



# Water resource management plan annual review and annual data return

Guidance for water companies in England and Wales

Developed by the Environment Agency and Natural Resources  
Wales

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# Introduction

As part of the water resources management plan (WRMP) process<sup>1</sup>, it is a statutory requirement for water companies to produce an annual review of their plan. This guidance provides a framework for you to follow to:

- report on the progress against your WRMP
- highlight any changes made to your WRMP
- report on the actions the Environment Agency or Natural Resources Wales and Defra or the Welsh Government have asked you to work on after you have published your final plan
- report an overall summary of the supply-demand situation

This guidance applies to all water companies in England and Wales and has been agreed with Defra and the Welsh Government.

Water companies that operate wholly or mainly in Wales must send their annual review statement to Welsh Ministers. If their supply area also includes any part of England they must also send their annual review to the Secretary of State. Water companies that operate wholly or mainly in England must send their annual review to the Secretary of State. If a water company's supply area also includes any part of Wales they must also send their annual review to Welsh Ministers.

Although there is no legal requirement for annual review statements to be published, we recommend that annual reviews are made available to the public. If you choose to publish your annual review statement, it must exclude any information that is commercially confidential or has implications for national security. If in doubt, you should check with Defra and/or the Welsh Government before publishing.

## When and where to send your annual review and annual data return

You must submit your annual review before the anniversary of the publication of your final WRMP.

We strongly encourage you to provide an annual data return and complete the data table, as it is an effective way to set out your water balance and demonstrate progress with your WRMP.

To reduce data returns burdens, water companies have submitted these historically in June along with annual data returns, which show the water balance from the previous financial year and demonstrate progress with a WRMP. You can submit your annual review earlier than the anniversary of the publication of your plan if you wish to combine the annual review submission with the annual data return.

### **For water companies who combine the WRMP annual review and annual data return:**

You should send the annual review and annual data return table (appendix 1) to the Secretary of State or Welsh Ministers using the contact details below, by the end of June each year. Subsequent annual reviews can be published by the anniversary of the previous annual review.

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<sup>1</sup> For more details on the WRMP process, visit <https://www.gov.uk/guidance/balancing-water-resources> or <https://naturalresources.wales/guidance-and-advice/environmental-topics/water-management-and-quality/water-resource-management-planning/?lang=en>

## **For water companies that do not combine the WRMP annual review and annual data return:**

You must send your annual review to the Secretary of State or Welsh Ministers using the contact details below by the anniversary of your WRMP. You should also send the annual data return table (appendix 1) to the Environment Agency or Natural Resources Wales by the end of June, using the contact details below.

**Welsh Government:** Paul Harrison, Water Branch, Energy, Water and Flood Division, Cathays Park, Cardiff CF10 3NQ. [water@gov.wales](mailto:water@gov.wales)

**Department for the Environment Food and Rural Affairs:** Defra, Water Resources Policy, Water Company Plans, Area 3D, Nobel House, 17 Smith Square London SW1P 3JR.  
[Water.resources@defra.gsi.gov.uk](mailto:Water.resources@defra.gsi.gov.uk)

**Environment Agency:** [Water-Company-Plan@environment-agency.gov.uk](mailto:Water-Company-Plan@environment-agency.gov.uk) or contact your Environment Agency River Basin Management Service contact

**Natural Resources Wales:** [suwwaterresources@cyfoethnaturiolcymru.gov.uk](mailto:suwwaterresources@cyfoethnaturiolcymru.gov.uk)

# What to include in your annual review

## 1.1. Report progress with and any changes to the WRMP

Where you have recently published a revised final WRMP, your annual review should recognise this overlap and include progress and specific items from both the previous and current plans in one submission. Any unresolved or delayed items should be carried forward.

You should report on the items detailed below. The [Water Resources Planning Guideline](#) provides more detail on methodologies and individual components. All items refer to the past year, and where an item asks for 'any changes', it refers to changes against the published WRMP. Where there are no significant changes to key components of the water balance, you should confirm this.

