

Icosa Water Draft Drought Plan 2018

Statement of Response to Representations Received during Consultation

Icosa Water Services Limited (Icosa Water) has prepared a draft statutory drought plan in accordance with the requirements of the Water Industry Act 1991 and the Drought Plan Regulations 2005. The plan was provided to statutory consultees and published on the Company's website.

During the consultation period, Icosa Water received representations from the Environment Agency. Overall, the Environment Agency was supportive of Icosa Water's drought plan, whilst making some key recommendations that the Environment Agency considered would ensure that Icosa Water's drought plan demonstrated that Icosa Water is planning a secure supply of water and protects the environment whilst in drought.

The Environment Agency's recommendations fall into 5 broad categories:

- Supply/Demand Balance
- Management and Communications
- Temporary Use Restrictions
- Drought Triggers and Actions
- Drought Plan Implementation

The table below sets out the Environment Agency's recommendations and suggested improvements, in each case detailing Icosa Water's response and indicating whether an amendment has been made by Icosa Water to its Draft Drought Plan.

Area of issue	Representation	Icosa Response	Drought Plan changed?
Bulk supply arrangements in a drought	<p>The plan refers to Icosa Water’s bulk water supply from AWS and states that this is not guaranteed in a drought and that “the agreements also allow for reductions in bulk supply to be applied during times of drought”. The plan does not adequately explain and demonstrate how these reductions in supply will occur or be managed by Icosa.</p> <p>We recommend that Icosa Water explains how it would manage the reductions in supply from AWS and demonstrate it would implement appropriate drought measures in a timely way to manage any reduction in supply.</p>	<p>The incumbent water company is required to effectively communicate any potential reductions in supply to Icosa (and hence its customers), the circumstances giving rise to such potential reductions and the anticipated length of time for which any such reductions are expected to occur. The notification requirements include the following:</p> <ul style="list-style-type: none"> • If an incumbent considers it necessary to make a hosepipe ban or introduce other restrictions on the use of water, Icosa is required to impose similar equivalent restrictions on its own customers. This obligation requires incumbents to give Icosa Water such reasonable notice as is required under the circumstances; • Where an incumbent proposes to apply for an ordinary or emergency drought order that will restrict the use of water in Icosa’s area of appointment, the incumbent is required to notify Icosa Water accordingly. Incumbents must give all reasonable notice as is required under the circumstances that incumbents will apply for an ordinary or emergency drought order including the terms being sought, thereby enabling Icosa Water to do the same; 	Yes

		<p>An Icosa team meets quarterly with incumbent counterparts to discuss bulk supplies, water quality and other general operational issues. These meetings combined with an incumbent's equivalence requirements across all customer portfolios means that Icosa will receive sufficient advanced notice of potential bulk water supply reductions which Icosa can then act upon to replicate associated restrictions with its own customers as more specifically set out in the plan.</p> <p>Icosa will implement such drought measures as is proposed by the incumbent on its own customers and as may be possible or relevant to Icosa taking into consideration the fact that Icosa's infrastructure is new and less prone to leakage and likely to serve more water efficient homes. These measures might include:</p> <ul style="list-style-type: none"> • Promoting water efficiency; • Encouraging voluntary reduction of non-essential water use; • Carrying out initiatives to improve household water efficiency; • Reducing mains pressure; • Increasing active leakage control; • Temporarily restricting water use; and • Restricting non-essential uses of water using a drought order. <p>Icosa will work closely with incumbents to ensure that drought implementation and subsequent lifting</p>	
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		measures are agreed and effected in a collaborative manner.	
Drought communications	<p>The plan includes some information on what communications the company would do but does not include information on how it will communicate and who its stakeholders are (just referring to them as 'stakeholders').</p> <p>It also does not state how it will trigger different communications or monitor the effectiveness of its communications.</p> <p>The company should expand its communications plan section and set out a clear set of communication actions with timings. In particular, it should include information on how it will communicate a temporary use ban to its customers and allow for representations on this.</p> <p>The company should expand its communication plan to include more detail on who and how it will communicate during a drought and the triggers for these. The company should expand on what its action for "Publicity campaign to raise public awareness" is.</p> <p>The company should include how it will monitor the effectiveness of its communications actions during drought.</p>	<p>Icosa considers it important that all stakeholders and customers be made aware of times of water scarcity and the likelihood of introducing water restriction measures.</p> <p>Key stakeholders will be involved in the management of any potential drought. Icosa will liaise primarily with the incumbent water company and collaborate on the management of any potential drought, and to the extent relevant taking account of any input received by the incumbent water company from the Environment Agency, Natural England or any other relevant regulatory authority with regards to the management of each drought situation.</p> <p>Icosa Water will liaise with its customers by maintaining appropriate public communications throughout the stages of the drought to inform and engage customers in a timely and effective manner. Given Icosa's current portfolio, using large scale media publicity tools to inform customers of drought measures (i.e. television or national media campaigns) is not considered cost effective at this stage. Furthermore, these large scale campaigns will be managed by the incumbent for its region to which the inset is connected.</p>	Yes

