United Utilities

# Enabling Integrated Regional Planning

November 2025

United Utilities

Water for the North West

# Executive Summary

The Independent Water Commission (IWC) marks a pivotal moment for the water industry and local stakeholders. If its recommendations are followed, then there is the opportunity to facilitate growth, resilience and improve the environment through place-based and catchment planning, and to set a bold vision for collaboration across sectors and statutory bodies. The report's recommendation to set up Regional Systems Planners (RSP) has the potential to improve local co-ordination to address shared problems in a holistic and integrated way. However, the success of the RSP is dependent on its remit, structure and ways of working. This paper set outs key considerations for government to enable effective partnerships.

Our proposals would unlock several priorities outlined in the IWC report, including:

- The acceleration of sustainable growth;
- Increased economic efficiency between partners;
- Stronger climate and nature resilience;
- Growing innovation and green markets; and
- Greater public value and trust.

For over 20 years, United Utilities Water (UUW) has worked and delivered in multiple partnerships, successfully convening a wide range of stakeholders to develop and implement solutions on issues that matter to communities, customers and businesses. This paper sets out recommendations on how government can use this moment to implement an effective RSP to meet the needs of people, places and nature. These proposals draw on best practice from our existing partnerships, giving government confidence that this approach is workable and deliverable.

Firstly, we have made recommendations on the role and scope of the RSP. The RSP should be developed with the vision to '*Collaborate, Share, Adapt, Deliver—together for water'* and we see the role of the RSP as a 'convenor', bringing together key stakeholders with an interest in water and the water cycle, to create a more cohesive and efficient approach. The RSP will need to remain neutral and unbiased to convene key stakeholders and guide discussions, to support long term regional planning and the delivery of integrated solutions, across different agencies and infrastructure sectors.

While we agree with the overall IWC recommendation for RSPs, we do not see the RSP making decisions on the plans of each individual agency. Each organisation is accountable to its specific funding and governance requirements, as well as legislative and regulatory obligations. Adding additional layers into a complex landscape could create delays to decision making and confuse customers, communities and businesses.

We also believe the interdependencies between the proposed national planner, RSP and local collaboration will significantly impact the effectiveness of regional planning, and we have proposed a structure for the interaction between these functions to enable a whole water system approach to planning and implementation. Our proposal builds on the IWC's vision by including some additional organisations to the board and setting out how plans from individual organisations could reflect the RSP's objectives.

In the second section, we have outlined principles to support successful partnership working, with examples from existing partnerships. We have found that effective partnership working will take time to establish. This is particularly true where participants have different skills, experience and institutional cultures to navigate, and differing levels of funding and resources. The examples we provide also set out how we overcame these barriers to achieve our shared aims.

In the final section, we also propose that government should go further than the IWC report to achieve long term and joined up transformational change, by including flood management to the remit of the RSP.

**November 2025**

# 1. The role and scope of the regional system planner

The Independent Water Commission (IWC), led by Sir Jon Cunliffe, published its recommendations in July 2025 recognising that a broad range of issues constrain the water sector in delivering long term resilience and value. This paper relates to recommendation number three "*a comprehensive systems planning framework to be introduced with responsibility for integrated and holistic water system planning*". We provide evidence on how it could successfully be implemented, addressing key issues raised by many stakeholders, including:

- The so-called "missing middle" of regional governance in planning;
- Limitations in driving cross-sectoral action;
- Lack of local engagement and poor consultation practices; and
- Inconsistency in planning metrics and economic appraisal.

**Collaborate, Share, Adapt, Deliver**

There is wide consensus that we need better alignment of plans across organisations, to deliver sustainable growth alongside nature recovery. To achieve this, we need a structure within which organisations with a vested interest in water can come together to share insight, identify regional ambition, develop an integrated plan and support the delivery of multi-agency projects.

The Regional System Planner (RSP) should be developed with the vision to *'Collaborate, Share, Adapt, Deliver—together for water'* to convene stakeholders with an interest in water, to design and implement integrated solutions to meet the needs of people, places and nature. To enable a long-term approach to regional collaboration and planning, we have proposed the role and scope of the RSP below:

**1) Convene, align and support delivery across the whole water environment.**

The RSP will need to remain neutral and unbiased to convene key stakeholders and guide discussions.

