



INVESTING IN AND PAYING FOR YOUR WATER SERVICES FROM 2021

RESPONDENT INFORMATION FORM

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- Individual
 Organisation

Full name or organisation's name

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in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

No

Written Responses – Questions

Key Policy Objectives

1) Do the key policy objectives provide a sound basis upon which to plan the delivery of services from 2021?

Yes No

Whilst Scottish Environment Link broadly supports the majority of the objectives set out in the 'Objectives for 2021-27 and beyond' we are most concerned by objective 5, which is unduly restrictive and signals a very narrow interpretation of the impact Scottish Water (SW) can have, for good as well as ill, on the environment of Scotland. This is most unfortunate and represents a missed opportunity, and will not help deliver the ambitions of the 'Hydro Nation' agenda, and constrains SW's potential in delivering on the new draft Environment Strategy recently launched by the Scottish Government (SG). We elaborate on our concerns below:

LINK members agree that SW has made great strides over the past decade in treating waste water and improving discharges to rivers and coastal waters. More still needs to be done, but our rivers are healthier for people and wildlife. However many challenges remain, and Scottish Water has expertise and resources which if deployed in a targeted way could benefit a range of environmental outcomes that are core Scottish Government policy objectives. We consider in the next investment period Scottish Water should move beyond regulatory compliance, and contribute more towards civic efforts to protect and enhance wildlife and their habitats, improve the sustainable management of river basins and catchments, contribute towards the Scottish Government peatland restoration targets, work with communities to improve responsible access to rivers and SW land, and help reduce carbon emissions. We are aware on carbon that renewables are now contributing to SW's reduction in emissions, and that is to be welcomed, but the SG 90% reduction target looks stretching. SW can also assist with planning for the adaptive solutions Scotland needs to respond to the consequences of climate change, through working on the blue/green development agenda and encouraging sustainable solutions to surface water flood management, in towns and cities, but also upstream through catchment management approaches, and soft engineering that brings multiple benefits. Innovation and broadening the partners SW works with will be key to success. Lessons can be drawn from the way Northern Ireland water has addressed catchment management for example, in a similar rural

setting to that found over much of Scotland.

We would like to see the Scottish Water estate contribute more towards the SG Biodiversity strategy, and SW partnering with community groups and LINK members to achieve this. We are aware that in Wales for example Welsh Water has commissioned conservation NGOs to audit WW landholdings, and has sponsored work parties to help restore areas for biodiversity priority species, and even the establishment of nature reserves on reservoirs and catchments. These examples suggest SW needs to do more to build partnerships and engage with the third sector to help deliver its biodiversity responsibilities and we stand ready to assist where we can.

In summary we think the statement in bullet point 5 constrains ambition and is far too narrow in scope restricting SW's contribution to Scottish Government environmental targets, and potentially fails to further the conservation of biodiversity as required by Scottish legislation. This from a publicly owned utility would be short sighted and would fail to build on the expertise within the SW staff team, and the opportunity its landholdings and reach across much of Scotland offers wider society as a whole.

LINK is also concerned at the statement on page 5 'that (preventing) leakage has reached its economic level'. This bald statement is surprising and no evidence is given to support it. In the interests of conserving natural resources and reducing energy use continued targeted investment to prevent leakage should surely continue? Progress in reducing leakage has been made, but at a time when SW is appealing to the public to use water wisely, the public will look askance at this statement. In a world where climate impacts on water resources pose a potentially serious medium to long term challenge, investment in continuing to tackle leakage seems wise and it may reduce the need to build new major pipework or supply reservoirs especially in the drier east of the country (page 23 Annex C of consultation).

