Supplementary Information

HAVANT BOROUGH COUNCIL COUNCIL WEDNESDAY, 22ND MARCH, 2023

Please note that the attached supplementary information was unavailable when the agenda was printed.

Agenda No Item

7 Cabinet/Board/Committee Recommendations

1 - 16

To consider any recommended minutes from the Cabinet and any of the Boards or Committees.

1) Human Resources Committee – 09 March 2023

Pay Policy Statement and Pensions Policy

Full Council is recommended to endorse the recommendation of the HR Committee and approve:

- The Proposed 2023/24 Pay Policy Statement, as tabled in Appendix A
- The Statement of Policy on Pensions, as tabled in Appendix B

2) Cabinet - 22 March 2023

Property Asset Management System

Recommendation and report to follow

3) Cabinet – 22 March 2023

Council Tax Resolution (2023/24)

To note the changes to the Council Tax Resolution 2023/24.

4) Cabinet – 22 March 2023

Increase In Capital Expenditure Through In-Year By Use Of Reserves Re. Site At Southmoor Lane, Havant

5) **Cabinet – 22 March 2023**

Local Authority Housing Fund

Recommendation and re	port to	follow
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Water Testing

8 Responses To The Draft Water Resource Management Plan 17 - 42

NON EXEMPT

HAVANT BOROUGH COUNCIL

CABINET 22 March 2023

Increase in capital expenditure through in-year by use of reserves re. site at Southmoor Lane, Havant

FOR DECISION

Portfolio Holder: Cllr Tim Pike

Key Decision: Yes

Report Number: HBC/126/2023

1. Purpose

1.1. The purpose of the report is to seek a decision for a release of corporate reserves to fund a surrender of lease at the above site.

2. Recommendation

TO APPROVE

a. The use of Corporate Reserves in order to facilitate the surrender of the head leasehold interest in the council owned site at Southmoor Lane, Havant.

3. Executive Summary

- 3.1 HBC own the freehold interest of the site registered under title HP385403.
- 3.2 The current lease granted to Suez Recycling and Recovery Southeast Ltd is for a term of 123 years from 20th Feb 1989 subject to 5 yearly reviews. (An 'old lease' pre-Landlord and Tenant Covenants Act 1995)
- 3.3 The lease suffers from various restrictions including restrictions on user and assumptions regarding the hypothetical term to be valued.
- 3.4 The current passing rent is £65,000 pax. The February 2019 review has been provisionally agreed at £80,000 but not formally documented.
- 3.5 Various discussions took place with Suez regarding HBC purchasing their interest/ accepting a surrender of Suez long leasehold interest.

Provisional agreement was reached on the following terms:

• Capital payment to Suez of £400,000 in lieu of surrender of long leasehold interest on a full and final settlement basis.

Conditional upon:

- Suez yielding up the site with vacant possession by an agreed long stop date of 31st March 2023. Target date for vacant possession is 24th March 2023.
- All back dated rent to be paid by Suez from Feb 2019 until conditionality fully discharged equating to approx. £60,000
- 3.6 In summary, the agreed terms to acquire Suez interest/ accept a surrender offers HBC greater future opportunities for the site from an operational and asset management perspective.
- 3.7 The independent valuations fully support the proposed surrender of Suez long leasehold interest on those agreed terms as summarised above.
- 3.8 There is scope for HBC to re purpose the site for operational use or to generate additional revenue by way of future redevelopment of the site subject to the usual planning constraints and risks
- 3.9 The recommendations contained within this report are fully supportable from an asset management perspective and represent 'best consideration' in accordance with HBC's statutory and governance requirements.

4. Additional Budgetary Implications

- 4.1. The report requests a drawdown against the HBC Corporate reserves. Payment will be required on completion of the acquisition of the Long Leasehold interest of the site
- 4.2. There will be a loss of revenue rental income, (currently budgeted at £65,000 per annum), from the time of transacting ie completion of the surrender until the site is 're-purposed and re let/ developed. In addition, void/ holding costs would be incurred whilst the site is vacant and unoccupied. Assume 6 month letting void. This has been factored into the Council's Medium Term Financial Planning assumptions.
- 4.3. However, the surrender and 're purpose' of the industrial site could unlock various options on other HBC owned sites and realise additional revenue over the medium to long term.

5. Background and relationship to Corporate Strategy and/or Business Plans

5.1. The recommendations contained within the report are fully consistent with the latest HBC Corporate Strategy 2022 – 2025.

6.0 Options considered

- 6.1 Various asset management options have previously been evaluated for the site in advance of agreement being reached to accept a surrender of Suez long leasehold interest.
- 6.2 Do nothing option is not considered an option and would be subject to litigation risk/ a claim by Suez if the Deed of Surrender is not completed by the long stop date.
- Disposal of the long leasehold interest to a third party would also be a probability if HBC withdrew from the contract. This would represent a lost opportunity for HBC to merge the freehold and long leasehold interest realising 'marriage value'.

7. Resource Implications

7.1 Financial Implications

Appendix A sets out 10 year cash flows based upon original and updated information and assumptions.

Section 151 Officer Comments

Date: 10th March 2023

A financial appraisal has been carried out on the proposal attached at appendix A. The appraisal evaluates the value of rent that could be derived from the site if it was just used for open storage, this would require no further investment from the Council.

The appraisal shows that with rent at that level the council will recover its investment in the site and that this is an appropriate use of corporate reserves as it will have a positive impact on the Council's Medium Term Resource Strategy and therefore reserves will not fall below a prudent value. An update on the level of reserves was reported to Full Council on the 23rd February.

Once the long lease has been secured the Council may look at other options for this site that could be more financially advantageous but those are not considered as part of this report.

7.2 Human resource implications

Not applicable.

7.3 Information governance implications

Not applicable.

7.4 Other resource implications

Not applicable.

8 Legal Implications

8.1.1 Completion of the surrender would also resolve the legacy issues and historic breaches associated with occupation of the site.

Monitoring Officer comments

Date: 9th March 2023

The financial aspect to this real estate transaction involves utilisation of reserves. Constitutionally this is something Cabinet would decide in terms of in year use of reserves, as per Standing Order 64.

Specifically, Standing Order 64.3.1 provides that Cabinet may increase in-year use of reserves (in addition to the use of reserves planned in the budget calculations) provided that such use of reserves do not exceed £1,000,000 in aggregate in a financial year and provided that the Chief Finance Officer has certified in writing that such use of reserves would not cause the Council's overall reserves to fall below a prudent level.

Any such use of reserves shall be reported to the next meeting of Full Council

9.0 Risks

- 9.1 Invalid assumptions adopted for appraisal purposes and deterioration in conditions of the property market albeit this is considered unlikely over the next 12 months.
- 9.2. Failure to mitigate letting voids within target timescales.
- 9.3 Any macro-economic factors outside of HBC's control.
- 9.4. Risk of Suez being unable to comply with conditionality to yield up the site with vacant possession, (which is considered low).
- 9.9. Privity of Contract liability ie recourse against original tenant (pre Landlord and Tenant Act 1995) will end once surrender completed on a full and final settlement basis.

