



House of Commons  
Public Accounts Committee

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# Water supply and demand management

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**Ninth Report of Session 2019–21**

*Report, together with formal minutes relating  
to the report*

*Ordered by the House of Commons  
to be printed 1 July 2020*

## The Committee of Public Accounts

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### Committee staff

The current staff of the Committee are Bradley Albrow (Second Clerk), Hajera Begum (Committee Assistant), Jessica Bridges-Palmer (Media Officer), Ameet Chudasama (Senior Committee Assistant), Richard Cooke (Clerk) and Shai Jacobs (Chair Liaison).

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## Summary

There is a serious risk that some parts of the country will run out of water within the next 20 years. More immediately, some areas are facing shortages during the COVID-19 pandemic. The responsible bodies – the Department for Environment, Food & Rural Affairs (the Department), the Environment Agency and Ofwat – have collectively taken their eye off the ball and urgent action is now required if we are to have a reliable water supply in the years ahead. Over 3 billion litres, a fifth of the volume used, is lost to leakage every day. Despite this, no progress has been made in reducing leakage over the last 20 years. The government's weak efforts to encourage reductions in water consumption have achieved very little. Water companies have at least now been given tougher targets to make improvements, but we are calling for the responsible bodies to go further, and annually publish clear performance tables so that the government and the water companies can be properly held to account.

Government has been too slow to implement policies that could improve water efficiency such as product labelling and changes to building regulations. Nor has it done enough to resolve the tension that water companies face between needing to invest in infrastructure to improve water supply and the pressure to keep water bills affordable for consumers, particularly where consumers say they are prepared to pay more. We are sceptical about the effectiveness of water companies' efforts to mitigate environmental damage and are not convinced the UK's net zero emissions target has been sufficiently embedded in the oversight and regulation of the industry. The Department has shown a lack of leadership in getting to grips with these issues. We look now to the Department to step up, make up for lost time and ensure all parties act with the urgency required.

## Introduction

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Overall responsibility for setting the policy and regulatory framework for water in England sits with the Department for Environment, Food & Rural Affairs (the Department), which oversees a complex delivery landscape of multiple regulators and privately-owned water companies. Ofwat regulates the services provided by water companies and sets them performance targets during its five-yearly price control process. The Environment Agency manages the water resource management process and must ensure water companies and other water abstractors abide by the terms of their environmental permits and licenses. These cover how much water they can take out of the environment and how they should handle and treat sewage.

Demand for water is about 14 billion litres per day in England and Wales. Due to rising demand and falling supply of water the Environment Agency now estimates that England will need an extra 3.6 billion litres per day by 2050 to avoid shortages. Water companies have a statutory requirement to set out every five years how they intend to balance supply and demand over the next 25 years through their water resource management plans.

## Conclusions and recommendations

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1. **Government has failed to be clear with water companies on how they should balance investment in infrastructure with reducing customer bills.** The government recognises the need for investment in strategic infrastructure projects and water companies are responsible for considering the options available to them and putting their investment proposals to Ofwat based on these considerations. Ofwat scrutinises companies' investment proposals and accepts or rejects them on the basis of the evidence of need, and whether the costs of the proposal are reasonable. Water companies have had little help from government in how they resolve the tension they face in balancing their plans for investment with the need to keep bills affordable, especially where they feel they have good evidence on their customers' willingness to pay for long-term resilience. We recognise that infrastructure improvements cannot be achieved overnight, but the rate of progress has been far too ponderous.

**Recommendation:** *The Department should provide more guidance to water companies on the level of investment needed to ensure resilience by 2050 and how they should balance this in their business plans with pressure to reduce consumer bills. The Department should write to us by 31 December 2020 to update us on progress in this regard and how they plan to accelerate the pace of infrastructure improvement.*

