Managing land to provide better water

(How to get Water companies to fund peatland restoration)

SWW's Catchment Management programe

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SWW –Regulated Business Model

South West Water

•Pennon - UK Owned Parent company (also Virador)

•PLC, FTSE 250 Shareholders and high percentage of workforce ownership

•Public Health duties for Drinking and Wastewater (operating licence)

•Circular economy model - taking raw water from the environment and returning it

•Regulated by OFWAT, and Defra (EA, NE), DWP, CCW. **N.B. E&W only**

•Between them they set agenda for how SWW interacts with the natural environment

•SWW also required to fulfil CAR duties as set out in the Water Act and has responsibilities for delivering customer water use conservation

•Profit is made on regulated margins defined by Ofwat (less than 5% of bills)

•Additional profit is made by delivering business plans more efficiently and at lower than forecast costs

•Subject to Penalty and reward ODI's set by Ofwat

Catchment Management Declaration

A step change in catchment management activity will be a demonstration of commitment to the ambition of the 25 Year Environment Plan by supporting water catchment-related activities that will facilitate a greater level of delivery.

This Declaration aims to bring sectors and organisations together to enable effective catchment management.

Current signatories

Water is everyone's business

REGION AND RESPONSIBILITIES

South West Water

- 903,000 Household Customers
- 70,000 businesses
- Dispersed population
- Many tourists – pop. swells to 8m in summer
- Drinking water quality 99.98% to 99.99%
- A unique environment:

  35% of England's designated bathing waters

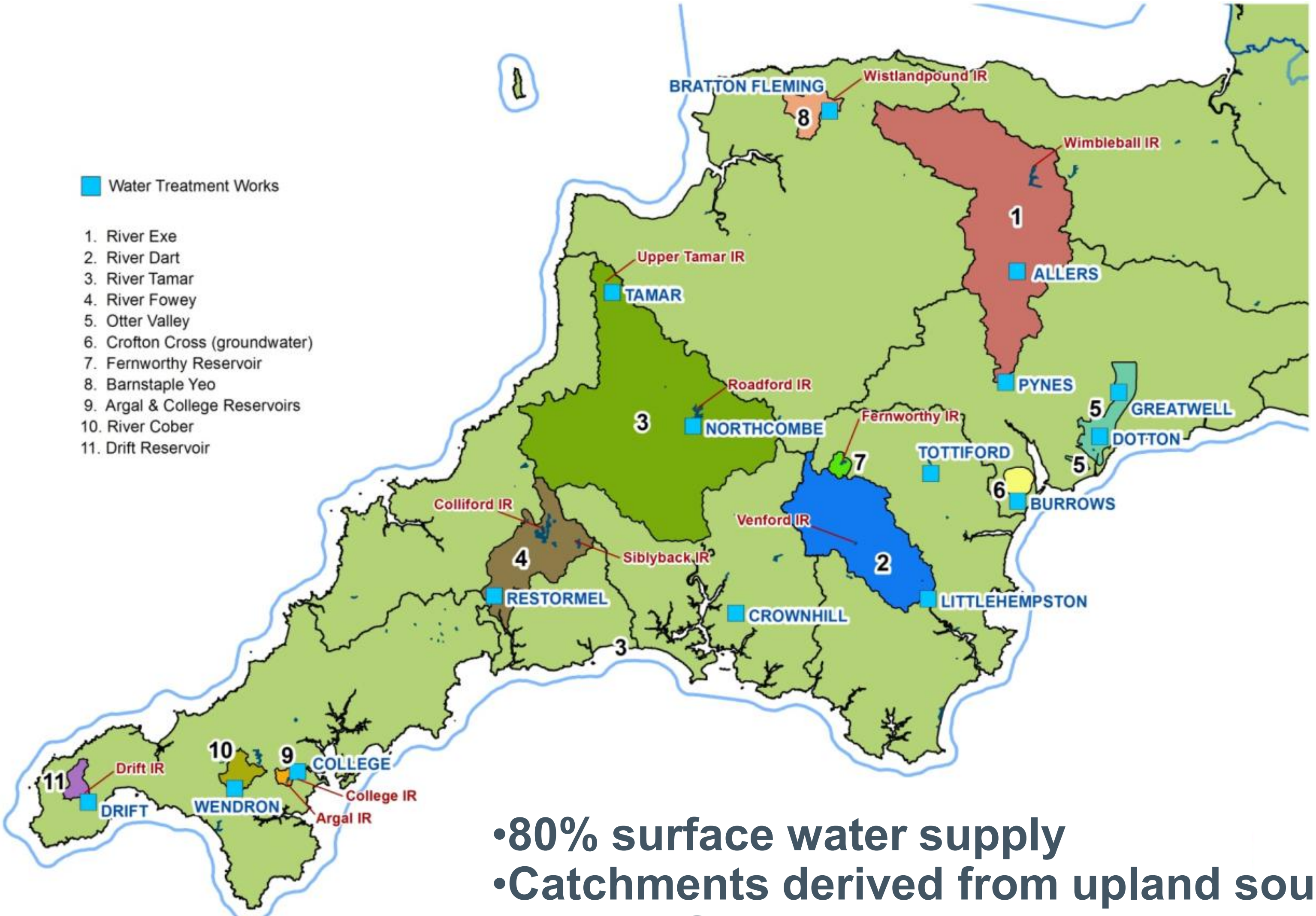
  19% of England's designated shellfish waters

