Julie James AS/MS Y Gweinidog Newid Hinsawdd Minister for Climate Change



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Llywodraeth Cymru Welsh Government

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Dear Llyr,

Report on Storm Overflows in Wales – Response to recommendations made by the Climate Change, Environment and Infrastructure Committee

I would like to thank you and the Committee for the opportunity to discuss our approach to tackling discharges from storm overflows and your detailed report published on 15 March.

I acknowledge the conclusions made within the report and enclose a detailed response to these, accepting or accepting in principle all 10 recommendations.

Yours sincerely,

Julie James AS/MS

Y Gweinidog Newid Hinsawdd Minister for Climate Change

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

Written Response by the Welsh Government to the report of the Climate Change, Environment and Infrastructure Committee entitled Report on storm overflows in Wales.

Water is one of our greatest natural assets and an integral part of Wales' culture, heritage and national identity. It shapes our natural environment and landscapes, supporting biodiversity and our ecosystems. As a vital natural resource, water underpins our economy and the effective operation of infrastructure, including energy supply. Access to clean, safe and resilient water supplies is essential also in supporting the health and well-being of everyone who lives, works and visits Wales.

Protecting and enhancing our water environment remains the Welsh Government's priority. Our Programme for Government commits us to improving water quality by beginning to designate inland waters for recreation and strengthening water quality monitoring. It also includes a commitment to enhance the legislative framework in relation to Sustainable Drainage Systems (SuDS) to provide additional environmental, biodiversity, well-being and economic benefits to our communities. We have made provision for a multi- year multi million-pound programme of works to improve water quality totalling over £40 million over the next 3 years.

Water Quality - Water Framework Directive classification

Natural Resources Wales' (NRW) latest data indicates that 40% of Wales' waterbodies (44% of rivers) are at good or better ecological status, and the latest figures show a gradual improvement in environmental water quality in Wales. "Good ecological status" (GES) is a standard metric used for assessing the health of the water environment. It is assigned using various water flow, habitat and biological quality tests. Failure to meet any one individual test means that the whole water body fails to achieve good ecological status.

For Wales' bathing waters, the latest data shows that for the fourth consecutive year, we have achieved 100% compliance with environmental standards, with 85 of the 105 bathing waters achieving a classification of 'excellent'.

Our water bodies are under pressure from a range of challenges however – extreme weather, pollution, climate impacts, industrial processes and associated water demand and population growth. Our water bodies need to be protected so current and future generations can benefit from a prosperous, resilient and healthy Wales. The Welsh Government is already bringing forward a comprehensive range of policy and regulatory interventions, supported by substantial package of investment, but we cannot do this alone. It is only by working together and taking a 'Team Wales' approach that we can tackle the multiple risks impacting our lakes, rivers and streams.

The evidence shows clearly that, in many cases, agricultural pollution is one of the major factors causing waterbodies to fail. Other problems include pollution from abandoned mines, roads, water industry assets, and physical modifications to waterbodies, amongst other things.

The most recent NRW data indicate that storm overflows have been identified as a reason for not achieving Good Status in 3.7% of waterbodies across Wales. Of the 933 waterbodies across Wales, 4 of the failures confirmed as contributing and 27 assessed as probable reasons for failure, with a further 4 waterbodies suspected. Undoubtedly, there are pressures impacting these water bodies, so tackling storm overflows alone will not lead to wholesale improvement so there needs to be a focus on developing solutions that will address all causes of pollution

Storm Overflows

Reducing impacts from storm overflows is important. We need a cross sectoral, holistic approach to achieve this. The Welsh Government is focusing on sustainable, nature based solutions to divert and remove as much surface water as possible away from the sewerage systems to increase network capacity.

Storm overflows provide a controlled point of relief at times of heavy rainfall. With more extreme weather events occurring, they perform a crucial role in reducing the risk of sewers flooding homes and public spaces, preventing sewage from flooding homes and businesses.

Replacing all existing CSO's would be a long-term multi billion-pound carbon intensive project and would not be the most effective way of improving water quality or be resilient to the increasing pressures from climate change.

We have already taken steps to tackle discharges from overflows. This includes making sustainable drainage systems (SuDS) mandatory on almost all new building developments. This will help relieve pressure on the network by redirecting and slowing down the speed at which surface water enters the sewer system. It will help ensure storm overflows are only used as a last resort.

