

# Draft Drainage and Wastewater Management Plan

## Statement of Response

December 2022



## Executive Summary

United Utilities Water (Uuw) has developed its draft Drainage and Wastewater Management Plan (dDWMP) in collaboration with customers and stakeholders to set out how the company proposes to maintain robust and resilient drainage and wastewater services for customers in the North West. The dDWMP was published on 30 June 2022 and customers, stakeholders and regulators were invited to provide feedback via a formal consultation process. We would like to take the opportunity to thank all those who have been involved in the development of the plan and who have provided feedback. Over 50 responses were received and in order to capture all of the feedback, this Statement of Response has been produced. This document aims to summarise the feedback on the dDWMP across a range of topic areas, our initial response, and how we intend to consider it within the final plan, due to be published in spring 2023.

The key themes arising from the consultation were;

- **Options development, programme optimisation and the preferred plan;**
- **Stakeholder engagement and partnership solutions;**
- **Customer acceptability;**
- **Storm overflows;**
- **Wider strategic ambition of the DWMP; and**
- **DWMP document structure and content.**

We have provided further detail where necessary to address the feedback on our dDWMP, which can be found in section 3 of this document. Whilst long-term planning for wastewater services is not new, this is the first time a DWMP has been produced and it is not a static plan. The feedback throughout the consultation process will support the development of the final plan as well as the approach taken for cycle 2 of the DWMP.

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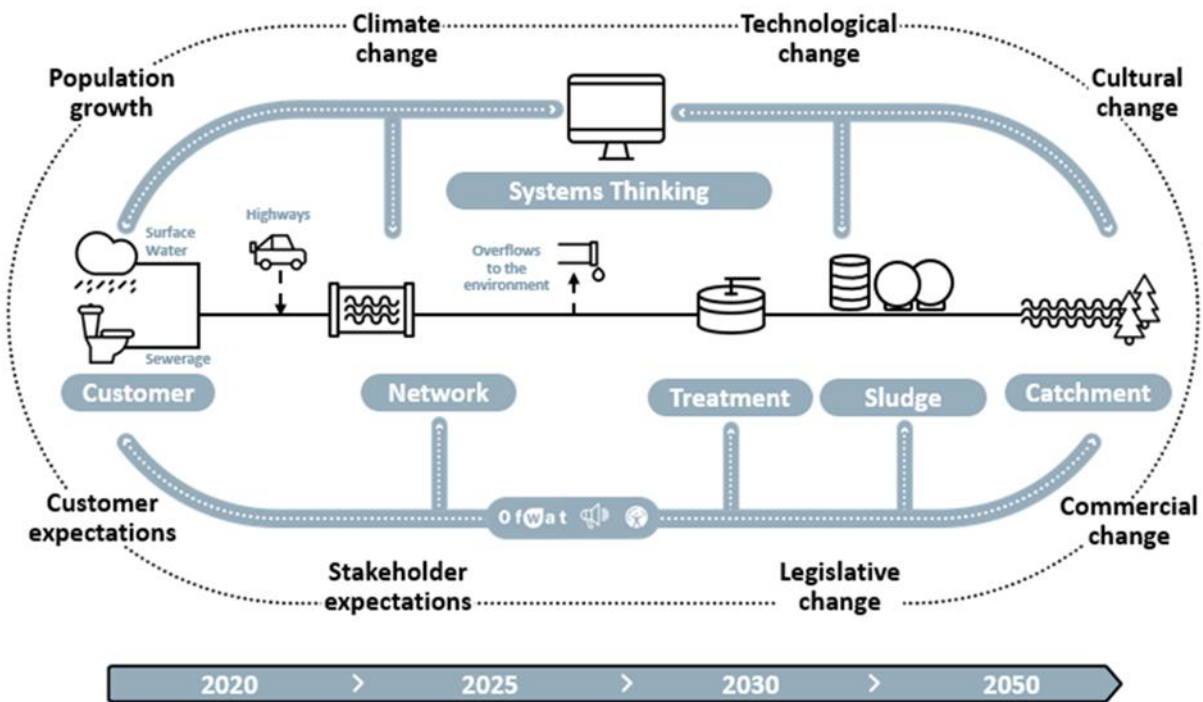


# 1. Introduction

United Utilities Water’s (UW) purpose is to provide great water and wastewater services for the North West. To deliver on this, we need to work closely with a wide range of stakeholders, as many of the obstacles and opportunities faced are collective and best tackled together. Our region has significant environmental and social challenges ahead. With a changing climate and a growing population, the future is uncertain. We need to continue and enhance our management of the effects there may be on our wastewater services, the environment they protect and the experience of our customers. New challenges and opportunities will arise and this is why we are preparing for the future, managing uncertainties and adapting to changes in order to be resilient and cost effective.

In developing our draft Drainage and Wastewater Management Plan (dDWMP), we have taken a long-term approach that sets out how we propose to ensure we provide robust and resilient drainage and wastewater services for the North West. Our DWMP is a holistic plan that encompasses all aspects of drainage and wastewater management from customers’ taps through to discharging treated wastewater back to the environment (Figure 1).

**Figure 1** A summary of the considerations included in the DWMP.



On 30 June 2022, we published our first dDWMP. It sets out our proposal for just over £3.5 billion of investment from 2025–2050 to meet the DWMP planning objectives and likely statutory requirements, with a provisional view that a potential further £18 billion may be needed to meet Defra’s Storm Overflow Discharge Reduction Plan requirements. The DWMP process strives to address the direct wastewater and other associated social challenges affecting the North West, especially in light of the challenges we face as a result of climate change and population growth, the impacts of which are exacerbated by the region’s prevalence of combined sewers and propensity for high and flashy rainfall.

We have engaged with stakeholders and customers throughout the development of the dDWMP including setting the long-term targets, identifying areas of shared risks or opportunities, and determining options for the preferred plan. It is our aim to carry this ambition throughout the consultation process to ensure that feedback is incorporated into the final DWMP.

We would like to take the opportunity to thank all those involved in the development of our plan and who provided feedback through numerous channels such as our online survey comprising of 54 multiple choice questions, three interactive stakeholder workshops, and bespoke responses via our DWMP mailbox. We received over 50 consultation responses from customers, stakeholders and regulators (Figure 2) and in order to capture all of the feedback, we have produced our Statement of Response.

**Figure 2 A summary showing the number of customers, stakeholders, regulators and others who provided consultation feedback.**





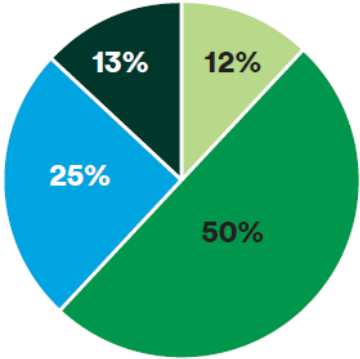


This document aims to summarise the feedback on the dDWMP across a range of topic areas, our initial response, and how we intend to consider it within the final plan, due to be published in spring 2023. We acknowledge and appreciate all of the feedback but, for the purpose of this response, only dDWMP specific comments have been addressed in this document. Any other feedback relating to wider business activities have been distributed to the relevant business areas for information and action where required.

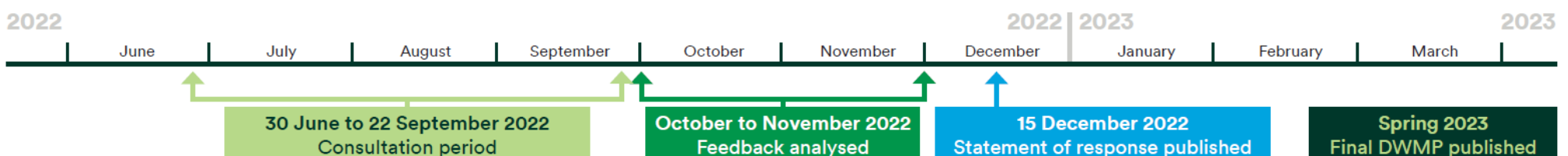
## 2. Our approach to consultation

On 30 June 2022 we published our draft DWMP. When developing this we invited customers, stakeholders and regulators to give us feedback through our consultation process. The consultation was open for 12 weeks.