10. Consultation

- 10.1. Detailed consultation with Portfolio Holder, Leader, Chief Exec and Senior Finance Officer took place w/c 25th April 2022
- 10.2. Further briefing with PH took place on 11th May 2022. Chair of Scrutiny to briefed on 11th May 2022 and approved.
- 10.3. Final briefing/ consultation to take place with Leader, Deputy Leader, Portfolio Holder and EMT on 8th March 2023.
- 10.4. Comms Team to be briefed in advance of completion of surrender with Suez and final date confirmed.

11. Communication

11.1. See comments above.

12. Appendices

12.1. Appendix 1: 10 year cash flow assuming surrender and re let of site for open storage purposes.

13. Background papers

13.1. None.

Agreed and signed off by:

Portfolio Holder: Cllr Tim Pike (13/03/23)

Head of Service: Chris Riggott (14/03/23)

S151 Officer: Wayne Layton (14/03/23)

Monitoring Officer: Mark Watkins (14/03/23)

Contact/ Author of Report:

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Havant Lorry Park Investment Appraisal - Based on letting to be used as Open Storage.

1 Purchase Cost	£400,000
2 Less Back rent	(£60,000)
3 Legal Costs	£5,000
4 Agents Fees	£22,500
5 Planning Costs	£10,000
6 Stamp Duty	£9,500
7 Net Cost	£387 000

9	Stamp Duty Calculation						
9	Stamp Duty	Cap	ital Payment	Star	np Duty		
	0%	£	150,000	£	-		
	2%	£	100,000	£	2,000		
	5%	£	150,000	£	7,500		
L		£	400,000	£	9,500		

8 Cost of Capital		3.50%
9 Area (Sq ft)		100,000
10 Income per sqft	£	2.25
11 Total Income	£	225,000

Year		2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
12 Inflation Multiplier 3%		1.000	1.030	1.061	1.093	1.126	1.159	1.194	1.230	1.267	1.305
13 Year	0	1	2	3	4	5	6	7	8	9	10
14 Capital Cost	£387,000										
15 Holding Costs	1387,000	£9,000									
16 Income Already enjoyed		£80,000	£80,000	£80,000	£80,000	£80,000	£92,742	£92,742	£92,742	£92,742	£92,742
17 Rental Income		(£112,500)	(£225,000)	(£225,000)	(£225,000)	(£225,000)	(£260,837)	(£260,837)	(£260,837)	(£260,837)	(£260,837)
18 Net Cashflow	£387,000	(£23,500)	(£145,000)	(£145,000)	(£145,000)	(£145,000)	(£168,095)	(£168,095)	(£168,095)	(£168,095)	(£168,095)
19 DCF	1.000	0.966	0.934	0.902	0.871	0.842	0.814	0.786	0.759	0.734	0.709
20 PV	£387,000	(£22,705)	(£135,359)	(£130,782)	(£126,359)	(£122,086)	(£136,745)	(£132,121)	(£127,653)	(£123,336)	(£119,166)
21 NPV	(£789,312)										
22 Cumulative Cashflow	£ 387,000 £	363,500 £	218,500 £	73,500 -£	71,500 -£	216,500 -£	384,595 -£	552,689 -£	720,784 -£	888,879 -£	1,056,974
23 Pay Back working	1	1	1	1	0	0	0	0	0	0	0
24 Payback in Whole Years	4										

- 1 Gross purchase cost of the long lease.
- 2 4 Years back rent at £15,000 per annum.
- 3 Estimated Havant Legal Costs
- 4 Agents Fees at 10% of passing Rent
- 5 Estimated Planning costs that may be required to sore containers on the site.
- 7 Net Capital Cost including legal fees, planning and any remedial woks, this is the amount that needs to be drawn from reserves.
- 8 This is the risk free rate of return as prescribed by the Treasury Green Book.
- 9 Approximate area of the site.
- 10 Expected price per sqft achievable.
- 11 Annual rental Income (9. x 10.)
- 12 This is the inflation multiplier based on 1% per annum with a rent review at the end of year 5.
- 11 The year
- 14 Net Capital Cost including legal fees, planning and any remedial woks, this is the amount that needs to be drawn from reserves.
- 15 $\,\pm$ 1,500 per month for 6 months, after which time the site should be tenanted.
- 16 The site already attracts a rent of £80,000 per annum that's built into the cash limited budget..
- 17 As 11. First year assumes a 6 month void
- 18 Net Cash Flow
- 19 Discount Factor applied for calculation of NPV
- 20 Present value of in year cash flows
- 21 Net Present Value of cumulative cash flows over 10 years.
- 22 Cumulative cash flow
- 23 Payback Working
- 24 Number of years the project takes to pay back the initial investment.

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NON EXEMPT

HAVANT BOROUGH COUNCIL

CABINET 22 March 2023

Water testing in Langstone Harbour

FOR DECISION ANDFOR NOTING

Portfolio Holder: Cllr Elizabeth Lloyd

Key Decision: No

Report number: HBC/128/2023

1. Purpose

For a decision on Havant Borough Council's approach and involvement with water quality sampling in Langstone Harbour

2. Recommendation

- a. Cabinet is requested to NOTE the need for water quality sampling in Langstone harbour
- b. Cabinet is requested to RECOMMEND to full Council that :
 - 1. The Cabinet Lead for Local Plan, Environment and Water Quality be authorised to work with Langstone Harbour Board to put in place a programme of water quality sampling in Langstone Harbour.
 - 2. Cabinet Lead for Local Plan, Environment and Water Quality to report back to full Council on progress.

3. Executive Summary

- a. During a meeting of the Full Council held Wednesday 22 February 2023 the Council resolved to continue to work closely with partners to monitor the sampling of seawater in Langstone Harbour.
- **b.** The motion called for Havant Borough Council (HBC) to work with Portsmouth City Council (PCC) to develop regular water quality sampling to understand the environmental, health and safety impact within the harbour
- **c.** A Meeting was held with Officer's from PCC to understand the scope of the programme of monitoring approved by PCC.

d. Parallel discussions between HBC and Langstone Harbour Board (LHB) have highlighted that it also has a material interest in understanding current water quality within Langstone Harbour, that it has capacity for the physical collection of samples, and that it is willing to work in partnership with HBC to ensure that the programme is able to deliver a meaningful judgement of water quality.