		<p>The key stakeholders with which Icosa will communicate and the purpose and means of such communications are contained in the table below:</p> <table border="1"> <thead> <tr> <th data-bbox="1240 376 1547 448">Stakeholder</th> <th data-bbox="1547 376 1854 448">Purpose and means of communication</th> </tr> </thead> <tbody> <tr> <td data-bbox="1240 448 1547 1062">Domestic Customers</td> <td data-bbox="1547 448 1854 1062">Customers are often encouraged to pursue water savings opportunity. Icosa uses customer bills and its website to educate customers on water saving opportunities. If drought related developments intensify, Icosa Water will use written letters and mail drops to customers to ensure they are aware of the part they can play in conserving water.</td> </tr> <tr> <td data-bbox="1240 1062 1547 1385">Commercial Customers</td> <td data-bbox="1547 1062 1854 1385">Customers are encouraged to pursue water conservation measures, both on Icosa's website and by means of letters or emails. If drought related developments intensify, Icosa Water</td> </tr> </tbody> </table>	Stakeholder	Purpose and means of communication	Domestic Customers	Customers are often encouraged to pursue water savings opportunity. Icosa uses customer bills and its website to educate customers on water saving opportunities. If drought related developments intensify, Icosa Water will use written letters and mail drops to customers to ensure they are aware of the part they can play in conserving water.	Commercial Customers	Customers are encouraged to pursue water conservation measures, both on Icosa's website and by means of letters or emails. If drought related developments intensify, Icosa Water	
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			will accelerate the use of written letters and mail drops to customers to ensure they are aware of the part they can play in conserving water.		
		Incumbent Water Company	Regular meetings, conference calls and email exchanges ensure that parties are aware of potential and/or ongoing drought situations encouraging parties to act collaboratively and to promote the provision of consistent messages to their respective customers.		
		Internal Staff	Icosa uses internal staff briefings, meetings and internal emails to keep staff up to date on drought situations.		
		Following a drought event (i.e. when conditions return to normal, based on an incumbent's evaluation of all relevant criteria), Icosa proposes to evaluate the effectiveness of drought communication activities carried out during a drought. Icosa will seek feedback from customer			

		groups, website hits, requests from customers for information on water efficiency or water saving devices, customer feedback on social media and the associated change in demand for water during the period of drought.	
Drought management team	<p>The plan does not detail the management structure that the company will put in place during a drought. The plan states its Drought Management Team includes a drought manager and a communications person, but not if anyone else is included.</p> <p>The company should include details of all the members of its Drought Management Team and their roles in managing a drought.</p>	<p>The drought management team will be responsible for managing the ongoing situation. The drought management team will liaise with the regional incumbent water company at regular intervals to ensure that a consistent and collaborative message is delivered to customers and that parties are considering a consistent and collaborative approach to effecting any measures to mitigate against the impact of a drought situation.</p> <p>The drought management team will be led by the Regulation Director with direct support from operational colleagues, Asset Management Director, Water Resources Manager and Customer Services Director. An operations team will be responsible for delivering the drought plan under the direction of the drought management team. The operations team will consist of members of the drought management team.</p>	Yes