Progress with, and changes to, the plan should be reported at the water resource zone level.

### **General**

- Describe the overall summary of the supply-demand balance situation for the water company
- Describe your progress with any outstanding, company-specific actions detailed in the letters sent from either Defra or Welsh Government advising you to publish your plans or from the Environment Agency or Natural Resources Wales following WRMP publication
- Set out any changes to boundaries or number of resource zones
- Set out any changes to the proposed target level of service
- Where relevant to the delivery of the WRMP, describe your progress against achievement of customer outcomes and performance commitments of the business plan

### **Supply**

- Detail any outage incidents and the work being done to reduce outage
- Detail the progress with implementation of sustainability changes and/or any alterations to sustainability changes
- Set out any changes to deployable output
- Set out any changes to existing bulk supply agreements
- Set out any other changes to your supply forecast, including any changes to your assessment of impacts of climate change to your supply

## Demand

- Highlight and explain any changes to the demand forecast, including population and property forecasting. Detail any change to the source data set used for forecasting
- Present and explain actual per capita consumption (PCC) and explain any differences to the forecast PCC
- Identify and explain any changes to reported PCC as a result of implementing the [consistent approach to reporting PCC as published by Ofwat on 27 March 2018](#) and the difference this has made to each zone
- Provide an update on progress with household metering. This should include a breakdown of metering types and total number of meters installed
- Provide an update on progress with leakage management and reductions
- Identify and explain any differences between the leakage figures reported as part of the annual review of WRMPs (this submission), the information you will be submitting to Ofwat in July relating to performance against performance commitments for PR14, and the information for 2017-18 performance that will be used in Discover Water
- Identify changes (if any) to leakage reported in this submission as a result of implementing the [revised reporting guidance for leakage published by Ofwat on 27 March 2018](#), for each zone.

## Headroom and options

- Set out any changes to your target headroom forecast
- Detail your progress with and/or changes to the planning, timescales and delivery of final planning options
- Set out any changes to the options chosen, including changes to the timing or order of option implementation and changes to the volume of DO/demand savings achieved

## 1.2. Complete the data return table in Appendix 1

If you are submitting a completed data return table alongside your annual review, you should present information at the resource zone level and the water company level. You should use the most up-to-date data to complete the table in Appendix 1.

The column 'data requirement' sets out whether data are required or optional. We recognise that some of the 'optional' components are calculated to derive other components. It is your decision whether you submit these data in support of other components, but it is not a requirement. You should still describe any changes to key components and their effect on the supply-demand balance, even where no data is provided.

We expect you to demonstrate progress with your WRMP through the annual review. The annual data return table is a sub-set of the information we ask for in a WRMP which we expect you to use in monitoring your own progress.

In general, we do not expect a new set of water resources planning tables to be submitted for the annual review. We encourage you to consider whether a revised set of full planning tables may be more appropriate to illustrate where significant changes have been made to the supply-demand balance, your ability to meet environmental obligations or where there are significant differences to what your customers' expect. You should determine whether significant changes (relative to the WRMP data) have occurred to components of the water balance and/or the supply-demand balance. Where this is the case, the reasons for changes should also be presented in the annual review report. Such changes are not routinely considered a 'material' change of the WRMP.

### 1.3. Forward look

You should include a forward look to highlight challenges, risks, milestones and any changes to your planned outcomes that may affect the delivery of your WRMP.

Having an open dialogue with regulators will help you to mitigate risks and resolve issues as quickly as possible. It also provides an opportunity for you to formally highlight any concerns and/or request information that you may require to implement your WRMP. You should highlight where new approaches or information may affect your WRMP or supply-demand balance. This will indicate the work areas that may require further liaison over the coming year.

We will work with you to provide feedback on your annual review and progress outstanding issues throughout the year.