The whole water system includes:

- Water resources (public water supply, navigation, agriculture, energy, industry);
- Flooding (fluvial, pluvial, coastal, surface water) and drainage;
- Water quality; and
- Water system resilience and health (including resilience of rivers, wetlands and aquatic ecosystems and resilience of water supply, sewerage and drainage assets).

**2) Develop a consensus building ethos.**

The RSP will need to:

- Define and galvanise a shared regional ambition for the water environment, aligned to national policy and statutory targets;
- Create a safe, collaborative space for regulators, NGOs, water companies, local authorities, navigation authorities, infrastructure providers, agriculture, industry and academia to share data, co-design projects and support delivery by unblocking barriers; and
- Commission evidence to unlock integrated interventions, with a budget to do so, where this improves value for money and outcomes.

**3) Establish a single, shared and integrated evidence base.**

The national systems planning coordination office should:

- Establish a common data platform that blends regulatory datasets with citizen science and academic research;
- Agree common data standards to speed up planning, reduce duplication and increase trust; and

- Advocate a best value framework for decisions, by applying a consistent appraisal approach (aligned with the Green Book) to prioritise the best whole-system outcomes, not just the cheapest project. This approach should work alongside any 'constrained discretion' approach implemented by regulators to reflect variations within regions.

The RSP can then identify:

- Region-specific factors, such as hydrology and socio-economics, and work with government and regulators to ensure national policy appropriately reflects regional differences; and
- Identify and progress targeted solutions in the best value way, wherever they may be in the water system.

**4) Facilitate long term growth and investment.**

The RSP will need to:

- Identify and progress opportunities to invest in partnership to drive sustainable water management;
- Blend public and private funding and to develop innovative green markets (e.g. nature-based solutions, nutrient trading, biodiversity net gain, flood alleviation through natural flood management); and
- Promote skills and capacity building across partners to resource a set change in infrastructure delivery.

**5) Manage existing and new risks.**

Currently, a broad range of organisations have a need to plan for and invest in improvements to water management to drive growth and adapt to climate change to build a resilient future. We anticipate the range and number of interested organisations will increase and therefore priorities will grow. The RSP should have the capacity and capability to horizon scan and continue to secure consensus around the ambition for water to safeguard investment and drive government ambition. For example, while reporting under the Taskforce on Nature-related Financial Disclosures (TNFD) is not yet mandatory, investors are considering their exposure and impact to nature and the RSP should recognise emerging requirements.

**6) Ensure cross-border working – especially across the England–Wales border.**

Where applicable, the RSP should establish cross-border collaborative working groups to develop shared plans for cross-border catchments, which meet both English and Welsh requirements.

**7) Build accountability without creating bureaucracy:**

The RSP will need to:

- Establish a small secretariat with the right skills and who are empowered to coordinate, commission technical evidence e.g. modelling and convene partners;
- Build on, and integrate with, existing local partnerships and collaborations, supporting them to evolve into the RSP structure;
- Create governance arrangements to review, challenge and sign-off of a regional strategic plan that sets out integrated solutions. This arrangement should reflect the specific funding and governance requirements, as well as legislative and regulatory obligations of each individual organisation;
- Support the alignment and optimisation across individual plans, and unblock barriers to delivering effective outcomes for the public and the water system as a whole;
- Report on delivery against the regional strategic plan and facilitate adaptation to new evidence and science as it emerges;
- Develop a single hub/portal for relevant consultations to enable constructive engagement and consultation on a broad range of plans pertinent to water; and
- A project management tool should be implemented, such as RACI that uses a responsibility assignment matrix to clarify who is Responsible, Accountable, Consulted, and Informed for each task in a project.