We support efforts to encourage customers to use water wisely and reduce consumption, but this will be undermined if it became known that SW or Scottish Government itself considered the job was done. Instead a coherent new approach is needed that encourages customers, including business customers to value water more, and use it wisely. However this requires a new strategy that rewards and supports good practise. For example SW might offer free or discounted water saving devices to customers as energy companies do. It seems to us that mixed messages are being given, with on the one hand those who save water (or consider installing a meter to help them do this) told they will not save on their bill, and that controlling leaks is not economically viable, yet appeals are being made to save water! Taking a circular economy view, or the principles in the Hydro Nation thinking around this issue (Water Resources Act 2013) suggests a more joined up approach is needed.

Principles of Charging

2) Do you agree that the current Principles of Charging remain broadly appropriate for the next regulatory period?

Yes No

LINK supports the principle of stability of charging.

LINK strongly supports the polluter pays principle which does not seem to be reflected in the consultation. This may be because licenses to abstract water or discharge waste water are controlled and charges where appropriate levied by SEPA. However this may overlook the problems caused by agricultural run off, silt, dissolved carbon causing discolouration, or the cost of pesticides entering water supplies that require costly treatment to remove. These issues require land management solutions and remedies to prevent the problems arising in the first place, rather than costly treatment at the 'end of pipe'. A mixture of regulation, charges and incentives to improve catchment management in a cost effective way is required. A potential solution to this issue can be more tree planting in appropriate places, such as along the banks of watercourses. Doubling native tree cover in the UK could substantially improve water quality. Trees maintain lower water temperatures by casting shade and reduce levels of sediment, pesticides, nitrates, phosphates and other chemicals by stabilising soils, reducing surface run-off and taking up nutrients and some pollutants. Will Scottish Water invest in ecosystem service provision by, say paying land managers to adopt good practise for example by preventing pesticides being used in fields near water courses, or trial catchment management approaches to address peat eroding and dissolving into water? Should farmers contribute more towards the cost of removing diffuse pollution that enters waters that supply households and other businesses if they do not participate in beneficial land management measures? Again interesting large scale trials are underway elsewhere in the UK to test these approaches and this learning should be adopted where appropriate in Scotland.

LINK supports the charitable reliefs offered to smaller charities, which by definition act for the public benefit. However the cut off point of £300k seems arbitrary and we would like to suggest a tapering of relief, so that charities benefit from say a 25% or 10% relief up to a much higher level.

LINK is also interested in the statement on page 19 on customer representation. We are not aware that SW has a stakeholder panel that would allow LINK, on behalf of its member bodies, to formally meet with SW and explore opportunities for future collaboration, or review environmental performance for example helping SW meet its statutory obligations to further the conservation of biodiversity, or improve the condition of SSSIs under its management. If such a panel exists or is planned we would be interested in participating.

3) Do you agree the vacant premises exemption should be removed?

Yes No

4) Do you agree with the proposal to reduce the single occupant status discount, using the revenue to improve support for customers facing affordability constraints?

Yes No

5) Do you agree that the costs of meeting the demands of growth on the water and wastewater infrastructure should be reviewed?

Yes No

LINK is keen to promote the wise use of water resources within safe environmental limits. At present much growth in Scotland is occurring in the east of the country where water resources and receiving waters are under pressure or nearing capacity. Given this, the costs to the Environment as well as SW are likely to increase. Accordingly it is wise to review how these costs are shared between developers and SW, and empower SW to be more directional in advising planning authorities if supply or waste water treatment capacity cannot cope. If in such circumstances development proceeds it should be incumbent on the developer to cover the extra costs involved, especially if alternative locations which have surplus capacity able to accommodate the development in question are available. We would also like to see the adoption of better planning measures to allow surface waters to reach the soil through porous surfaces and soakaways. The concreting over of grassy areas in towns and streets only adds to this problem, and building control needs to adopt measures akin to those improving the thermal efficiency of buildings to combat this. Green roofs, water recycling, street trees, wildflower rich grassy areas that benefit pollinators, all have a role to play in housing schemes and business parks, etc., and we would like these to become the norm in future, helping surface water management and improving the quality of our built environment for people to enjoy nature.

Investment Requirements

6) Do the Draft Investment Objectives included at Annex C of this paper identify all areas where investment will continue to be necessary?