Drainage and Wastewater Management Plans (DWMP)

The Welsh Government collaborated with the water industry, regulators and UK and devolved Governments via the 21st Century Drainage Programme, to develop a framework, guidance and methodology for water companies to improve long-term planning for drainage and wastewater management.

The Environment Act 2021 places drainage and wastewater planning on a statutory footing in England and Wales. It provides for the Welsh Ministers to make regulations on the content and process to be followed by Welsh water companies when producing a DWMP. The statutory framework will apply to plans prepared after 2025, and the Welsh Government has undertaken to consult with stakeholders on any regulations establishing the legislative framework in Wales.

The water companies are currently preparing draft (non-statutory) DWMP for consultation later this year. My officials have established a network comprising of regulators, water companies and stakeholders in Wales to work closely with the water companies as they develop their draft DWMP. Working with NRW, Defra, the

Environment Agency and Ofwat we have developed and published guiding principles for the development of DWMP's:

Guiding principles for drainage and wastewater management plans (gov.wales)

Planning for drainage and sewerage services has many interdependencies – water companies must meet their statutory duties under environmental legislation, they need to work with local authorities (who have responsibility for flood prevention and significant drainage assets such as highway drainage and sustainable drainage systems which may discharge water into the water companies network), landowners and farmers (whose water might enter the water companies network, or receive water spilling from the water company network).

DWMPs will form a key part of the evidence base for water companies to develop and prioritise their investment plans in drainage and wastewater management in the short, medium and long term. This includes identifying where investment to improve water quality should be prioritised, and the best method to do this.

The plans will look at ways to address existing and future pressures on the drainage and wastewater system as a whole, including population growth and climate change, to build a more resilient wastewater and drainage infrastructure. As part of the more collaborative approach, we will expect water companies continue to deliver nature-based solutions. These measures will relieve pressure on the sewer network by slowing down the speed at which surface water enters the sewer system, further minimising discharges from CSOs.

I would like to thank the members of the Climate Change, Environment and Infrastructure Committee for their report on storm overflows in Wales. I have set out my response to the Report's individual recommendations below.

Recommendation 1

The amount of sewage discharges into Welsh Rivers is unacceptable. We must see action from the Welsh Government in its leadership role, to ensure that the number and volume of discharges is reduced as a matter of urgency. The Minister should report back to the Committee 6 months after the publication of this report setting out the actions she has taken with partners to address this issue.

Response: Accept

There has been much media coverage recently about water quality and sewage discharges into waterways. There is a widespread perception this is the main cause of poor water quality. The evidence however, shows that numerous factors contribute to poor water quality (agricultural pollution, private drainage misconnections, septic tanks, among others).

This is why tackling overflows is one of the key components of a wider, holistic approach Welsh Government is taking to improve water quality. We are working closely with delivery partners, regulators and the relevant sectors to identify and implement sustainable solutions which not only deliver on desired water quality

improvement outcomes but also support climate change adaptation, improved biodiversity and deliver against our net zero target.

To progress evidence-based catchment solutions, better information is required about discharge quality from overflows and the impact on the receiving water quality. Improved effluent monitoring at targeted sites, together with event duration monitoring already in place, will enhance evidence available and enable effective targeting and prioritisation of action. Current and future overflow monitoring must also work in parallel with monitoring programmes for pollution sources from agriculture, diffuse and other sectors.

My officials are working with the regulators, water companies, Afonydd Cymru and Consumer Council for Water (CCW) through the Better River Quality Taskforce to develop action plans. These will support our understanding and identify whether changes are required to ensure water companies effectively manage and operate their network of sewers to meet current and future challenges.

I have been clear that we need to take an integrated catchment approach focussing on multi-sector co-operation and nature-based solutions to drive water quality improvements. By taking an integrated, catchment based approach and improving community engagement we will be better able to take account of local circumstances and priorities. This will help to address CSO discharges while tackling the other main causes of poor water quality.

I will provide an update to the committee on this in 6 months.

Financial implications – Costs will need to be scoped out - we are working with consultants to prepare a report which will quantify the cost to protect water quality (meeting WFD, bathing water and shellfish water requirements). This will include delivery scenarios encompassing different speeds and engineering approaches (for example, grey vs grey/blue/green) taking account of suitability, constraints and opportunities catchment-by-catchment and will include a prioritization by sensitive waterbodies (e.g. SAC, SSSI). We expect the report to be finalised by the end of the year.

Recommendation 2

We must see demonstrable progress from NRW on its work to bring 'unpermitted' storm overflows within the regulatory regime. We expect NRW to report back to the Committee on progress no later than 6 months of the publication of this Report.