  National Parks, ANOBs, SACs, Biosphere Reserve /Pioneer, etc

Bournemouth Supply area

Major Drinking Water Supply Catchments

South West Water



- 80% surface water supply
- Catchments derived from upland sources
- Limited SWW land ownership

Catchment Issues

South West Water

Catchment Management solutions

South West Water

Traditional model

- asset-focused
- construction intensive
- high energy, resource costs
- high in carbon
- expensive

Catchment management

- holistic approach
- multiple benefits
- low cost
- pooled resources
- sustainable
- protects natural capital
- supported by regulator

Upstream Thinking

South West Water

Flagship environmental project
£9m (2010-15) £10m (2015-20)

Exmoor mires Partnership

Partnership delivery

Cornwall Wildlife Trust

The wildlife Trusts Devon

Westcountry Rivers Trust

Exmoor National Park

2 strands of work:
- moorland restoration
- agricultural improvements

Focus on water quality

Improving **natural water quality** and **water storage** in the landscape

Upstream Thinking
By South West Water

Partnership working – the South West landscape

LEP's	Cornwall & IoS LEP		Heart of the South West LEP			
LNP's	Cornwall & IoS LNP		Plymouth LNP	Devon LNP		
CaBA Partnerships	West Cornwall Host: CWT	North Cornwall Host: CWT	Tamar Host: WRT	North Devon Host: WRT Co-host: DWT	South Devon Host: WRT Co-host: S Hams AONB	East Devon Host: DWT Co-host: WRT
SWW PR14 UST	Drift Cober Argal & College	Fowey	Tamar	Barnstaple Yeo	Fernworthy Dart	Exe Otter Cofton Cross
SWW PR14 DST	Falmouth Truro	North Cornwall Streams	Plymouth	Braunton Torrington	Torquay	Exeter Exmouth
CRF		SCRIP		TRIP	DTRIP SHRIMP	AERIP
Others	Loe Pool & Cober Forum	Bude Cleaner seas project	Defra DTC Caudworthy	N. Devon NIA	Avon Estuary Forum	Exe Estuary Forum

SOUTH WEST WATER
EXMOOR NATIONAL PARK
Upstream Thinking by South West Water
ENGLISH HERITAGE
Environment Agency
CORNWALL COUNCIL
sw lakes trust
NATURAL ENGLAND
GrantScape funding for the environment
DARTMOOR NATIONAL PARK
MINISTRY OF DEFENCE
UNIVERSITY OF EXETER
RSPB
THE wildlife TRUSTS Cornwall
The UNIVERSITY of PLYMOUTH
Farming & Wildlife Advisory Group FWAG
Devon County Council
DEVON WASTE MANAGEMENT
DUCHY of CORNWALL
CAMPAIGN FOR THE FARMED ENVIRONMENT
Butterfly Conservation
University of BRISTOL
THE wildlife TRUSTS Devon

SWW BENEFITS FROM PARTNERSHIP DELIVERY OF CATCHMENT MANAGEMENT

South West Water

Match funding from sources SWW cannot access

Extra delivery by the partners in areas that SWW is less able to fund such as biodiversity

Use of a 3rd party for delivery brings greater success - the honest broker approach

