

**SECURING LONDON'S WATER FUTURE**

THE MAYOR'S WATER STRATEGY

**CONSULTATION REPORT**

SEPTEMBER 2011

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## 1. Introduction and background

This document summarises the main themes and issues raised by stakeholders during the consultation process on the Mayor's London Water Strategy (LWS). It provides a response to these issues from the Greater London Authority (GLA) and describes any resulting changes to the LWS. This is the first LWS to be produced.

This section summarises the Mayor's reasons for producing a LWS, and the requirements for consultation associated with these. Section 2 provides details of the process undertaken by the GLA to ensure inclusive consultation during the strategy development process. Section 3 identifies the main findings from the various strands of consultation, and sets out how the GLA has responded to these, and whether any changes are proposed to the text of the final version of the LWS submitted to the Mayor for his approval.

### 1.1. The Mayor's powers

The Mayor is not required by legislation to publish a LWS. However, under the GLA Act the Mayor has the power to do anything that will further any one or more of its principal purposes. These are:

- promoting economic development and wealth creation in Greater London;
- promoting social development in Greater London; and
- promoting the improvement of the environment in Greater London.

The Mayor has opted to prepare and publish the LWS to improve the environment of Greater London, its social development and economic development and wealth creation, by facilitating the achievement of a secure and affordable supply of water for London that safeguards the environment.

The LWS is also consistent with the Mayor's duties under the GLA Act to address climate change and to take action with a view to adapting and mitigating.

### 1.2. Consultation requirements

Although the LWS is not a mandatory strategy the Mayor has sought to follow the same process that applies to those strategies, and so he consulted the London Assembly and the functional bodies (Transport for London, London Development Agency, Metropolitan Police and the London Fire and Emergency Planning Authority) first, before going on to consult the other bodies and groups mentioned below. Consistent with this approach the Mayor consulted with the following on a draft of the proposed Strategy (the Public Draft LWS).

- London boroughs
- Bodies of each of the following descriptions:
  - voluntary bodies some or all of whose activities benefit the whole or part of Greater London;
  - bodies which represent the interests of different racial, ethnic or national groups in Greater London;
  - bodies which represent the interests of different religious groups in Greater London;
  - bodies which represent the interests of persons carrying on business in Greater London.
- Other bodies and persons whom he considers it appropriate to consult, including the general public. These included the organisations listed in section 2 below.

Beyond these statutory requirements the GLA is committed to producing strategies and policies that are informed by and responsive to the views and needs of Londoners. The Mayor welcomes the views of stakeholders to ensure that his policies are more effective and have a greater impact on those who live, work and visit London.

## **2. Consultation process**

The LWS consultation process had two stages, the first being from March 2007 when the Mayor consulted with the London Assembly members and the functional bodies. The second from August 2009 to November 2009 involved a formal public consultation, enabling any organisation or member of the public to respond.

The policies and proposals in the LWS have been iteratively developed through further consultation with the London Water Group, whose members include:

- Water utility regulators (Ofwat and Environment Agency)
- Non-governmental organisations (Waterwise, London Sustainability Exchange)
- Consumer Body (Consumer Council for Water)
- London Councils (representing the London boroughs)
- Water Companies (the four water companies supplying London)
- Business Groups (Sustainable Water Industry Group)

Hard copies of the LWS consultation documents were available at City Hall and upon request.

### **2.1. Consultation with the London Assembly and functional bodies**

The Assembly draft of the LWS was published for consultation with the London Assembly and Functional Bodies (Transport for London, London Development Agency, Metropolitan Police and the London Fire and Emergency Planning Authority) in March 2007. The Assembly also responded to the public and stakeholder consultation (see below).

### **2.2. Consultation with the public**

From August 2009 to November 2009 a consultation took place with the public, with a final deadline for written responses of 27 November 2009. Printed copies of the draft LWS were sent to a range of stakeholders (principally the statutory consultees identified in the Sustainability Appraisal and members of the London Water Group) and electronic copies were emailed to a wider range of stakeholders. The draft LWS was also available to download from the GLA website. Members of the London Water Group were encouraged to disseminate the draft strategy to their wider stakeholder groups and to put either a copy or a web link to the draft LWS on their website. Further printed copies were available on request.

In total 17 submissions were received from stakeholders other than the London Assembly and the GLA group through this dissemination. Detailed comments are

available on request (where the organisation that has submitted their comments have given permission for these to be shared).

