

Environment Agency and Ofwat view of DWMP's: Reflections and Emerging Expectations



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SLIDO Questions

During (or after) the presentation for the panel discussion please share 1 'big ticket' item for each question, reflecting on Cycle 1:

1. What went well?
2. What did not go well?
3. What can be improved for Cycle 2?

What is a DWMP?

DWMPs are new, industry-led plans aimed at providing a consistent, structured, and collaborative long term planning approach (over a minimum of 25 years, with consideration of 5- and 10-year planning intervals) to ensure the resilience of wastewater systems and drainage networks against future pressures such as population growth and climate change to achieve the best outcome for the environment and customers.

DWMPs are fundamental to companies carrying out their legal obligations as sewerage undertakers. DWMPs set out how each company will manage and develop its system to be able, and continue to be able to, meet its obligations under the Water Industry Act 1991, which includes section 94, as supplemented by the Urban Wastewater Treatment (England and Wales) Regulations 1994, to **effectually drain** its area and deal with the contents of its sewers.

[Source: letter to CEOs DWMP consultation response industry view.pdf \(ofwat.gov.uk\)](#)

The Journey so far

2013

Present



Drainage Strategy Framework

For water and sewerage companies to prepare Drainage Strategies

Good practice guidance commissioned by the Environment Agency and Ofwat



May 2013



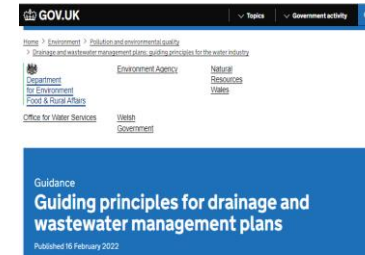
21st Century Drainage Programme 2018



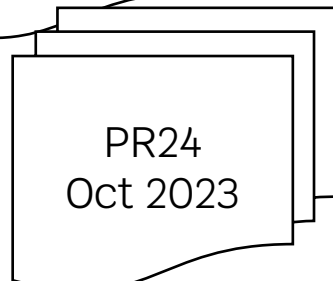
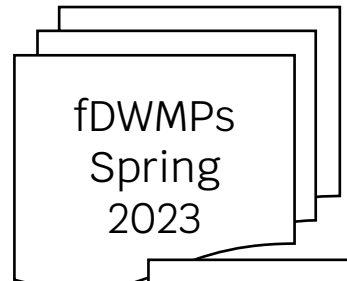
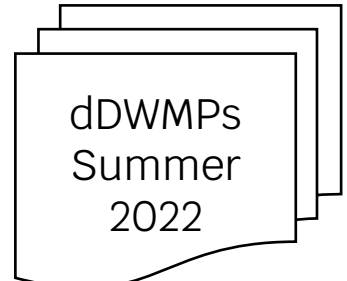
Water UK DWMP Framework 2018 (2019 – working together)



S. 79 of the Env. Act 2021 DSMPs (England & Wales)



Guiding Principles on .gov (2022)



The importance of DWMPs

Govt recognises that long-term, consistent and transparent planning of drainage and wastewater services is **important enough to make statutory.**

Why?

“Decisions made by water and wastewater companies today can impact the service provided to customers and the environment for generations.”

Water UK 2018

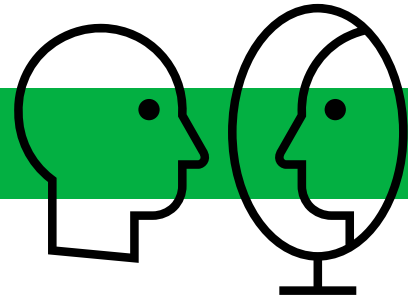


News story

Water companies face new penalties up to £250million

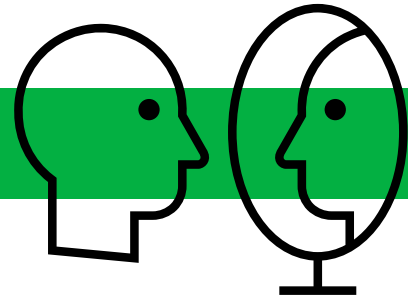


EA Reflections from Cycle 1



- **Congratulations** – it's been a marathon!
- Companies have had to **adapt** to the SODRP & Covid-19
- Hosted **public** facing and accessible plans
- Presenting companies **challenges, maps** and **data tables**
- Recognising need for **Adaption Pathways**, alignment with FCERM Strategy
- Effort to **continue to engage**, publishing Statement of Responses and Addendums

Ofwat Reflections from Cycle 1



- Working at pace
- **Collaboration** –companies, regulators and stakeholders
- **Holistic view** across all companies
- Understanding the **scale of cost** for meeting long term objectives
- Development of **best value plans**
- Examples of **good practice** across individual companies in different areas
- A **robust evidence base** for PR24 investment proposals to ensure companies are choosing the right long-term solutions.