2. **It is wholly unacceptable that over 3 billion litres are wasted every day through leakage, with no improvement in the last 20 years.** From a high of over 4.5 billion litres a day in the early 1990s, daily losses through leakage fell to around 3 billion at the turn of the century. However, this reduction was followed by over a decade of complacency and inaction, which has meant water leakage is now a hugely pressing problem. No one organisation has got a thorough grip on dealing with this issue and driving the change necessary. The Department urged water companies in 2016 to make tackling leakage a much higher priority. However, there has still been little progress. The Department has belatedly set annual targets for water companies and longer-term targets to reduce leakage by a third by 2030 and by half by 2050. Ofwat assures us that companies are exposed to substantial penalties if they do not meet their targets over the next five years and is confident that the worst performing companies are now starting to get their act together. Ofwat now expects leakage to fall by 16% between 2020 and 2025, which would result in 561 million litres of water a day being saved. However, meeting the targets relies on unknown and untested approaches. We are unconvinced by Ofwat's hope that water companies will "surprise themselves" at what they can achieve, and call on the Department and Ofwat to be more proactive in ensuring companies meet leakage targets.

**Recommendation:** *The Department should hold water companies to account by publishing annual league tables showing their performance on tackling leakage against the targets set. Annual published league tables should be introduced by 31 December 2020.*

3. **Government has failed to develop a national message to consumers on the need to reduce water consumption and how to do so.** Government relies on water companies to promote the importance of reducing water consumption. But with

each company adopting different approaches there is no coherent or coordinated national message. As a result, awareness of the need for water efficiency is very low compared to that of saving energy. There is no evidence of the impact on consumer awareness or behaviour of what water companies are doing. This demonstrates that industry action has been insufficient and has failed, and that government now needs to substantially step up its efforts to coordinate increased awareness of the need to reduce water consumption. In July 2019 a group of organisations including the Environment Agency launched the ‘Love Water’ campaign, but the campaign has no central funding and relies on voluntary contributions from water companies, none of which has yet been secured. To date there is very little to show for the campaign besides a Twitter feed with fewer than 1,000 followers, and the Environment Agency accepts that a lot more needs to be done. For the non-domestic market, including the public estate such as hospitals and schools, the government has attempted to improve water efficiency by introducing competition to allow customers to choose alternative retailers. But the rate of switching has so far been pitiful, and the retailers that are operating in the market are generally failing to offer water efficiency advice and services.

**Recommendations:**

*The Department should urgently develop a plan, with adequate funding, to increase public awareness of the need to save water. The Department should write to us by 31 December 2020 to update us on progress in this regard.*

*The Department should publish annual league tables showing water companies’ and retailers’ performance on reducing consumption. Annual published league tables should be introduced by 31 December 2020.*

4. **We are not convinced that achieving the net zero target is sufficiently embedded in the oversight and regulation of the water industry.** The process of building the new infrastructure needed is energy-intensive. Each of the different types of infrastructure water companies can invest in will have differing carbon costs as well as financial costs. The Department has a major part to play in achieving net zero by 2050 and described it as the challenge of our generation. We are told that both water companies and the Environment Agency have committed to net zero by 2030 but it is not clear how this will be achieved or how carbon footprints are taken into account in the planning process and in Ofwat’s methods for assessing options. The Department says that it is working with Water UK, the trade association for water companies, to look at how to embed this in the water resource planning process.

**Recommendation:** *Ofwat should write to us within three months setting out how it will ensure water companies take full account of carbon emissions in appraising the options available to them.*

5. **The Department has not demonstrated sufficient leadership to drive forward the implementation of product labelling, changes to building regulations and other measures that can make a major contribution to improving water efficiency.** Water companies and other industry stakeholders have been calling for mandatory water efficiency labelling on domestic products such as washing machines and dishwashers in the UK for some time. An efficiency standard that all new homes



must be built to a standard water usage of 125 litres of water per person per day was added to the building regulations in 2015. The government's 2019 Spring Statement made a commitment to future-proofing new-build homes with low-carbon heating and world-leading levels of energy efficiency. However, no pledges were made on water efficiency, which demonstrates the lack of importance government has attached to this issue, and government's inability to mobilise and coordinate cross-departmental efforts to meet water efficiency objectives. In July 2019, the Department ran a consultation on further measures to reduce personal water consumption, which included questions covering water efficiency labelling. The Department tells us that it will respond to the consultation soon but will not commit to any specific date. We acknowledge that the Department needs to work with other departments on these policy areas but it clearly needs to be more influential in ensuring that water efficiency is a priority across government in the same way as energy efficiency.