Response: Accept in principle

NRW will provide the response to this recommendation.

Financial Implications – Costs will need to be scoped out depending on the pace and volume of work required, additional resources may be required.

Recommendation 3

NRW and water companies should publish annual date and/or information on the proportion of sewage spills that are not within permit conditions, which category of pollution incidents these resulted in, and whether enforcement action was taken.

Response: Accept

Event and duration data is reported on an annual basis by the water companies. Numbers and categories of pollution incidents caused by water company assets and any subsequent enforcement action are captured in the NRW annual environmental performance assessment for the companies.

Combined storm overflows | Dŵr Cymru Welsh Water (dwrcymru.com)

<u>Documents | Regulatory Library | HD Cymru</u>

Natural Resources Wales / Annual performance report for Dŵr Cymru (Welsh Water)

Natural Resources Wales / Annual performance reports for Hafren Dyfrdwy

Financial Implications - None

Recommendation 4

NRW, water companies and other relevant stakeholders should develop enhanced monitoring arrangements with a view to better understanding the impact of sewage spills on receiving water. In taking this work forward, consideration should be given to the potential role of citizen science within enhanced arrangements.

Response: Accept

One of the action plans being developed by the Better River Water Quality Taskforce will focus on monitoring arrangements. An investigative monitoring programme will be established between NRW and the Water companies to determine long-term requirements for monitoring overflows throughout Wales. The need to monitor for a wider range of pollutants including micro plastics, pharmaceuticals, and public health parameters will also be assessed.

The Water companies will also investigate and promote the use of monitoring and evidence from other sources including innovative solutions and technology. Citizens and local groups can play a key role in helping tackle water quality pollution through providing monitoring intelligence and public awareness. The taskforce will actively work with citizen scientists to understand how their work can support and inform a better understanding of the impact of spills on receiving waters.

Financial Implications – Costs of an enhanced monitoring programme will need to be scoped out.

Recommendation 5

Dŵr Cymru and Hafren Dyfrdwy should aim to report on discharges from storm overflows "within an hour of the discharge beginning", which is a requirement placed on water companies in England by the Environment Act 2021. If they cannot match this standard, both companies should explain why.

Response: Accept in principle

The water companies will respond in more detail. Both companies support this recommendation in principle, but consideration needs to be given to capturing data, and how the data is presented and whether this is compatible with current digital systems. There may be challenges in rural areas where telemetry and digital connectivity may be an issue.

Financial Implications – Costs of any additional telemetry systems will need to be scoped out and will fall to water company customers.

Recommendation 6

The Minister should ensure that the Roadmap for Storm Overflows includes targets and timescales for the reduction of sewage discharges. It should include comprehensive and transparent monitoring and reporting mechanisms to enable progress to be assessed. The Minister should report back to the Committee on progress towards delivery of the action plan accompanying the Roadmap for Storm Overflows within 12 months of their publication.

Response: Accept

My officials are working closely with NRW, water companies, Ofwat, Afonydd Cymru and CCW as part of the Better Water Quality taskforce. Please find attached a statement summarising the purpose of the taskforce, work to date and focus areas.



Financial Implications – Costs to support the development of the action plans will be met from existing budgets. Costs to support the delivery of the action plans will need to be scoped out.

Recommendations 7

Ofwat should report back to the Committee on the findings of its investigation into water companies, insofar as those findings relate to companies in Wales, as soon as reasonably practicable. This should include details of any action taken as a result of those findings.

Response: Accept

Ofwat has confirmed it will report back to the Committee on the findings of its investigation.

Financial Implications – None.

Recommendation 8

NRW should report back to the Committee on action taken as a result of the findings of Ofwat and the Environment Agency's investigations, as soon as practicable. This should include details of any review of NRW's compliance approach and any work undertaken with, or enforcement action taken against, water companies as result of those findings.

Response: Accept

NRW has confirmed it will report back to the Committee if any action is taken as a result of the findings of Ofwat and Environment Agency investigation.

Financial Implications - None

Recommendation 9

The Minister should work with partners to identify and address the barriers to increasing Nature Based Solutions to water management. The Minister should report back to the Committee on this matter not later than 6 months after the publication of this report.

Response: Accept

Flagship projects are being taken forward to exemplify the type of natural drainage system and partnership working that can be developed and taken forward.