### **2.3. Sustainability appraisal**

The LWS was treated as if it was a plan or programme covered by the “SEA Regulations”. The policies and proposals contained in the Public Draft LWS have been subject to an integrated Health Impact Assessment, Strategic Environmental Assessment and Sustainability Appraisal (collectively referred to as the Sustainability Appraisal, or ‘SA’), as well as the associated consultation. In addition to an SEA, producing the strategy triggered the need to carry out other assessments which, taken as a whole, identify the likely significant effects the LWS may have on people, places, habitats and the environment in London.

#### *Habitats Regulation Assessment*

The SA, which was published on the GLA website alongside the Public Draft strategy for the public and stakeholder consultation took the Habitats Regulations into account and concluded that an “appropriate assessment” under the Regulations was not needed because:

- The bulk of the LWS policy content is not of a spatial nature, i.e. it will not lead to development.
- Any spatial policy content related to the LWS is already included within the London Plan which has been subject to Habitats Regulations Screening that concluded that full appropriate assessments were not required.
- LWS policies are intended to reduce unnecessary abstraction from the environment and to reduce the release of untreated wastewater into the environment. This can improve the natural environment in London, which will have benefits for European Sites.

A ‘non technical summary’ and the full Sustainability Appraisal report were published alongside the draft strategy on the GLA website. An Equalities Impact Assessment was also undertaken.

## **3. Findings from the public consultation**

### **3.1. Responses to the public consultation of the draft LWS**

In total 20 responses were received, either by email or written response.

The policy areas that attracted the highest number of comments from the public consultation were:

1. Setting leakage targets;
2. Setting water metering targets and protecting vulnerable households;
3. Setting a water hierarchy;
4. London-wide water neutrality;
5. Thames and Lee Tunnels methodology and costs to the customer;
6. Sewer misconnections;
7. Water and sewerage improvements changing water pressure.

The comments from the consultation also frequently requested clarity on actions, timescales, costs and lead / partner responsibilities. Either in relation to specific policies,

and /or for the strategy to have an accompanying action plan. In response to the comments an Implementation Plan has been added to the final proposed Strategy.

### 3.2. Setting leakage targets

The draft LWS suggested that Thames Water aim to achieve the best UK standard of 80 litres per property per day (figure 1). There was concern from some respondents that this proposal was not economically justifiable, and would result in disproportionate cost to water customers. Other respondents supported the target leakage rate, but recognised it would be a significant fall from today's existing leakage rates so suggested mid-way targets for 2020, or interim targets every five years to 2035. Some respondents requested full economic justification of additional leakage targets and consultation with water customers on affordability and their acceptance. Other respondents requested clarification on leakage target reporting and the actions that would be taken if targets were not met.

**Figure 1 Draft London Water Strategy Proposal 2 (page 44)**

Thames Water should, through its Water Resources Management Plan, aim to achieve the best UK industry standard for leakage by 2035, in order to bring London in line with the best standards of world cities.

#### 3.2.1. Greater London Authority (GLA) Officer Response

The leakage target in the draft strategy would have significant cost implications and the feedback from respondents is that they would be unachievable. Setting more stringent leakage targets that are also achievable by the water industry requires a stronger evidence base.

#### 3.2.2. Proposed Change to Text in Strategy

Replace proposal 2 in draft LWS with a proposal in the final proposed version to develop the evidence base on London leakage targets to inform negotiations across the water industry (figure 2).

**Figure 2 Final London Water Strategy Action 12**

The Mayor will encourage Ofwat to develop the evidence base for Sustainable Economic Level of Leakage and benchmark performance on managing leakage, including the costs and benefits of fixing leaks that takes account of costs for London.

### 3.3. Setting water metering targets and protecting vulnerable households

The draft LWS suggested that meters are installed in all houses by 2015 and all blocks of flats metered by 2020 (figure 3). Some respondents stated that this target cannot be justified or achieved in practice. There was a request for conclusive evidence on the costs, benefits and distributional impacts. A respondent also requested that large scale metering programmes should only proceed on a step by step basis to spread costs, allow the transition to be carefully managed and ensure there is appropriate protection in place for those on low incomes. Other respondents suggested alternative targets, such as 50% of London homes fitted with a water meter by 2015, rising to 77 per cent by 2020 - as set out in the London Assembly report 'Down the Drain'.

Some respondents had concerns regarding the cost of fitting the water meters; whether vulnerable tenants could be cut-off; whether its unfair to install meters in flats where residents cannot fit types of water efficiency technology; and the time input for social landlords have to liaise with water companies on behalf of the residents.