**Interaction between national, regional and local planning**

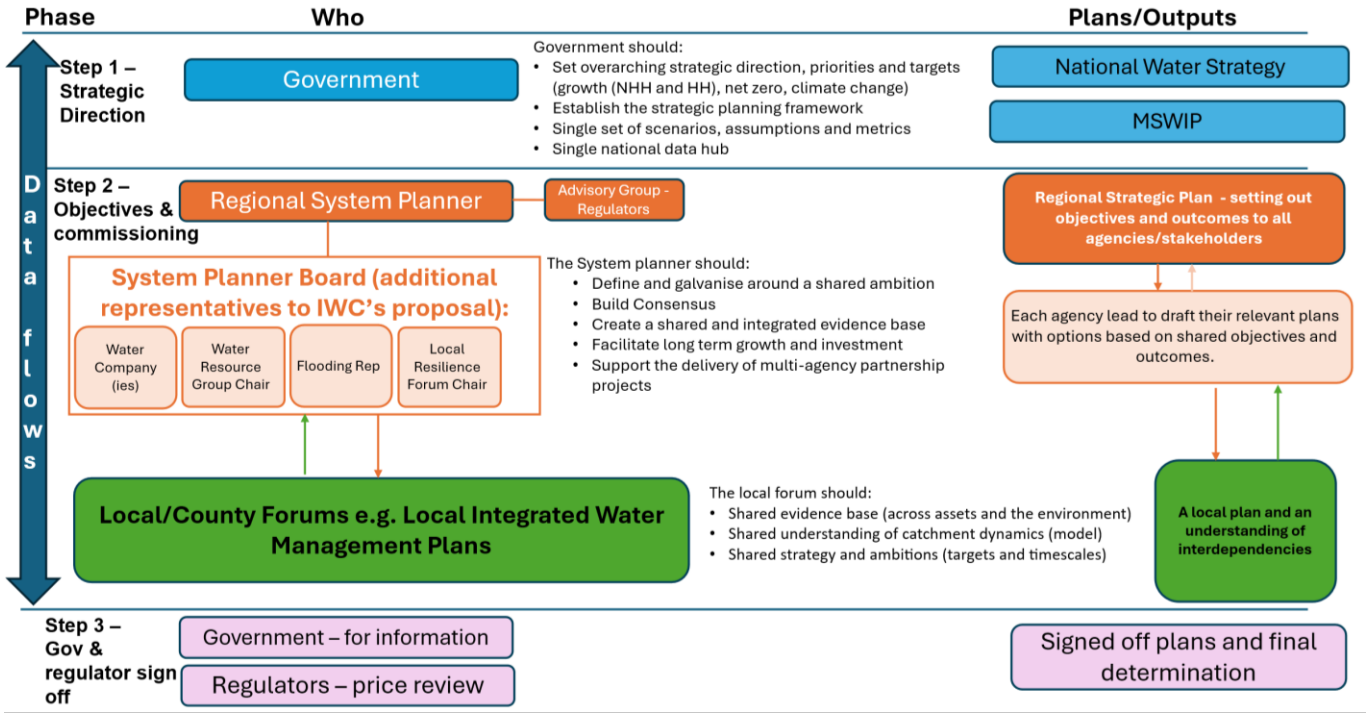
The RSP aligns with our view that planning should better take into account local circumstances, history and pace. However, the proposed membership of the RSP board includes all key stakeholders, without the inclusion of water companies, and instead suggests that water companies would inform the planner via a subgroup. As evidenced in this paper, we have significant experience of partnership working, unparalleled expertise across both the water and wastewater cycles, and a deep knowledge of the regions we serve, which would be better utilised at a strategic level.

We believe true integrated planning involves much more than setting sectoral targets, it also involves integrated modelling and integrated opportunity identification. If the industry is siloed due to lack of representation there is a risk that the learning from initiatives such as the integrated water management plans are not capitalised upon.

We have, therefore, suggested an alternative RSP structure, see chart 1 below, which builds on the IWC's proposal by:

- Including additional representatives on the RSP board to enable a whole water system approach to planning;
- Setting out the interaction between the RSP and local forums to enable local needs to be reflected in regional planning and delivery.