		<p>Roles and responsibilities of the drought management team are as follows:</p> <table border="1" data-bbox="1240 301 1854 1029"> <thead> <tr> <th data-bbox="1240 301 1547 376">Role</th> <th data-bbox="1547 301 1854 376">Responsibility during drought</th> </tr> </thead> <tbody> <tr> <td data-bbox="1240 376 1547 592">Regulation Director</td> <td data-bbox="1547 376 1854 592">Ensuring compliance with statutory requirements and adherence to directions of industry regulators.</td> </tr> <tr> <td data-bbox="1240 592 1547 775">Water Resources Manager</td> <td data-bbox="1547 592 1854 775">Manage availability of bulk supplies, report on drought status and to update drought plan as required.</td> </tr> <tr> <td data-bbox="1240 775 1547 884">Customer Services Director</td> <td data-bbox="1547 775 1854 884">Monitor and ensure adherence to communications plan.</td> </tr> <tr> <td data-bbox="1240 884 1547 1029">Asset Management Director</td> <td data-bbox="1547 884 1854 1029">Monitor network performance (including network pressure and leakage status)</td> </tr> </tbody> </table>	Role	Responsibility during drought	Regulation Director	Ensuring compliance with statutory requirements and adherence to directions of industry regulators.	Water Resources Manager	Manage availability of bulk supplies, report on drought status and to update drought plan as required.	Customer Services Director	Monitor and ensure adherence to communications plan.	Asset Management Director	Monitor network performance (including network pressure and leakage status)	
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Customer and stakeholder engagement	<p>The plan does not describe details of how it has consulted with relevant customer and interest groups when preparing its draft plan and how it has taken their feedback into account.</p> <p>The company should state how it has consulted with relevant consumer and interest groups and how it has taken their feedback on temporary restrictions into account.</p>	Icosa submitted an initial draft of its drought plan to various stakeholders, including DEFRA, CCWater, incumbent water companies, Historic England, Natural England, Environment Agency and Norfolk Council. A copy of the plan was hosted on the Icosa website and all interested parties (including customers) invited to respond.	Yes										

		<p>These stakeholders and customers will continue to have opportunities to comment on the drought plan every five years. Icosa Water will publish its drought plan on its website and will review it annually whilst consulting on the plan every five years.</p> <p>In accordance with our legal requirements and best practice Icosa will allow appropriate representations to be made ahead of the introduction of Temporary Use Bans, such representations to be accepted by email or by letter. The legal notice will be published on Icosa’s website and in two local newspapers. Icosa will publish a statement of response to any representations received.</p>	
Temporary Use Bans	<p>The company includes joined up implementation of drought orders with its incumbent water company (s3.2) and temporary use bans (s1.4), but doesn’t include information about how it would manage and implement temporary use restrictions on its customers.</p> <p>In s3.3 the company states it will “consider list of temporary use restrictions and ultimately implement”, but does not provide any information on how it would assess this or impose it.</p> <p>The company should provide information on how it will implement temporary use restrictions for its customers, including any phasing of restrictions, exceptions, allowance for time for representations and estimates of demand savings.</p>	<p>The initial phase of drought action is intended to reduce demand for water by encouraging voluntary customer restraint. If drought conditions prevail and drought action trigger levels reached, Icosa Water may implement temporary use bans.</p> <p>Section 76 of the Water Industry Act 1991 requires prior public notification. Specifically, this section states that:</p> <ul style="list-style-type: none"> • Notice must be given to those affected (no time requirements are imposed); • As a minimum, notice must be advertised in two newspapers circulating in the area in 	Yes