**Figure 3 Draft London Water Strategy Proposal 3**

The Mayor will work with water companies and other partners to support the introduction of water metering throughout London. The Mayor considers that all houses in London should have meters installed by 2015, and all blocks of flats by 2020. All new flats in London should have an individually metered water supply. Tariff arrangements should encourage the efficient use of water but protect vulnerable and low-income households.

#### 3.3.1. GLA Officer Response

Funding was not agreed for universal metering by the Price Review meaning the water companies would be unable to achieve the proposal to install meters in all homes by 2015.

The water companies are designing a metering programme to enable learning from one phase of metering to inform the next phase and to minimise the impact on vulnerable water customers, they are also developing support packages for vulnerable customers.

#### 3.3.2. Proposed Change to Text in Strategy

Replace proposal 3 in the draft LWS with an action (figure 4) that accounts for the Price Review outcome, is achievable, and provides time to develop the metering programme to account for the issues raised by respondents.

**Figure 4 Final London Water Strategy Action 9**

The Mayor will work with London's water companies, Environment Agency and Ofwat to support the already planned introduction of water metering throughout London, with the aim of metering all houses and blocks of flats by 2020 and all individual flats by 2025.

### 3.4. Setting a water hierarchy

The draft LWS suggested that a water hierarchy is used to inform London's water management. Respondents had concerns that it was contrary to the 'twin track approach' mandated in the Environment Agency's statutory guidance for water resource planning. Also, that the hierarchical approach implies that new water resources should be the last resort, and if adopted, it may undermine the timely implementation of new and sustainable water resources. Other respondents supported the hierarchy, and one respondent suggested that this kind of hierarchy should be reflected in a revised regulatory framework for the water industry, with resource efficiency and climate change at its heart.

**Figure 5 Draft London Water Strategy Policy 1**

The Mayor believes that we should apply the following hierarchy for managing water supply and demand in London:

- 1= Reduce the loss of water through better leakage management
- 1= Improve the efficiency of water use in residential, commercial and public buildings (both new and existing)
- 3 Use reclaimed water for non-potable uses (rainwater harvesting and grey water recycling)
- 4 Develop, as necessary, those water resources that have the least climate change and environmental impact.

#### 3.4.1. GLA Officer Response

The water hierarchy is meant to be complementary to the Environment Agency's twin track approach for managing water resources. Its application is designed to ensure water efficiency is identified early on in options development for water management. However, after further discussions with stakeholders it became apparent that to maintain a sustainable supply-demand balance, especially in the face of Water Framework Directive 'sustainability reductions' that the hierarchy was not practical approach. The ambition for the hierarchy has been replaced by the 'six point plan'.

#### 3.4.2. Proposed Change to Text in Strategy

Delete policy 1.

### 3.5. London-wide water neutrality

The draft LWS proposed that the water neutrality concept be applied to London (figure 6). Respondents had concerns about whether the concept could be applied to London, one respondent considered it exceedingly implausible.

**Figure 6 Draft London Water Strategy Water Neutrality Statement**

The Mayor states that Environment Agency has proposed a concept of 'water neutrality' for the Thames Gateway, where existing development is made more water efficient to provide the water for the ultra water efficient new development. The net demand does not therefore increase despite an increase in development. This concept could be applied to London to ensure that London's demand for water does not increase despite a net increase in population.

#### 3.5.1. GLA Officer Response

Further research was undertaken by the GLA to see if the water neutrality concept was achievable and sustainable. At the London level the concept is theoretically possible. It may also be easier to apply at the city scale than the individual development scale.

#### 3.5.2. Proposed Change to Text in Strategy

Water neutrality will no longer be a vision, but a case study with an evidence base. This demonstrates the benefits of measures to London's total water demand (excluding leakage) until 2035.

### 3.6. Thames and Lee Tunnels methodology and costs to the customer

The draft LWS proposed that the Mayor will work with partners to support the construction of the Tunnels to help cost-effectiveness and minimise disruption (figure 7). Several responses related to this Proposal, most of which were generally supportive of the Mayor's approach, however, one respondent called for appraisal of the Tideway projects by the Mayor, and had concerns about the methodology and water customers' willingness to pay. Another respondent requested that the strategy reflects the ongoing requirement for monitoring and continuing investment in odour control measures at sewerage plants.

**Figure 7 Draft London Water Strategy Proposal 10**

The Mayor will work with Thames Water and other partners to support the construction of the Thames and Lee Tunnels, in a cost-effective way and minimising disruption, as a means of greatly reducing storm discharges from the combined sewer system and improving the quality of the water in the River Thames.

