



Office for Environmental
Protection
Wildwood
Wildwood Drive
Worcester
WR5 2QT

Environment and Climate Change Committee
House of Lords
London
SW1A 0PW

03300 416 581
www.theoep.org.uk

By email only:

baileypagee@parliament.uk

cc henviroclimate@parliament.uk

sheehans@parliament.uk

1 March 2024

Dear Baroness Sheehan

Thank you once again for the opportunity to give evidence to the Committee on 14 February. In that hearing you asked for our view of whether government's commitment to reduce water leakage by 50% by 2050 is suitably ambitious.

Overview of water demand and leakage targets and commitments

This target is one of a number of targets and commitments the government has introduced, related to the closely connected issues of water demand and water leakage. Both are critical ways for the environmental impacts of water abstraction to be mitigated, whilst ensuring sustainable supply.

Government has set a target under the Environment Act 2021 to reduce the use of public water supply in England per head of population by 20% from a 2019/20 baseline by 31 March 2038 (the water demand target). The measurement of public water supply here is the point at which potable water enters the distribution network of pipes for onward supply to customers.

It follows that to achieve the legally binding water demand target, all components that make up demand should be tackled. These are the use of potable water by households

and wider business (non-household), as well as leakage which occurs between water treatment works and customer taps. For this reason, the water demand target is supported by two sets of interim targets. First, to reduce the use of public water supply in England per head of population by 9% by 31 March 2027 and 14% by 31 March 2032. And second to reduce leakage by 20% by 31 March 2027 and 30% by 31 March 2032.

Government has also committed to wider demand and leakage reductions. These include the commitment to reduce leakage by 50% and non-household water use by 15% by 2050, beyond the horizon of the legally binding target.

Ambition of the long term water demand target and the 2050 water leakage commitment

At the time the legally binding water demand target was set, we argued that it could be more closely aligned to levels of sustainable abstraction. In our response¹ to Government's consultation on the draft environmental targets, we argued that this long-term water demand target is expected to be largely deliverable through business-as-usual measures, and not significantly more ambitious than existing plans. The trajectory towards the 2050 water leakage commitment aligns with the level of ambition of the 2038 water demand target.

That is not to argue that achieving these targets and commitments is certain. For example, to achieve the water leakage reductions will require major investment to the water distribution system by the water industry. Greater ambition would require greater investment or the reprioritisation of investment, with potential consequences for consumers. Zero or near zero leakage would be both extremely challenging to deliver and costly.

At the time, we also argued that the long term water demand target (and hence underpinning targets and commitments) contributions to improving the natural environment is hard to determine. They do not relate directly to the key environmental issue – the impact of water abstraction on the water levels in lakes and aquifers, and flows in rivers. For example, adopting a per head of population metric for the long term water demand target, could mean that population growth offsets the benefits of per

¹ [OEP response to consultation on environmental targets | Office for Environmental Protection \(theoep.org.uk\)](https://theoep.org.uk)

head reductions i.e. the target is achieved with no actual reductions in unsustainable abstraction.

In our response to the consultation, we therefore pressed government to amend the long term water demand target to focus on unsustainable water abstraction, and consider an absolute metric of water demand or water abstraction, to minimise risk to the target not achieving the desired benefit.

This remains broadly our view. The legally binding target introduced will require material investment to achieve, and will require a reduction in both water leakage and water demand – both parts must play a role. The water leakage commitment is sufficiently ambitious to support the achievement of the legally binding water demand target. A higher level of ambition requires Government to address the synergies and trade-offs of sustainable abstraction, customer bill levels and investment priorities.

I hope this additional information is helpful to the Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'GStacey', with a long horizontal flourish extending to the right.

Dame Glenys Stacey
Chair | The OEP