

Official-level Water Saving Group (WSGO)

Room 308, Ergon House, London

14 April 2008

Attendees

Richard Wood (Chair) Peter Jiggins Nieves Bottomley Julie Dickason	Defra
Andrew Frankton	Business Enterprise and Regulatory Reform (BERR)
Mike Johnson	Communities and Local Government (CLG)
Karen Gibbs	Consumer Council for Water (CCWater)
Magda Styles	Environment Agency (EA)
Paul Hope Daryl Fossick	Ofwat
Barrie Clarke Bruce Horton	WaterUK
Chris Philpot	Waterwise

Apologies: Martin Hurst (Defra), Ian Barker (EA) and Jacob Tompkins (Waterwise).

Minutes

1. Minutes of the meeting held on 6 February 2008

The minutes of the previous meeting were agreed.

2. Work stream reports

Each organisation leading on a work stream reported on progress made since the last official-level meeting and where possible presented a draft of the paper they planned to present to the high-level meeting on 8 May.

2.1 Measuring success – overarching goal of the Water Saving Group (Defra)

Nieves Bottomley gave an update on this work stream. The first strand of this work related to the monitoring of progress/uptake of measures already adopted by the Water Saving Group (WSG). At the last official-level meeting members had supported the proposed approach of monitoring progress by assessing the draft Water Resources Management Plans (WRMPs) to see how the measures already taken by the WSG had influenced assumptions and the associated level of water efficiency activity. Defra hoped to be in a position to provide an update summarising the trends emerging from the draft plans published before the high-level meeting.

Points raised in discussion included: the different factors that might influence the assumptions in the draft WRMPs, such as a decrease in average occupancy or the announced amendment to the Building Regulations; and whether WRMPs should take into account the Government's ambition of reducing per capita consumption to an average of 130 litres per person or less by 2030, as expressed in its strategy *Future Water*. It was important to note this figure was not a formal target, but an ambition, which would require the input of all stakeholders to be achieved.

On the second strand, which involved the setting out of specific contributions from each member towards the overarching goal of the group, Defra had circulated a draft text setting out the individual contributions. Written comments were invited on the draft by 18 April. It was agreed that the contributions should not just reflect the work undertaken by the WSG, but should be expanded to include other work undertaken outside the group, that directly contributed to the overarching goal, while avoiding becoming an open ended list. Where possible, members were asked to briefly expand on their particular activity, add any they thought were missing, give an indication of timescale for the work and if feasible an indication of the assumed savings that might be attributed to that particular activity. Once comments had been received Defra would circulate a revised draft for further comment, before circulating a final iteration to be presented to the high-level meeting in May.

Action: WSG members to send comments on the draft paper by Friday 18 April, including more detail where possible on their own contribution.

Action: Once comments had been received, Defra to circulate a revised draft for comment, before circulating a final iteration to be presented to the high-level meeting in May.

2.2 Measuring success – development of proposals for mandatory water efficiency targets for PR09 (Ofwat/EA)

Daryl Fossick reported on progress on this work stream. Ofwat were proposing a two-tiered structure for companies' water efficiency targets.

Under the proposals Ofwat would expect companies to undertake at least a minimum level of water efficiency activity for which it could measure the impact of the water delivered. This would be achieved by setting a target in Ml/day at an equivalent level for each company, relative to, for example, the number of properties. Performance against the targets would be assessed by multiplying the activities undertaken by assumed yields to give a total water saving. The current proposal for the baseline target was based on all properties - not just households. Above the base level, companies would pursue whatever water efficiency measures formed part of a sustainable, economic approach to balancing supply and demand. An allowance for the relevant expenditure related to the sustainable level of water efficiency would be made in price limits. Companies would be responsible in the first instance for determining their sustainable level of water efficiency, subject to Ofwat's approval.

The paper presented to the group required further work to take into account comments received from other members and would be refined before being presented to the high-level group. A further meeting of the advisory group - involving the EA and representatives from five water companies – would be scheduled before the meeting of the high-level group to discuss the proposal further. Under the current timetable, Ofwat planned to consult on the proposals over the summer, with a view to take decisions in October, in time to influence companies' final WRMPs and business plans.

Issues which still required further discussion included: the question of which activities should count towards the baseline, what savings were assumed for each activity, the percentage uptake rates and of where to set the baseline value. Other points raised in discussion included: whether the baseline target was stretching enough for companies; whether the baseline target should apply only to households rather than all properties, as the proposed target led to different levels of effort by different water companies according to their customer structure; and whether there should be two baseline targets, one related to households and another related to non-households. Ofwat agreed to consider the household/non-household point in more detail.

Action: Ofwat to discuss further internally whether the baseline target should apply to all properties or just households.

Action: Ofwat to arrange a further meeting of the targets and benchmarks advisory group.

2.3 Information needs: gaps, priorities and funding (Waterwise)

Chris Philpot reported on progress in this work stream. Waterwise had recently launched their interim report on the evidence base for large scale water efficiency projects and there were currently around 20 projects underway. The aim was to develop a set of costed scenarios based upon the best available evidence base, which could be used to inform companies'

WRMPs and business plans. The main report was due in July, with the final report expected in October in time to influence companies' final plans.