4. Additional Budgetary Implications

a. None

5. Background and relationship to Corporate Strategy and supporting strategies and policies

- a. There is no requirement or duty for the Council to assess water quality, work toward the meeting of water quality targets for public health protection, nor to provide the stakeholders with accurate information about the associated risks to health. With specific regard to the public health impacts of water pollution, the Council's duties are limited to its role as a bathing water controller (Beachlands & Eastoke), and insofar as its general role in emergency planning.
- b. However, the waters of both Langstone and Chichester Harbours are known to be popular for many other activities such as kite surfing, wind surfing, paddle boarding, kayaking, sailing etc., and there is significant public interest in their quality as both a leisure destination and for their intrinsic environmental & ecological value.
- c. As part of the Pride in Place theme, the Corporate Strategy highlights that the Council will "aim to take measures to promote and embed environmental matters and consider environmental impacts in all our decisions to help tackle climate change".
- d. The Council is already working closely with the Environment Agency, Portsmouth City Council, Southern Water and the Langstone Harbour Board to ensure our water quality is the best it can be, however the Councils own harbour sampling programme ceased at the close of the 2015 bathing season.
- e. At least two short sea outfalls discharge to Langstone Harbour, carrying storm wastewater when the treatment capacity at Budds Farm is exceeded. Discharges by the sewage undertaker, Southern Water (SW), during or after periods of heavy rainfall are necessary to prevent flooding in urban areas during storm periods which would itself have significant impacts on both human health and the environment. The regulating authority for wastewater discharges is Environment Agency (EA).

- f. The presence of these outfalls, together with network Combined Sewer Overflows (CSO's) has led to significant public concern and media interest in the impact that wastewater treatment works can have upon local water quality.
- g. Some members of the public who undertake recreational water activities have reported ill health following a visit to Langstone Harbour, and local Campaign groups suspect that poor water quality may be the cause.
- h. Whilst Chichester Harbour Conservancy operates an ongoing water quality sampling programme within Chichester Harbour, only limited sampling is available in the public domain in respect of Langstone Harbour, post-dating 2015.
- i. The Council has previously decided not to pursue a discretionary sampling regime, however it is recognised that there is a paucity of recent information relating to water quality within Langstone Harbour, and that it might be an appropriate time to consider how to gather up to date water quality information in order to support informed decision-making.
- j. The proposal would be 7 sampling locations, using an accredited lab for 20 weeks, with weekly collections. The costs of this would be £4,683 +VAT for analysis and some costs for courier services (upper limit of £1000 expected).

6. Options considered

- **a.** HBC making a financial contribution to PCC's sampling programme. Option not favoured as PCC's current provision would not yield sufficient sampling density within Langstone Harbour.
- **b.** HBC reinstate a discretionary sampling programme. This option has been considered by HBC officers, relatively recently, and was dismissed at the time.
- c. Making a detailed recommendation to Langstone Harbour Board to achieve stated objectives. This is a favoured option, as Langstone Harbour has access to watercraft, has permanent staff which have the requisite Health & Safety training to operate in a marine environment, and has a routine presence on the water.

7. Resource implications

a. Financial implications

- 1. Whilst we would expect LHB to manage the collection of samples, and their transit to the laboratory for analysis, there would still be some financial input from the council as there's a legal obligation for the council to part fund LHB at times when their budget runs at a deficit
- 2. HBC officers may be required to contribute time in a technical capacity to advise on the rationale for the recommended sampling programme, and/or to assist in using the results obtained in the making of appropriate water quality judgements.

Section 151 Officer comments

As per the main body of the report the total cost of this testing regime is likely to be in the region of £5,700 and will be charged to via precept from the Langstone Harbour Board.

Through the precept mechanism Portsmouth City Council would contribute 50% of this. The Council's share of this will be £2,850 and will be met from existing cash limited budgets, for this one-off testing regime.

The officer time for Council will also be met from existing cash limited budgets.

10/3/23

b. Human resources implications

1. none

c. Information governance implications

1. None

d. Climate and environment implications

1. The data collected would allow an informed position to be understood by all users of Langstone Harbour.

e. Other resources implications

1. None

8. Legal implications

No direct legal implications arise would arise as a result of this decision.

Monitoring Officer comments

HBC has no statutory duty or responsibility with regards to water quality The Environment Agency (EA) is responsible for monitoring and classifying bathing water quality at designated bathing waters. The EA regulate the activities of the sewerage undertakers, including permitted releases, and have powers to take enforcement action in relation to pollution of waters. These powers are not available to HBC. HBC has previously facilitated meetings with Southern Water with a view to addressing the issue of water quality in the Borough and this paper is serves as an extension of that initiative and is in accordance with the decision taken recently at full Council on this as referenced earlier in this Report

15/3/23

9. Risks and mitigations

- **a.** It assumes that there are sufficient resources available at LHB to undertake sample collection
- **b.** Technical support for assessment of water quality results may require resources of HBC staff

10. Consultation

a. None

11. Communications

a. Communication with local stakeholders would be prudent including Hayling Sewage Watch, Surfers Against Sewage, Havant Matters, and Save our Island.

12. Appendices

a. Proposed Sampling locations

13. Background papers

a. None

Agreed and signed off by:

Portfolio Holder: [Cllr Elizabeth Lloyd15.3.23]

Executive Head: [Neeru Kareer 15.3.23]

Monitoring Officer: [Mark Watkins 15.3.23

Section 151 Officer: [Wayne Layton 10.3.23]

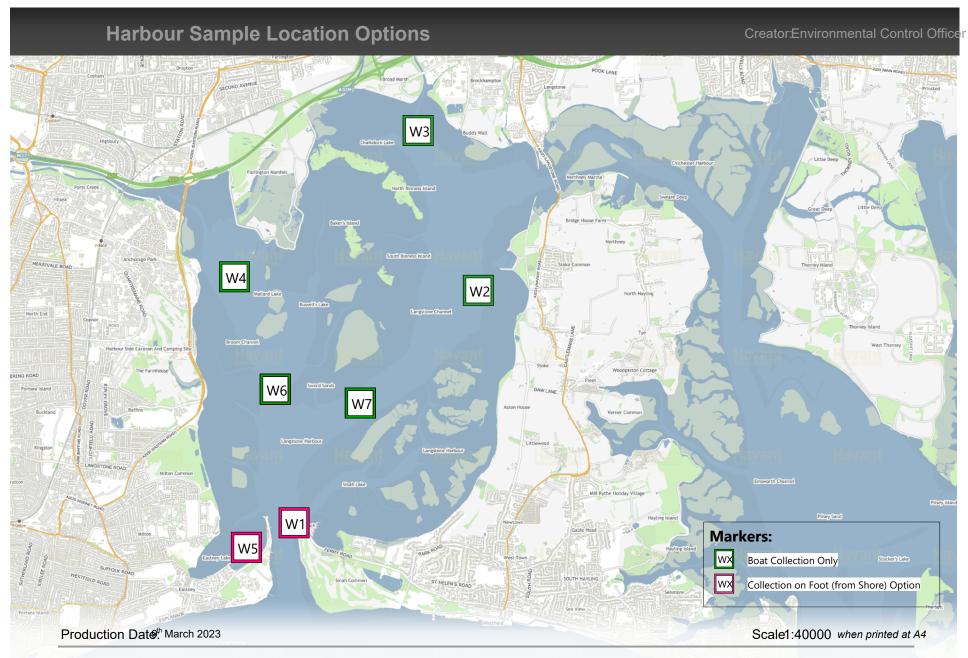
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NON EXEMPT

HAVANT BOROUGH COUNCIL

FULL COUNCIL

22 March 2023

RESPONSES TO THE DRAFT WATER RESOURCE MANAGEMENT PLAN CONSULTATIONS FOR PORTSMOUTH WATER AND SOUTHERN WATER

FOR NOTING

Portfolio Holder: Cllr Elizabeth Lloyd – Cabinet Lead for

Local Plan, Environment and Water Quality

Key Decision: No

Report number: HBC/129/2023

1. Purpose

a. This paper is submitted to Full Council for noting.