### Engagement routes

|   |  |  |  |
|---|--|--|--|
|  <p><b>DWMP online survey</b></p>  |  <p><b>Dedicated DWMP mailbox</b></p> |  <p><b>Interactive workshops</b></p>  |  <p><b>Ofwat pre-consultation</b></p> |
|  <p><b>We received over 50</b> responses to our DWMP online survey.</p> <p><b>Over 60%</b> of those who responded said that they ‘strongly agree’ or ‘agree’ that we adequately engaged with them during the DWMP process.</p> <p>Legend: Strongly agree (12%), Agree (50%), Neutral (25%), Disagree (13%)</p> |  | <p><b>Three workshops</b><br/><b>40 organisations</b><br/><b>70 stakeholders</b></p> <p><b>Over 80%</b> found the workshop ‘very interesting’ or ‘interesting’</p> <p><b>Over 80%</b> ‘strongly agree’ or ‘agree’ that they had the opportunity to get involved in the discussions and make their point.</p> <p><b>Over 90%</b> felt ‘very engaged’ or ‘engaged’ in the session.</p> |  |
| <p><b>“United Utilities made considerable efforts to engage with stakeholders.”</b> Stakeholder</p>   |  | <p><b>“It’s been an excellent performance by UUW to do what you have done.”</b> Stakeholder</p>  |  |

### Timeline for consultation



## 3. Key themes from feedback and our response

In order of highest frequency, the key themes from the feedback were:

- Options development, programme optimisation and the preferred plan;
- Stakeholder engagement and partnership solutions;
- Customer acceptability;
- Storm overflows;
- Wider strategic ambition of the DWMP; and
- The DWMP document.

The following sections provide more detail on each of the themes summarising what we included in our dDWMP, the feedback, our response, and how we plan to address the feedback.

**Note:** All of the customer feedback was via our online survey although more detailed feedback was obtained from stakeholders and regulators through workshops and email. As a result, our consultation response is in particular more heavily influenced by these perspectives. We engaged with customers on the DWMP as an integral part of the plan development to ensure opinions were considered throughout. For more detail please refer to [Technical Appendix 9 – Customer Engagement](#) which is available through our corporate website.

### 3.1 Options development, programme optimisation and the preferred plan

#### 3.1.1 Introduction

The options development phase of the process looks to mitigate the risks identified to customers through the Baseline Risk and Vulnerability Assessment (BRAVA<sup>1</sup>) by developing the appropriate solutions. This was done using an iterative screening process as we acknowledge that due to the interconnected nature of drainage and wastewater, options need to be considered holistically.

We did this by creating option blends that were comprised of a combination of different intervention types. This has allowed for options to be utilised that contribute to meeting multiple performance targets, even if the options cannot fully resolve the risk identified. The approach to using option blends supports systems thinking by allowing for the consideration of a holistic range of options as part of the solution. There is a recognition that a partial solution adds value when managing risk. This particularly supports the selection of nature-based solutions such as sustainable drainage systems (SuDS) and operational improvements utilising innovative technology to drive performance benefits. Option blends allow for incremental improvements to achieve targets whilst encouraging least regrets solutions to be prioritised thus forming a key building block of our adaptive planning<sup>2</sup> approach for DWMP.

In the development of the dDWMP, we have focused on producing an optimised programme, which meets customer and regulatory expectations and considers affordability, whilst also driving significant improvement and system resilience in areas such as flooding. The preferred plan set out just over £3.5 billion of investment over 25 years with a further £18 billion set out to address storm overflows. A large proportion of this proposed investment is for new assets driven by likely statutory requirements through the Water Industry National Environment Programme (WINEP). We recognised that further optimisation would be required between draft and final DWMP. We will endeavour to align to the WINEP where we can, however, this may be impacted as regulatory guidance continues to be updated and feedback on our WINEP submission is post DWMP submission.

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<sup>1</sup> The purpose of the Baseline Risk and Vulnerability Assessment (BRAVA) is to understand how future changes might impact on our ability to achieve planning objectives and understand potential resilience risks.

<sup>2</sup> An adaptive plan demonstrates multiple potential scenarios and pathways that could happen due to changes in such as technology, customer needs and regulatory expectations. It allows for change in direction when new needs arise.

### 3.1.2 Consultation feedback and our response

We received a range of positive feedback regarding our approach to options development, programme optimisation and the preferred plan from regulators and stakeholders (Figure 3). The importance of an adaptive plan that prioritises low carbon and green solutions was acknowledged, with regulators complementing our options hierarchy approach to prioritise low-carbon, green solutions over traditional grey ones where possible.

**Figure 3 Examples of positive feedback.**

*“We like the options hierarchy that underpins the best value approach, and that blue/green solutions are above grey solutions.”*

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Regulator

*“We are pleased to see the six capitals approach driving the company to adopt the best value approach rather than the lowest whole life cost.”*

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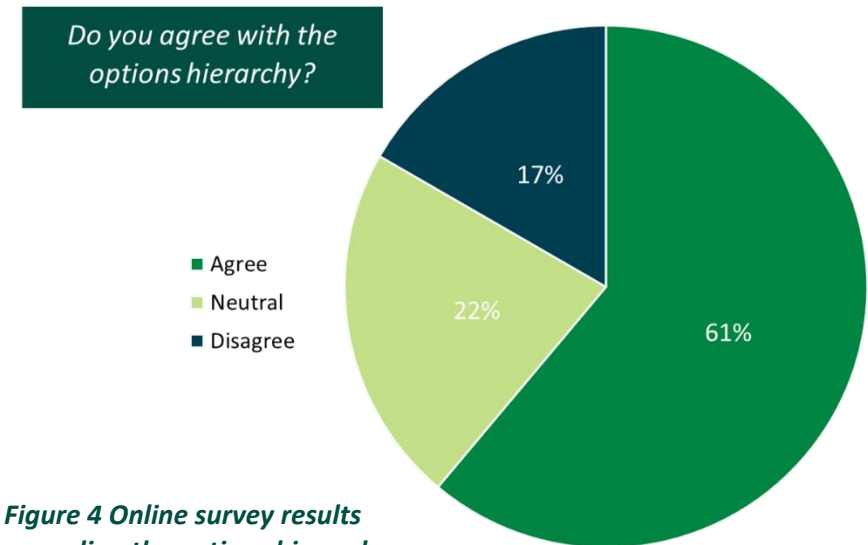
Regulator

*“The preferred plan intervention types appear to offer a range of behavioural, soft and hard measures. They also follow a path aimed at reserving more carbon intensive measures for where other options are not feasible.”*

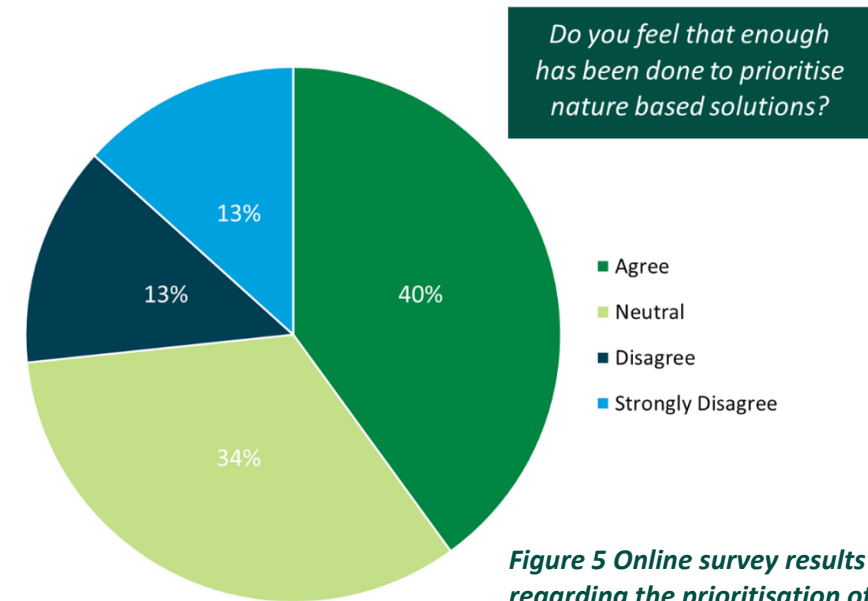
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Stakeholder

Results from the online survey showed that participants supported our approach to the options hierarchy and the prioritisation of nature-based solutions (Figure 4 and Figure 5).