**Recommendation:** *The Department should write to us within four months, setting out a timetable for when it expects to implement product labelling and any other changes, including to building regulations, designed to improve water efficiency.*

6. **Abstracting too much water from rivers and other sources, including chalk streams, can damage the environment, and there are particular risks associated with HS2.** Around 85% of the world's chalk streams are in the UK and the aquifers (underground layers of rock that hold groundwater) that feed them are also used for the public water supply. The Environment Agency must balance the need to preserve the environment by maintaining flows with meeting the demand for water. On top of the threat of drying up caused by over-abstraction, chalk streams have also faced damage from sewage being discharged into them by water companies. The Environment Agency has prosecuted Thames Water on a number of occasions for breaching the conditions of its permits and allowing sewage to enter rivers from its treatment plants. Major infrastructure programmes also pose a threat. For example, in the Chilterns Area of Outstanding Natural Beauty, the HS2 programme needs up to 10 million litres per day to facilitate tunnelling. The Environment Agency says that it will not grant approval for HS2's plans unless the project has both identified and then set out mitigation for impacts to groundwater sources. The Department told us that partnership grants to the value of £882,000 were provided to charities and stakeholder groups in 2020–21 specifically for the improvement of chalk streams and chalk habitat. The Department needs to consider whether this is enough to deal with what the Environment Agency described as a "clear and present danger".

**Recommendation:** *The Environment Agency should write to us within three months setting out clear objectives, and its planned mitigation actions and associated timescales for eliminating environmental damage from over-abstraction and sewage outflow.*

# 1 The overall system for managing water resources

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1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Department for Environment, Food & Rural Affairs (the Department), the Environment Agency and Ofwat about the management of the supply and demand for water in England.<sup>1</sup>

2. Water shortages are an impending risk for the UK. Parts of the country face a serious risk of running out of water within the next 20 years, while neighbouring regions have surplus water.<sup>2</sup> The Environment Agency now estimates that England will need an extra 3.6 billion litres per day by 2050 to avoid shortages.<sup>3</sup> In the short term, the Environment Agency told us that the COVID-19 pandemic is putting a lot of pressure on the water companies. It said they are managing but will only be able to continue to manage if everybody is responsible in how they use water over the next few months.<sup>4</sup>

3. The delivery structures for managing water resources are complex but the Department for Environment, Food & Rural Affairs (the Department) has overall responsibility for setting the policy and regulatory framework in England. The Water Services Regulation Authority (known as Ofwat) regulates the water services that the water companies provide and sets performance targets for them during the five-yearly planning cycle, with the aim of ensuring consumers get value for money. The Environment Agency regulates abstraction licences to ensure water companies and other water abstractors abide by the terms of their environmental permits and licenses. These cover how much water they can take out of the environment and how they should handle and treat sewage.<sup>5</sup>

4. The gap between supply and demand can be tackled through a variety of measures. Water companies are responsible for developing and maintaining an efficient and economical system for providing secure water supplies to consumers and are required by statute to set out how they intend to balance supply and demand over the next 25 years through a water resource management plan. The companies must identify all the options available to them and show how they have decided which options to take forward. The most significant contribution between now and 2045 is expected to come from leakage management, which is due to contribute additional supply of more than one billion litres per day. Currently, nearly three billion litres of water (20% of the total supply) are lost through leakage each day.<sup>6</sup>

## Balancing the need for investment with keeping prices affordable

5. The National Audit Office reported that water companies have found it difficult to determine what level of infrastructure investment the government will deem acceptable. Neither the Department nor Ofwat has an explicit policy to reduce prices, and water companies told the NAO that the government had not been clear with water companies

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1 C&AG's Report, Water supply and demand management, HC 107, Session 2019–2021, 25 March 2020

2 C&AG's Report, para 1

3 Q 18

4 Q19

5 C&AG's Report, para 2

6 C&AG's Report, paras 3–4

on how they should balance the need for investment with maintaining affordable bills, particularly where they believe they have good evidence that their customers are prepared to pay more to finance infrastructure investment.<sup>7</sup>