2. Recommendation

- **a.** Full Council are requested to:
 - i. Note the public meeting which took place on 15 February 2023 with representatives of Portsmouth Water and Southern Water about how water is provided in the future;
 - ii. Endorse the consultation responses, which were approved at Cabinet on 8 February 2023, to the Draft Water Resources Management Plans for Portsmouth Water (Appendix A) and Southern Water (Appendix B) and submitted to the two water companies, including the addendum (Appendix C) summarising the issues raised at the public meeting described in i;
 - iii. Note that Cabinet Delegated authority to the Cabinet Lead for the Local Plan, Environment and Water Quality (in consultation with the Leader) to submit responses to future formal and informal consultations regarding the Budds Farm Water Recycling Project and that relevant officers would continue to feed in relevant information to the project.

- iv. Endorse the letter from the Leader to the Chief Executive of Portsmouth Water seeking clarification as to whether recycled water would be provided to Portsmouth Water customers (Appendix D); and
- v. Endorse the letter from the Leader to the Secretary of State for the Environment Food and Rural Affairs and the Secretary of State for Levelling Up, Communities and Housing regarding the development of the Hampshire Water Recycling project (Appendix E).

3. Executive Summary

- a. The history of Havant Borough is inherently linked to water. The Homewell Springs are one of the best examples of chalk springs in the UK. It is incumbent upon the Council to ensure that the feature for which Havant is best known is protected for future generations.
- **b.** Water companies are required to prepare Water Resource Management Plans (WRMP) every five years and these are subject to statutory consultation.
- c. On 8 February 2023 Cabinet approved responses to the WRMPs for both water companies. Following this, on 15 February, a public meeting took place to give residents the opportunity to ask Portsmouth Water and Southern Water questions about how water is provided in the future, taking into account the growing need and the pressures of climate change. This included questions about the proposed Hampshire Water Transfer and Recycling Project, which would use Havant Thicket Reservoir. The submitted responses to the WRMP consultations (Appendices A and B) included a summary of the issues which were raised at the public meeting.

4. Additional Budgetary Implications

a. None.

5. Background and relationship to Corporate Strategy and supporting strategies and policies

- a. As part of the Pride in Place theme, the Corporate Strategy highlights that the Council will "aim to take measures to promote and embed environmental matters and consider environmental impacts in all our decisions to help tackle climate change".
- b. Water is intrinsically linked to Havant's history and development. The Homewell Spring saw Havant become a centre for the treatment of animal skins for leather and parchment making, as well as the

production of tallow and other by-products. The mineral-rich qualities of the spring water gave Havant parchment its distinct whiteness. It is said that it was used for the Magna Carta (1215) and the Treaty of Versailles (1919).

- c. This has continued since with the water from the springs now supplying most of southern Hampshire and West Sussex.
- d. Effective water resource planning is essential in striking the correct balance and ensuring that there is a plentiful supply of water to residents and businesses, that this can adapt to the challenges of climate change and protect the natural environment. Every five years, statutory Water Resources Management Plans set out each company's intended approach for at least the next 25 years.
- e. Water companies are increasingly required to work collaboratively and on a regional basis, in order to ensure that areas where water is more plentiful are able to assist those where there is less water or where abstraction licenses need to be revisited.
- f. Within this context, abstraction licenses on the Rivers Test and Itchen must be reduced to protect those chalk streams. This led to the bringing forward of the Havant Thicket Reservoir, which has now been granted planning permission. The planning permission relates to the reservoir's use as a winter storage reservoir storing excess spring water emitted during the winter in order for it to be used during the summer months when water is scarcer.
- g. Since permission was granted, the project has developed to include a proposal to filter treated wastewater from Budds Farm. This treated and filtered wastewater would then be pumped to the reservoir, together with excess spring water from the aquifer. This mix of water in the reservoir, including rainfall, would then, under this proposal, be pumped to the relevant treatment works across Southern Water's catchment for potable water, and processed to drinking water standards.
- h. The project has been classified as a Nationally Significant Infrastructure Project. As such, the eventual Development Consent Order application will not be determined by Havant Borough Council but by the Secretary of State for Levelling Up, Housing and Communities through the Planning Inspectorate. Havant Borough Council would be a consultee on the application.
- i. The responses to the WRMP consultations (Appendices A and B) raise concerns regarding the proposals and the potential for environmental harm. In addition, concern is raised regarding the uncertainties which remain.

- j. Following concerns raised by resident groups in the borough, The Leader hosted and chaired a public meeting on Wednesday 15 February at 5pm. Representatives from both water companies were invited to answer questions put to them by residents on the proposals to recycle treated wastewater.
- k. An addendum (Appendix C) setting out the issues which were raised through the public meeting was sent with the responses to the WRMP consultations which the Cabinet approved on 8th February 2023 as Havant Borough Council's response to the WRMP consultations of both water companies
- I. The public meeting on 15th February is considered to have been successful in enabling residents to speak directly with representatives of both water companies and to hear direct answers to specific questions. All of the tickets for the event were taken up and it was featured in local press and on South Today.
- m. The addendum summarising the issues (Appendix C) notably draws out:
 - The trustworthiness of Southern Water to safely run the recycling plant and provide drinking water, following a court case and substantial fines for untreated sewage releases, and ongoing releases
 - Public accountability of private water companies
 - Greater transparency and clarity needed on whether Portsmouth Water customers will be supplied with drinking water using recycled water as a source
 - Why water recycling proposals did not form part of the planning application for Havant Thicket Reservoir
 - Whether all alternative supply options have been fully explored
 - Why this is a Nationally Significant Infrastructure Project (NSIP) to be determined by Development Consent Order (DCO) route, rather than local planning permission?
 - Role of the Local Authority in decision making
 - Poor advertising of consultations
- n. At this point, the Havant Thicket Reservoir has undertaken considerable evolution. For many years, it was proposed as a winter storage reservoir. In more recent years, the need for the reservoir came out of the requirement to reduce abstraction on the Rivers Test and Itchen. This though was the basis on which both Havant Borough Council and East Hampshire District Council granted outline planning permission for the scheme in 2021.
- o. Critically, the use of recycled water from Budds Farm Wastewater Treatment Works and the involvement of Southern Water only formed part of the planning proposals for the reservoir <u>after</u> it gained planning permission.