**Figure 4 Online survey results regarding the options hierarchy.**



**Figure 5 Online survey results regarding the prioritisation of nature-based solutions.**



Participants also raised some areas for improvement and the main emerging themes were:

- Options development and programme optimisation;
- The preferred plan;
- Adaptive planning; and
- WINEP and legal obligations.


Table 1 below shows the summary of feedback and our response.

**Table 1 Summary of the feedback relating to options development, programme optimisation and the preferred plan.**

| Consultation feedback   | Our response   |
|---|--|
| <p><i><u>Options development and programme optimisation</u></i></p> <p> It was not clear how green options were discounted and that there was “insufficient convincing evidence on why alternative options were discounted”. Uuw should “provide clarity” and “rationale as to why green options<sup>3</sup> have been discounted”.</p> <p> There was an expectation for Uuw “to provide more evidence in respect of costs and benefits of solutions, particularly schemes that deliver multiple benefits.”</p> <p> It was noted that in the dDWMP Uuw “provided an estimate for both approaches (best value and lowest whole life cost) but in most cases you had not provided the detail of how you have determined these costs.”</p> <p> Further clarification requested on the 6 capitals assessment, “how has the economic discounting been applied to best value and whole life cost?”</p> | <p>The best available information and technology was used to prioritise blue/green solutions in the DWMP. However, the targets set out in the planning objectives cannot be achieved using blue/green solutions alone and a hybrid approach was required. The DWMP is a 25 year planning tool which is revisited every five years. It is anticipated that, through technological advancements and regulatory reform, future iterations of the DWMP will include higher numbers of blue/green actions.</p> <p>An iterative screening approach was used to narrow down and ‘reject’ unfeasible options. We assessed the technical and geographical feasibility of options within drainage areas. We then established cost, performance and wider risks/benefits to derive a smaller list of ‘feasible’ options. The preferred options were determined looking at a variety of combinations, considering any wider benefits through the six capitals approach, and assessing them against the option hierarchy which prioritised blue-green solutions.</p> <p>With regards to our approach to the six capitals assessment, we used the guidance from the Government’s Green Book to inform which discount rates to use. This is standard practice in capitals accounting, and aligns with the approach taken for our natural capital corporate account</p> <p>For final DWMP, we will provide greater transparency and clarity on the approach to options development and the programme appraisal stages of the DWMP process.</p> |

<sup>3</sup> Green options (also referred to as green solutions) are natural interventions that can be used to reduce risk and maximise opportunities by increasing benefits such as climate change adaptation, mitigation, health and wellbeing, and biodiversity. For example, planting trees to intercept rainfall and to reduce the amount of flow from entering the sewer.

| Consultation feedback  | Our response   |
|--|--|
|  | <p>The full approach to screening and rejection of options is detailed in <a href="#">Technical Appendix 7 (TA7)</a>, and our approach to determining the preferred plan is detailed in <a href="#">Technical Appendix 8 (TA8)</a>, particularly section 6. This explains the rationale behind the preferred plan.</p>   |
| <p><u><i>The preferred plan</i></u></p> <p> It was raised that “only a small sum of expenditure (circa £1bn) seems to have been subjected to the DWMP options hierarchy discussed and agreed with stakeholders. There is an additional £18-20bn identified for addressing storm overflows which is focussed almost wholly on providing additional storage.”</p> <p> A question was raised on the options hierarchy and the impact it has on the overall outcome for the preferred plan, as it is “dominated by creating additional capacity, with little or no emphasis on nature-based solutions and surface water separation.”</p> <p> The preferred plan was thought to be heavy on traditional grey solutions and “relying heavily on infrastructure improvement” which it was felt could be dealt with in more “innovative ways”.</p> <p> Encouragement for UUW to explore the hybrid solution of SuDS and storage in more detail.</p> <p> It was stated that the preferred plan didn’t “contain enough detail to define what is going to be delivered” and a desire to understand if UUW “intend to increase the level of granularity” particularly in Strategic Planning Area plans.</p> <p> Further detail was sought on the “outcomes” and “outputs” of the preferred plan practically in the catchments.</p> | <p>At a regional level, new assets and upstream management (e.g. SuDS) make up the largest proportion of investment. This is generally in the form of storage options, which are implemented to manage remaining capacity gaps in the sewer system.</p> <p>The high proportion of traditional grey storage in the preferred plan was a result of the proximity of the Defra consultation on storm overflows being published to the draft DWMP submission date, allowing minimal optimisation of preferred options in this area. Traditional grey solutions are expensive and a high number of overflows need to be addressed meaning there is a relatively high cost associated in the plan.</p> <p>In order to achieve the ambitious targets and time frames set out in the Defra Storm Overflow Reduction Plan, we will need to build additional grey storage solutions as these targets cannot be achieved using blue-green solutions alone. The region’s high prevalence of combined sewers and high/flashy rainfall exacerbate the impacts of climate change and population growth alongside considerations such as land acquisition, seeking partnerships and allowing nature based solutions to mature mean that the scale of the challenge is significant.</p> <p>We used a decision support tool to better inform stakeholders, customers and the Price Review process. It is difficult to provide certainty on a long-term plan as the options presented as part of the dDWMP will have to be considered and balanced alongside additional business priorities in an adaptive approach.</p> <p>Between draft and final DWMP, further optimisation will be carried out to ensure a holistic view of investment required to ensure robust and resilient drainage and wastewater services over the long-term.</p> |
| <p><u><i>Adaptive planning</i></u></p> <p> Adaptive planning had not been “applied across all areas” of the plan.</p>   | <p>We appreciate that the future could follow many different pathways, some of which could present new or changed challenges. Possible adaptive pathways are included within the Strategic Planning Area plans</p>   |

| Consultation feedback  | Our response   |
|--|--|
|  | <p>highlighting opportunities in the future across factors such as legislation changes, climate change, population growth, new technologies and partnership opportunities.</p> <p>Additionally, adaptive plans are also being produced for pilot catchments within Place Based Planning (PBP) strategy and WINEP.</p> <p>The plans will be continuously evolving. The DWMP is aligned with Price Review 24 (PR24<sup>4</sup>) development and over the course of the next few months, we will be updating, improving and expanding the adaptive plans.</p> |
| <p><u>WINEP and legal obligations</u></p>  <p>“DWMPs will also need to fully reflect the requirement of the WINEP.”</p> | <p>We will continue to be closely aligned with the development of the WINEP throughout the stages of the dDWMP for final publication and into cycle 2 of the DWMP. We will look to include further draft WINEP information within our Strategic Planning Area plans.</p>   |

## 3.2 Stakeholder engagement and partnership solutions

### 3.2.1 Introduction

The interconnected nature of different drainage and wastewater systems across the North West results in a multitude of interconnected issues for all environmental managers and drainage bodies. Working holistically and collaboratively is key to identifying integrated solutions and ways of working across organisations which support the delivery of system wide benefits. Throughout the process of developing the DWMP, we have worked with stakeholders to share progress updates, challenge and endorse approaches and to discuss and identify priority areas of shared risks thematically. We have developed a DWMP partnership opportunity pipeline for each catchment, identifying potential opportunities for co-delivery and co-funding.