6. We asked if the Department is giving Ofwat the right remit given that consumer bills are expected to fall by 12% in the next five years and yet water companies had put forward plans to build vital infrastructure, which would help considerably with the resilience of the water supply, but are prevented by Ofwat from doing so because of the risk of increasing prices for customers.<sup>8</sup> Ofwat told us the Department has provided a very clear strategic policy statement, which requires it to look at the long-term resilience of the sector as well as to keep bills affordable and to put pressure on water companies to improve efficiency. Ofwat scrutinises companies' investment proposals and accepts or rejects them based on need and whether the costs of the proposals are reasonable. Ofwat told us that £1 billion has been made available to help with water supply and resilience over the next five years.<sup>9</sup>

7. We asked if water companies could increase their charges if customers wanted this in order to finance infrastructure investment. Ofwat told us that, in setting the revenues that companies can collect from their customers over the last five years, it looked at customer research. Where customers gave strong support that was well founded and properly researched, Ofwat would allow the additional investment proposed. But Ofwat insisted that it had a responsibility to test that what is being put forward represents the right level of investment to deliver a scheme efficiently.<sup>10</sup>

## Tackling leakage

8. Around 20% of the public water supply, equivalent to 3 billion litres, is lost to leakage every day. This is down from a high of over 4.5 billion litres a day in the early 1990s but higher now than it was 20 years ago.<sup>11</sup> Following over a decade of complacency and inaction, the Department urged water companies in 2016 to make tackling leakage a much higher priority but still there has been little progress. Ofwat acknowledged that, until 2016, there was not enough attention on leakage and that “everybody took their eye off the ball”.<sup>12</sup> We challenged the Department to tell us why it was not putting more pressure on the water companies to tackle this issue. It acknowledged that performance on reducing leakage had been flat over recent years but said there had been a huge emphasis on shifting that over the next five-year period. The Department described it as an absolute priority and a very significant part of the current set of water company plans and said that many of the water companies have committed to a 50% reduction in leakage by 2050.<sup>13</sup>

9. The NAO reported that Ofwat now expects leakage to fall by 16% between 2020 and 2025, which would result in 561 million litres of water a day being saved.<sup>14</sup> We asked the Department to tell us which were the best and worst performing companies. Thames Water was by far the worst, losing 22,000 litres per km of pipe each day between 2017–18

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7 C&AG's Report, para 11

8 Q 25

9 Q 26

10 Q 30

11 C&AG's Report, para 5 and figure 6

12 Q 70

13 Q 23

14 C&AG's Report, para 3.8

and 2019–20. This is more than double the rate of the next worst performers: Affinity Water (10,700 litres) and United Utilities (10,600 litres). The best performer was Anglian Water (4,700 litres).<sup>15</sup>

**Daily volume of water lost through leakage 2017–18–2019–20<sup>16</sup>**

Company	Litres lost per km of pipe
Thames	22,200
Affinity	10,700
United Utilities	10,600
South Staffs (including Cambridge Water)	10,000
Portsmouth	9,600
Yorkshire	9,100
Severn Trent	8,800
Northumbrian (including Essex and Suffolk Water)	7,500
Southern	7,400
SES Water	6,900
South West (including Bournemouth Water)	6,500
Wessex	6,500
Bristol	6,000
South East	5,900
Anglian	4,700

10. Ofwat told us that, while it had not made anywhere near enough progress, it was starting to see the worst performing companies, such as Thames Water, beginning to make improvements. Despite a poor start to the current five-year planning period, it now expects Thames Water to meet its targets for 2020, partly as a result of some tough enforcement action from Ofwat, involving returning £120 million to customers because it felt Thames Water was not paying enough attention to leakage.<sup>17</sup> Ofwat cited the National Infrastructure Commission recommendation that leakage should be halved by 2050. It told us that the 16% target by 2025 was one milestone towards that and that water companies have agreed to a further milestone of reducing leakage by a third by 2030.<sup>18</sup>

