

Catchment System Operator - A Checklist for Model Developers & Policy Makers

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Foreword

This document is the result of a workshop and subsequent meetings led by the Water Industry Forum (WIF) during which Anglian Water, Essex & Suffolk Water, Northumbrian Water, Severn Trent Water, Southern Water, United Utilities, Welsh Water, Wessex Water, Yorkshire Water and Mott MacDonald collectively developed a checklist of questions about the Catchment System Operator (CaSO) concept across five thematic areas:

- Economic Regulation
- Drainage and Wastewater Planning, Flood Risk, SuDS and Biosolids
- Waste Water Permitting and Environmental Regulation
- Water Resources
- Catchment Management

Defra's 25 Year Environment Plan introduces the concept of a CaSO which will be 'responsible for the strategic management of natural capital'. It is intended that CaSOs will more effectively deliver the aims of the plan by coordinating the activities of multiple organisations across a discrete geographic area.

Water companies are significant investors in natural capital and so want to engage with others to help influence the development of the CaSO concept. This checklist highlights matters of interest to water companies which would be affected by any proposals for a CaSO and sets out the sorts of questions the water industry would ask of model developers and policymakers in an effort to assist them to formulate and present such proposals. The checklist was subsequently presented to, and endorsed by, the Water UK Environment Policy Advisory Group. It is anticipated that further questions will be identified by other stakeholders. Special thanks go to Mott MacDonald for their support in this work, particularly for the hosting of meetings and the preparation of this document.

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CEO, Water Industry Forum

Catchment System Operator Checklist



Governance

1. What is the legal status of the CaSO, and will it have the power to mandate change?
2. How does the model deal with differences over ownership, accountabilities, responsibilities and the interrelationship of assets?
3. How will the CaSO identify and deliver coordination efficiencies to improve natural capital, including water quality and water resources?
4. What geographic scale does the model operate at and why?
5. Does the model cover a clear set of prescribed functions and a discrete geographic area?
6. How does the area covered relate to River Basins?
7. How will the CaSO work in partnership and or drive change with stakeholders?
8. How does the model ensure all catchment stakeholders are engaged by the CaSO in exercising its functions?
9. How does the model deliver outcomes for urban areas such as flooding and water quality?
10. How does the model ensure cross-boundary cooperation?
11. How is the CaSO's performance measured and evaluated?

Policy

12. How is the Catchment Plan aligned to government policy?
13. What is the role of regulators e.g. Ofwat, EA, NE and DWI etc. within the model?
14. In order to operate, does the model require flexible regulation that enables within-AMP changes and takes a catchment approach?
15. In order to operate, does the model require flexible permitting at a catchment level to enable action at treatment works and in the landscape to reduce chemical loads to the environment?
16. How does the model respect the environmental principles enshrined in EU/UK law e.g. rectification at source?
17. How does the model address the tension between the Polluter Pays Principle and Beneficiary Pays Practice?
18. How does the model preference natural capital solutions?
19. How does the model support the six capitals?
20. Does the model require spatial plans to have a duty to cooperate on catchment planning?
21. How are the consequences of failure and the benefits of success apportioned?

Planning

22. Does the model have a Catchment Plan with short and long-term targets?
23. Does the model produce a Catchment Plan that best meets the objectives of stakeholders and aspirations of local communities?
24. How is customer/ taxpayer legitimacy demonstrated/ accommodated by the model?
25. How does the area covered recognise economies of scale?
26. How does the model enable communities to have a clear understanding of what is happening in a catchment, who is doing it and how they can get involved?
27. How does the model recognise the role of individuals, communities and businesses, and facilitate and support behaviour change?
28. How does the model enable adaptive planning with flexibility to respond to circumstances? For example rapid water trading or responding to development pressure?
29. How does the model ensure congruence between plans, such as water company business plans, regional and water company water resource management plans, and local development plans?

Finance

30. Does the model develop an investment plan to show how the Catchment Plan will be efficiently delivered?
31. How does the model optimise different sources of finance?
32. How will the model influence funding streams, including land-based schemes such as agri-environment funding to deliver the water quality objectives of the Catchment Plan?
33. How does the model drive best value across the six capitals?
34. How does the model impact water company financial structures?

Innovation

35. How does the model secure multi-sector R&D?
36. How does the model optimise the gathering and facilitate the sharing of data?
37. How does the model recognise the importance of having a communications plan and sharing learning?

The Water Industry Forum launched in 2012 to meet the need for an independent, not-for-profit stakeholder forum for the whole of the UK water sector. Our membership comprises around 600 organisations including government, regulators, regional water companies, contractors, consultants, manufacturers, research organisations, third sector organisations and investors.

Our primary aim is to tackle the many challenges facing the UK water sector through facilitated collaborative working. We do this by providing a forum that is both neutral and independent. This allows us to bring together and engage a wide range of stakeholders to focus on the specific challenges identified by our partners.

Mott MacDonald is a global, employee-owned management, engineering and development consultancy focused on guiding our clients through many of the planet's most intricate challenges.

For more details visit: www.waterindustryforum.com
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