In the dDWMP, input from stakeholders resulted in:

- Incorporation of additional planning objectives, such as the impact of sewer flooding on highways and open spaces;
- Amendments to our long-term targets to make them more ambitious and stretching;
- Changes to the way we consider “benefits” assessment to incorporate wider environmental and social criteria; and
- The development of a DWMP partnership opportunity pipeline with over 1,100 opportunities, which can be shared with stakeholders and will be incorporated into our plan for investment cycle 2025 – 2030 (AMP<sup>5</sup>).

<sup>4</sup> The Price Review 24 (PR24) is conducted where the water industry price limits are reviewed every five years. The purpose is to balance consumers’ interests with the need to ensure the sectors are also able to finance the delivery of water and sewerage services. The next Price Review is in 2024 (referred to as PR24), and will be the price limits for investment cycle 2025 – 2030.

<sup>5</sup> The Asset Management Plan (AMP) period is a five-year time period used in the English and Welsh water industry. The periods are five years in duration and begin on 1 April in the years ending in 0 or 5, for example AMP8 is the investment cycle 2025 – 2030.

### 3.2.2 Consultation feedback and our response

The majority of feedback on this theme was from regulators and stakeholders, and recognises the collective efforts made in developing the dDWMP. Additionally, participants complimented our approach to engaging with Risk Management Authorities (RMA's) and other stakeholders and noted that we had made considerable efforts at each stage in the process (Figure 6).

**Figure 6 Examples of positive feedback.**



Participants also raised some areas for improvement and the main themes that emerged from the responses were:




- Partnership solutions;
- Stakeholder engagement;
- Strategic Planning Area DWMPs; and
- Alignment with other long-term strategies.

Table 2 below shows the summary of feedback and our response.



**Table 2 Summary of the feedback relating to stakeholder engagement and partnership solutions.**

| Consultation feedback  | Our response  |
|--|---|
| <p data-bbox="113 315 405 349"><u>Partnership solutions</u></p> <div data-bbox="113 371 778 913">  More detail was sought on how the pipeline of partnership opportunities were identified and the “likelihood of your partnership schemes going ahead, including timelines for delivery and the split in funding contributions” as well as clarity “on the rationale” for not progressing such schemes, where applicable in the final DWMP.           <br/>  More information was sought on how the preferred partnership opportunities determined through the SPG workshops were narrowed down to identify the key opportunities.         </div> | <p data-bbox="790 371 1485 869">The partnership opportunities were identified through contributions from the Strategic Planning Group (SPG) workshops. The opportunities presented by stakeholders were taken through an iterative screening process to identify those more suitable for the DWMP. Within the final DWMP, we will provide a clear methodology for identifying those schemes, including the rationale for not progressing with certain schemes. For example, a number of partnership opportunities were suggested in areas where we have no assets. It is also important to note that any partnership opportunities not suitable for the DWMP have been added to the wider company opportunity pipeline for consideration.</p> <p data-bbox="790 891 1485 1205">The success of current and historic partnerships provide a solid starting point for continuing to develop new partnerships and deliver collaborative solutions for the future. The partnership framework sets out our approach to partnership working ensuring we have the key building blocks in place for successful collaboration. Alignment of our timelines with our stakeholders is also needed to provide certainty of investment in order for opportunities to come to fruition.</p> |
| <p data-bbox="113 1234 456 1267"><u>Stakeholder engagement</u></p> <div data-bbox="113 1290 778 1742">  Good ideas were put forward by engagement with local stakeholders that may have been missed from the draft plan.           <br/>  More engagement to be carried out as close to local communities as possible and greater focus on smaller, rural communities.           <br/>  Engagement would have benefitted from a more ‘Engage, Deliberate, Decide’ approach (as opposed to ‘Decide, Announce, Defend’).         </div>                       | <p data-bbox="790 1290 1485 1473">Our approach to stakeholder engagement was established in line with the requirements set out by the framework to ensure that engagement occurred with the correct stakeholders at key milestones, to provide endorsement of our plan.</p> <p data-bbox="790 1496 1485 1720">A wide range of tools and methods have been used to engage with stakeholders throughout the development of the dDWMP including online whiteboards and conferencing tools, the collaboration portal and the DWMP geospatial portal to encourage partners to contribute throughout the development of the plan.</p> <p data-bbox="790 1742 1485 2042">We hosted over 30 workshops throughout the development of the dDWMP to ensure collaboration with stakeholders and partners throughout the process. Strategic Planning Groups were set up to capture all drainage risks within a river basin catchment and assess the opportunities for partnership, including where there may be potential to achieve multiple benefit solutions. These groups were also established to consult our main</p>  |

| Consultation feedback   | Our response   |
|---|--|
|   | <p>strategic partners on the various stages of the DWMP and share outputs as and when they become available.</p> <p>The information shared with us from key stakeholders has been invaluable to the development of the plan and has helped to develop over 1000 partnership opportunities which have been used in the dDWMP and also distributed throughout the wider business.</p>  |
| <p><u>Strategic Planning Area DWMPs</u></p> <p> The opportunities were presented in a clear and understandable format but would benefit from further detail in the plan such as presenting case studies for each area.</p> <p> More granular detail of the preferred options in the Strategic Planning Area DWMPs is needed to understand delivery at a more local level especially for those who have the biggest influence in catchment delivery.</p> | <p>The DWMP will be used to inform and align with our PR24 submission for the next business cycle from 2025 to 2030. The potential partnership opportunities identified in the DWMP will continue to develop and case studies will be included within the PR24 submission. We will look to include further draft WINEP information as well as case studies within the Strategic Planning Area plans.</p> <p>As we progress towards delivery of schemes in the final DWMP, we will have more information on the feasibility of partnership schemes. This will support our ambition to deliver through partnerships where this approach may deliver the greatest value. These will be included within our PR24 submission.</p> |
| <p><u>Alignment with other long-term strategies</u></p> <p> Need for greater alignment with other long-term plans in the North West, such as the Local Biodiversity Action Plan, Local Nature Recovery Plans and National Park Management Plans.</p>   | <p>Throughout the development of the DWMP, we have aligned with numerous long-term plans across a range of organisations. We appreciate that new plans have emerged during this time which may not have been taken into account. When we begin cycle 2 of the DWMP in spring 2023, a full review of management plans will be undertaken.</p>   |

### 3.3 Customer acceptability

#### 3.3.1 Introduction

Throughout the DWMP process, we have engaged with customers and stakeholders across the North West. Our customer engagement has influenced how options were prioritised and influenced the preferred plan. From the engagement, it was clear that customers care more now than ever about the environment and that climate change has been highlighted as a high priority concern.

Affordability is an important issue for many people in the region, with four in ten of the most deprived neighbourhoods in the country being within the North West. We have sought to identify the best value plan for our DWMP. Whilst this is not necessarily the equivalent of lowest cost, it aims to strike a balance to keep bills as affordable as possible whilst continuing to provide and improve drainage and wastewater services now and in the future. The majority of the impact on the programme already affecting the bill is driven by statutory WINEP and overflow requirements. We are making use of phasing and adaptive planning to attempt to ensure that these statutory requirements are met in such a way that there is a balance of costs throughout the 5 year investment cycle and so that the least regret measures are delivered first. Investigations are proposed ahead of actions that have uncertainty so any subsequent investment is of best value. We are actively seeking partnerships to aid in

spreading the costs across responsible and/or benefiting parties. Nevertheless, there are significant tensions in trying to deliver a best value submission that is efficient, affordable and legally compliant with the requirements. We have a long track record of implementing a leading range of affordability support measures to help the lowest income households to afford their water charges. For example between 2020 and 2025, over £280m of financial support will be made available to customers in the North West. However we recognise that even with these substantial levels of support many homes in the North West will continue to find paying for water services a stretch.