11. We were concerned that water companies, having been pushed to be more ambitious in their leakage reduction plans, had accepted new targets that were unrealistic and that would set them up to fail.<sup>19</sup> Ofwat assured us that new technology for detecting and fixing leaks exists, for example new materials that reduce the propensity to leak, and robots that can go through pipes, detect leaks and fix them but the NAO reported that Ofwat had acknowledged that, for some companies, achieving their targets relied on as yet unknown and untested approaches.<sup>20</sup> Ofwat acknowledged that the targets were stretching but said that water companies had had three years to prepare for the required step-change in efforts to tackle leakage. The Department assured us that companies recognised their responsibilities with regard to leakage because their reputations are on the line and there

15 [Letter from Department to the Committee dated 15 June 2020](#)

16 [Letter from Department to the Committee dated 15 June 2020](#)

17 Q 69

18 Q 70

19 Q 74

20 Q 73; C&AG's Report, para 19

are risks of penalties and enforcement if they do not take the action required.<sup>21</sup> Ofwat said it had already seen some of the better performing companies in recent years making the levels of reduction it is looking for, so did not think it is unachievable.<sup>22</sup> Ofwat was confident many water companies would develop new ways to tackle leakages, and would “surprise themselves” at what they can achieve.<sup>23</sup>

## Achieving net zero carbon emissions

12. The Department told us that achieving net-zero carbon emissions by 2050 was part of everything it thinks about and everything that it is doing. It described it as the challenge of our generation and said it had no choice but to achieve it.<sup>24</sup>

13. Abstraction is the cheapest way for water companies to source water and other means to improve long-term resilience are generally energy-intensive. For example, another significant way for water companies to add to total supply is through desalination, a process that turns seawater into drinking water. Currently desalination is energy-intensive and plants are costly to build. Thames Water currently has the only desalination plant in England.<sup>25</sup>

14. The Department told us that water companies have a commitment to achieve net zero by 2030 and the Department told us it was working with Water UK, the trade association for water companies, to look at how to build the net zero ambition into the water resource planning process. In particular, it said that it was looking at the incentives for water companies to ensure that nature-based solutions were not disincentivised.<sup>26</sup> Ofwat said that the carbon footprint and whole-life carbon emissions should be factors in how it evaluates schemes and acknowledged that it needed to do more to start getting net-zero considerations embedded in its evaluation of options in the water sector.<sup>27</sup>

15. The Environment Agency acknowledged that it pumped large volumes of water, either in drought or in flood, and poured a lot of concrete when building flood schemes. It too has committed to becoming carbon neutral by 2030 and told us it needed to learn as it goes forward and share its knowledge with the water companies as well as seeking to learn from them.<sup>28</sup>

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21 Q 68

22 Q 72

23 Q 74

24 Q 88

25 C&AG's Report, para 14

26 Q 87

27 Q 89

28 Q 89

## 2 Water supply and demand

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### A national message on the need to reduce water consumption

16. The government has relied on water companies, which have a statutory duty to promote the efficient use of water to their customers, to promote the need to reduce water consumption. But there is no evidence of the impact on consumer awareness or behaviour of what water companies are doing.<sup>29</sup> Personal consumption now stands at 143 litres per day, an increase of 3% since 2014–15, significantly higher than Germany at 121 litres (2016–17) and the average of 128 litres for EU member countries (2017).<sup>30</sup> Saving energy is much more engrained in public consciousness than saving water.<sup>31</sup> The NAO highlighted the need for the Department to consider ways of promoting the need for water efficiency more coherently to ensure there is a coordinated and credible message.<sup>32</sup> Ofwat told us it was something that the regulators, government and the industry collectively want to address.<sup>33</sup>

17. In July 2019, a group of organisations, including the Environment Agency and Water UK, the trade association for water companies, launched the ‘Love Water’ campaign to raise awareness of the importance of water and the role everyone plays in protecting it.<sup>34</sup> We asked the Environment Agency about the funding the campaign had received. It told us that the campaign has no direct funding and that it is a collective campaign, supported by voluntary water company contributions, Water UK and the Environment Agency.<sup>35</sup> The Department told us that, as yet, although some water companies had provided staff resources, it had not yet secured any direct financial contributions towards the campaign from water companies.<sup>36</sup>

