

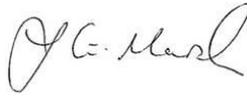
Statement of Response, Draft Drought Plan 2019

Independent Water Networks Ltd.

August 2019



Document Control Sheet

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Introduction

This is the Statement of Response of Independent Water Networks Limited (IWNL) to representations received by DEFRA from various consultees during its consultation on IWNL's draft 2019 Drought Plan.

IWNL has listed below the representations received and has explained the changes made to the draft Drought Plan as a consequence of such representations or, where no changes have been made, IWNL has given its reasons for not doing so.

Context

IWNL is part of the BUUK Infrastructure group of companies which focuses primarily on the new build market, dividing its activities between the regulated ownership of utility network assets and the unregulated provision of utility infrastructure and asset management services.

IWNL is a regulated water and wastewater undertaker appointed by OFWAT under its new appointments and variations process. As a new appointee IWNL have been granted various appointments to provide water and wastewater services for certain new housing developments in discrete geographical regions, and instead, of the incumbent undertakers identified in the tables below.

IWNL owns no water resources or treatment assets. It operates by securing bulk supply and discharge services from the incumbent supplier and retailing this to its customers.

Consultation responses

A total of 2 written representations were received from The Environment Agency and one of IWNL's retail customers.

All material amendments made to the draft Drought Plan as a result of these responses are summarised below.

Management Structure and Decision Making during a Drought

The Environment Agency stated that IWNL *"could provide a more clear presentation of the company drought management structure and decision making process. The company should include details of all the members of its drought management structure and their roles in managing a drought."*

IWNL's drought management structure and decision-making processes are now included in Section 2.1 of the revised plan (Table 2.2 and Figure 2).

Drought Measure Implementation

The Environment Agency stated that IWNL *"should provide more clarity on its application and implementation processes for non-essential use drought orders. It should include any phasing of restrictions, exceptions, allowance for time for representations and estimates of demand savings. The company should demonstrate it has considered the Code of Practice (Water UK, Managing through drought: code of practice and guidance for water companies on water use restrictions)"* and that *"the plan should include clear triggers and actions, e.g. a table listing what the trigger is and what IWNL will do as a result of that trigger and when it will occur. This will provide assurance the company is allowing time for implementation of its drought measures (communications, temporary use bans etc.)"*.

This has been updated and is included in section 3.

Incumbent Engagement to Facilitate Drought Measure Implementation

Specifically, in relation to incumbent communication the Environment Agency stated that IWNL should *“provide information on how it will implement temporary use restrictions for its customers, including any phasing of restrictions, exceptions, allowance for time for representations and estimates of demand savings. The company should demonstrate it has considered the Code of Practice (Water UK, Managing through drought: code of practice and guidance for water companies on water use restrictions)”*.

Details about how IWNL communicate with incumbent water companies is now included in section 2.2.1; this also details that IWNL want to ensure this engagement means that we are completely aligned to the incumbent’s drought measures and timescales.

Return to Normal

The Environment Agency suggested that IWNL *“clearly identifies in its plan the actions it will take to define and assess a return to normal conditions”*.

This is now documented at the end of section 2.2.1

Post-Drought Review

The Environment Agency recommended that IWNL should *“identify in its plan what it will do to assess the effectiveness of its drought plan implementation, what it will release as a result of the review (e.g. a 'lessons identified' report) and give a clear timetable for the completion of these”*.

This has been added to section 3.6.

Communication during a Drought

The Environment Agency recommended that IWNL

“should present a more detailed communication strategy e.g. explaining how it will correspond with customers beyond using the website and how targeting geographical areas will occur to match the conditions with different incumbents. This is to ensure there is no confusion for customers as to who will be subject to restrictions.” and

“the company could usefully present detail of how they would target communications to the relevant resource zone and how the company website will be utilised to avoid any confusion over messages. The company could present some examples of the likely content within the communication strategy section. It would also be beneficial to indicate specific communications associated with each drought measure trigger i.e. the escalation as drought gets more severe. The company should include how it will monitor the effectiveness of its communications actions during drought.”

Details about how IWNL target messages to specific geographic areas is now included in section 2.2.2.1.

Specific communications associated with each drought measure trigger will be drafted and shared with the Environment Agency for comment at a later date.

Section 2.2.2.3 documents how IWNL will use meter data to ascertain changes in per capita consumption during a drought to assess how effective the communication strategy is.

One of IWNL’s customers commented that IWNL’s communication strategy is outdated and *“won't generate the best or swiftest response from customers”* and that IWNL should consider communicating via social media about events that impact communities.

IWNL do not currently utilise social media as a communication channel, so this has not been included in the revised plan. IWNL routinely review our communication strategy and the use of social media will be considered by the marketing team for use in the future.

Contractual Obligations in Bulk Supply Agreements

The Environment Agency recommended that further information be included to *“make clear the potential impact of volume reductions and whether this presents a particular risk to any resource zones. The plan should demonstrate how the company would implement appropriate drought measures in a timely way to manage any reductions in supply and explain how these reductions correspond to triggers presented in the plan.”*

An explanation that there are no contractual reductions in IWNL’s bulk supply agreements is stated in section 1.1.

Stakeholder Engagement

The Environment agency stated that IWNL should *“state how it has consulted with relevant consumer and interest groups and how it has taken their feedback on temporary restrictions into account”*.

A full list of consultees is now documented in section 1.2.2

Closing Statement

IWNL thanks all consultees for the responses to its draft Drought Plan, the document has been revised accordingly and IWNL has submitted its revised Drought Plan to the Secretary of State for approval. The Drought Plan will be finalised and published on the IWNL website once approval has been granted.