



Department for Environment Food & Rural Affairs

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To: All MPs in England

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Dear Colleagues,

Our Integrated Plan for Delivering Clean and Plentiful Water

I'm pleased to announce that the government has today published a **Plan for Water**. Link can be found here - <https://www.gov.uk/government/publications/our-integrated-plan-for-delivering-clean-and-plentiful-water>

I completely understand the concerns that you and your constituents have about the health and resilience of our rivers, lakes and seas, and the pressures they face, which is why I am setting out this plan for a truly national effort to protect and improve them.

Here in the UK, we look after globally significant wetlands, 85% of the world's rare chalk streams, and world-famous coastlines, lakes, and rivers. These waters are a focal point of local communities and an important part of our national heritage. More than ever, people expect access to clean and plentiful water. Yet our complex, interconnected water system is under greater pressure than ever before from population growth to climate change.

Through investment and regulation, we have seen improvements in recent years. We have cleaner bathing waters - 93% are 'good' or 'excellent', up from 76% in 2010. Since privatisation, leakage has reduced by a third and we are five times less likely to suffer supply interruptions. We were the first government to start comprehensively monitoring storm overflows - from 10% in 2015 to 100% by the end of this year, and to introduce new targets on water companies to increase investment and tighten legal permits on storm overflows.

In January 2023 we set out our goals and targets with the Environmental Improvement Plan. We are now delivering an Integrated Plan for Water which brings together the significant action already taken, along with more investment, stronger regulation and tougher enforcement on those who pollute.

The Plan covers both the water environment – how clean it is – and water resources – how much of it we have. We need to look at both things together. It addresses every source of pollution, including from storm overflows, agriculture, plastics, road run-off, chemicals and pesticides - as well as the pressures on our water resources as a result of hotter, drier summers and population growth.

The Plan outlines our actions across three areas. Firstly, we will transform management of the whole water system in a joined-up way. We will deliver new long-term catchment action

plans, backed up by new funding, to improve all water bodies in England. Water companies will speed up their infrastructure upgrades – bringing forward around £1.6 billion for work to start between now and 2025 to reduce sewage discharges, nutrient pollution and increase water resilience. This includes creating a new Water Restoration Fund, using money from water company fines and penalties to support local groups and projects like re-meandering rivers and restoring habitats, as well as increasing the scope and maximum penalty amount that the Environment Agency can issue against water companies for damaging the environment.

Our actions will secondly deliver a clean water environment for nature and people, by addressing each of the multiple pressures and sources of pollution on our water bodies. This includes a ban, subject to consultation, on the sale of wet wipes containing plastic, developing new proposals to restrict the use of ‘forever’ chemicals (PFAS), and more than doubling the money for slurry grant infrastructure for farmers to £34 million.

Finally, the plan sets out actions to secure a plentiful supply of water, in order to meet our long-term water needs for people, businesses, and the environment and close the 4 billion litres of water a day supply-demand gap we will experience by 2050 otherwise. This includes streamlining the planning process so that key water supply infrastructure – such as reservoirs and water transfer schemes – can be built more quickly, and securing new investment by water companies to spend on new water infrastructure in the next two years, including to increase our water resilience.

The attached Annex includes further details on our new policies. If you would like to discuss, please do not hesitate to contact me.

Yours sincerely,



Annex – Specific new actions in the Integrated Plan for Delivering Clean and Plentiful Water:

The Plan will:

1. Transform management of the whole water system

Our new Plan announces that we will deliver new catchment plans which set out the key issues and priorities for action to improve all waterbodies, backed up with new funding. We will increase funding for catchment groups and improve their capacity to deliver improvements through the right tools, data, and approaches, and unlock more green finance to manage water, removing barriers which limit investment in nature-based solutions. Our catchment-based approach will be underpinned by improvements to how we manage our water system with a streamlined policy and legal framework to better integrate water and flood planning by reforming River Basin Management Plans and flood risk management planning.

Water companies must do more to speed up the delivery of vital improvement projects to improve water quality and water resilience. The Plan also announces that water companies will deliver around £1.6 billion of accelerated investment on water infrastructure which will start in the next two years. This includes around £1.1 billion on storm overflow improvements, eliminating 10,000 discharges a year, across the country from Lake Windermere to the River Wharfe to the Cornish coast. This new investment will also include £400 million for 18 schemes to increase our nation's water resilience, and £160 million for improvements at 14 wastewater treatment works, which will significantly reduce phosphorus and nitrogen pollution in protected nature sites.

