Appendix 5.3.D - DWI statement for the Wessex Water Partnership

Wessex Water

September 2018



В	usiness plan section	Sup	oporting document					
	Board vision and executive summary							
1	Engaging customers							
2	Addressing affordability and vulnerability							
3	Delivering outcomes for customers							
4	Securing long term resilience							
	Markets & innovation: wholesale	5.1	Protecting and enhancing the environment					
		5.2	Using water efficiently					
		5.3	Providing excellent drinking water quality					
		5.4	Minimising sewer flooding					
5		5.5	Bioresources					
5		5.6	Maintaining our services					
		5.7	Accommodating growth and new development					
		5.8	Water resources bid assessment framework					
		5.9	Water resources RCV allocation					
		5.10	Bioresources RCV allocation					
6	Markets & innovation: open systems & DPC							
7	Markets & innovation: retail							
8	Securing cost efficiency							
9	Aligning risk and return							
10	Financeability							
11	Accounting for past delivery							
12	2 Securing trust, confidence and assurance							
13	13 Data tables and supporting commentaries							

PR19 Drinking Water Inspectorate statement for Wessex Water Partnership report to Ofwat

1 Introduction

- 1.1 The Drinking Water Inspectorate (DWI) is the independent regulator of drinking water quality in England and Wales. We protect public health and maintain confidence in public water supplies by ensuring water companies supply safe clean drinking water that is wholesome, and that they meet all related statutory requirements. Where standards or other requirements are not met, we have statutory powers to require water supply arrangements to be improved.
- 1.2 We publish information about drinking water quality and provide technical advice to the Secretary of State for the Environment, Food & Rural Affairs, and to Welsh Ministers.
- 1.3 For PR19, water companies are expected to ensure that their business plans make provision to meet all their statutory obligations, including the need for public water supplies to be safe, clean and wholesome, and that provision is made for a sustainable level of asset maintenance to maintain public confidence in drinking water quality in the long-term. Ministers summarised these requirements in "The government's strategic priorities and objectives for Ofwat¹ (Sept 2017)".
- 1.4 In addition, the Inspectorate set out in our "Guidance Note: Long term planning for the quality of drinking water supplies (September 2017)²". This includes guidance to companies on the regulatory framework for drinking water quality, statutory requirements, the Inspectorate's role in the Price Review process and our requirements for companies seeking technical support.
- 1.5 It is worth noting the particular emphasis that Ministers placed in their Guidance on the resilience of supply systems, and that the Inspectorate placed on existing duties to manage the introduction of new sources and to plan supply arrangements to protect consumers and ensure no deterioration in the quality of their supplies.
- 1.6 The Inspectorate have supported the Company's CCG process throughout the PR19 process being available to discuss any matters relating to drinking water quality.

2 Formal drinking water proposals requiring DWI technical support

2.1 As with previous periodic reviews, water companies seeking technical support from the Inspectorate must demonstrate the need for each proposal. The case for justification must be accompanied by evidence of the company's options appraisal process to identify the most robust, sustainable and cost-effective solution, with evidence that the preferred solution will adequately address the risk and deliver the required outcome within an appropriate timescale.

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661803/sps-Ofwat-2017.pdf

² http://www.dwi.gov.uk/stakeholders/guidance-and-codes-of-practice/ltpg.pdf

- 2.2 Wessex Water submitted 3 formal proposals for drinking water quality to the Inspectorate, listed in the table in Annex A.
- 2.3 The Company submitted its proposals to the Inspectorate by the published deadline of 31 December 2017. Some further follow up information was requested from the Company and responses received as required.
- 2.4 The Inspectorate has formally supported all of the Company's proposals and we will put legal instruments in place to make the proposals legally binding programmes of work. Our final decision letter was sent to the Company on 30 May 2018.
- 2.5 The first of the Company's proposals relate to facilitating compliance with the lead standard. The Inspectorate expects that the Company will have a strategy in place for managing lead in drinking water that should form part of a risk-based programme of work that includes a range of measures to address lead in identified high risk areas, and target high risk properties and vulnerable consumers. In AMP7 the Company proposes an extensive programme of lead pipe replacement/refurbishment as part of the Company strategy to remove all lead pipe by 2045. In AMP7 the emphasis will be schools and properties where levels of lead are greater than 7ug/l.
- 2.6 The remaining schemes are for blending in distribution to mitigate increasing levels of nitrate in raw water to 2 groundwater sites.
- 2.7 It should be noted that these improvement schemes will make only a small contribution to enabling the Company to meet its legal obligations in respect of drinking water quality. These obligations are met overwhelmingly by the Company making sufficient provision for operational and maintenance requirements in its business plan, and by its use of those resources. These are matters for the Company to determine and deliver. For its part, the Inspectorate will continue to keep under review, and report on, the performance of the Company in meeting its legal obligations.
- 2.8 The summary of improvement schemes above reflects the position at the time of writing this note. Further discussions are needed with the Company to finalise details. We will advise the Wessex Water Partnership of any material changes.
- 2.9 This note will be copied to Mr Matt Wheeldon of Wessex Water. Any queries arising should be directed to Sue Pennison, Principal Inspector, Drinking Water Inspectorate, at <u>Sue.Pennison@defra.gsi.gov.uk</u>.

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Milo Purcell

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29 June 2018

PR19 DWI ref	Scheme Name	Quality parameter	Scheme type	Preferred option	DWI final decision
WSX 1	Fonthill Bishop WTW	Nitrate	Treatment	Upgrade blending facilities	Support - Regulation 28 notice
WSX 2	Sturminster Marshall WTW	Nitrate	Treatment	Upgrade blending facilities	Support - Regulation 28 notice
WSX 3	Lead strategy	Lead	Treatment/Distribution	Implement lead strategy	Support - Regulation 28 notice