

WildFish response to Environment Agency environmental performance reporting for water only companies 2025 to 2030 consultation.

WildFish is an environmental charity concerned at the continuing pressures and threats to the freshwater environment from over-abstraction. We respond below to the headline proposals under this consultation.

General points

The consultation document explains the intention to introduce annual reporting for water only companies (WoCs) with regard to their environmental performance in order to bring the process in line with the parallel system for water and sewerage companies (WaSCs). The changes are expected to lead to *“increased transparency, greater accountability, and drive evidence-based decision making around environmental issues.”*

However, the document also suggests that it will mean a *“fundamental shift. . . moving away from fixing on failure to planning and investing for the long-term resilience of water infrastructure and assets.”*

If by *“fixing on failure”* the Agency means *“an emphasis on failure”*, then it should remind itself that one of the key elements of regulation is that water companies need to feel the consequences of non-compliance when failing to meet statutory requirements. The reporting system under consultation, therefore, should not ignore the proper obligations on the Agency to enforce and not simply advise on changes for future compliance.

It is proposed that the report should set out the performance of the sector on a yearly basis “*and provide data and narrative on performance*” based on 7 headline metrics for each WoC. The performance will also be “*tracked*” throughout the year – all of which is laudable. However, it is not clear how non-compliance with requirements, such as breaches of permit, will be dealt with when they are identified and how this relates to the report.

Abstraction and impounding licence compliance

WildFish is pleased to see that the metric covers compliance with the conditions of normal abstraction and impounding licences and drought permits, in order to assess compliance with authorisations under the Water Resources Act 1991.

The possible breaches of licence include exceeding the daily, annual and multi-year quantity; abstraction outside of an authorised abstraction period; failure to submit returns and failure to comply with any fish, or eel, screening requirement.

Absent from the list is the requirement to maintain continuous monitoring data (not just return data) and the necessity of submitting total data – not just partial data on request.

The success of the metric relies on the ability of the Agency to inspect, investigate and monitor performance, rather than leaving the water companies to report their own data on a partial basis. As is apparent from the abuse of operator self-monitoring by WaSCs, relying on self-reporting is to open a door to routine non-compliance.

WildFish therefore agrees, as per Question 1, with the proposal to include the abstraction and impounding licence metric. But its efficacy depends heavily on the success of the Agency’s independent investigation and monitoring.

As for question 2, the methodology is as sound as the Agency’s willingness to investigate and monitor total performance and not to simply rely on OSM data. A requirement for the water companies to publish all real-time data would provide a solution.

The “Future calculation” section for this metric indicates that results will be based on a percentage calculation which effectively measures failures against existing licences. That high level figure would seem to massage out important detail. That is because the resulting percentage would merge technical *de minimis* breaches as well as serious breaches covering, for instance, over-abstraction from an already degraded chalk stream.

WildFish welcomes the consideration in the report of hands-off-flow (HoF) breaches and compensation flow breaches, though this appears not to have been fully thought out yet. One would have thought, as above, that proper transparency could be achieved through a requirement on the WoCs that they publish (in real-time) all abstraction data against river flow and aquifer capacity.

Question 3: Do you agree with the proposal to move to reporting performance based on a percentage calculation in future?

As above, WildFish is not entirely sure whether this is a good indicator of performance.

Question 4: Do you agree with the proposal to include abstractions in breach of a flow or level-based restriction condition and below compensation release flow requirements in the future?

WildFish suggests that it is patently obvious that these aspects of licensing should be included.

Water Resources Management Plan (WRMP) scheme delivery

WildFish welcomes the intention to introduce a WRMP scheme delivery metric, as per our recent response to the consultation on WaSC environmental performance reporting. The change would entail the replacement of the Supply/Demand Balance Index (SDBI) metric with the WRMP delivery metric.

WildFish believes that is entirely sensible as there is currently an absence of checks and balances on completion dates and timetables for long-term water resource schemes, which has held back the delivery of new water resources infrastructure.

Question 5: Do you agree with the proposal to include the WRMP scheme delivery metric in place of the SDBI metric?

WildFish certainly welcomes this but draws attention to the absence of real discussion in the parallel delivery metric consultation, of the methodology for enforcement, where targets are not met.

Serious incidents affecting water (category 1 and 2

WildFish notes that this covers both pollution (presumably as a result of water treatment failures) and non-pollution incidents assessed as having category 1 or 2 impacts on the water environment and would include incidents affecting fish or ecology.