#### 3.6.1. GLA Officer Response

The majority of responses generally supported the Mayor's strategic support for the Thames and Lee Tunnels. The Lee Tunnel is currently under construction and the Thames Tunnel will go through a second phase of consultation in Autumn 2011. The details of the project are likely to remain controversial but the Mayor will continue to support the principle of the project. The responses regarding the cost benefit of the project and on-going monitoring of odour are both valid points in relation to managing sewerage but are more appropriate for others to lead on.

#### 3.6.2. Proposed Change to Text in Strategy

The final proposed strategy will replace proposal 10 with Action 20 (see figure 8). This has been re-worded to aid the clarity of the Action.

**Figure 8 Final London Water Strategy Action 19**

The Mayor will work with Thames Water and other partners to support the construction of the Thames and Lee Tunnels, as a means of greatly reducing storm discharges from the combined sewer system and improving the quality of the water in the River Thames. The Mayor will ensure cost effectiveness and reduced disruption at all individual locations by continuing to lobby Thames Water on local issues.

### 3.7. Sewer misconnections

There is support for proposal 11 amongst respondents. Some respondents want all misconnections to be identified. One respondent wants the Mayor to consider working with local authorities so that their planning departments are required to inspect where connections are being made to the public sewer and to ensure that they have been carried out correctly. Another respondent would like to understand the Mayor's contribution to tackling the problem of misconnections to sewers in London Boroughs. Another respondent requests regular, public information about the discharge of sewage into the rivers.

**Figure 9 Draft London Water Strategy Proposal 11**

The Royal Institution of Chartered Surveyors should consider including a survey of sewer misconnections as part of the surveys at the time of sale of a property.

#### 3.7.1. GLA Officer Response

The generally supportive response on this subject indicates that this is an area of concern across London. However, the original intention was to tackle misconnections through the Home Information Pack (HIP). However, there is no longer a national policy that would require HIPs. Other tools to comprehensively address this are limited, so the Proposal has been replaced by text in the final Strategy. The issue will remain on the agenda.

#### 3.7.2. Proposed Change to Text in Strategy

Remove the action on misconnections, outline the responsibility of local authorities, and highlight the ConnectRight campaign.

### 3.8. Water and sewerage improvements changing water pressure

A respondent is concerned that the programme to improve water pipes and drains will increase water pressure, and increase the incidence of pipe failure in Council owned estates.

#### 3.8.1. GLA Officer Response

Water companies are considering how they can adjust their pressure levels to help reduce leakage. However, reducing mains pressure to legal standards can have implications for high rise properties and potentially for fire fighting.

#### 3.8.2. Proposed Change to Text in Strategy

The Strategy text will outline some of the issues that may arise with changes to water pressure and what the water companies are doing about these issues.

### 3.9. General comments from respondents and GLA officer comments

#### 3.9.1. Respondents comments

1. The Strategy should cover the physical safety and security of London's water supply.
2. Reduce per capita consumption from 160 litres per day in London by at least 20% (to around 130) by 2020. Whilst, another respondent suggested a target of reducing domestic water consumption by 10% by 2015.
3. Reiterate the proposal previously made in the London Assembly draft of the Water Strategy that all new homes must achieve 105 l/h/d, and 'where possible strive towards code level 5/6.
4. A statement in the Strategy setting out clearly who is responsible for managing all sources of flood risk.

5. The strategy does not give sufficient consideration to the cost of the proposals and recommendations, and specifically who must pay and what the effect will be on the bills of water customers.

### 3.9.2. GLA Officer Comments

1. London Resilience and the water companies cover the physical safety and security of London's infrastructure. This would be beyond the remit of the Water Strategy, but will be covered by the Mayor's London Climate Change Adaptation Strategy.
2. London planning policy sets stretching yet achievable water efficiency targets for new builds. For existing builds setting and delivering water efficiency targets is difficult, however the Mayor can encourage the delivery of the package of measures that will reduce usage in homes and workplaces. Therefore, the Water Strategy has moved away from target setting to focus on the delivery of measures.
3. The London Plan (Policy 5.15) states that all new homes in London should meet the 105 l/p/d standard, whilst the Mayor's Supplementary Planning Guidance on Sustainable Design and Construction encourages developers to aim for 80 l/p/d.
4. The Strategy focuses on surface water and drainage/sewer flood risk. The Mayor's London Climate Change Adaptation Strategy will cover the management responsibilities across all sources of flood risk.
5. The strategy's purpose is to set out the Mayor's strategic direction for water management and surface water / drainage flood risk across London.