

# Wastewater Position Statement

Southern Water

2022



## **Introduction**

Southern Water provides water and wastewater services across Hampshire, Sussex and Kent. This position statement relates to the wastewater service.

The purpose of this paper is to outline Southern Water's position with regard to provision of wastewater treatment capacity to serve development proposed in Local Plans.

## **Southern Water's statutory obligations and investment planning process**

Southern Water has a statutory obligation to serve new development. The company is committed to providing the right infrastructure in the right place at the right time. To this end we look to work in collaboration with local planning authorities, developers and other stakeholders to understand the location and timing of development, and ensure that development is co-ordinated with provision of necessary wastewater treatment capacity in the event that significant development comes forward sooner than anticipated.

Southern Water can fund, plan and deliver additional capacity at WTWs to meet demand from new development through the water industry's price review process. This review is carried out every five years by Ofwat, the water industry's economic regulator.

As part of this process, Southern Water submits a Business Plan containing investment proposals to Ofwat. Those proposals are scrutinised and subsequently a price is determined that Southern Water can charge its customers. This price determination funds investment over the next five years. Towards the end of the five year period another price review is carried out to cover the next five year investment period, etc.

The next price review is in 2024, and then one in 2029, etc, giving repeated opportunities to plan investment over the timeframe of the Local Plan.

The adopted Local Plan is an important evidence document that supports Southern Water's investment proposals to Ofwat.

## **Provision of Wastewater Treatment Capacity and Environmental Protection**

Good quality water is essential for water supply, fisheries, recreation, navigation and biodiversity. It is fundamental to sustainable development, health and quality of life.

Environmental bodies such as the Environment Agency and Natural England set and safeguard water quality objectives. The Environment Agency is the water industry's environmental regulator and define the environmental permits that water companies are required to meet. These permits are designed to protect the environment and ensure that water quality objectives are met.

Southern Water therefore operates its WTWs in accordance with environmental permits issued and enforced by the Environment Agency. The

permits set the maximum volume of treated wastewater that the company is permitted to recycle to the environment (in terms of Dry Weather Flow<sup>1</sup>, DWF). They also define the standards of treatment that must be met in order to protect water quality objectives.

If the future release of treated wastewater at a WTW is anticipated to exceed the maximum allowed by the environmental permit (as a result of new development), Southern Water could apply to the Environment Agency for a new or amended permit. This would increase the volumetric permit headroom above that which is currently available. The Environment Agency would normally permit increased flows provided the treatment standards are tightened so that the total load to the environment is not increased. This is in line with the "no deterioration" principle.

It would therefore be inappropriate to use existing wastewater treatment capacity to determine the spatial strategy for a Local Plan, because additional capacity beyond existing permits could be provided that would mitigate the impact of new development. An amended permit might require investment at WTWs, but this is business-as-usual for Southern Water and not a "showstopper" to new development.

It is possible that future permit conditions become so tight that they cannot be achieved by conventional technology. This is likely to trigger the need for significant and expensive investment. The WTWs most likely to be affected in this way could be identified by looking at the sensitivity of the water bodies receiving treated wastewater and/or environmental designations such as Special Protection Areas (SPAs), Special Areas of Conservation (SACs) and Sites of Special Scientific Interest (SSSIs).

Fundamentally wastewater treatment capacity is not a constraint to future new development even if investment requirements are significant. Southern Water has a statutory obligation to find solutions and provide infrastructure to serve new development. The planning period for Local Plans generally runs from 15 to 20 years so there are repeated opportunities through the water industry's five yearly price review process to investigate and implement solutions. Possible options where conventional technology could not achieve the required standards include:

- a) Reducing infiltration into the sewerage system
- b) Removing surface water from combined sewerage systems
- c) Reducing consumption of water by existing and future residents<sup>2</sup>
- d) Transfer flow to an alternative discharge location (where the environmental capacity of the receiving water is sufficient to accommodate the discharge)
- e) Treat wastewater to a higher standard using non-conventional technology.

---

<sup>1</sup> The Dry Weather Flow is defined as the total daily flow value that is exceeded by 80% of the total daily flow values in a period of twelve months (the 80%-exceeded flow).

<sup>2</sup> The Environment Agency has identified that based on a report commissioned by UK Water Industry Research, reductions in per capita consumption (PCC) of up to 25% can have a positive effect in the ability to treat waste water – see Technical Briefing Note: Water Quality Benefits of Reducing Domestic Water Consumption, Environment Agency, 2013.

The implementation of one or a combination of these options would mitigate the impact of increased volumes of wastewater arising from new development and population growth, so that it would not have an unacceptable adverse effect on the integrity of protected sites such as SPAs, SACs and SSSIs.

In terms of future development, Southern Water will prepare forecasts for each WTW in the period to 2030 and any investment required to meet demand will be carried out in this period (provided a need is confirmed). The forecasts for the current investment period (2020-2025) were prepared in 2017 based on (a) housing trajectories provided by planning authorities, (b) published five year supplies of housing and (c) household projections prepared by the Department for Communities and Local Government (DCLG). Unless a sudden and significant step change in construction of new development is expected in the next five years (above that planned for in 2017), we consider that sufficient wastewater treatment capacity is currently available or could be provided to 2025.

A new price review will take place in 2024, when we will have the opportunity to incorporate updated information from the Local Plan to inform investment planning to 2030. There are additional price reviews in 2029, 2034 and 2039, so there are repeated opportunities over the planning period of the Local Plan to investigate, identify and implement solutions, in collaboration with our regulators, relevant planning authorities and other stakeholders.

As stated above, we consider that wastewater treatment capacity can be provided to meet demand from new development, thereby mitigating any adverse environmental impact from increased wastewater flows. However, we also consider that planning policies in individual Local Plans should secure phasing of development in the event that more complex issues arise that take longer than anticipated to resolve. Such policies would mitigate environmental risks that are currently unclear or unknown. Southern Water will engage in the preparation of Local Plans and will highlight any known issues as well as seek policies that co-ordinate development with provision of necessary infrastructure.

Taking account of the above, we consider that housing allocations in Local Plans can progress from a wastewater treatment perspective. Although we recognise that the National Planning Policy Framework requires the planning system to consider wastewater infrastructure, as well as conservation and enhancement of the natural environment, there is also a requirement for a proportionate evidence base. We consider that environmental designations and water quality objectives are more appropriate factors to inform the Local Plan than existing wastewater treatment capacity *per se*, particularly because water quality objectives drive future environmental permit conditions, information on future permit conditions is not readily available, and additional capacity could be provided in the future.

Account should also be taken of Southern Water's statutory obligations as the statutory sewerage undertaker. We will work with local authorities in this context and support a proportionate evidence base for the Local Plan.