- p. This represents a significant change to the proposals put forward. In addition, more recently, uncertainty has emerged regarding whether Portsmouth Water customers would also receive water from the reservoir, containing a mix of spring water and recycled water, or if it will be solely to supply Southern Water's Otterbourne Water Supply Works. As such it is considered appropriate to seek clarification from Portsmouth Water regarding this as it will assist local residents in understanding precisely what is proposed and enable them to feed into the proposals in a timely manner.
- q. Furthermore it is also considered necessary to highlight this matter to the Secretary of State for the Environment Food and Rural Affairs and to work with Government to ensure that the Development Consent Order is considered on a full understanding of the development proposed, with all interested stakeholders given the opportunity to contribute.
- r. Moving forwards, the Council should continue to closely monitor the emerging proposals and engage with both water companies and other stakeholders in the process. To this end, delegation is sought for the Cabinet Lead (in consultation with the Leader) to submit relevant responses to consultations on this project. Given the size and scale of the project, there is a great deal of technical information which the Council holds on topics such as environmental considerations, ground contamination and socio-economic matters. In line with best practice, Southern Water are seeking such information and technical liaison with officers and it is recommended that this be provided in order to inform the Development Consent Order.

6. Options considered

a. Not applicable.

7. Resource implications

a. Financial implications

i. There are no immediate financial implications of the submission of the proposed consultation responses. A Planning Performance Agreement (PPA) is in the process of being agreed which will cover staffing costs of engagement with this project at this stage. Moving forwards, particularly at the stage of the submission of a Development Consent Order, it is likely to require specialist advice in order for the Council to appropriately and robustly respond. This would have a cost implication.

Section 151 Officer comments

9 March 2023

There are no direct financial implications arising from this report. Any future requirement to engage specialist advice, (with associated costs), will be subject to a further report to, and decision from, committee.

b. Human resources implications

i. Similar to financial implications, there are no human resources implications of the submission of the proposed consultation responses. Moving forwards, whilst the PPA would cover staffing costs, particularly at the stage of submission of a Development Consent Order, it is likely to require internal as well as specialist resources in order for the Council to appropriately and robustly respond. This would likely require diversion of officer resource from other projects.

c. Information governance implications

i. None.

d. Climate and environment implications

i. The environmental impact of various ways of ensuring adequate water supply need to be carefully considered. This is the main theme highlighted in the proposed responses.

e. Other resources implications

i. None.

8. Legal implications

a. No immediate or direct legal implication arise

Monitoring Officer comments

Water companies have a statutory duty to prepare, consult, publish and maintain Water Resource Management Plans (WRMPs). These documents demonstrate how sufficient water will be provided to meet the demands of customers over a certain period.

In anticipation of this, they consult with regulators and stakeholders during the preparation of their plans and then publish a draft for wider consultation. As Portsmouth Water supplies water to the Borough, the Council is considered one such stakeholder and is expected to formally contribute to the development of the WRMP.

Any representations must be considered and responded to in a Statement of Response, which is also published. The Secretary of State will then decide whether the plans can be finalised or whether a hearing or inquiry should be held beforehand

09/03/23

9. Risks and mitigations

a. The proposals within this report constitute responses to consultations only. There are no discernible risks from responding to the consultations.

10. Consultation

a. No specific consultation is necessary.

11. Communications

a. It is notable that the proposed water recycling project is advancing. As such, it is considered appropriate for the Council to publish a page on the website explaining the proposals, Havant Borough Council's role and linking residents to Portsmouth Water and Southern Water's websites where they can find out more

12. Appendices

- **a.** Response to the Water Resources Management Plan for Portsmouth Water.
- **b.** Response to the Water Resources Management Plan for Southern Water.
- **c.** Addendum to Water Resource Management Plan submissions notes of the public meeting of 15 February.
- **d.** Letter to Portsmouth Water

e. Letter to relevant secretaries of state

13. Background papers

a. Cabinet Paper of 8 February 2023 - Responses to the DRAFT Water Resource Management Plan Consultations for Portsmouth Water and Southern Water¹

Agreed and signed off by:

Portfolio Holder: Cllr Elizabeth Lloyd (10 March 2023) Executive Head: Neeru Kareer (15 March 2023) Monitoring Officer: Mark Watkins (9 March 2023) Section 151 Officer: Wayne Layton (9 March 2023)

Contact officer:

Name: David Hayward

Job title: Planning Policy Manager **Phone number:** 07718125935

Email: david.haywad@havant.gov.uk

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¹ https://havant.moderngov.co.uk/ieListDocuments.aspx?Cld=128&Mld=12641&Ver=4



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Via email only

Enquiries to: Councillor Alex Rennie

Direct line:

Email: alex.rennie@havant.gov.uk

My reference: Your reference:

Date: 20 February 2023

Dear Sir or Madam

PORTSMOUTH WATER DRAFT WATER RESOURCES MANAGEMENT PLAN 2024 CONSULTATION RESPONSE

Thank you for consulting Havant Borough Council on your Draft Water Resources Management Plan 2024 which sets out how Portsmouth Water intends to achieve safe drinking water supplies for our residents and businesses.

We welcome the opportunity to work with Portsmouth Water on this plan, together with other water companies including Southern Water. We also support Portsmouth Water's recognition of the increasing challenges of climate change, population growth and the pressing need to support our natural environment together.

We are pleased to set out comments on the various elements of the Plan below, which focus on new water supplies into the future.

Do you support the balance between saving water from leaks, metering and water efficiency, and water being supplied from new sources?

The Council is obviously aware of Southern Water's Hampshire Water Transfer and Water Recycling Project which includes proposals to recycle wastewater from Budds Farm Wastewater Treatment Works and transfer it into Havant Thicket Reservoir in order to boost the amount of water the reservoir could supply to Hampshire during a drought.

The Council fully recognises the importance of addressing the significant and urgent need to address Hampshire's water shortfall and welcomes the efforts that are being made by Southern Water to address this. However, we do have concerns relating to the use of recycled treatment wastewater as a technology which would be new to this country, and in fact the first of its kind in the UK.

The process of using recycled water has a potentially high environmental impact and we remain unconvinced that this is the best way to tackle the water supply deficit in Hampshire.

The Council considers that better demand management and increased capacity at other reservoirs would reduce the demand for water from being supplied from new sources. We therefore welcome acknowledgement that from 2025 there is the potential to supply an additional 9 million litres of water each day in Hampshire, and from 2029 a further 21 million litres from Havant Thicket Reservoir which in turn, reduces the amount of water which would need to be supplied from elsewhere. Indeed it is noted that Southern Water themselves plan to increase water supplies into the west of the region through a proposed new reservoir close to Blackstone in West Sussex.

History of Havant Spring

The Borough of Havant is perhaps best known for its acclaimed spring water, which is regarded as one of the best examples of Chalk karst springs in the UK. In fact, this is how the town derives its name, being known in 935AD as 'Hamafunta' the spring of Hama.

For much of our history, fresh water has played a vital part in local commerce, from water mills to parchment manufacture to brewing. We are a Borough built on the remarkable natural geography of the Bedhampton Spring.

The springs are large, with a combined flow of approximately 104 000 m3/day — enough to fill 40 Olympic-sized swimming pools every day.