18. After its first year there is little to show for the campaign besides a Twitter feed with fewer than 1,000 followers and the initial press release. The Environment Agency accepted that there was more to do but explained that these are early days and that they are nowhere near meeting the height of the ambition of the campaign. The Agency said the first year was about establishing the structures of the campaign, and they are not yet where they need to be, but the campaign is long-term and they have further ambitions for it.<sup>37</sup>

19. To reduce water usage by non-domestic customers, including schools and hospitals on the public sector estate, the government introduced competition allowing customers to choose the water company they want to deliver their water services.<sup>38</sup> Ofwat reported that the market has now been open for three years. It told us that, last year, the number of businesses that are engaging in the market and the benefits they are seeing in water efficiency are disappointing.<sup>39</sup> Only 4% of consumers switched or renegotiated a deal during 2018–19, with 3% doing so in the previous year, and only 0.3% of switchers and 4%

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29 C&AG’s Report, paras 16

30 C&AG’s Report, paras 3.4, 3.23

31 Qq 54, 60

32 C&AG’s Report, para 22

33 Q 60

34 C&AG’s Report, para 3.23

35 Q 54

36 [Letter from Department to the Committee dated 15 June 2020](#)

37 Q 58

38 C&AG’s Report, para 17

39 Q85

of renegotiators have received water efficiency advice or leakage control services as part of the package of benefits.<sup>40</sup> Ofwat told us that, last year, only about £10 million had been saved through switching. Ofwat and the Environment Agency, wrote to all retailers and wholesalers in March 2020, and asked them to think about what they can do collectively to improve water efficiency in the market. They are expecting them to produce a plan on this in the autumn.<sup>41</sup>

## Measures to improve water efficiency

20. Government recognises that there is still a huge amount to do to reduce water consumption. Alongside awareness raising and education, Ofwat said that white goods labelling and building standards are desperately needed.<sup>42</sup> Water companies and other industry stakeholders have been calling for this in the UK for some time. An efficiency standard that all new homes must be built to a standard water usage of 125 litres of water per person per day was added to the building regulations in 2015. A study carried out by the Department in 2018 recommended a government-led mandatory label for all water-using products to start pushing down consumption.<sup>43</sup>

21. These ideas are not new and have been talked about for some time but water efficiency lags far behind energy efficiency in policy and public perception.<sup>44</sup> In its 2019 Spring Statement, the government committed to future-proofing new-build homes with low-carbon heating and world-leading levels of energy efficiency, but made no commitments in relation to water efficiency.<sup>45</sup> The Department explained that in July 2019 it had consulted on making changes to building regulations, and on reducing the current water efficiency standard to 110 litres per day for newly built houses. This consultation also covered changes to product labelling, which the Department recognises is some way behind energy in terms of adoption.<sup>46</sup> The Department was not able to tell us when it would respond to the consultation, just that it hoped to do so shortly.<sup>47</sup>

22. We asked why it had taken so long for government to move forward on this. The Department told us that it recognises its role in driving forwards this action and told us that it was clear it would have to work with other departments that had responsibility for the relevant policy areas to make it happen.<sup>48</sup>

## Damage to the environment

23. Around 85% of the world's chalk streams are in England and provide valuable habitats and ecosystems. The aquifers (underground layers of rock that hold groundwater) that feed these streams also provide drinking water for the hundreds of thousands of people that live in the region. Last year the Rivers Trust, and others, published the "Chalk Streams

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40 C&AG's Report, para 3.13

41 Qq 85, 86

42 Q61

43 C&AG's Report, para 3.17

44 Qq 78–80

45 C&AG's Report, para 3.19

46 Qq 31–32, 80

47 Q 81

48 Q81

in Crisis” report. The Environment Agency explained that the needs of the environment must be balanced with the needs of the people and that they must have regards for both. To do so they must stop unsustainable amounts of water being taken from the environment.<sup>49</sup>