Builds partnership support from stakeholders

Customer support and reputational benefits

Other models of Water company catchment management are available

Upstream Thinking: on the moors

South West Water

Exmoor mires Partnership

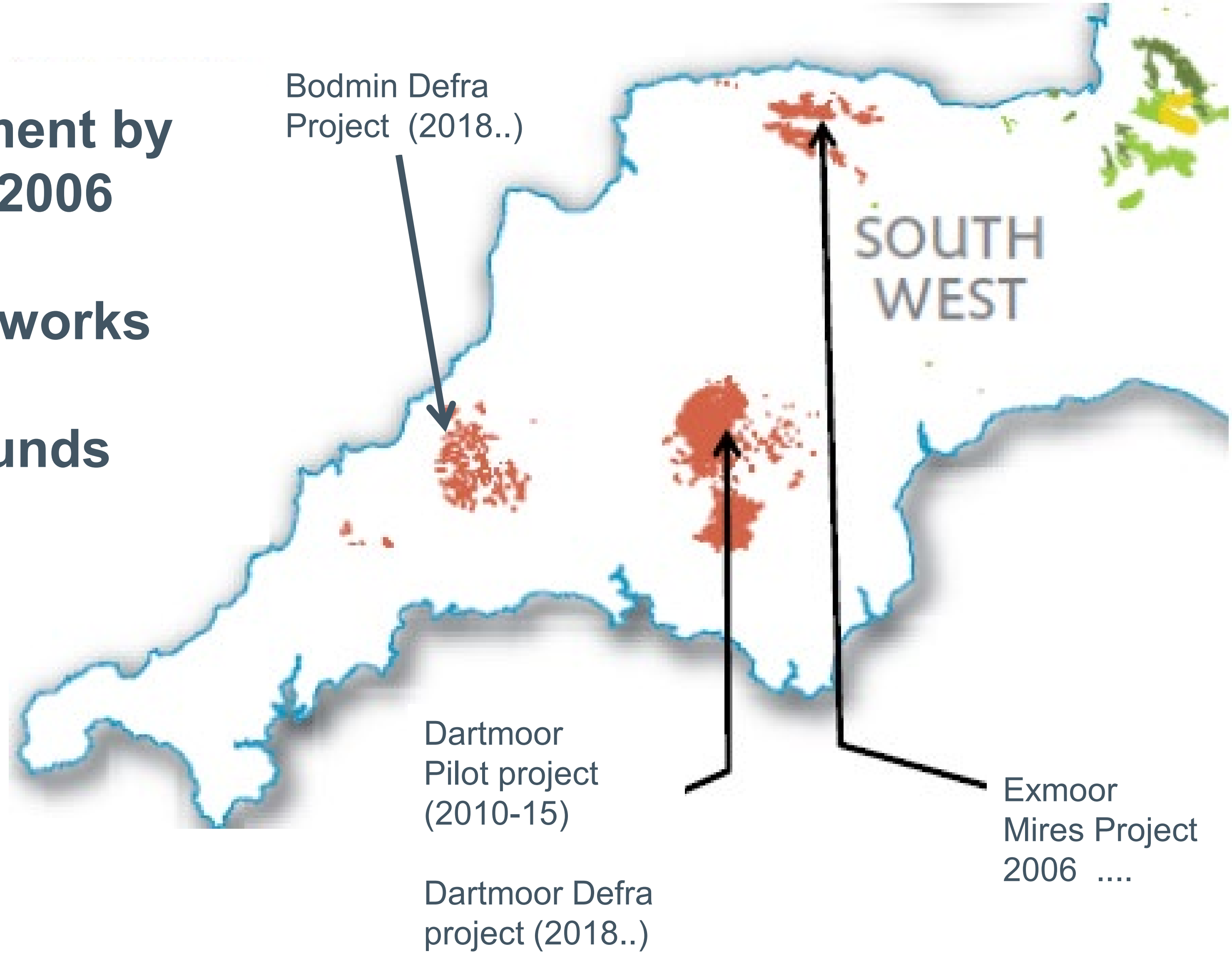
Dartmoor mires PROJECT

SW Peatland Projects

£5m investment by SWW since 2006

+NE capital works

£2m Defra funds



PR19

•OfWAT Business plan review and price setting process for water companies

•For period 2020-25 (AMP7)·

•Draft plans with Ofwat (Sept 3rd)

New directions for Water companies from OFWAT and Defra (NE/EA)

•Resilience outcomes

•Support for catchment management approaches where these are of value for customers

•Natural Capital approaches and 25year Environment plan outcomes,

•market driven approaches,

•new reward and penalty ODI's including catchment management .

•WINEP

Opportunities for Peatland restoration:

Water companies will look to invest in integrated solutions for assets and risks

South West Water
WaterFuture

Catchment management schemes which deliver slow clean raw water - targeted to deliver additional outcomes:

- flood risk reduction, (NFM)
- reduction of catchment flow sources in to urban areas
- reduction of CSO discharge risks
- catchment nutrient loading reduction
- reduced nutrient and sediment loading into bathing waters
- carbon storage
- catchment base flows
- regulatory biodiversity outcomes (habitat, species and WFD).
- ALL ABOUT INCREASING RESILIANCE