

# **A consultation on the government's proposed strategy for the third round of the climate change Adaptation Reporting Power**

## **A Defra consultation**

### **Introduction**

The Consumer Council for Water (CCWater) is the statutory consumer organisation representing water and sewerage consumers in England and Wales. We have four regional committees in England and a committee for Wales.

We welcome the opportunity to share our views on this consultation on the government's proposed strategy for the third round of the climate change Adaptation Reporting Power.

### **Proposal for reporting**

#### **Do you agree that reporting in the third round should continue to be voluntary?**

No. We think that reporting should be compulsory. Under a voluntary system, there are organisations that should be reporting but don't. In the last round of reporting, for example, only 12 out of 22 water companies submitted reports.

We would expect all companies that rely on infrastructure, and/or provide essential services to customers should be required to report on climate change adaptation. As mentioned in the consultation document (page 8), the act of reporting provides legitimacy to climate change issues and demonstrates action towards resilience to stakeholders. These two issues (legitimacy and action towards resilience) are key for water companies and their customers, given customers' expectations for a safe, secure, reliable water and sewerage service now and in the longer-term.

#### **Do you agree with the principles for reporting in the third round?**

We support the principles suggested for reporting in the third round. We agree that reporting should not result in increased regulatory burdens or duplicate data/information that is already being produced. As part of their regulatory reporting requirements, water companies already have a wealth of data and information that can be used for climate change adaptation reporting.

Furthermore, reporting should be done in a way that builds on from previous rounds of reporting. It would be useful if subsequent/future reporting rounds also consider the recommendations of any evaluations done on the adaptation reports.

We also agree with the last principle, where the main objective of reporting is to support the integration of climate change risk management in the work that water companies (and other organisations) do. We think that the second part of the objective (understanding the level of preparedness) links well with water companies' duty to provide resilient water and sewerage services.

We look forward to the outcome of the proposed work with Ofwat (page 21) to produce a report to allow further understanding of Ofwat's assessment of the resilience of the water sector to current and future climate impacts.

Finally, it would be useful if the resulting document(s) is (are) ‘customer friendly’ - something that the general public can understand. After all, it is (water) customers who will bear the risks and pay the price if their providers do not have adequate adaptation plans in place.

### **Do you agree that reporting in the third round should build on the second round by agreeing sector or organisational reporting proposals?**

We would support the proposals where companies should build on the work that has already been done. This would be useful if it took into account not only the specific risks for each sector but also the potential interdependencies between sectors.

We support the proposal (page 21) for Government to work with water companies to produce an ‘Adaptation Reporting Power template’ to reduce unnecessary duplication of work and to help track progress towards the sector’s resilience to climate change. It would be useful if companies could set out the key risks that are comparable, such as drought and flood resilience. This could be in an appendix that sets out the various risks in a uniform and comparable way.

It will be useful to have more clarity on which water companies will participate in this plan, and why not *all* water companies will be taking part (i.e. is it a water company or Defra decision) .

### **Timescales**

#### **Do you agree that the reporting date should be determined by sector, reflecting on regulatory or business pressures within the reporting window of 2019-21 with a final deadline of December 2021?**

We agree with this. Adaptation reporting requirements for water companies should take into account the pressures of existing cycles of work for Drought Plans, Water Resources Management Plans and Business Plans, as part of the five-year Price Review process.

### **Approach to using the reporting power criteria**

#### **Do you agree that the criteria for identifying eligible organisations are reasonable? Are there other factors that might be useful to consider?**

Yes, the criteria are reasonable. We would like to see all water companies reporting, given that they are Statutory Undertakers and provide a public service.

### **Enquiries**

Enquiries about this consultation response should be sent to:

Dr Ana-Maria Millan

Policy Manager

Consumer Council for Water

e-mail: [anamaria.millan@ccwater.org.uk](mailto:anamaria.millan@ccwater.org.uk)

mobile: 07810 655309