We will strengthen our powers, including those of regulators, to hold water companies and other responsible parties to account for cleaning up water bodies. Through the Environment Act 2021, the government provided powers to Ofwat to make changes to water company licence conditions and link water company dividend payments to environmental performance. Our Plan goes further to outline that we will change the law to increase the scope and maximum amount for penalties that the Environment Agency can issue against water companies for damaging the environment. We are consulting now, and all options are on the table, including our preferred option to remove the cap entirely and enable the Environment Agency to issue unlimited penalties. The Plan also announces that we will increase the permit charges on water companies to fund more Environment Agency water company inspections, with new inspection targets - building on our recent work to increase the Environment Agency's enforcement budget by an extra £2.2 million a year.

The Plan sets out ours and Ofwat's intention that shareholders, not customers, will pay for bonuses where companies are unable to demonstrate their pay award decisions reflect performance expectations.

2. Deliver a clean water environment for nature and people

We have set new legally binding targets to significantly reduce pollution from farming, wastewater, and abandoned metal mines, and initiated the largest ever environmental infrastructure investment from the water sector.

I'm pleased to confirm that our Plan announces a new Water Restoration Fund where money from water company environmental fines and penalties – taken from water company profits - will be spent directly on improving the water environment. We will ensure that water

companies deliver on existing commitments to over 800 improvements to storm overflows throughout England by 2025.

I'm pleased to announce in our Plan that we will both bring forward proposals to end the sale of wet wipes containing plastic and propose new restrictions on perfluoroalkyl and polyfluoroalkyl substances (PFAS – a 'forever chemical') entering the water environment. The Department for Transport will also consider what actions Government can take to bring forward or reprioritise ongoing work to reduce the impacts of the Strategic Road Network on water quality, as part of developing the next Road Investment Strategy 3.

We will support farmers with food production by enabling them to store more water on their land and reduce agricultural pollution by more than doubling the funding for the Slurry Infrastructure Grant to £34 million. We are making our EU derived farming laws clearer and more effective at improving the environment, as well as designing agricultural schemes so that farmland alongside rivers has the opportunity to create space for nature. By 2028, we plan to increase the number of Countryside Stewardship and Environmental Stewardship schemes in place to cover 70% of farmed land and 70% of all farms. Additionally, our Plan announces that we will consult on proposals to extend environmental permitting to dairy and intensive beef farms, and will improve the effectiveness of environmental permitting of pig and poultry farms in reducing water pollution.

We are improving on our protected sites and chalk streams. We are supporting the delivery of the National Chalk Stream Restoration Strategy and leveraging £1 million investment in chalk stream catchment partnership projects each year starting in 2023. I am also pleased to announce that Natural England has established a nutrient mitigation scheme (NMS) - backed by up to £30 million of pump priming funding from Defra and the Department for Levelling Up, Housing and Communities (DLUHC) - to help restore our protected sites and reduce water pollution. The nutrient mitigation scheme will enable the creation of new wetland and woodland habitats across a catchment, which will promote nature recovery and improve access to greenspace, whilst facilitating the delivery of much-needed, sustainable housing.

3. Secure a plentiful supply of water

Growing demand for water, and more extensive periods of drought due to climate change, are projected to create a supply-demand gap in the future of 4,000 mega litres a day – equivalent to 1,600 Olympic size swimming pools. Over recent years, we have unlocked almost £500 million of additional investment in new large-scale water infrastructure and are making water companies produce plans to meet water demands in a changing climate. Our Plan announces that we will accelerate the delivery of new water supply sources, including from reservoirs, water recycling, and transfers through our new National Policy Statement for Water Resources. We will also ensure that water companies have high quality Drought Plans in place, to respond to drought without damaging the environment.

We are supporting farmers become resilient to drought by increasing their on-farm storage and developing more efficient methods of using water on their land with by launching the second round of £10 million Water Management Grant to fund on-farm reservoirs and irrigation equipment. The Department for Levelling Up, Housing and Communities are launching a call for evidence to reduce the planning barriers to small reservoirs on farms. We are additionally supporting the development of Agricultural Water Resources Management Plans through the Water for Food Group.

To meet the future demand for water and reduce costs for bill payers, our Plan also includes measures to improve water efficiency, including setting ambitious targets for water companies to crack down on leakage, and measures to improve water efficiency in homes by developing minimum product standards for showers, taps, and toilets. We will hold water companies to account for delivering leakage reduction targets, with financial penalties if they fail to meet our targets. We further intend to encourage water companies to consider how to rapidly increase smart meter installations for household and non-household customers.