The activities covered are said to be those under the Environmental Permitting (England & Wales) Regulations 2016 and the Water Industry Act 1991, Section 37 - General duties of water undertakers - and Section 52 – Domestic supply duty - and Section 55 – Supplies for non-domestic use duty.

The reporting would be based on the records in the Environment Agency NIRS database.

Question 6: Do you agree with the proposal to include the serious incidents (category 1 and 2 from water supply assets) metric?

WildFish already finds that breaches and pollution incidents generally are underreported by the Agency due to understaffing and a lack of real investigation. This tendency is likely to skew the metric results.

Question 7: Do you agree with the methodology for the proposed metric?

The description of the methodology is too vague to comment further but in principle, as long as all incidents are covered, WildFish believes that the system could be effective. The effectiveness will always depend on proper investigation of incidents.

Total pollution incidents affecting water (category 1 to 3 from water supply assets)

It is unclear how this proposed metric is distinguished from “serious incidents” reporting as it will rely on the approach of the Agency to NIRS and CIS (where there is already frequent under-reporting of incidents). The metric appears to overlap with serious incident thresholds.

Question 8: Do you agree with the proposal to include the total pollution incidents (category 1 to 3 from water supply assets) metric?

WildFish believes that all incidents should be included in the reporting.

Question 9: Do you agree with the methodology for the proposed metric?

As above.

Self-reporting of incidents affecting water (category 1 to 3 from water supply assets)

As per WildFish’s response to the Consultation: Guidance – Reporting, recording and managing incidents involving water company assets, WildFish has real concerns at the continued policy of operator self-monitoring (OSM) given the controversy since OSM was introduced 16 years ago and the overwhelming evidence that water companies have been fiddling the books.

The intention of the metric is to assess the percentage of self-reporting incidents from water supply assets; the basis for the calculation is the total number of incidents self-reported as a percentage of total incidents for which they are considered responsible in a calendar year.

This approach seems to be open to potential abuse.

Question 10: Do you support the proposal to include the self-reporting of pollution incidents metric?

The metric's success depends heavily on the ability of the Agency to inspect records and assets and to investigate breaches. There is no evidence of that happening, so WildFish is deeply sceptical as to whether the Agency would ever have a true picture of the *actual* number of breaches to provide the metric with the raw data from which to make the calculation.

Question 11: Do you agree with the methodology for the proposed metric?

As above.

Discharge permit compliance (numeric)

This is obviously a necessity to cover activities, for instance, where there is water recycling. However, the problem is that, again, it is left to the water companies to assess compliance and to report to the Agency.

Furthermore, it depends on the efficacy of a system of permitting which is proven to be defective. For instance, the “look-up” table (LUT) system in permits allows that discharges can breach parameters.

In a standard discharge permit, even if an exceedance of the LUT parameter occurs, as long as it is not discovered during one of the ‘official’ routine spot-checks, then it cannot be included in the number of failures allowed under the permit.

That means that there could be any number of exceedances and, so long as they are below absolute limits and are not one of the several allowed every year for routine sampling, they will not count and do not constitute breaches of permit.

The reported data will therefore always provide an overestimate of actual performance.

Question 12: Do you agree with the proposal to include the discharge permit compliance (numeric) metric?

WildFish believes that unless there is a wholesale reconsideration of the OSM system and the LUT conditions in the permitting regime, the effectiveness of the

metric will be variable at best. The report should include all exceedances, even if there is compliance with the 1/12 rule in the permits. That would provide a better indicator of performance.

Question 13: Do you agree with the methodology for the proposed metric which is based on number of permits failing within a calendar year?

As above.

Question 14: Do you agree with the proposal to move to reporting performance based on a percentage calculation within the reporting period 2025 to 2030?

As above.

Water Industry National Environment Programme (WINEP) delivery

The WINEP system, which sets out the environmental measures or actions for water companies during the investment cycle, as with the WRMP, currently lacks properly enforceable deadlines and so any attempt to measure success is a welcome change.

Question 15: Do you support the proposal to include the WINEP metric?

In theory, this does appear to be a step forward. However, the metric does not take into account the scale of particular measures or plans (i.e. what is its relative importance by – for instance – volume of water stored/ saved?).

Question 16: Do you agree with the methodology for the proposed metric?

As above.

Review period

The intention is to bring the WoC methodology review in line with the WaSC methodology review period.

Question 17: Do you agree with the proposal to align the WoC reporting review with the WaSC reporting review periods?

Yes

JN for WildFish

June 2025