

Broads Authority

23 September 2022

Agenda item number 8

Water Resources East – update

Report by Director of Strategic Services

Purpose

This report reviews the Broads Authority's membership of Water Resources East (WRE), since joining in October 2019.

Broads Plan context

Strategic actions to improve water resources in the Broads include promoting and implementing best practice water capture and water use at a community level and catchment measures to manage water resources. WRE is a means to respond to water related matters, alongside other work areas such as Broads Local Plan policy on water efficiency and the Broadland rivers catchment approach.

Recommended for decision

- i. To note the expected signing of the WRE board assurance statement by the Director of Strategic Services on 11 October; and
 - ii. To decide on the Authority's membership on the Water Resources East after April 2023.
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1. Introduction

- 1.1. At its meeting in September 2019, the Broads Authority agreed to become a Water Resources East board member, and in November 2020, the Broads Authority agreed to continue the Authority's membership until the publication of the Regional Plan which was estimated in September 2023.
- 1.2. Water Resources East WRE is the independent, not-for-profit membership organisation tasked by government to create a regional water resources plan for Eastern England that looks ahead to 2050 and beyond. It is one of five regional groups covering England and parts of Wales, though its history pre-dates this. It was set up in 2014 as a collaboration between water companies and key representatives of other water-using sectors and environmental interests. Its board structure and governance are deliberately multi-sector, due to the strategic importance of water to the regional economy including agriculture and to the natural environment in the east. Further Information about the company can be found at <https://wre.org.uk/>

- 1.3. The Board of WRE comprises representatives from the water companies (Affinity Water, Anglian Water, Cambridge Water and Essex & Suffolk Water), County Councils (Norfolk, Suffolk, Essex, Cambridgeshire and Peterborough combined), the National Farmers Union, the RSPB, the Rivers Trust, and ADA (Association of Drainage Authorities). The Director of Strategic Services is a non-executive Director on WRE board.
- 1.4. There is also a Strategic Advisory Group, consisting of more than [200 cross-sector organisations](#), whose role is to “support and enable the Board of Directors to make informed decisions”. They vote formally on matters deemed by the Board of Directors.

2. Progress update

- 2.1. The Eastern region of the UK is facing a water crisis. The entire region is already designated as severely water-stressed by the Environment Agency. It is short of water now and if nothing changes the water shortage will get worse. A Water Resources Plan for Eastern England is being co-created in collaboration with WRE’s cross-sector members and stakeholders, as water is not an issue which can, or should be, solved by one group of water users alone.
- 2.2. By 2050, around 1 billion litres more water per day needs to be found or saved to meet the needs of the growing population and economy, and support environmental recovery, in Eastern England. This arises from an increasing water demand to meet the growth in housing and the economy, and for the agri-food and the energy sectors, alongside an increasing allocation to the natural environment, and mitigating and adapting to the effects of climate change. By far the biggest driver influencing the plan is the need to leave more water in the environment (known as sustainability reductions) to restore, protect and enhance the region’s sensitive water bodies, such as the region’s precious chalk rivers and rewetting landscapes such as wetlands and peatlands.
- 2.3. A number of supply side options and alternative sources, together with demand management measures, will be needed at different time in the plan period to 2050 to help meet these ambitious sustainability reductions and increasing water demand forecasts from across sectors.
- 2.4. An officer from the WRE team will give a short presentation at today’s meeting and be available to answer questions.
- 2.5. Since the last update to the Broads Authority in November 2020, the Director of Strategic Services has attended all the WRE board meetings as well as Board focus group sessions on various topics such as Public Water Supply, Energy, Agri-environment and Environment Destination (a term used by the Environment Agency for the different scenarios for the amount of water abstraction reduction to be achieved and in what type of water bodies). The Environment Policy Adviser and the Broadland Catchment

Partnership Officer have also attended WRE Strategic Advisory Group events and workshops during this time.

2.6. The key outcome is the full Water Resources Plan for Eastern England, which is scheduled for publication on 14 November 2022. This follows a consultation on the [emerging Water Resources Plan](#) earlier in the year. The emerging plan states that: “the whole of Eastern England is now classified as ‘seriously water stressed’. It is short of water now and if nothing changes that shortage will get worse. There is not enough water to go around now reliably nor to meet new demand for homes, for food or for energy or be resilient to the impact of climate change as it bites further and society adapts to it. Together with the now well recognised climate and biodiversity crisis, there is also a water crisis today.”

2.7. There are two levels of membership to WRE, as a Principal Funding Member (PMF), or as member of the Strategic Advisory Group (SAG).