	<p>The company should demonstrate it has considered the Code of Practice (Water UK, Managing through drought: code of practice and guidance for water companies on water use restrictions).</p>	<p>which the restrictions apply and advertised on the Icosa Water website.</p> <p>Any temporary restriction would be subject to Icosa providing relevant notices and proactively engaging with its customers, providing them with up to date information about water scarcity situation and the need to conserve water. Icosa will allow an appropriate consultation period in which any representations from customers could be made via the Icosa website, customer services representatives or writing directly to Icosa.</p> <p>Following the consultation period Icosa will publish a statement of response to any representations received.</p> <p>Restrictions would be imposed for the minimum period required (such period to be determined in consultation with the incumbent water company) and would be lifted with immediate effect once the situation had stabilised.</p> <p>With regards to the phasing of temporary use bans, a single phase in which all eleven legally prescribed activities (as listed in the Water Use (Temporary Bans) Order 2010) are simultaneously banned at the start of the restriction period is considered by Icosa to be the most appropriate.</p> <p>These restrictions will not automatically apply to:</p>	
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		<ul style="list-style-type: none"> • Restrict commercial, agricultural or horticultural use; • Any activities that are necessary for health and safety reasons (i.e. necessary to remove or minimise any risk to human or animal health/safety or prevent/control the spread of causative agents of disease. <p>The implementation and subsequent lifting of any restrictions shall be managed in collaboration with the incumbent water company, but in any event will comprise a single-phase approach which will provide the most effective approach for Icosa's customers. Icosa considers this to be an acceptable approach based on the UK Water Industry Research (UKWIR) Code of Practice.</p>	
Non-Essential Use Drought Order	<p>The company includes joined up implementation of nonessential use drought orders with its incumbent water company, AWS (s3.2). It is not clear from the plan, whether Icosa Water is relying on AWS to make the drought order application or if it would just share its evidence.</p> <p>The plans states (s3.2) "Where a drought order notice is to be served consideration will be given to issue of a joint notice with the incumbent water company. Icosa Water is dependent upon the incumbent, hence the evidence submitted to the Secretary of State to give notice will align in terms of timing of issue of such an order. There is scope for a notice to be issued jointly with incumbent and evidence in support of the application can be shared." As a water undertaker, Icosa Water must apply</p>	<p>Drought Orders to restrict non-essential use must be granted by the Secretary of State. The Drought Direction 2011 outlines activities that would be restricted under normal drought order. These comprise:</p> <ul style="list-style-type: none"> • Watering outdoor plants on commercial premises. • Filling or maintaining a non-domestic swimming or paddling pool. • Filling or maintaining a pond. • Operating a mechanical vehicle washer. • Cleaning any vehicle, boat, aircraft or railway rolling stock. • Cleaning non-domestic premises. 	Yes

	<p>to restrict its own customers under a drought order. There is no provision for a joint or on behalf of, application in the legislation (Section 74(2)(b) WRA 1991).</p> <p>The plan doesn't include information about how the company will manage the application for a drought order and how this will be implemented, and recognition of the time to apply to the Security of State and dealing with any hearing etc.</p> <p>The company should provide more clarity on its application process and implementation for non-essential use drought orders.</p> <p>It should include any phasing of restrictions, exceptions, allowance for time for representations and estimates of demand savings.</p> <p>The company should demonstrate it has considered the Code of Practise (Water UK, Managing through drought: code of practice and guidance for water companies on water use restrictions).</p>	<ul style="list-style-type: none"> • Cleaning a window of a non-domestic premises. • Cleaning industrial plant. • Suppressing dust. <p>It is anticipated that (subject to consultation with the incumbent water company) all ten non-essential use bans will be implemented at the same time to maximise water savings and provide a clear message to customers on the need and timing of these restrictions. Limited concessions may be granted to:</p> <ul style="list-style-type: none"> • Icosa Water vulnerable customers; • Small businesses which may be affected (on a case by case basis). <p>Concessional exceptions will require customers to make representations to Icosa Water to obtain permission.</p> <p>Incumbents are required to share all pertinent drought related information with Icosa Water, including any evidence it would rely on for any drought order application. Icosa Water acknowledges that as a statutory undertaker, it is bound to apply for an order in relation to its own customers and will seek to rely on the same evidence presented by incumbents.</p> <p>Icosa would consult widely before any of these restrictions were imposed. The process of</p>	
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		representation would also be consistent with that required in relation to a temporary use ban.	
Security of Supply	<p>Icosa Water has not included in its draft plan the recently awarded Barnhorn Green in Bexhill on Sea Inset Area (with South East Water as the incumbent water company). We recognise that this zone was not awarded in time to include in the draft drought plan.</p> <p>We recommend the company demonstrates in its final drought plan how it will maintain a secure supply of water during a drought in this new resource zone (along with any other new appointments granted since publication of its draft plan).</p> <p>We recommend the company also includes a commitment to update its drought plan to reflect any new appointments made after it has published its final plan.</p>	Icosa Water will review and update its drought plan annually to include additional areas of appointment awarded under the new appointments and variations process.	Yes
Likelihood of standpipes	<p>The plan states that Icosa Water's levels of service are aligned to those of AWS, which are presented in table 1.4, with standpipes at a frequency of not more than once in 100 years. If AWS as the incumbent water company, changes its levels of service, this could impact Icosa Water's customers in a drought if the bulk supply agreement with AWS means they remain on a lower level of service compared to AWS.</p> <p>The company needs to ensure that any changes to its incumbent water company's levels of service are understood in the context of its customers supply in a drought and reflected in its drought plan.</p>	The bulk supply agreement in place with Incumbents requires that Icosa is provided with any drought related information as reasonable required for Icosa to prepare its drought plan. This includes any material changes to this information. Icosa and incumbents meet regularly to discuss commercial and operational matters relevant to the parties, including any water resources or drought related developments that would impact on Icosa and its customers.	No
Drought Triggers and Actions	The plan does not set out the triggers for action clearly enough.	Drought triggers are generally used to inform which 'stage' of a drought is being experienced and are	Yes