During the winter, much of this water flows into Langstone Harbour, excess to the drinking needs of the Borough. Indeed in 2021 I was pleased to support plans for the Havant Thicket Reservoir and a pipeline to fill it with spring water which will be the first new reservoir to be built in the South East since the 1970s.

Havant Thicket Reservoir

The new reservoir will be a fantastic resource and will reduce the water strain on the South East. We welcome and still support the reservoir. However, throughout the process, Councillors were told that this reservoir would be filled from excess water from the Bedhampton Springs. The below extract is from Page 2 of the 121 Page planning application.

"The reservoir, when constructed, would be filled with surplus water drawn from the springs at the Bedhampton works during the winter when flows are at their highest - via a new combined inlet/outline pipeline. The reservoir would provide water supplies to Portsmouth Water customers in the summer months as required. Additionally, it would allow Portsmouth Water to transfer water to East Hampshire to supply Southern Water's customers, even in a severe drought."

Havant Borough Council has serious concerns about why Southern Water did not make clear its wish to use water recycling during the planning process for the outline planning application that concluded last summer. This would have I'm sure have had an impact on the public perception on the reservoir project and application. Residents in this Borough are wary of Southern Water due to the reputational impact of the record £90million fine that it received for 6,971 unpermitted sewage discharges in 2021.

We welcome the commitment that, before providing support for this option Portsmouth Water will need to be satisfied that the recycled water from this project will need to meet strict, high drinking water quality standards. In addition, that it would need to be demonstrated that there would be no detrimental impact on Portsmouth Water's environmental commitments around Hayant Thicket Reservoir.

The Council agrees that it is of the utmost importance that the proposal is correctly scrutinised to ensure it delivers safe drinking water in an environmentally responsible way. As a Nationally Significant Infrastructure Project, the Secretary of State is the consenting authority in place of the Council as the local planning authority. As such, it is appropriate for there to be meaningful engagement and cooperation between Southern Water, Portsmouth Water and the Council before the proposal is submitted for consideration through the Development Consent Order process.

In particular, the Council has sought ongoing engagement between Southern Water and our residents in relation to the water recycling project between now and the formal consultation on the Hampshire Wastewater Transfer and Recycling Project which took place during the Summer 2022.

Do you support our plans to help homeowners and businesses save water?

Countries around the world are facing rising goods and energy prices, inflation and cost of living pressures, and the UK is no exception. The rising cost of living is affecting everybody in different ways.

We welcome Portsmouth Water's initiatives to save water which will help our residents and businesses to reduce the cost of water and energy bills.

Conclusion

Havant Borough Council welcomes this draft Water Resources Management Plan which will help to secure safe drinking water supplies for our residents and businesses over the next 50 years. It is a key priority of the Council to deliver infrastructure projects that will help towards addressing climate change, and indeed we look forward to working with you to deliver the Plan. Whilst we recognise there is a very clear need to address the water shortfall in deficit, we remain unconvinced that Southern Water's water recycling project represents a sound environmental solution.

Yours faithfully

Alex Rennie

Councillor Alex Rennie Leader of the Council



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Email: alex.rennie@havant.gov.uk

My reference: Your reference:

Date: 20 February 2023

Dear Sir or Madam

SOUTHERN WATER DRAFT WATER RESOURCES MANAGEMENT PLAN 2024 CONSULTATION RESPONSE

Thank you for consulting Havant Borough Council on your draft Water Resources Management Plan (WRMP) 2024 which looks ahead to how drinking water will be supplied to residents and businesses across the South East.

We support Southern Water's recognition of the increasing challenges of climate change and population growth, and the pressing need to improve and enhance the natural environment for future generations. We also welcome Southern Water's efforts to work with others including Portsmouth Water but consider that it needs to go much further in engaging with local residents and communities particularly in terms of how water supply is to be sourced in the future.

The Council fully recognises the importance of addressing the significant and urgent need to address Hampshire's water shortfall and welcomes the efforts that are being made by Southern Water to address this. However, we have concerns relating to the Hampshire Water Transfer and Water Recycling Project which includes proposals to recycle wastewater from Budds Farm Wastewater Treatment Works and transfer it into Havant Thicket Reservoir in order to boost the amount of water the reservoir could supply to Hampshire during a drought.

We have concerns relating to the use of recycled treatment wastewater as a technology which would be new to this country, and in fact the first of its kind in the UK. It is therefore of the utmost importance that the project and the proposal are correctly scrutinised to ensure it is the appropriate way to deliver safe drinking water in an environmentally responsible way.

As a Nationally Significant Infrastructure Project, the Secretary of State is the consenting authority in place of the Council as the local planning authority. As such, it is appropriate for

there to be meaningful engagement and cooperation between Southern Water, Portsmouth Water and the Council before the proposal is submitted for consideration through the Development Consent Order process.

History of Havant Spring

The Borough of Havant is perhaps best known for its acclaimed spring water, which is regarded as one of the best examples of Chalk karst springs in the UK. In fact, this is how the town derives its name, being known in 935AD as 'Hamafunta' the spring of Hama.

For much of our history, fresh water has played a vital part in local commerce, from water mills to parchment manufacture to brewing. We are a Borough built on the remarkable natural geography of the Bedhampton Spring.

The springs are large, with a combined flow of approximately 104 000 m3/day — enough to fill 40 Olympic-sized swimming pools every day.

During the winter, much of this water flows into Langstone Harbour, excess to the drinking needs of the Borough. Indeed in 2021 I was pleased to support plans for the Havant Thicket Reservoir and a pipeline to fill it with spring water which will be the first new reservoir to be built in the South East since the 1970s.

Havant Thicket Reservoir

The new reservoir will be a fantastic resource and will reduce the water strain on the South East. We welcome and still support the reservoir. However, throughout the process, Councillors were told that this reservoir would be filled from excess water from the Bedhampton Springs. The below extract is from Page 2 of the 121 Page planning application.

"The reservoir, when constructed, would be filled with surplus water drawn from the springs at the Bedhampton works during the winter when flows are at their highest - via a new combined inlet/outline pipeline. The reservoir would provide water supplies to Portsmouth Water customers in the summer months as required. Additionally, it would allow Portsmouth Water to transfer water to East Hampshire to supply Southern Water's customers, even in a severe drought."

Havant Borough Council has serious concerns about why Southern Water did not make clear its wish to use water recycling during the planning process for the outline planning application that concluded last summer. This would have I'm sure have had an impact on the public perception on the reservoir project and application.

Southern Water

For residents in this Borough, they are already wary of Southern Water due to the reputational impact of the record £90million fine that it received for 6,971 unpermitted sewage discharges. Whilst the company says that it has changed, residents in this

Borough, would want to see long-lasting commitment and proven action before agreeing to a radical proposal on how our drinking water is delivered.

In addition, we have commented on various elements of the consultation below as follows.

Do you agree that water recycling has a role to play in securing water supplies for the future?

The process of using recycled water has a potentially high environmental impact. The Council remains unconvinced that this is the best way to tackle the water supply deficit in Hampshire. Indeed, the draft WRMP itself recognises that it is energy intensive option which could impact on the environment.