**Chart 1 – Proposed interaction between national, regional and local planning**



# 2. Principles to establish a successful partnership

Over the past 20 years, UUW has played an integral role in establishing multiple and successful partnerships across our region. The IWC report references the Greater Manchester Integrated Water Management Plan (GM IWMP) approach as an example of collaborative planning[1]. In this section we outline key principles and provide best practice examples of how a partnership could be established and operate.

**1. Collaboration and consensus building**

The RSP, as the 'convenor', will need to be seen as sufficiently independent to bring together a range of stakeholders with an interest in water, and to broker consensus successfully and manage constructive discussion. The RSP will need to operate in a manner that recognises the plans of each individual agency because it cannot override individual remits, legal responsibilities and governance arrangements. The RSP should enable individual stakeholders to be aware of issues outside of their responsibilities and specialism. It should also meet its responsibilities in a coherent, consistent and complementary manner that means the total benefit delivered across the region is greater than it would have been with its constituent parts alone. We have set out some existing successful partnership examples that demonstrate this approach:

- **Local Resilience Forums (LRF)** - are not legal entities, nor do they have powers to direct their members. Instead, these forums are a collaborative mechanism for the delivery of mutual aims and outcomes, which are agreed by the member organisations. Each forum has a collective responsibility to plan, prepare and communicate in a multi-agency environment; and to monitor its own progress and strengths, and is active in identifying and developing necessary improvements. We have found the LRF arrangements are highly effective in bringing multiple partners together to discuss and resolve issues at pace.
- **Regional Water Resources Groups[2]** - are collaborative bodies that include water companies, other water users and stakeholders, to create long-term, region-specific plans for water management. The groups are non-statutory, but they develop statutory regional plans to ensure a sustainable water supply, address environmental damage from current abstraction and explore optimal supply solutions across their entire region. These groups undertake technical analysis across the wider region to enable individual water company planning to reflect dependencies between companies.
- **CaSTco[3] -** is an Ofwat Innovation project, led by UUW and the Rivers Trust. It includes over 30 partners to test and build a national framework that better supports communities, decision-makers, scientists, and industry to be able to use citizen science data meaningfully. The importance of a consensus building approach is a corner stone principle of the CaSTco project and demonstrates that this can be achieved with a large number of organisations.

**2. National direction with local flexibility**

We welcome the IWC's recommendation for national water strategies with clear guidance from the government to regulators to ensure that all the planning frameworks can deliver agreed outcomes. This will require joined up strategies, that go beyond those owned by Defra, such as the UK Infrastructure Strategy.

This national vision should also be flexible to reflect local and regional geographies and demographics, allowing water companies to deliver the right outcomes for local customers and the local environment. The RSP will need to be set up to consider evidence on regional priorities and create a consensus around a shared ambition on matters that might go beyond the national strategy or where there is a need for 'constrained discretion'.

[1] See page 50 of the 'Independent Water Commission Final Report', which can be found here - https://assets.publishing.service.gov.uk/media/687dfcc4312ee8a5f0806be6/Independent_Water_Commission_-_Final_Report_-_21_July.pdf

[2] For further information, please see - https://waterresourceswest.co.uk/s/Regional-planning-for-the-future-WRW-April-2023.pdf

[3] For further information, please see - https://castco.org/

The examples below set out our partnerships that have both a shared ambition and aligned planning:

- **Greater Manchester Integrated Water Management Plan (GM IWMP)**[4] – The collaborative approach to integrated water management is encapsulated in the vision for the GM IWMP which is "*working together, we will manage Greater Manchester's water wherever it falls, to enhance the environment, support people and forge prosperous places*". This partnership formed by UUW, the Environment Agency and the Greater Manchester Combined Authority has a clear vision. To inform successful planning and deliver this vision, the partnership recognised the need for data and commissioned Imperial College London and the University of Manchester to create a conceptual model of the full river system. This evidence will be built on to identify the optimal way to invest in nature upstream, to reduce the risk of flooding in Manchester City and also enhance drought risk resilience and deliver wider benefits for the whole water catchment environment.
- **Stockport Mayoral Development Corporation** - One of the first Mayoral Development Corporations (MDC) was set up in Stockport, Greater Manchester. Stockport town centre has a combined sewer network despite being adjacent to the River Mersey leading to storm overflow operation. The GM IWMP partnership commissioned a drainage strategy to mitigate the flood risk, enable regeneration and improve the environment. While collaborative planning developed a strategy to address a shared concern, funding is required to implement solutions. UUW is able to support this as we secured a unique Advanced WINEP (Water Industry National Environment Programme) at PR24 to unlock innovative investment to maximise partnership working. This process provides a mechanism for local authorities to support schemes to integrate rainwater management, such as, active travel, town regeneration, highways improvements, flood risk management, parks and recreation. This programme demonstrates the importance of how greater regulatory flexibility can allow water companies to increase co-funding and deliver wider benefits through partnership working.
- **Carlisle Integrated Water Management Plan** – We have worked with partners to bring together the Environment Agency, Cumberland Council, Network Rail, Eden Rivers Trust to deliver a resilient approach to flooding not only in Carlisle, but in the wider Eden River catchment. Network Rail is a unique partner because, despite water management not being its primary function, flooding causes significant disruption to the vital West Coast mainline, necessitating collaboration to protect this critical route. Through this partnership, we will be collectively driving greater economic benefit beyond just water quality and water resources, and supporting both urban and rural communities. As with the case in Greater Manchester, flood risk has been a key catalyst for this partnership.

All three examples above demonstrate the importance of convening stakeholders with a mutual interest in water and economic growth, collecting evidence to inform option development and the importance of flexibility to unlock investment to enable the implementation of options.

## 3. Resources

A truly integrated approach to the development of plans and the delivery of projects, requires resources to build capacity, capability and expertise in water management across the water sector including water companies, local government, regulators and the private sector.

Our partnerships have experienced challenges to effective integrated planning development because different partners have different funding cycles. Sometimes, leveraging the maximum benefit from partnerships crucially depends upon taking opportunities within challenging timescales, as they arise. Where water companies are locked into rigid cyclical approaches for approvals and inflexible deliverables, these opportunities can be missed due to administrative restrictions. To mitigate this risk, water companies and other stakeholders should have flexibility between business planning periods and respective funding or grant programmes. This could be achieved by flexible cost recovery mechanisms and 'constrained discretion' by regulators, to enable each partner to be more agile and respond to changing plans and ambitions.

[4] For further information, please see - https://greatermanchester-ca.gov.uk/what-we-do/planning-and-housing/strategic-planning/integrated-water-management-plan/

**4. Stakeholder engagement**

The North West region is the third most populous region in the UK and features a mix of large urban areas, such as Manchester and Liverpool, and rural areas such as Cumbria. UUW has a county-based approach for the development and delivery of our local plans, including customer engagement and consultation. The counties we serve are Cheshire, Cumbia, Greater Manchester, Merseyside and Lancashire, and each county has clearly defined local plans and partnerships to support local needs, which then feeds into our regional business plan and operational structure.

We welcome the IWC's recommendation for a single hub for all relevant water consultations to enable constructive engagement and consultation on a broad range of plans pertinent to water. We see this as principally appropriate as a portal for key planning documents, enabling all stakeholders to have visibility of where and when consultations are occurring and to signpost the means by which they can engage with the planning exercise. However, the engagement itself will usually be by water companies and other partners directly with stakeholders. This is because they undertake stakeholder engagement on a regular basis via different platforms to suit a range of audiences and on a variety of topics. This flexibility should continue, to meet the needs of customers, communities and businesses and to ensure that each organisation is accountable for its stakeholder engagement.

**5. Ability to share and commission integrated evidence**

A critical attribute of the RSP is to be able to gather data to identify interrelated system risks and undertake best value analysis to ensure the most appropriate integrated solutions are selected. This will require the RSP to:

- Gather environmental data to develop an up to date, accurate and rich picture of the water environment. We recommend the RSP should embed the CaSTco Roadmap, to enable citizen science and academic data to be used alongside more conventional monitoring;
- Modelling to understand the complexities of the natural environment and water system; and
- Research into issues and opportunities specific to the region, such as climate change and growth.