Greener Grangetown ,Cardiff, an innovative £2 million partnership project between Cardiff Council, Dŵr Cymru Welsh Water and Natural Resources Wales, supported by the Landfill Communities Fund. The project uses the latest sustainable drainage (SuDS) techniques to catch, clean and divert rainwater directly into the River Taff instead of collecting and pumping it eight miles to a treatment works in the Vale of Glamorgan and then discharging it out to sea. This is the first time that these techniques have been retrofitted into an urban environment at this scale.

https://greenergrangetown.wordpress.com/2018/10/10/greener-grangetown-project-completion-marked-by-welsh-environment-minister-gweinidog-amgylchedd-cymru-yn-nodi-cwblhau-project-grangetown-werddach/

Rainscape - Welsh Water invested £115 million across Llanelli and Gowerton in innovative work between 2012 and 2020. It manages surface water and reduces

sewer flooding by separating rainwater from the existing system, slowing down the rate it enters the network and by redirecting it to local rivers and watercourses, and in some cases, removing it completely. It creates greener, cleaner communities and improved habitats and biodiversity. This is one of the largest nature-based scheme in the UK.

https://corporate.dwrcymru.com/en/community/environment/our-projects/rainscape/rainscape-llanelli

We have established relationships with all the key stakeholders and delivery partners involved in delivering Nature Based Solutions dating back to before we implemented Schedule 3 to the Flood and Water Management Act 2010. When we commenced the requirements for Sustainable Drainage systems (SuDS) from January 2019, we established a SuDS Implementation Group, which was tasked with identifying and working through such issues. The group includes the water and sewerage sector in Wales, the 22 Local Authorities and SuDS Approving Bodies, the WLGA, the Home Builders Federation (HBF), the Federation of Master Builders, Natural Resources Wales, Environmental NGOs, social landlords and civil engineers, among others.

Presently, we are commissioning an independent review of the implementation of the SuDS regime in Wales, which will engage with the multiple stakeholders involved in SuDS delivery including planners, developers, Local Authorities and social housing. We are presently in discussion with a potential appointee but I expect the review to deliver an interim report in the latter half of this year, which I would be happy to share with the Committee. This will build on work already undertaken by our partners in the WLGA.

Alongside this, my officials are engaging with UK government counterparts in their review of the case for implementing of Schedule 3 to the Flood and Water Management Act 2010, which is uncommenced in England. The work of the review includes identifying and addressing barriers to the uptake of SuDS.

Our longer-term ambition is to facilitate more nature-based solutions These can include wetland habitat restoration, natural flood management, using natural materials for buildings and infrastructure such as green roofs, walls and driveways. The Sustainable Farming Scheme will also provide opportunities for more nature-based solutions.

The Strategic Priorities and Objectives Statement will set out the requirement for Ofwat to take into account the multiple benefits of nature-based solutions during the next price review process. In the interim, our programme for government has committed to strengthening the legislative requirements for SuDS that promote wildlife habitat, as part of our response to the climate emergency and ensuring the well-being of future generations.

Financial Implications – None. Any additional costs will be drawn from existing programme budgets.

Recommendation 10

The Minister should report back to this Committee no later than 6 months after the publication of this Report setting out the different actions she is taking to address the problem of pollution in Welsh rivers from sources other than storm overflows.

Response: Accept

NRW are currently finalising the next iteration of the River Basin Management Plans which will set out a comprehensive overview of all our waterbodies, the pressures and the suite of measures required to deliver water quality improvements.

It is only by working together we can tackle the multiple risks that our water bodies lakes face e.g. Hafren Dyfrdwy collaborative projects:

<u>Vyrnwy</u> - Restoring peat bogs and other key habitats including dry heath, blanket bog, wild flower meadows, ffridd and woodlands at scale on the Vyrnwy estate with RSPB Cymru. We are working together to develop a programme of improvement works which will benefit a number of key species on the site that are of national importance. These include Hen Harrier, Merlin, Black Grouse, Red Grouse, Curlew and the rare Welsh Clearwing moth.

<u>Pathways for Pearls</u> – Working together with Welshpool, Cyfronydd & Guilsfield, Powys Montgomeryshire Wildlife Trust to create a well-connected, wildlife-rich landscape with particular benefit for pollinators and the rare Pearl-Bordered Fritillary butterfly and Minera & Marford quarries, Wrexham partnered with North Wales Wildlife Trust enhanced 60+ hectares of invertebrate & flora habitat.

Financial Implications – This will need to be scoped out depending on level of intervention and/or remediation required across all our waterbodies.