The Council considers that better demand management and increased capacity at other reservoirs would reduce the demand for water from being supplied from new sources. In particular, it is noted that Thames Water is developing plans for a new South East Strategic Reservoir which could enable up to 120 million litres per day being transferred into Hampshire. In tandem with this the draft WRMP includes proposals to increase water supplies into the west of the region through a new reservoir close to Blackstone in West Sussex.

A new strategic reservoir is an integral part of the regional best value plan for the South East. Do you have any comments on the size of the new reservoir? Does your position change if the size of that reservoir (which will supply the transfer into Hampshire) impacts on the size of water recycling plant needed at Havant Thicket)?

The Council does not consider the case for the Hampshire Water Transfer and Water Recycling Project has been fully developed. The fact that it is still being progressed as an option suggests that it may not be needed, or that there may be an alternative. There would appear that there is a great detail of further work to be undertaken before the next consultation on the project in the summer.

In particular, there remains uncertainty given the size and timing of the South East Strategic Reservoir which will impact on the size of the water recycling plant needed to serve Havant Thicket. The principle of the need for the water recycling plant at Havant Thicket is therefore questioned.

Conclusion

Whilst Havant Borough Council welcomes Southern Water's plans to address Hampshire's water shortfall, it remains unconvinced that the Hampshire Waste Transfer and Wastewater Recycling Scheme represents a sound environmental solution.

As set out in the Council's previous consultation response dated 16th August 2022 in relation to the Hampshire Water Transfer and Water Recycling Project consultation during the summer, engagement with our residents needs to be ongoing between now and the next consultation on this project in summer 2023. Water recycling is not a technology which is familiar to most in the UK. This only emphasises the need to focus on engagement as part of the proposal so that all stakeholders can respond on an informed basis. We would welcome discussions about how a package of engagement could rolled out, focussing on raising awareness of the project and what it entails before the consultation in the Summer 2023.

Yours faithfully

Alex Rennie

Councillor Alex Rennie Leader of the Council

Havant Borough Council Response to Draft Water Resources Management Plan, February 2023

Appendix 1: Questions and Concerns Raised by Residents

Following concerns raised by resident groups, Havant Borough Council hosted a public meeting at its offices on 15 February 2023.

Residents were given the opportunity to ask Southern Water and Portsmouth Water questions about how water is provided in the future, including the proposed Hampshire Water Transfer and Recycling Project.

Questions and concerns raised by residents covered the matters set out below. The Council would like these matters to be considered as part of this consultation response and would encourage these to be fully addressed by the water companies in their public communications and their submissions to support the DCO process for the water Recycling Project.

Trust in the Southern Water

- The trustworthiness of Southern Water to safely run the recycling plant and provide drinking water, following a court case and substantial fines for untreated sewage releases, and ongoing releases
- Transparency of company ownership, organisational structure, funding arrangements etc
- Balance of investments in infrastructure vs dividends paid to shareholders
- Public accountability of private water companies
- Treatment of land owners on pipeline route

Interaction between Southern Water and Portsmouth Water

- Greater transparency and clarity needed on whether Portsmouth Water customers will be supplied with drinking water using recycling as a source
- The cost of the project and who will pay for it, including whether Southern and Portsmouth Water customer bills will be affected
- Why water recycling proposals did not form part of the planning application for Havant Thicket Reservoir
- Impact of proposal on environmental credentials of Havant Thicket Reservoir

The need for the water recycling project

- Independent oversight of the water company's assessment of need
- Whether all alternative supply options have been fully explored
- Whether alternative locations for water recycling infrastructure have been fully explored
- Whether water companies are doing enough to stop leakages

- Whether profit is the driver for this project
- Why Havant Thicket Reservoir cannot be filled purely with spring water to meet the identified need

Technical Matters

- The ability of the technology to remove harmful chemicals, pharmaceuticals, pathogens, hormones etc to make recycled water safe for human consumption and the environment
- Future monitoring of the system and public access to data
- Safety measures in case of failures of the system
- Effects on the flavour of the local drinking water
- Effect on the environment, in particular on the reservoir, rivers and the harbours
- Whether recycled water will only form part of supply during a drought, or all the time
- Energy requirements of the technology, in particular in light of the current energy crisis and carbon neutrality targets
- Number, length and location of pipelines

Decision Making and Public Engagement

- Why this is a Nationally Significant Infrastructure Project (NSIP) to be determined by Development Consent Order (DCO) route, rather than local planning permission?
- Role of the Local Authority in decision making
- The sign off process for this project and opportunities of public influence
- Poor advertising of consultations eg why was information not provided with water bills?
- Need for compulsory purchase of land
- Delivery timescales



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My reference: Your reference: Date: 22 March 2023

FOLLOW UP TO RESPONSE REGARDING THE DRAFT WATER RESOURCES

Dear Mr Taylor

MANAGEMENT PLAN

Thank you for consulting Havant Borough Council on your Draft Water Resources Management Plan 2024 which sets out how Portsmouth Water intends to achieve safe drinking water supplies for our residents and businesses. You will note that the Council responded to that consultation.

Thank you also for attending our public meeting, held on 15th February, which enabled the Borough's residents to ask questions directly of yourselves and your colleagues in Southern Water about how water is provided in the future, taking into account the growing need and the pressures of climate change. This includes the proposed Hampshire Water Transfer and Recycling Project, which would use Havant Thicket Reservoir.

I'm sure that you can appreciate that our residents significantly value the history of the Havant springs and how this affects the quality of their drinking water. For much of our history, fresh water has played a vital part in local commerce, from water mills to parchment manufacture to brewing. We are a Borough built on the remarkable natural geography of the Bedhampton Spring.

In considering the proposed water recycling project, I consider it essential that the information which our residents receive is clear and unambiguous. One uncertainty which has emerged is whether Portsmouth Water customers will continue to receive water directly from the Havant Springs or whether water from Havant Thicket Reservoir would also be supplied to them.

Councillors and residents were sold the idea and supported the concept of a fresh water reservoir. However, we are now concerned about shifting positions of our local water companies. Now we understand from our engagement that recycled water will be mixed with our Bedhampton Spring water for Portsmouth Water customers. This has raised great concern amongst the public and members.

I would appreciate a clear position from Portsmouth Water on this matter so that residents can come to their conclusions on the proposals for Havant Thicket Reservoir with the benefit of clear, unambiguous proposals in front of them.

To be clear, Havant Borough Council has supported the Havant Thicket Reservoir, as a winter storage reservoir for spring water, for decades. In more recent times, by granting planning permission for the reservoir, we are demonstrably supporting the use of spring water to ensure that the nation's valued chalk streams at the Rivers Test and Itchen are afforded the high level of protection they need.

We understand how new technology can further assist in reducing the abstraction from such sources, including leakage reduction, bulk transfers and water recycling. However whilst we have an excess of spring water in Havant we cannot support the use of water recycling to provide drinking water in Havant Borough, unless aquifer supply is insufficient to serve Portsmouth Water customers. We understand that this would not be the case for the foreseeable future, even including allowances for climate change.

