubling of the growth rate between the 2020s and 2030s and is very evident in the population growth figures, e.g. figure 3.9. We estimate it will cause an overestimate of population of over 600,000 by 2045 and much more beyond this.

It is very hard to imagine a physical mechanism to explain a sudden doubling of the population growth rate in the 2030s, particularly as nationally and worldwide fertility rates are dropping and all ONS projections show a decreasing percentage increase during the 2030s and 2040s. It is also incorrect to say that the ONS 2016 projections include the 'BREXIT effect' (Paras 0.68 and 3.63). The ONS project forward trends from the previous five years, i.e. prior to the BREXIT referendum. We might therefore expect post BREXIT population growth to be even lower than the ONS 2016 principle projection.

Further, drWRMP should make some recognition that the Local Authority Local Plans are aspirational and tend to over-estimate population and housing growth. To take Oxfordshire as an example, the Oxfordshire Strategic Market Housing Assessment published in 2014 (on which all the Oxfordshire Local Plans are based) plans for 5,000 new houses a year between 2012 and 2031. In fact the household growth estimates show a steady increase from 240,000 households in 2001 to 268,000 in 2016, an average of only 1,625 per year (again ONS figures), and if anything this growth rate has been decreasing in recent years. Of course this reduced growth rate is also reflected in recent population estimates.

A further small point is that the influence of the Oxford to Cambridge Corridor (Para 0.234) is a red herring - the population growth envisaged in the corridor is at least five times the 'natural' population growth and can only come from inward migration - this is most likely to be from a reduction in London's population, as people move out of the capital and so will not increase the overall number of TWs customers.

We fully appreciate that population projections are uncertain. However, we firmly believe that TW's baseline projection should be based on the most recent and authoritative work, i.e. the ONS 2016 projection, with variants above and below this. Any extrapolation of Local Plans up to 2045 should be firmly based on ONS 2016 (this alone has a dramatic impact on the long-term population projection) and variants shown from the ONS principle and low projections. Clearly in our fast changing societal and political environment these future projections will be frequently revised in the coming years and the most recent figures should then be reflected in TW's plans.

## Requirements from Affinity and the South East Strategic Reservoir Option (SESRO)

CPRE fully support the need for the water companies across the country to work together. We were, however, surprised to see the unexpected introduction of Affinity Water's requirement of 100 Ml per day as the sole justification of bringing forward the need for the Abingdon Reservoir. (We also note that although the original dWRMP19 had the need for the reservoir for 2043, with the revised population figures presented to us in the summer it was suggested that the Reservoir would not be needed until the late 2040s.) Indeed paragraph 0.112 says: 'Since we published the draft WRMP19 the development of each water company's plan has reduced the need for inter-company water transfers, with only Affinity Water's need from Thames Water remaining. All others have been removed and do not at this time require a solution or support from Thames Water.' Yet this requirement has made a major change to the timing of this resource development.

Throughout the Stakeholder process we have seen varied and varying estimate of need for intercompany transfers - indeed these varied widely from one Stakeholder meeting to the next. It is clear that the WRSE process is work in progress. Given that it is possible to cast some doubts on TWs very detailed water demand assessments it is essential that the demands of neighbouring water companies are considered in detail together. This has not yet been possible, particularly given that Affinity has yet to consult on their dWRMP. It is illogical and unjustified to base the demand and timing of a reservoir on Affinity's needs which has not yet published its third revision plan, the first and second having been rejected by the Environment Agency.

We note, from analysis provided by GARD:

 that Affinity's demand projections show they would not need the water supply from the reservoir until around 2080, so it would be entirely premature to press ahead with an

- expensive and disruptive reservoir plan, which will add to customers' bills for the next 50 years.
- Affinity's ambition to end abstraction from vulnerable chalk streams is entirely laudable. However, there are a number of smaller-scale projects that would achieve the same result more quickly and at far less cost than the Reservoir.
- Affinity's own revised Water Plan is not out for consultation until early next year, so it is impossible to check the robustness of their requirements at this stage. (The first version of their Plan showed a *surplus* of 50 million litres per day). We reserve the right to comment further on the TW plan once we have seen the connected Affinity plan in January 2019.