24. The Rivers Trust’s report came five years after a report by the World Wildlife Foundation found that more than three quarters of chalk streams were failing to meet the required ‘good’ status. We questioned whether the Environment Agency was showing enough urgency to deal with this problem. The Environment Agency explained that it has established the Revitalising Chalk Rivers programme which has improved over 70km of chalk stream habitat so far, although it recognises that more work is needed and that there remains a clear and present danger to chalk streams.<sup>50</sup> The Department told us that partnership grants are provided to charities and stakeholder groups. In 2020–21, this will include £882,000 to projects specifically for the improvement of chalk streams and chalk habitat, which through match funding and partnership contributions the Department said it had secured would result in a total investment of over £2 million.<sup>51</sup>

25. On top of the pressures exerted by over-abstraction, chalk streams are also facing damage from agricultural run-off and sewage discharge.<sup>52</sup> The Environment Agency told us that it was working with farmers to give them advice about how to farm in ways that would prevent run-off and that one of its duties is to regulate water companies to make sure they conform to the terms of their permits specifying what can be discharged into rivers. If those conditions are not met, the Environment Agency said it takes action. It has prosecuted Thames Water on a number of occasions for breaching the conditions of its permits and allowing sewage to enter rivers from its treatment plants.<sup>53</sup>

26. Major infrastructure programmes can also pose a threat to chalk streams and other delicate river environments. In the Chilterns, HS2 is likely to require over 10 million litres of water a day for its tunnelling operations. The Environment Agency told us that it will not give approval to any parts of HS2’s plans until they have identified and set out any potential groundwater impacts and agreed acceptable mitigation actions.<sup>54</sup>

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49 Q 36

50 Q 37

51 [Letter from Department to the Committee dated 15 June 2020](#)

52 Qq 36, 40

53 Qq 40–41

54 Qq 42–43



# Formal minutes

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**Wednesday 1 July 2020**

Virtual meeting

Members present:

Meg Hillier, in the Chair

Sir Geoffrey Clifton-Brown	Sir Bernard Jenkin
Dame Cheryl Gillan	Gagan Mohindra
Peter Grant	Sarah Olney
Mr Richard Holden	James Wild

Draft Report (*Water supply and demand management*), proposed by the Chair, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 26 read and agreed to.

Summary agreed to.

Introduction agreed to.

Conclusions and recommendations agreed to.

*Resolved*, That the Report be the Ninth of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Monday 6 July at 1:45pm]

## Witnesses

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The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

### Monday 01 June 2020

**Tamara Finkelstein**, Permanent Secretary, Department for Environment, Food and Rural Affairs; **Rachel Fletcher**, Chief Executive, Ofwat; **Sir James Bevan**, Chief Executive, The Environment Agency; **Sally Randall**, Director, Floods and Water, Department for Environment, Food and Rural Affairs

[Q1–89](#)

## Published written evidence

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The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

WSM numbers are generated by the evidence processing system and so may not be complete.

- 1 Barrett, Dr Gareth ([WSM0007](#))
- 2 Cocks, Mr Simon ([WSM0006](#))
- 3 Cox, James ([WSM0009](#))
- 4 Dance, Mr Lee ([WSM0011](#))
- 5 Daniels, Professor James ([WSM0001](#))
- 6 Hall, Patrick ([WSM0002](#))
- 7 Rhead, Branwen ([WSM0010](#))
- 8 Richardson, Dr Nathan ([WSM0003](#))
- 9 Rigg, Mr Jake ([WSM0008](#))
- 10 Wallace, Mr Jacob ([WSM0004](#))
- 11 Water UK ([WSM0012](#))

## List of Reports from the Committee during the current Parliament

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All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

### Session 2019–21

First Report	Support for children with special educational needs and disabilities	HC 85
Second Report	Defence Nuclear Infrastructure	HC 86
Third Report	High Speed 2: Spring 2020 Update	HC 84
Fourth Report	EU Exit: Get ready for Brexit Campaign	HC 131
Fifth Report	University Technical Colleges	HC 87
Sixth Report	Excess votes 2018–19	HC 243
Seventh Report	Gambling regulation: problem gambling and protecting vulnerable people	HC 134
Eighth Report	NHS capital expenditure and financial management	HC 344