Yes No

It is unclear if 'Sustainable' is being used in its full context here, or just to support ongoing economic growth. Whilst SW should continue to support the infrastructure needed for growth, a full Strategic Environmental Assessment is needed to ensure that all options are considered to minimise adverse impacts on the natural environment, protected areas and rivers and coastal assets. SW should seek to optimise the use of water resources securing options that conserve water, continue to deliver improvements to water quality, including at bathing water beaches, and wherever possible use soft engineering techniques that have a lower carbon footprint and benefit biodiversity. Where necessary development should be encouraged to take up existing capacity rather than prompt major 'greenfield' investment. Charging is one way of reinforcing good practise - see earlier comments.

Drinking Water

We support measures to reduce even further the risk of lead contamination in water supplies.

Environment

Our response has already detailed our concerns at the narrow interpretation taken in the policy objectives towards the environment. Again this section restricts SW to where 'improvements to water and sewerage infrastructure will contribute to these objectives'. We will not repeat the arguments again but we emphasise that SW as a public agency should take action as a minimum to further the objectives contained in the SG draft Environment Policy, and it's geographical scope, resources and expertise can make a material difference, especially if it works with both communities and NGO's as well as Statutory bodies like SEPA, SNH and Local Government.

Specifically we would like to see land and sites managed by SW reviewed to see if they can be managed to enhance their biodiversity value - perhaps by contracting a consortium of ecologists from the NGO sector to undertake this?

Steps should be taken to ensure SSSIs in SW management meet all Favourable Condition Status (FCS) targets set by SNH. This should be reported on annually and a budget provided to finance the restoration management required.

SW seeks advice on encouraging greater public use of SW assets, where this is safe to do so in partnership with communities and local groups representing user interests.

SW looks to have a coherent strategy to promote the wise use of water, and other behaviours that benefit the water environment, using a mix of incentives, advice and leakage reduction in a coordinated way. We are sure customers would respond to this but inconsistencies of message and policy need to be removed, for example, over leakage.

We welcome recognition that working with a wide range of stakeholders is

necessary to address and improve the 'environmental quality of Scotland's rivers, lochs and seas' but would like to see catchment management schemes seek innovative land management solutions to the challenges of peat erosion, diffuse pollution, pesticides entering waters used to supply customers, and flooding. We would like to see SW trial, with partners, ideas to adapt to Scottish circumstances the large scale examples underway in Wales, NI, and the north of England.

We would like SW to set measurable objectives for the above matters and report on progress annually and invite stakeholders to participate in that process.

Climate change Adaptation and Mitigation

We support the statement in this section.

We would wish to see SW continue to invest in renewable energy generation, and the recovery of waste heat and other useful means of energy conservation as it replaces its infrastructure or constructs new plant.

We would like SW to consider partnerships to construct district heating models and rainwater recovery to act as exemplars to lead business and test new innovative techniques.

More should be done to invest in the blue/green town and cityscapes of the future to improve water recycling, surface water flood resilience, and the quality of life for local communities. This will require appropriate policy support by SG and local authorities. Demonstration schemes to test and promote the learning should be trialled. A demonstration scheme could be designed around the benefits which tree planting can offer in water quality improvement, as well as flood risk management. Trees and woods have a particular role to play in reducing the risk of flooding, improving water quality, mitigating climate change induced temperature increase, and can be part of a simple solution to these important issues.

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Do you agree that that Scottish Water should be directed to address these additional requirements?

Yes No

Other

8) Please include any other comments you wish to make on paying for and investing in water services from 2021 below.

Scottish Environment LINK is the forum for Scotland's voluntary environment organisations, with over 35 member bodies representing a range of environmental interests with the common goal of contributing to a

more environmentally sustainable society.

This consultation response is supported by: Woodland Trust, Scottish Wild Land Group, Buglife Scotland, Scottish Wildlife Trust, and Cairngorms Campaign.