The DWMP is a long-term, strategic plan setting out how we will continue to provide and improve wastewater services as we face significant challenges as a result of climate change and population growth. The plan has been developed from the assumption that existing operational and maintenance issues have been dealt with through base expenditure and that all assets are operating as designed. Base expenditure is the operating and maintenance costs that the company and therefore customers pay to keep the services running in its' day-to-day operations and there is an expectation that the DWMP should not be used as a funding mechanism to resolve any existing issues that customers are already paying for in their bills. The DWMP accounts for any deterioration in the services that are as a result of external pressures such as climate change and population growth which will need to be dealt with through enhancement expenditure. Enhancement expenditure is the costs associated with the services needed to improve the performance of our system in the future, and will therefore result in increases to customers' bills.

### 3.3.2 Consultation feedback and our response

We received positive feedback from regulators and stakeholders on the consideration of customer affordability and our approach to customer engagement. One of the regulators was “encouraged” to see that the company had shared an “easy to understand” customer summary. Stakeholders recognised the importance and engaging with customers and educating them on the issues and needs for investment (Figure 7).

Figure 7 Examples of positive feedback.

*“We acknowledge that you have provided the components of potential bill impacts by 2030 and 2050 for your region.”*

Regulator

*“We are therefore encouraged that the company provided an easy to understand summary of the draft plan and of the priority areas for this wider audience.”*

Regulator

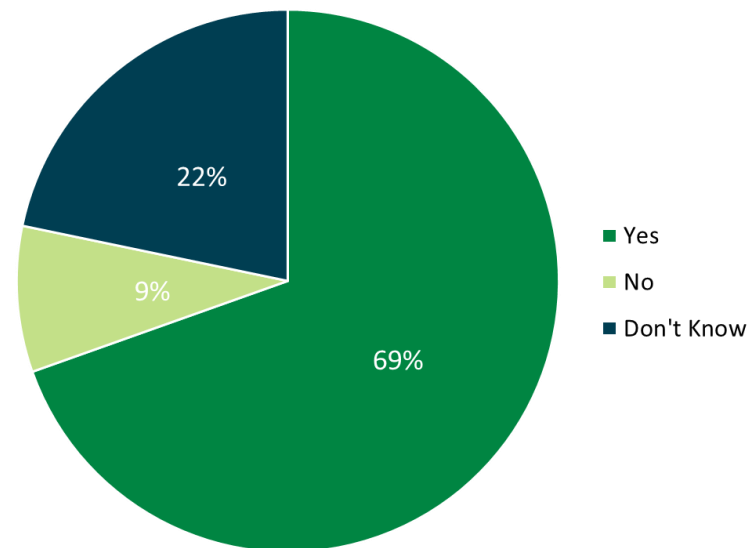
*“Gaining support for larger bill increase will require clear demonstration of the benefits of investment. Such engagement will support any case you may make for different national funding regimes. ‘Levelling Up’ might be an appropriate consideration in respect of extra costs in the industrialised North West region.”*

Stakeholder

Results from the online survey showed that over 60% of participants agreed that further engagement is needed with customers around their views on planned service improvements, implications for future bills, and impacts of water bill affordability (Figure 8).

Figure 8 Online survey results regarding customer engagement.

*Do you agree there is a need to further engage with customers around their views on planned service improvements, implications for future bills, and impacts on water bill affordability?*





Participants also raised some areas for improvement and the main themes that emerged from the responses were:

- Bill impact and customer affordability;
- Customer views; and
- What is delivered through operating costs and maintenance investment (base) versus new capacity or new capability investment (enhancement).

Table 3 below shows the summary of feedback and our response.



**Table 3 Summary of the feedback relating to customer acceptability.**

| Consultation feedback   | Our response  |
|---|---|
| <p><u>Bill Impact and customer affordability</u></p> <p> “If customers are being expected to fund planned service improvements then it is important that they are fully engaged.”</p> <p> A “flexible approach to determining future water bills” is needed to “ensure that less advantaged communities do not receive excessively high bill increases but that they are able to benefit from improvements to drainage infrastructure.”</p> | <p>Affordability is a hugely important issue for many people in the region as four in ten of the most deprived neighbourhoods in the country are in the North West. We have sought to identify a best value plan, and need to find a balance to ensure that bills remain affordable for our customers, now and in the future – especially as the statutory WINEP and overflow requirements drive the bulk of the investment needs.</p> <p>Where possible we are making use of phasing and adaptive planning to ensure statutory requirements are met in a way that balances costs across the 5 year investment cycles and ensures the delivery the lowest regret measures first.</p> <p>Where there is uncertainty we are proposing investigations ahead of action so any subsequent investment can be best value. We are also actively seeking partnerships to help spread costs across responsible and/or benefitting parties.</p> <p>Nevertheless there are significant tensions in trying to deliver a best value submission which is both efficient, affordable and legally compliant with the requirements. In the wider business we are also considering schemes that will offer support to customers least able to pay their bills.</p> |
| <p><u>Customer views</u></p> <p> The DWMP should “include likely bill impacts in the customer document and perhaps the use of videos and clips to make the plan easier to access and understand.”</p>  | <p>We strive to provide accessible materials for customers to learn about the DWMP. In the dDWMP we provided the bill impacts in the Main Document (DP1). The final DWMP will include the likely bill impacts in the customer document and will explore the use of alternative materials suggested.</p>   |
| <p><u>Base vs enhancement</u></p> <p> It was “unclear from your plan whether you consider funding for this activity falls under base and / or enhancement.”</p> <p> Respondent was “disappointed that the scenario approaches do not include base maintenance to maintain asset health for now or in the future.”</p>   | <p>In our methodology for dDWMP it assumed a stable service position in its modelling which was used to drive the proposed optimised programme. This therefore assumes that assets are operating as designed and thus deterioration seen is due to the changing environment and/or as a result of new statutory requirements. A number of traditionally “base” activities were identified within the draft DWMP as a solution to mitigate some of this risk, for</p>  |

| Consultation feedback | Our response   |
|-----------------------|--|
|                       | example: customer education activities, and Dynamic Network Management (DNM). The majority of identified solutions were classed as “enhancement” activities as they were addressing external factors such as climate change and/or new statutory requirements. We aim to improve the narrative on this topic in the final plan and more detailed information will be available in the company business plan submission for PR24. |

## 3.4 Storm overflows

### 3.4.1 Introduction

At the time of the draft publication of the DWMP, the Defra Storm Overflows Discharge Reduction Plan was in the consultation phase so there was a degree of uncertainty on expectations. With this in mind, our dDWMP set out around £18.3 billion to target storm overflow performance, advising that this could increase to £25.9 billion to deliver additional natural and social capital benefits alongside increased resilience.

We outlined within our plan that a review would be required between draft and final DWMP in order to assess and optimise requirements from the final Defra Storm Overflows Discharge Reduction Plan which was published in August 2022.

### 3.4.2 Consultation feedback and our response

Feedback was relatively neutral from both regulators and stakeholders as they acknowledged the work we had done to set out a future plan for storm overflows. It was encouraging to see that there is overall support for the step change that is required in order to improve storm overflow performance and the associated benefits that this can bring across the North West (Figure 9).