### **Environmental assessments**

CPRE fully support the comprehensive environmental assessment on all possible resource plans. We are, however, surprised at the readiness to drop the Teddington Direct River Abstraction (DRA) supply option from the preferred plan. This option was the major plank of the original dWRMP and an important part of TW's thinking over the last few years (and Stakeholder consultations). To drop this previously preferred option so precipitously over the summer without a comprehensive environmental assessment nor a full study of possible mitigation measures seems to lack the rigour necessary in this planning process. We would also question whether similar downstream concerns have been fully considered for the other resource options (including the reservoir and Severn-Thames transfers)?

We therefore call for the Teddington DRA scheme and the STT Water-transfer schemes to be investigated more thoroughly, before being dropped or deferred to the end of the 21<sup>st</sup> Century. A major step forward would be to insist that independent technical analyses be performed on disputed topics by the Environment Agency.

CPRE disputes the simplistic use of a simple traffic light system to assess environmental damage in the SEA criteria (e.g. figure 6.3). To equate the temporary and geographically limited disruption of some options (for example the pipeline option) with the complete and permanent destruction of many square miles of pristine countryside and high quality agricultural land is clearly wrong.

Even this simplistic scoring can be disputed, for example, the scoring of reservoir as yellow or amber for categories: 1.1 To conserve and enhance biodiversity, 1.2 To protect, conserve and enhance natural capital and the ecosystem services, 5.1 To protect and enhance geology, geomorphology, and the quality and quantity of soils, 5.2 To protect and enhance the ecosystem services functions of land, soils and geology, including carbon sequestration, flood attenuation, pollutant filtration and nutrient cycling, is clearly perverse when the construction of the reservoir over a 10 year plus period will cause massive destruction of many square miles of valuable countryside. This assessment is also clearly at odds with the spirit of the Government's recent 25 year Environment Plan - which aims to leave the environment in a better state than we find it now - and the recent reports from the Committee on Climate Change (e.g. Land use: Reducing emissions and preparing for climate change (2018)) which emphasis the important role agricultural land can play in reducing our CO<sub>2</sub> emissions.

We therefore call for complete and independent reappraisal of the SEA scores for all the resource options and a more nuanced interpretation of the simplistic traffic light scores.

#### Uncertainties and need for a Public Inquiry

From the above, and a more thorough analysis of the resource resilience and flood risk undertaken by GARD, it is clear much more work needs to be done to fully assess the uncertainties, impacts and consequences of the reservoir plan, than is outlined in the drWRMP.

The development of a major reservoir in the upper Thames will obviously have severe consequences to the environment and communities in Oxfordshire. The loss and damages to land, resources, heritage and communities would be substantial. The proposed area of flooding is a massive, hugely significant historical and archaeological landscape and the reality of what is there (and as yet undiscovered potential) has not been grasped.

CPRE considers that a convincing case has yet to be made on the need, viability and consequences of this proposed development. The uncertainties on future demand, and in particular in the long-term population projections, clearly show how uncertain it is that the reservoir will actually be needed. The flaws in the modelling of resilience indicate that much more work is needed to justify the reservoir, particularly against other options, including more comprehensive use of indirect water recycling across the WRSE area. A full, comprehensive environmental and natural capital assessment needs to be made.

It is becoming increasingly clear that the inter-relationship between water companies, both with and outside the Thames valley, is becoming increasingly important and inter-company and basin transfers will be an important way of working in the future. And with the start of waste water management plans there will be an opportunity to focus more systematically on water recycling as TW has been doing for many years. Luckily there is enough time in the next decade to make a more robust assessment. Meanwhile, CPRE feels there is <u>no</u> necessity for the Abingdon reservoir proposals to be included in Thames Water's current plans and the company should adopt a more formal adaptive planning approach, which can reassess a whole range of options as new information and technologies emerge in the coming decades.

If the reservoir proposals go ahead the issues involved are sufficiently complex that a robust, independent review is required, to avoid concerns about corporate self-interested decision-making and to arrive at the most sustainable and cost-effective outcomes which have the confidence of local communities.

CPRE therefore believes that a Public Inquiry is now essential.

Yours sincerely

Helen Marshall Director, CPRE Oxfordshire