

WATER ENVIRONMENT IMPROVEMENTS

Briefing Note

November 2020

Our Vision

At NWG, we take care to protect and improve the environment in everything we do, leading by example. In our customer research to develop our 2020-2025 (AMP7) business plan, our customers told us that they would like us to work with others to deliver improvements to the areas of rivers and beaches that they use. In response, and with support from our partners, we have developed an exciting new approach to the water environment. This will allow us to go 'above and beyond' our business-as-usual activities, working with others in partnership to deliver water environment improvements, and helping us to achieve two of our ambitious goals - leading in catchment management and having the best rivers and beaches in the country.

Investing and supporting wider water environment improvements will allow us to enhance natural capital, ecosystem services and help build resilience into the environment. Through facilitating a partnership approach and working with others to design and create wider improvements to the water environment, NWG will be able to better support project planning and maximise investment and delivery.

Delivering Improvements

Supported by our customers, partners and regulators, our commitment to deliver water environment improvements has been secured through a bespoke performance commitment (PC) and Outcome Delivery Incentive (ODI). This allows us to build upon activities in our business plan, including water quality, natural environment and biodiversity schemes in the Water Industry National Environment Programme (WINEP), to go above and beyond our baseline activities and deliver further benefits for our customers, and to the water environment.

Recording and delivery of this commitment is through length (km) of wider water environment improved. To ensure the above and beyond approach and be recorded as a water environment improvement, at least two out of three elements must be achieved for publicly accessible areas of rivers, streams, lakes, reservoirs, wetlands, beaches and coastline in the North East, Norfolk, Suffolk and Essex. The elements are:

1. Improved access, facilities and recreation
2. Improved wildlife and biodiversity
3. Improved water quality

We anticipate that our own projects will make a significant contribution, but we also anticipate that much of the delivery will be achieved by working with our environmental partners, with their existing plans and ambitions incorporated into a shared approach and vision for our regions. The success of this approach therefore relies heavily on the support of our partnerships and working together within the principles of the Catchment Based Approach (CaBA) to improve the water environment.

To ensure the improvements delivered meet our customers' expectations, we will engage with our customers through research and engagement sessions, and through our partners' work with volunteers and communities.

Commitments and Targets

NWG’s baseline is to deliver 50km (10km per year), of water environment improvements across our NW and ESW regions for the AMP7 business plan period, but our ambition could be much greater than this, if supported by our partners. The approach allows partners to work with us towards delivery of water environment improvements for the benefit of our regions. NWG are working to develop our approach through a project led by a small Water Environment team, running from September 2020-March 2021, and understand how we can best invest to protect and improve the water environment in our regions. We have committed to invest through direct cash investment and supporting resource and will reinvest 50% of any financial gain (achieved by associated financial Outcome Delivery Incentive mechanism and exceeding the target baseline of 10km per year), to further water environment improvements.

External Assurance

External assurance for the scheme is provided by the Water Environment Governance Group (WEGG). This will assure our activities, provide guidance and challenge, oversee the process and provide confidence for our customers that any above and beyond investment we make in improving the water environment is justified and approved by independent experts. The governance group links to The Water Forum, our customer challenge group, and consists of national representatives of key stakeholders including an independent chair, Blueprint for Water, the Environment Agency, the Catchment Based Approach and CC Water.

Timescales

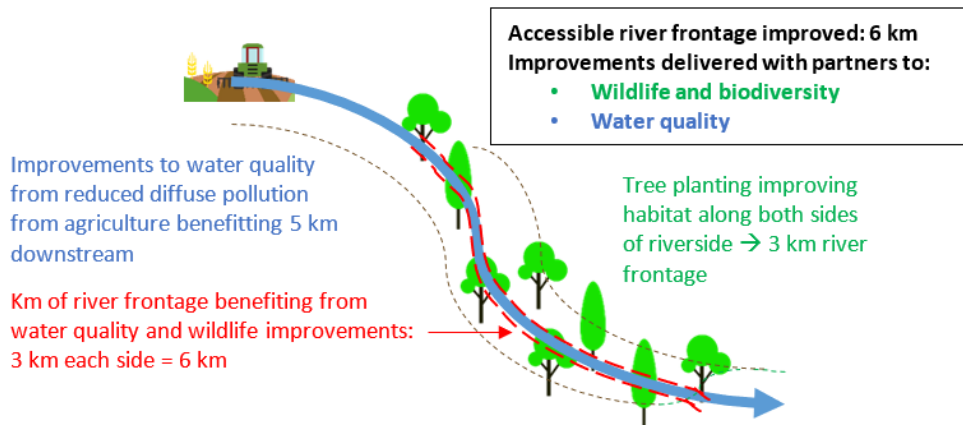
This new approach was accepted by Ofwat, our economic regulator, as part of our 5-year business plan for 2020. Improvements will be delivered over 5 financial years from April 2020 to March 2025. The Water Environment Team at NWG will work with partners, stakeholders and customers to develop the approach by March 2021, which will then be implemented.



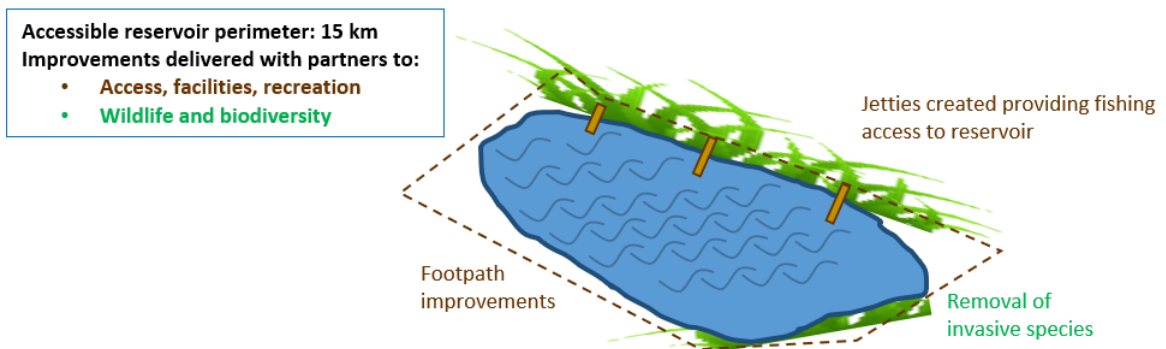
Figure 1: High Level Timeline for Water Environment Improvements Project

Examples of Water Environment Improvements

Example A



Example B



Example C