	<p>In section 2.2, the plan states “Drought triggers should allow sufficient time for the preparation and implementation of drought actions.” Yet the triggers listed here are all when something happens, e.g. convene AWS drought team. It is therefore unclear what the company will do as a result of these triggers or how it will ensure it has early alert to things. Also, s2.2 does not mention temporary use restrictions or what the trigger for them would be.</p> <p>Section 5 states “to know when supply-side triggers are crossed and when AWS themselves plan to introduce water use restrictions which Icosa Water will be obliged to mirror.” This isn’t reflected in the triggers and actions section.</p> <p>Section 3.2 states “This will include enhanced communications, and monitoring with reference to drought triggers and decision making in relation to the instigation of drought actions.” The trigger for this action is not presented.</p> <p>The plan should include clear triggers and actions, e.g. a table listing what the trigger is and what Icosa Water will do as a result of that trigger and when it will occur.</p> <p>This will provide assurance the company is allowing time for implementation of its drought measures (communications, temporary use bans etc.).</p>	<p>used to instigate the decision making process through the Drought Management Team.</p> <p>Incumbent water companies use various indicators to monitor changing drought status (including hydrometric indicators such as rainfall records, soil moisture deficit, groundwater levels, surface water flows and reservoir storage levels). Incumbent water companies have developed these hydrological triggers that provide them with sufficient lead time to deploy a variety of drought management measures as drought conditions prevail. Icosa Water relies on the provision by the incumbent water company of updated information about possible stages of a drought based on these indicators, thereby ensuring that Icosa (through regular meetings, conference calls and update notifications) will be aware of the development of these triggers in sufficient time to allow Icosa to implement complimentary drought management measures.</p> <p>The drought triggers that have been developed by incumbents and are intended to reflect the increasing severity of a drought event so the measures associated with each set of triggers are only introduced when they are required. Icosa Water uses the contractual obligations of incumbent water companies to notify it of these trigger events so that joint and aligned actions can be given effect.</p>	
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<p>Drought Plan Implementation</p>	<p>The company includes a section on post-drought actions (s6) that details how it will assess returning to normal conditions. There is no information in this section on how the company will review the processes it's followed during a drought.</p> <p>The company should identify in its plan what it will do to assess the effectiveness of its drought plan implementation, what it will release as a result of the review (e.g. a 'lessons identified' report) and give a clear timetable for the completion of these.</p>	<p>The Drought Management Team will undertake a post-drought review at the end of a period of water stress. The purpose of the review will be to consider the appropriateness of the drought triggers, the impact and effectiveness of customer communications and restrictions on demand savings.</p> <p>A post-drought meeting of the Drought Management Team to discuss lessons learnt from the drought and to consider whether any elements of the drought plan needs to be reviewed or updated based on recent experience.</p> <p>The Drought Management Team will liaise with incumbent water company and assess the effectiveness of collaboration and whether improvements or modifications could be made.</p>	<p>Yes</p>
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