#### Figure 9 Examples of positive feedback.

*“An effective Drainage & Wastewater Management Plan can help to deliver benefits in terms of surface water management and water quality and through this approach we can work together to support UU’s objectives around combined surface overflows (CSOs).”*

Stakeholder

*“Our fundamental responsibility, and we maintain that of UUW, is to keep our community safe and at all times to minimise risk. Sewer flooding is a serious risk to public health and environmental wellbeing. UUW’s long-term priority is to ensure storm overflows, whether on to the street, on personal property or into the rivers from WWTW and elsewhere are reduced to an absolute minimum.”*

Stakeholder

The emerging theme from the feedback was that more detail is required relating to:

- Timescales, milestones and costs; and
- Water quality monitoring.

Table 4 below shows the summary of feedback and our response.

**Table 4 Summary of the feedback relating to storm overflows.**

| Consultation feedback   | Our response  |
|---|---|
| <p><u>Timescales and costs</u></p> <p> The cost of storm overflows in UUW’s dDWMP was “considerably higher than average provided by other companies.”</p> <p> The “additional £18-20bn identified for addressing storm overflows” is “focussed almost wholly on providing additional storage, with little or no emphasis on nature-based solutions and surface water separation.”</p> <p> Need for “a more detailed and robust timeline (showing milestones and prioritisation)” as well as the “costs required to deliver” the targets for storm overflows.</p> | <p>The North West has a higher number of combined sewers and storm overflows in comparison to other areas. The Victorian legacy of the combined systems, the region’s propensity for high and flashy rainfall and higher levels of urban runoff exacerbate the issues we face. In order to achieve the ambitious targets and time frames set out in the Defra Storm Overflow Reduction Plan, we will need to build additional grey storage solutions as these targets cannot be achieved using blue-green solutions alone.</p> <p>The dDWMP included the 25-year pathway to achieving storm overflow targets, and the phasing to achieve Defra’s proposed timing and has been closely aligned with the development of the WINEP which is the delivery route for storm overflow improvements. A key element of the WINEP development is maximising blue-green opportunities.</p> <p>For final DWMP, we will provide greater clarity on the storm overflows programme and how the DWMP is aligned with WINEP and investment cycle 2020-2025 ambitions where possible.</p> |
| <p><u>Water quality monitoring</u></p> <p> “More detail on monitoring requirements for overflows” as well as “detailed evidence” on the “approach and milestones” for water quality monitoring. There was specific reference to including progress towards 100% EDM coverage by the end of 2023 and near real time reporting of EDM and continuous water quality monitoring requirements.</p>  | <p>Water quality monitoring is a requirement from the Environment Act 2021 which is a driver for the WINEP programme and will be included within the WINEP and PR24 submissions, to align with the Technical Guidance expectations when issued.</p> <p>In addition, as part of the ‘Better Rivers, Better North West’ project, we have committed to having 100% Event Duration Monitoring (EDM) coverage of overflows by 2023. We are currently on target to have 100% EDM by 2023, with 90% complete and the remaining due to be completed in 2023. Real time spill reporting is due to be released on a geospatial portal which will be rolled out publically post April 2023. This portal will provide the granularity that regulators are seeking. At the time of writing the continuous water quality monitoring requirements are still being finalised by regulators, but will be included in our WINEP submission and final DWMP.</p>  |

## 3.5 Wider strategic ambition of the DWMP

### 3.5.1 Introduction

The purpose of the DWMP is to continue to provide a plan for efficient, effective and resilient wastewater services to the customers in the North West at an affordable price, now and in the future. The ambition of the DWMP is to facilitate a better future for the North West, so we need targets and goals to work towards and assess progress towards achieving. This was done by developing long-term objectives, also referred to as planning objectives (Figure 10).

Our ambitions include accounting for the impacts of climate change, prioritising low-carbon and nature-based solutions, considering the impact on the natural environment, water quality and biodiversity as well as the consideration of system resilience.

**Figure 10 Overview of the DWMP planning objectives.**

|                    |   |  |   |
|--------------------|---|--|---|
| Planning objective |  <p><b>We will provide excellent wastewater services, reducing our impact on the environment</b></p> |  <p><b>We will protect, restore and improve the natural environment of the North West through our actions</b></p> |  <p><b>We will sustainably reduce the risk of sewer flooding in the North West</b></p> |
| Metric             | <p>Wastewater Quality Compliance<br/>Pollution Incidents</p>  | <p>Storm Overflow Performance<br/>Environmental Obligations (WINEP)</p>  | <p>Internal Flooding<br/>External Flooding<br/>Flooding of Open Spaces<br/>Sewer Collapses<br/>Risk of 1:50 Year Storm</p>  |



### 3.5.2 Consultation feedback and our response

We received positive feedback from both regulators and stakeholders on the consideration of wider strategic and environmental outcomes. Regulators commended our additional bespoke planning objectives and stated that climate change and carbon were “largely well covered”. Stakeholders also acknowledged, supported and “welcomed” the dDWMP approaches and aspirations on climate change and environmental investment (Figure 11).

**Figure 11 Examples of positive feedback.**

*“The issue of climate change and how to plan for it is largely well covered in Technical Appendices 5 (Assessing Future Risk) and 6 (Resilience), including associated risks, and how carbon is accounted for in future options.”*

Regulator

*“Our organisation supports the aspirations within the draft Drainage and Wastewater Management Plan.”*

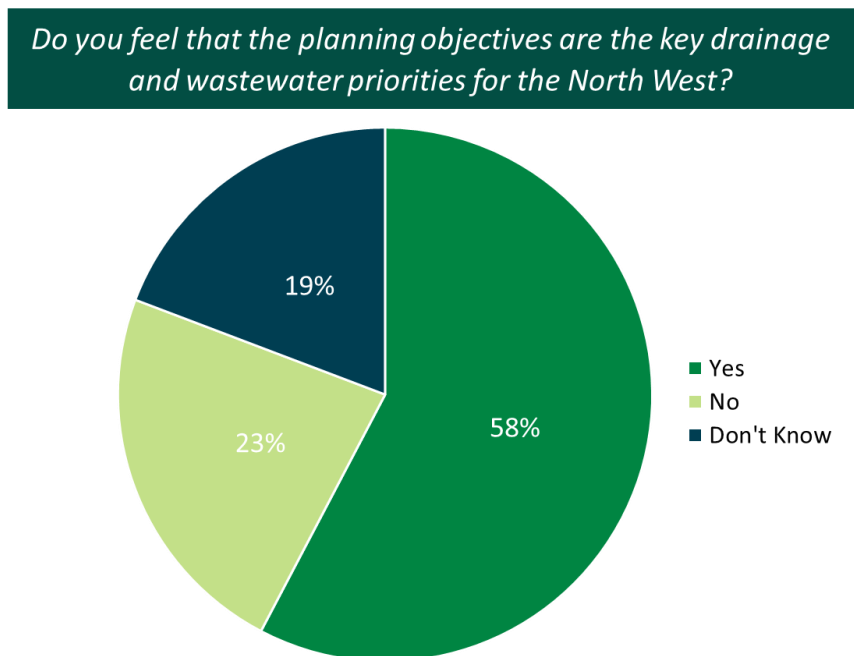
Stakeholder

*“We commend the specific engagement sessions that UU held to explore and finalise the additional bespoke planning objectives.”*

Regulator

Results from the online survey showed that 58% of participants agreed that the DWMP planning objectives are the key drainage and wastewater priorities for the North West (Figure 12).

**Figure 12 Online survey results regarding DWMP planning objectives.**



Areas for improvement raised by participants can be summarised into the following themes:

- Planning objectives;
- Data and methodologies for assessing the risk;
- Water quality; and
- Strategic Environmental Assessment (SEA).

