



## **Water companies and resilience**

The industry faces some big changes – from population growth and movement, from changing water availability and from changing weather patterns. Our engineers, emergency planners and resources experts plan for the long term, for example one in 50, or one in 100 year events.

However, weather patterns over the past few years mean that planning for the future based on the past may no longer be an adequate model. Since 2009, we have had many months of very dry weather, interspersed with extremely cold, and extremely hot, periods. We are currently exploring with the Environment Agency and the Met Office how we can best create models for the future that will help us plan accordingly.

Resilience can therefore be defined as a wide-ranging approach to planning for water resources and sewerage systems, ensuring that customers receive a continuing high and improving level of service regardless of the changing demographic and climatic circumstances.

We support the new resilience duty given to Ofwat in the Water Bill and the explicit powers given to the Secretary of State to set levels of service on resilience.

Following a period of exceptionally dry weather that began in 2009 there were serious concerns about water supplies by the spring of 2012. Seven companies had to impose restrictions or ‘hosepipe bans’ as part of their planned approach to drought. Millions of people in the south and east of England were affected.

Companies across the country, not just those affected, co-ordinated and co-operated to ensure that water continued to be supplied for essential use despite the weather.

It was this work, and the fact that it rained so heavily in the late spring and early summer of 2012, that saved us from further restrictions and ultimately the risk of rota cuts and standpipes during the summer in which Britain hosted the Olympic Games. Emergency water restrictions like these, should they need to be imposed in the future, could cost the country hundreds of millions of pounds a day in lost working hours (offices and transport networks would need to be shut down), lost tourism revenue and damaged infrastructure.

One thing we can be sure of is that this kind of variable weather is very likely to reoccur.

The industry has already invested significantly to prepare for this and companies have invested over and above their regulatory requirements to provide extra security for their customers.

As a country we need to consider how we would manage in a drought that was more severe than the one we have had and what we would do if we were to have three, or even four, dry winters.

As an industry we have looked at scenarios for three dry winters. At present this would put a significant strain on water supplies. In 2012, water engineers with decades of experience had never seen water levels in underground aquifers so low, and some areas were weeks away from serious water shortage.

Companies in the areas most affected by the drought – the south and east of the country – have estimated that a relatively modest investment of £3 billion, phased over a number of price review periods, could ensure that water supplies to customers and businesses were resilient to a third dry winter.

In their plans submitted to Ofwat next week, companies will be looking to take the first steps in this journey.

In the future, the new resilience duty on Ofwat that will be introduced by the Water Bill will help to ensure that all stakeholders in the water sector are working towards this aim.

Customers' and companies' number one priority is a safe, secure, reliable supply of water, now and in the future.

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