Attendees welcomed the progress made and looked forward to receiving the main report in July. Other points raised in discussion included the important contribution the developing Evidence Base would make in assessing companies progress towards their water efficiency targets.

2.4 Understanding and changing customer perceptions and raising awareness (CCWater)

Karen Gibbs gave a progress update on this work stream. CCWater had circulated the final MVA research findings to water companies and had started to receive feedback. CCWater were also working closely with Waterwise on the development of proposals for a national communications strategy to raise awareness and change the attitudes and behaviours of consumers to the way they saved water. CCWater, Waterwise and Water UK had met in February to discuss the best way to engage with water companies to secure their support for a water saving 'alliance' and communications campaign. It had been agreed that a blueprint for this would be presented to the Water UK Council on 16 May. A draft of the blueprint was expected to be available in time for the high-level meeting.

Attendees welcomed the progress made. Points made in discussion included: the need to have a communications strategy in place for the future and for the messages contained within it to be sustained over the long term; the importance of securing water company support to ensure the success of the collaborative approach; the need for messages to allow for regional variation and the importance of consistency with existing water company communications initiatives.

2.5 Pursuing options for the introduction for the introduction of a product labelling scheme (Defra)

Nieves Bottomley reported on the progress made in this work stream. Waterwise were continuing to work on the report on the correlation between the energy and water efficiency performance for dishwashers, washing machines and washer driers. The draft report was expected in May and would be circulated to WSG members when it was available. In parallel with this work, following the publication of the European Commission's Communication on Water Scarcity and Drought, the Commission had asked Member States to report on their existing policies and measures on water scarcity and drought, including water efficiency. There was not yet a work plan for future work, but Defra would keep members informed of developments.

Separately the preparatory study for domestic washing machines and dishwashers for the Eco-design of Energy Using Products had been

published. The report by contractors had not suggested introducing a water consumption criterion for dishwashers, but had suggested one for washing machines. However the values suggested would have little impact on the UK market for washing machines. The European Commission could propose values different from those suggested by the preparatory study.

Defra had also circulated the final report on the quantitative research on 'Consumer attitudes to water efficiency of bathroom fittings'. The findings of this report were consistent with previous research in that price and appearance were the main considerations when choosing a fitting or appliance. Customers that were metered or lived in areas with relatively high water charges were much more likely to take into account water efficiency when making decisions.

In relation to the Bathroom Manufacturers Association's (BMA) voluntary labelling scheme, about 300 products had been successful so far in applying for a label. The BMA were considering expanding the scheme to other areas, and were in discussions with manufacturers on making the database that supports the label publicly available. Attendees agreed this had been a welcome step forward. Separately, the Market Transformation Programme had also prepared a draft report on the international experiences on water labelling, which had been circulated for information.

Points raised in discussion included: the need for manufacturers to make water efficient products appear more attractive to consumers, the importance of working closely with retailers to improve point of sale information and the importance of all members working closely with the BMA to make the label as successful as possible.

Action: Defra to circulate draft Waterwise report as soon as it is available.

2.6 Standards for rainwater harvesting, grey water and raw water use (Defra)

Julie Dickason updated members on developments in this work stream. Defra continued to work closely with the British Standards Institute (BSI) who were developing a code of practice for the design, installation, alteration, testing and maintenance of rainwater harvesting systems supplying non-potable water in the UK. Defra were hosting the next meeting of the technical committee on 16 April, where the latest draft of the standard would be discussed. The expectation was for the BSI to have a draft out for consultation in the summer, with a final good practice guide published by the end of the year. Defra were keen to see a cross-reference to the water quality standards developed by the Market Transformation Programme (MTP) and Building Services Research and Information Association (BSRIA) last year, the basis for which had been agreed at a stakeholder workshop held by MTP. Defra undertook to keep members informed of developments.

Members agreed it was important to progress this work stream as the current lack of water quality standards had been viewed as a barrier as it had led to a lack of confidence among developers, manufacturers and the general public. It was hoped that having standards in place would improve public confidence and lead to an increase in the uptake of systems.

2.7 Proposals for setting standards for key fittings (Defra)

Peter Jiggins updated members on progress on this work stream. In addition to introducing performance standards for key fittings, the review of the Water Supply (Water Fittings) Regulations would consider enforcement issues, the need to update references to technical standards, notification issues and the operation of approved contractor schemes. Defra had already held an initial meeting with the EA to discuss the review and would circulate a draft Terms of Reference and approach potential steering group members by the end of April. The aim was to consult in autumn of this year, and to bring the revised regulations into force along the same timetable as amendments were being made to Part G of the Building Regulations. Defra agreed to keep members informed of developments.

Action: Defra to circulate a draft Terms of Reference and approach steering group members by the end of April.