Table 5 below shows the summary of feedback and our response.

**Table 5 Summary of the feedback relating to the wider strategic ambition of the DWMP.**

| Consultation feedback   | Our response   |
|---|--|
| <p><u>Planning objectives</u></p> <p> Respondent was surprised that the stakeholder engagement “resulted in only two additional bespoke planning objectives” and stated they would have preferred to have seen the “additional six bespoke assessments adopted as bespoke planning objectives.”</p>  | <p>The planning objectives were co-created with stakeholders at our Strategic Context workshops that were held in 2019. Following their feedback, we added two bespoke planning objectives external flooding and flooding of open spaces and have made some targets more ambitious such as pollution incidents, for example.</p> <p>Additionally, we have used extensive customer research and bespoke research throughout the development of the dDWMP to determine the priorities of customers in the North West. If and as new priorities emerge we will consider them during cycle 2 of the DWMP.</p>  |
| <p><u>Data and methodologies</u></p> <p> Methodology improvement suggestions for assessments such as ‘assessing fluvial and coastal flooding of wastewater treatment works and major pumping stations’ and ‘potential for changes in the water quality of rivers as a result of climate change.’</p> <p> Companies “will need to include the impacts of their wastewater management on groundwater to ensure they do not cause polluting impacts.”</p> <p> Concern over the use of the 2017 climate change model and stated that UUW need “to be looking at the worst-case scenario figures that have come out of the models rather than relying on the middle ground or best case scenario.”</p> <p> “The 25-year horizon is sufficient for the purposes of the current understanding of DWMP. However, given the significance of climate change, as a driver, it would be good practice to look further ahead than just 2050, in parallel with the EA’s climate change epochs.”</p> | <p>We thank the participants for their suggestions for improvements to data and methodologies. All responses will be reviewed and considered as we progress towards planning for DWMP cycle 2.</p> <p>Across the North West, there are two groundwater bodies that are assessed as failing to meet good status due to the ‘water industry’, both of which are within Drinking Water Protected Areas already. We take the responsibilities to the natural environment seriously and aim to minimise the risk of activities wherever practicable.</p> <p>There is a robust and certified drinking water safety plan approach which assesses the risks to groundwater sources. These are carried out in detail for each source detailing the potential risks and understanding any potential pathways to the aquifer, so that appropriate control measures can be put in place to minimise the risk of deterioration of these sources. A monitoring programme has been established to verify the quality of the sources which supports the risk assessments.</p> <p>We work with a number of stakeholders including the Environment Agency, landowners and tenants to ensure that the sources are protected and that appropriate actions are in place, through for example safeguard zones, should additional measures be required.</p> <p>The 2017 UKWIR project ‘Rainfall Intensity For The Design Of Sewerage Systems’ was the basis of all climate change rainfall used in BRAVA. In 2020, when this analysis was carried out, this was the best available data source and industry leading approach. We utilised the</p> |

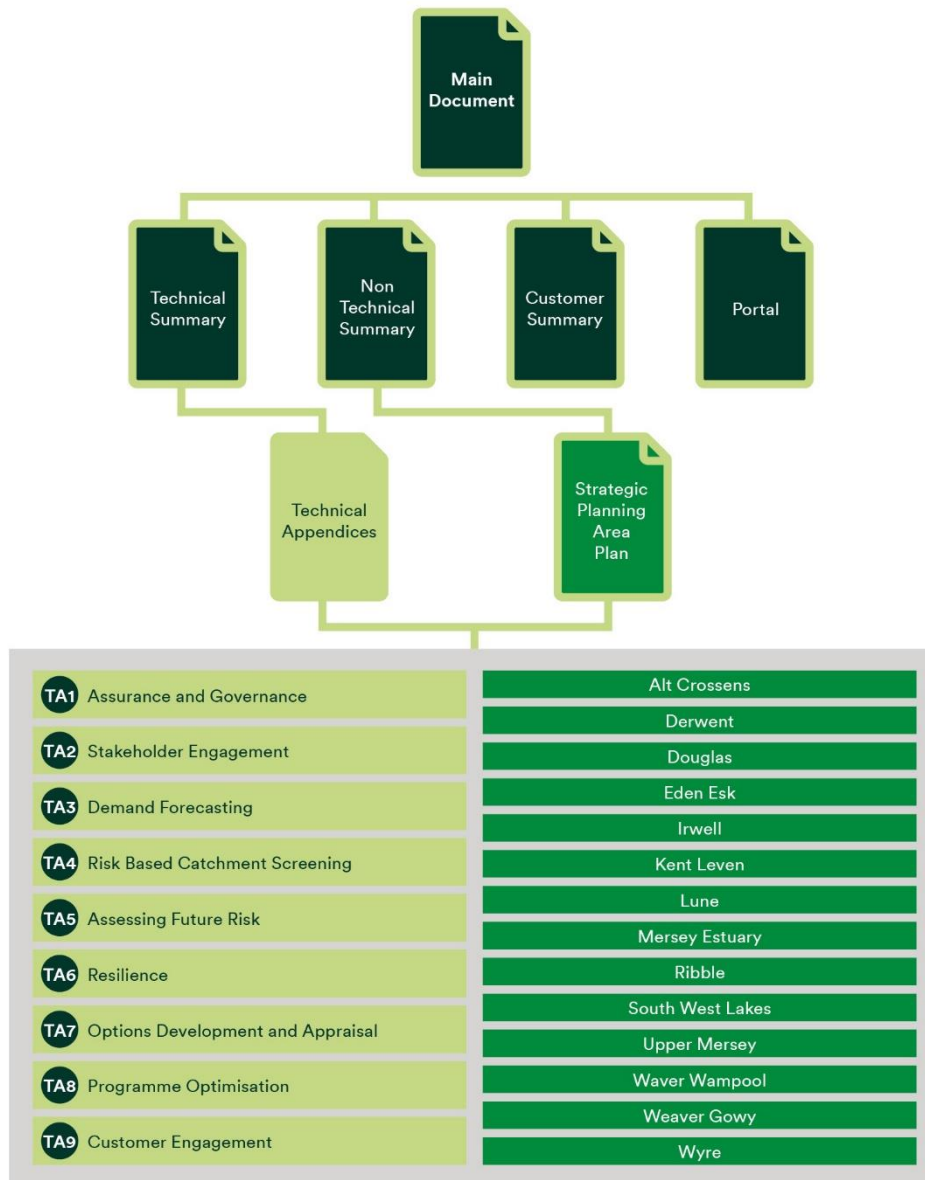
| Consultation feedback   | Our response  |
|---|---|
|   | <p>central estimates for design rainfall as these were seen to be the more reasonable estimates. High estimates were used for Extended BRAVA. For cycle 2, we will make use of the more recently published Future Drainage and 2022 UKWIR projects to inform climate change.</p> <p>The 2050 planning horizon aligns to the timelines suggested in the DWMP framework. We are also undertaking a long-term strategy assessment which looks further into the future.</p>   |
| <p><u>Water quality</u></p> <p> “A target for removing phosphates from discharges into still waters” is needed.</p> <p> There was a need for “clearer focus on source to sea issues.”</p> <p> Companies should “consider the pollutant load conveyed into the water environment by UU owned surface water sewers.”</p> | <p>Phosphate removal schemes are being considered as part of the WINEP programme and the PR24 business plan.</p> <p>We strongly believe in Systems Thinking and this will be evident in our wider business plan for PR24. We will consider all feedback provided for data and methodologies as we progress forward with cycle 2 of the DWMP.</p> <p>We recognise the importance of the impact of surface water sewers on the water environment and are considering the impacts in the wider business through our ongoing contaminated surface water (CSW) programme, where we investigate sources of misconnections in the catchment where outfall sampling has indicated that contaminated surface water is present.</p> <p>Due to the interconnected nature of surface water sewers there is a responsibility for Local Authorities, Highways and ourselves to work collaboratively to tackle the issues we face together. The DWMP provides an opportunity and forum for us to work in partnership which will continue into cycle 2.</p> |
| <p><u>Strategic Environmental Assessments</u></p> <p> Environmental reports would benefit from more detail on the mitigation measures.</p> <p> The individual plans for the different Strategic Planning Areas ought to refer to the presence of Protected Areas (and the HRA), and these need to be taken account of when developing the generic options further.</p>                                | <p>The DWMP is a strategic plan and provides an overview of the potential interventions that could be introduced in order to provide a sustainable and resilient future. Due to a natural limitation in the level of granularity available in the plan, it is difficult to provide more detail on mitigation measures.</p> <p>However, as interventions become more certain in the nearer term, full and detailed project and programme environmental assessments are conducted to ensure that there is no detriment caused.</p>  |