2.7.1. The benefits for the Authority of being a SAG member are:

- To strengthen the links with other WRE members and initiatives and increase the fundability of projects. For example: with the Broadland Futures Initiative; and
- To keep up-to-date with the ‘Norfolk Water Management Strategy’ funded and run in partnership by Norfolk County Council, Anglian Water, the Nature Conservancy and WRE. This project is developing a county-wide integrated water management strategy and plan, focussed on the development of innovative governance and funding strategies for nature-based solutions;
- To be part of an exciting initiative to encourage water users to develop their water management plans in a more inclusive way and be ambitious in creating exemplar projects;
- To keep up to date and learn from other programmes and tools being led or are in partnership with WRE such as Water for Tomorrow (see 2.7.2 below) [Systematic Conservation Planning](#), Granta chalk stream project, Milton Keynes to Bedford Waterway (navigation) project and [Future Fens](#) concept (multi-sector benefits of managing water resources across public water supply, agri-food) flood risk management, enhancing biodiversity, navigation, tourism and local economies.

2.7.2. The additional benefits in the Authority being a PMF member are through the vote given as a board member:

- To influence the prioritisation of tasks and the WRE staffing. For example, the Authority provided feedback on the draft WRE 3-year business plan which were included in the published version;
- To be part of a well-connected network to share information relevant to the Broads and to demonstrate leadership among the National Parks in having such detailed engagement in future water management approaches; and

- WRE has gained a huge amount of credibility and support from regulators and policy-makers for their forward-thinking and multi-sector approach and are involved in policy discussions. Membership of the WRE Board provides a direct opportunity to influence new and emerging water policy as well as having influence over the Regional Water Resources Plan content and sign-off;
- In addition, through our funding contribution of WRE staff time it enables work to be undertaken which directly benefits the Broads, for example leading partnerships which enable delivery of the Broads Authority's strategic objectives around water management. The WRE team are the lead partner for the Interreg project 'Water for Tomorrow' and the Managing Director is part of the Lowland Agricultural Peatland Task Force.

3. WRE next steps

- 3.1. Following the current round of regional planning described in section 2, which is coming to an end in autumn 2023, a new strategy for the 2024-2027 period will be developed by the WRE team to prepare for the next round of regional planning. This will require the relevant funding, and governance, with the aim not to lose the momentum acquired in the last months. The appetite for water companies to provide funding in 2024-27 will be a key element to consider. Some examples of existing/futures activities which would benefit from WRE contribution are detailed below.
- 3.2. Water is increasingly becoming a constraint on economic growth in the east of England. Nutrient neutrality has frozen development in large parts of Norfolk and this could be extended to other areas. The Norfolk Water Strategy Programme is well placed to help resolve these challenges. The Broads Authority is involved in this work.
- 3.3. Agriculture will need more detailed work for investment in new sources of water supply or adaptation of their crops, with the restrictions and withdrawals of abstraction licenses through the Environment Agency's Restoring Sustainable Abstraction programme.
- 3.4. The role of catchment partnership in shaping the future is clearly identified, with workstreams around stronger integration, governance, outcome-focused and nature-based delivery. The Broadland Catchment Partnership coordinated by our Farming and Catchment Officer would likely take part in future opportunities.
- 3.5. The lessons learned with WRE since 2019, where multi sector water planning was pioneering, would benefit other regional groups in England. The next round of water planning will need to be much more 'multi-sector', which other regions have not really achieved yet.

4. Financial implications

- 4.1. Full WRE membership as a Principal Funding Member (PFM) is estimated at £16,000 + VAT for the year 2023/24. Membership fees are annual and decided by the WRE Board.

- 4.2. Membership as a SAG member is free, with a 'Limited by Guarantee' of £1 in the unlikely event WRE is wound up as detailed in organisation's Articles of Association.
- 4.3. The Authority is facing financial pressures as a result of the significant increases in the costs of electricity, diesel and salary, and of the overall impact of inflation. A Member Briefing on the budget for 2023/24 has been arranged for 5 October 5. In this context the Management Team's view is that in the current economic and financial context full WRE membership is unaffordable.

5. Recommendations

- 5.1. At the WRE board meeting on 11 October, WRE Directors will need to state their position as regards the sign off the final draft plan and the executive summary. It is expected that the Director of Strategic Services will sign it off, as well as the Board assurance statement.
- 5.2. In terms of Broads Authority membership from April 2023, and in light of the financial pressures for the Authority, members' views are welcome. Strong links have been established in the last three years, and it could be sufficient to downgrade our membership solely to the WRE Strategic Advisory Group. Although the Authority would lose direct impact on the business signed off by WRE Directors, the savings from the annual membership fees would be welcome. However, stepping back from the Board would mean the Authority has a diminished role in steering and agreeing WRE business plan priorities, the allocation of resources to projects, and the regional plan itself, becoming just one amongst 200 voices, rather than one of our dozen principal members.

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Date of report: 01 August 2022

Background papers: [Water Resources East report \(Sept 2020\)](#)