In June 2025, we used modelling in our **Hindley Integrated Water Management Plan**[5] to understand the integrated risks and solutions to the water quantity and quality issues in the Hindley area, where the Hey Brook runs. This provided new insight into the interconnectedness of all the flood risk in the area and identified a blend of blue/green and grey solutions that will secure resilience and service improvements. While all partners came together to commission the modelling work, it was funded by UUW, and there is a need for the RSP to collaboratively fund integrated modelling.

**6. Unlocking investment in nature**

In 2022, the ONS reported a total asset value of ecosystem services in the UK of around £1.8 trillion. The RSP can unlock investment in nature as an asset class and scale up implementation of Local Nature Recovery Strategies. Examples of how partnership working can unlock nature recovery projects include:

- **The Wyre Catchment Natural Flood Management Project (Wyre NFM Project)**[6] - Communities in the Wyre River catchment in North Lancashire have experienced a one-in-50-year flood event four times in the last 20 years. UUW worked with partners to use nature-based solutions to reduce flood risk in the Wyre River catchment, using a blend of public and private finance. This project did not qualify for traditional funding channels. However, by working with partners, a Community Interest Company was set up, which brokered

[5] For further information, please see - https://www.wigan.gov.uk/Docs/PDF/Resident/Crime-Emergencies/Floods/Hindley-IWMP-Strategic-Report.pdf

[6] For further information, please see - https://img1.wsimg.com/blobby/go/108413ee-107b-42c8-b4ed-a856d427156d/Wyre completion- Local community%5B10061%5D.pdf

agreements with multiple organisations to buy the benefits of the interventions delivered, and these are now being paid for over a nine year period. The benefits delivered have surpassed expectations.

Since then, the interest in investing in nature as an asset class as grown significantly in the financial sector and there are various initiatives aiming to unlock investment in nature at scale. The learning and outputs from these types of initiatives need a home and the RSP would be well positioned to integrate the buyers and sellers of nature-based solutions within the area they cover.

- **GM IWMP partnership -** we are working with Rebalance Earth[7] to see if we can unlock this potential and accelerate progress in blending public and private finance to invest in nature.

[7] For further information, please see - https://www.rebalance.earth/

# 3. Delivering a whole water management system

The IWC report recognised the need to align the RSP with flood planning. However, we propose that government should use this moment to go further and incorporate flooding into the RSP's remit. The inclusion of flooding will foster a whole water management system to tackle surface water flooding and pollution, which is important because the Environment Agency has reported that peak river flows are projected to rise by up to 50% in parts of the North and South West by 2080[8]. Rising river levels will increasingly inhibit outfalls and heightens flood risk from drainage networks.

The Environment Agency also estimates that due to climate change, the total number of properties in areas at risk of flooding from surface water in England could increase from 4.6 million to 6.1 million – a 30% increase between 2040 and 2060[9]. Therefore, the exclusion of flooding from the RSP's remit presents a significant risk of undermining future resilience, prevents holistic infrastructure planning and can result in missed opportunities to invest in nature at scale.

The RSP would be best placed to deliver a holistic approach to rainwater management and flood prevention by addressing the following challenges:

- **Current approach to surface water planning is uncoordinated.** Planning for flooding from ordinary water course, culverts and drains currently takes place in a sporadic and piecemeal manner as the capability and capacity of local authorities has reduced over time. Integrated water management planning in Greater Manchester and Carlisle were formed with flood risk as a major focus, demonstrating the need to convene stakeholders to tackle shared problems.
- **Drainage networks are interconnected with rivers and surface water**. Storm overflows are driven by excess rainfall entering sewers, and rainwater management requires integrated planning across flood, water supply and the environment. The RSP can support collaboration and integrated solution planning and delivery.
- **Nature-based solutions depend on joined-up planning**. Separating flood from water and environmental planning creates barriers to scalable and multi-benefit interventions. The RSP should facilitate a whole water management approach to planning and where appropriate support the use of 'constrained discretion' .

[8] Environment Agency data (unpublished)

[9] Please see the Environment Agency's report 'National assessment of flood and coastal erosion risk in England 2024' at https://www.gov.uk/government/publications/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024

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