### 3.6 DWMP document structure and content

#### 3.6.1 Introduction

As part of the dDWMP, over 25 documents were published (Figure 13) on our corporate website. We also published a supporting letter from the CEO, a Board assurance statement, three Strategic Environmental Assessment (SEA) reports, and provided access to our [customer geospatial portal](#). Our ambition was to provide documentation to a range of readers, for example, providing the ‘Strategic Planning Area Plans’ for more local information or the ‘Customer Summary’ as an easy-to-read overview of the dDWMP.

Figure 13 Summary of the dDWMP documents.





### 3.6.2 Consultation feedback and our response

We received a number of positive responses on the dDWMP document. Several regulators complimented us on the structure and content of the dDWMP with particular mention of our customer geospatial platform. They welcomed our approach to consultation and acknowledged the steps that had taken to achieve Board assurance. Stakeholders were also complementary of “suitable graphics and explanation for many elements” as well as the customer geospatial portal which was “readily accessible” (Figure 14).

**Figure 14 Examples of positive feedback.**

“We also note that as well as providing a DWMP geospatial platform (GSP) “stakeholders were provided with a training pack and the offer of one to one sessions, to demonstrate how to use GSP. Partners are encouraged to feed back their experience with using GSP”. This indicates a willingness to adapt engagement tools to suit the needs of stakeholders.”

Regulator

“We are pleased to see that United Utilities has produced a comprehensive and easy to read DWMP. We are in broad agreement with the principles and approach outlined in the Plan, and support the adaptive approach suggested by the company to address current and future challenges.”

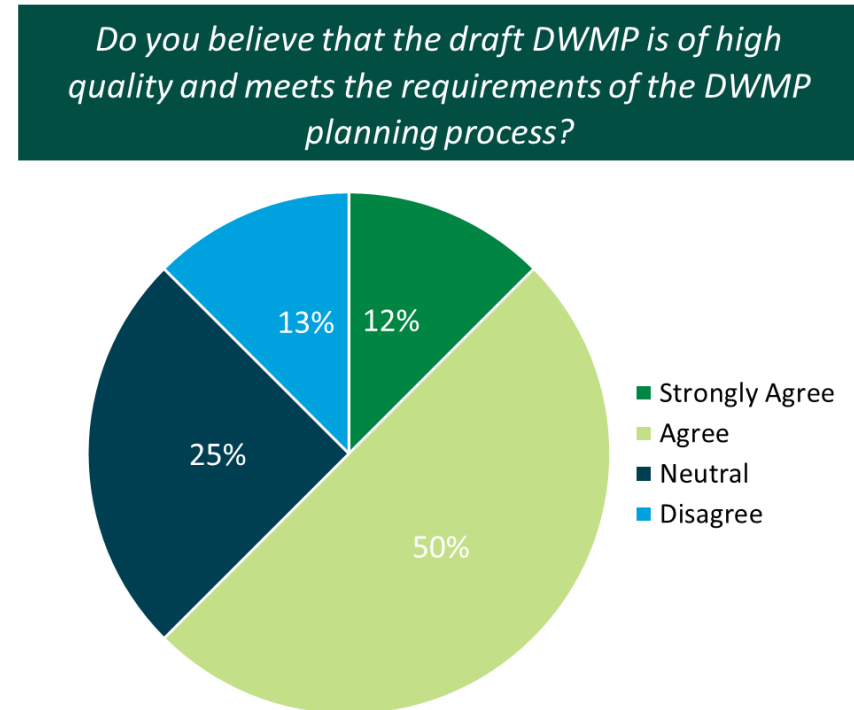
Stakeholder

“We consider that your dDWMP was generally well structured and technically well developed.”

Regulator

Results from the online survey showed that over 60% of participants ‘strongly agreed’ or ‘agreed’ that the dDWMP is of high quality and met the requirements of the DWMP planning process (Figure 15).

**Figure 15 Online survey results regarding the quality of the draft plan.**






Whilst we received largely positive responses on the draft dDWMP area for improvement highlighted across the responses can be summarised into the following themes:

- Structure and accessibility of the plan;
- Our approach and response to consultation; and
- Assurance and governance processes.

Table 6 below shows the summary of feedback and our response.

**Table 6 Summary of the feedback relating to the DWMP document.**

| Consultation feedback   | Our response   |
|---|--|
| <p><u>Structure and accessibility of the plan</u></p> <p> Concerns over the “complexity” of the DWMP. “DWMP documentation is extensive and complicated to understand, particularly for non-technical people”. The “quantity of information” made it “difficult to digest” and therefore affected their ability to respond effectively. The number of technical appendices would have made it “overwhelming for people to read through a lot of the plan” and “consultation responses will therefore be based on what people have been able to go through.”</p> | <p>The DWMP is a complex assessment with many different issues, considerations and scenarios, as well as technical requirements that must be adhered to nationally. As such there is a significant level of detail and information that goes into the plan. We appreciate that the volume of information in the technical appendices is not accessible to everyone.</p> <p>One of the main aims for the plan was to provide a summary in various formats to ensure a variety of readers were able to access and learn about the plan. For example, the non-technical summary and the customer summary provide accessible overviews aimed at readers that may not have any prior knowledge of the DWMP or wastewater matters.</p> |
| <p><u>Approach and response to consultation</u></p> <p> Evidence needed “to support that action was taken in response to feedback.”</p>  | <p>We appreciate the importance of acknowledging the feedback that has been received and using it to further develop our plan. We have endeavoured to ensure that the Statement of Response presents the feedback we have received and the steps that we intend to take to improve the final plan.</p>   |
| <p><u>Assurance and governance</u></p> <p> A “full Board Assurance statement” is needed in place for final DWMP and welcomed any “additional assurance” in UUW’s final plan.</p>   | <p>We completed Board assurance for dDWMP and recognise the importance of ensuring Board assurance for final. We are taking steps to ensure assurance and governance throughout our approach.</p>  |

## 4. Finalisation of our current Drainage and Wastewater Management Plan

Whilst long-term planning for wastewater services is not new, this is the first time we have produced a DWMP. The DWMP will be renewed on a five yearly basis, and the current iteration will be finalised and published in spring 2023. The DWMP is therefore not a static plan but is a process that will continue to evolve through continued engagement with customers and stakeholders as well as building upon the tools and processes developed and seeking out opportunities for partnership working.

The DWMP sets out our long-term, strategic vision to maintain robust and resilient drainage and wastewater services for customers in the North West and this will be aligned with our business plan for investment cycle 2025 – 2030. We would like to express thanks for the continued wide support in developing the DWMP, and look forward to building on the vision already set out to create the best future possible for customers, stakeholders and the environment across the region.

If you have any questions, please get in touch via [DWMPConsultation@uuplc.co.uk](mailto:DWMPConsultation@uuplc.co.uk)

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**Water for the North West**