EA Reflections from Cycle 1 – remaining challenges



- All undertaken DWMPs **very** differently
- Most presented dDWMPs as **high-level** and **long-term**, less near / medium-term
- Companies to account for **current** and **future** challenges
- Especially the interface between asset **health** and **capacity**
- **Broad range of maturity** in planning to meet Defra's SODRP
- Companies to demonstrate **leadership** (and open to **partnership**) in using **NBS / SuDS**

Ofwat Reflections from Cycle 1 – remaining challenges



- Need for **greater ambition** in prioritising improvements from **base expenditure**, and **prioritising nature-based solutions** or **surface water separation options**.
- Greater **focus** and **maturity** in **partnership solutions** with other RMAs or third parties which are key to maximising benefits that can be delivered within catchments.
- More **convincing evidence** to demonstrate that the proposed investment needs are the right ones for the long-term.
- More robust assessment / evidence of **costs** and **benefits** of solutions, particularly where schemes have the ability to deliver **multiple benefits** for customers and the environment.
- More **consistent** and **embedded** plans.

Emerging expectations for Cycle 2

The Duty under the Environment Act must underpin the development of the DWMP approach:

(2) A drainage and sewerage management plan is a plan for how the sewerage undertaker **will manage and develop** its drainage system and sewerage system so as **to be able**, and **continue to be able**, to **meet its obligations** under this Part.

(3) A drainage and sewerage management plan must address in particular—

- (a) **the capacity** of the undertaker's drainage system and sewerage system,
- (b) an assessment of the **current and future demands** on the undertaker's drainage system and sewerage system,
- (c) **the resilience** of the undertaker's drainage system and sewerage system,
- (d) the measures the undertaker intends to take or continue for the purpose in subsection (2)
- (e) the likely **sequence and timing** for implementing those measures,
- (f) relevant **environmental risks** and how those risks are to be mitigated, and
- (g) any other matters specified by the Minister in directions.

Emerging expectations for Cycle 2 (EA)

- The **evidence base** to underpin all drainage and wastewater system(s) investment need
- **Consistency** is needed to ensure equitable planning and justified investment need
- Companies should be **bolder** in exploring a mosaic of solutions, from optimising existing network to nature-based solutions for multiple-benefits (quantity, quality & more).
- DWMPs should become **BAU** for companies, not a discrete 5yr publication;
- Linking and underpinning other strategic planning frameworks / programmes, ww-WINEP
- DWMPs should be **collaborative** – plan together, deliver together
- DWMPs should use **‘modelling and reality’** to shape understanding

Emerging expectations for Cycle 2 (Ofwat)

- The DWMP should set out the long-term strategy for meeting customer and environmental requirements related to all wastewater infrastructure.
- Should cover adaptive planning, accounting for the impact of climate change and other factors (consistent with the Long term delivery strategies prepared by companies for this review).
- DWMPs should provide clear evidence as to what a company needs to deliver (and why); how and when it will deliver interventions to address those needs; what the best value options are; and how preferred options will be funded.
- DWMPs need to feed in directly into WINEP/NEP processes.
- The DWMP needs to consider as a minimum all current performance commitments so that long term performance can be assessed, and any other areas required to demonstrate the company is meeting its obligations – as a result it will need to cover improvements delivered through both base and enhancement expenditure, and may need to go further on demonstrating compliance.
- High quality and quantity of stakeholder engagement, including testing the affordability and acceptability of plans with customers. This needs to consider how the DWMP will align with similar activities undertaken for the price review.

Next steps: Defra and Welsh Government preparations for Statutory

- Statutory DWMPs have been committed to by the Government in the Plan for Water and the Environmental Improvement Plan 2023
- Government is working to deliver that commitment for Cycle 2.
- Commencing S.79 Environment Act 2021 and appropriate regulations and guidance
- N.B. decision to bring DWMPs onto a statutory footing by commencing S.79 of the Environment Act 2021 is a devolved matter for Wales and that the decision as to when to commence S.79 in Wales lies with the Welsh Minister, whilst in England it is the Secretary of State for the Environment's decision.

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Thank you

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