2.8 Water efficiency in new and existing buildings (CLG)

Mike Johnson reported on progress on this work stream. The development of the new requirements on water efficiency and associated technical guidance was almost complete following a meeting of the Building Regulations Advisory Committee (BRAC) Working Group in March. The new requirements on water efficiency, which only applied to new dwellings, were being developed as part of a wider review of Part G of the Building Regulations, focussing on more robust requirements for the safety of hot water systems and the introduction of devices to prevent scalding. It was anticipated the consultation would be launched in May. In parallel, CLG would notify the European Commission of the proposed changes as required under the Technical Amendments Directive.

CLG had also developed a method for calculating whether proposed installations would comply with the 125l/p/d calculated whole building performance standard and were discussing partnership arrangements with Defra and the industry to supply a products list to support the calculator and electronic hosting of the calculator tool. On existing buildings there was no significant progress to report since the last meeting. An attendee asked whether a timescale for this work could be provided.

2.9 Water efficiency measures in industry and commerce (Defra)

Peter Jiggins reported on progress in this work stream. The proposed review

of trends in water use in the industrial and commercial sectors was ongoing. The EA had undertaken some analysis to reconcile the figures from a draft Envirowise survey entitled 'Water use in industry and commerce' with their own data. Defra had also begun a mapping exercise of the existing water efficiency measures in place in these sectors. The purpose of this work stream was to better understand the trends of water use, so as to help set benchmarks for the different sectors. The benchmarks would not be used to inform regulation, but instead to encourage voluntary approaches as demonstrated for example by the food industry sector. The work stream would also explore the efficacy of some of these schemes to see if there were opportunities for them to work more effectively.

Points raised in discussion included: the link between this work stream and work that CLG were currently undertaking on exploring the scope for developing water efficiency performance standards for new non-domestic buildings. The importance of clarifying the purposes of both pieces of work was noted. The CLG work would focus on standards for domestic use within new commercial buildings. The purpose of this WSG work stream was to investigate the efficacy of existing commercial water use (including non-domestic use) to encourage water saving in the sector and to develop recommendations for further work, where appropriate.

Action: Defra to liaise with Envirowise regarding the publication of their report.

3. Date of next meeting

It was agreed the next meeting of the official-level group would be held in July.

Action: Defra to contact WSG members for their availability

4. Any other business

4.1 Capex/Opex

At the last WSGO meeting Waterwise had raised an issue about the way in which water efficiency projects should be treated in accounting terms. In one specific large scale pilot project the issue had arisen as to whether the project was capex or opex and clarity had been sought from Ofwat.

Ofwat had since been informed that according to accounting rules that retrofit projects must be treated as opex. Ofwat were now looking into the implications of this and what exactly could be done about it, as if retrofit projects were classed as opex, it would act as a disincentive to water companies to undertake them, as the costs of these projects would be included in the calculation of operating financial efficiency. A teleconference had been scheduled for the end of April to discuss the matter in more detail.

Ofwat agreed to provide a short written update on this issue as part of their report for work stream 3 for the high level meeting.

4.2 EN1111

At the last official-level meeting, an issue had been raised as to how the norm EN1111 could affect the criterion for flow rates in showers. Although this was not specifically an issue for the WSG, Peter Jiggins reported that a working group was currently considering revision to EN1111 as it had emerged there were potential conflicts between the drivers for water efficiency which were seeking reductions in maximum flow rates and the drivers for safety, which in relation to thermostatic mixing valves were seeking to reduce risks of scalding by specifying minimum flow rates. There was a need to ensure that any minimum flow rate specified for the use of thermostatic mixing valves was based on the best technical evidence.

Action: Defra to liaise with CLG to ensure water efficiency is given appropriate consideration by the working group.

4.3 Tynemarch report

At the last meeting it had been suggested that Defra, as part of work stream 1, should consider the issues raised by Tynemarch on per capita consumption estimates as part of Ofwat's leakage review. This was not considered a matter for the WSG, and the recommendations from the report would be considered in the context of Ofwat's review of leakage.

Action: Defra to liaise with Ofwat on the four recommendations of the report that related to the per capita consumption in households.

4.4 Use of Catchment Abstraction Management Strategies (CAMS) maps

The EA had received the latest CAMS map at the end of March. The EA were currently developing guidance to local planners on how they might link their requirements on water efficiency to CAMS maps and would provide an update at the next meeting.

Action: EA to update members on the use of CAMS maps at the next official-level meeting.

4.5 Feedback on European water efficiency meeting

Chris Philpot reported back on his attendance on behalf of Waterwise at the European Water Partnership (EWP) meeting in Brussels in February. The EWP had developed the Aquareness programme, which aimed to develop a long term strategy for sustainable water management across Europe and would act as a facilitator and information exchange on water efficiency between different countries.

4.6 For information - research update

Magda Styles brought the attention of members to four research projects currently being undertaken by the EA which were due to report shortly. If members required further information then they were asked to contact Magda Styles or Rob Westcott directly.

Action: Water UK to send the EA a copy of the recent UKWIR report on the costs of metering installation.

Department for the Environment Food and Rural Affairs, July 2008