We are also concerned about how these changes are being communicated to residents in the Borough. At this point, there has not been any external communication which suggests that water supply to Portsmouth Water customers could come from any source other than the Bedhampton Springs, as it always has.

Therefore, I'd be grateful if you could answer the following questions:

- 1. Can you confirm for the public record that Portsmouth Water is planning to supply recycled water to Portsmouth Water customers?
- 2. If the answer to 1 is yes, would this be throughout Portsmouth Water's network or in specific areas?
- 3. If the answer to question 1 is yes, would this be all year round, during summer conditions or at times of drought?
- 4. If the answer to question 3 is that water from Havant Thicket Reservoir would be regularly supplied to Portsmouth Water customers, do you have any concerns that customers would be more cautious about the safety of the water they are drinking, leading to increases in the use of bottled water?
- 5. What is the current excess flows from Bedhampton Springs on a daily basis and how does this change throughout the year?
- 6. Would any additional pipelines need to be constructed (beyond what is proposed by Southern Water) to allow recycled water to reach Portsmouth Water customers?
- 7. Would Portsmouth Water re-consider any plans to supply recycled water to its customers based upon widespread public opposition?
- 8. Would the inclusion of recycled water into Havant Thicket Reservoir change the types of leisure activities which can take place, compared to what was set out in the original planning application?

9. What is Portsmouth Water's communication plan moving forwards to ensure your customers are kept up to date with Southern Water's proposals for Havant Thicket and how this might affect them?

As you can appreciate, we are very concerned by the nature of these plans. However, I still look forward to continuing to work with Portsmouth Water as a company engrained within Havant's history and which continues to be a key local employer.

Yours faithfully

Councillor Alex Rennie
Leader of the Council

CC Laurence Gosden - Chief Executive of Southern Water





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Via email to Rt Hon Thérèse Coffey MP (Secretary of State for Environment and Rural Affairs) & Rt Hon Michael Gove MP (Secretary of State for Levelling Up, Housing and Communities)

Enquiries to: Councillor Alex Rennie

Direct line:

Email: alex.rennie@havant.gov.uk

My reference: Your reference: Date: 22 March 2023

Dear Ms Coffey & Mr Gove

HAMPSHIRE WATER RECYCLING FROM BUDDS FARM WASTEWATER TREATEMENT WORKS

I am writing to you to ensure that you are fully appraised of an emerging Nationally Significant Infrastructure Project in Hampshire, namely the proposal to use recycled water from the Budds Farm Wastewater Treatment Works to supplement spring water in the Havant Thicket Reservoir.

Havant Borough Council understands the increasing challenges of climate change and population growth, and the pressing need to improve and enhance the natural environment for future generations.

The Council fully recognises the importance of addressing the significant and urgent need to address Hampshire's water shortfall and welcomes the efforts that are being made by Southern Water to address this. However, we have concerns relating to the Hampshire Water Transfer and Water Recycling Project which includes proposals to recycle wastewater from Budds Farm Wastewater Treatment Works and transfer it into Havant Thicket Reservoir in order to boost the amount of water the reservoir could supply to Hampshire during a drought.

We have concerns relating to the use of recycled treatment wastewater as a technology which would be new to this country, and in fact the first of its kind in the UK. It is therefore of the utmost importance that the project and the proposal are correctly scrutinised to ensure it is the appropriate way to deliver safe drinking water in an environmentally responsible way.

The process of using recycled water has a potentially high environmental impact. The Council remains unconvinced that this is the best way to tackle the water supply deficit in Hampshire. Indeed, Southern Water's draft Water Resources Management Plan (WRMP) itself recognises that it is energy intensive option which could impact on the environment.

The need for such technological solutions could also be greater reduced with better demand management. Since 2019, due to the need for all development to be nutrient neutral, Havant Borough Council has conditioned all new development to need no more than 110 Litres per person per day (L/P/D) of drinking water. This is 15L below what is required through the Building Regulations and can be achieved solely through efficient fixtures and fittings, without energy intensive technological measures. Updating the Building Regulations to require this across the country or in water stressed areas would further reduce the need for energy intensive increases in water supply. Welcome progress has been made so far within allowing local authorities to require higher levels of water efficiency. Nonetheless, Government could go further through the updates to the National Planning Policy Framework, requiring water efficiency in new homes of 100 L/P/D or less, using rainwater harvesting or grey water recycling. Furthermore, measures could be put in place so that large scale, water intensive commercial operations make extensive use of grey water sources for activities such as crop irrigation, maintenance of golf courses and within industry.

The Council considers that better demand management and increased capacity at other reservoirs would reduce the demand for water from being supplied from new sources. In particular, it is noted that Thames Water is developing plans for a new South East Strategic Reservoir which could enable up to 120 million litres per day being transferred into Hampshire. In tandem with this the draft WRMP includes proposals to increase water supplies into the west of the region through a new reservoir close to Blackstone in West Sussex.

For residents in this Borough, they are already wary of Southern Water due to the reputational impact of the record £90million fine that it received for 6,971 unpermitted sewage discharges. Whilst the company says that it has changed, residents in this Borough, would want to see long-lasting commitment and proven action before agreeing to a radical proposal on how our drinking water is delivered.

History of Havant Spring

The Borough of Havant is perhaps best known for its acclaimed spring water, which is regarded as one of the best examples of Chalk karst springs in the UK. In fact, this is how the town derives its name, being known in 935AD as 'Hamafunta' the spring of Hama.

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The springs are large, with a combined flow of approximately 104 000 m3/day — enough to fill 40 Olympic-sized swimming pools every day.

During the winter, much of this water flows into Langstone Harbour, excess to the drinking needs of the Borough. Indeed in 2021 I was pleased to support plans for the Havant Thicket

Reservoir and a pipeline to fill it with spring water which will be the first new reservoir to be built in the South East since the 1970s.

Original proposals for Havant Thicket Reservoir, which have been granted planning permission

The winter storage reservoir proposals, receiving spring water from the aquifer, will be a fantastic resource and will reduce the water strain on the South East. We welcome and still support the reservoir. However, throughout the process, Councillors were told that this reservoir would be filled from excess water from the Bedhampton Springs. The below extract is from Page 2 of the 121 Page planning application.

"The reservoir, when constructed, would be filled with surplus water drawn from the springs at the Bedhampton works during the winter when flows are at their highest - via a new combined inlet/outline pipeline. The reservoir would provide water supplies to Portsmouth Water customers in the summer months as required. Additionally, it would allow Portsmouth Water to transfer water to East Hampshire to supply Southern Water's customers, even in a severe drought."

Havant Borough Council has serious concerns about why Southern Water did not make clear its wish to use water recycling during the planning process for the outline planning application. This would have I'm sure have had an impact on the public perception on the reservoir project and application.

The Council does not consider the case for the Hampshire Water Transfer and Water Recycling Project has been fully developed. The fact that it is still being progressed as an option suggests that it may not be needed, or that there may be an alternative. There would appear that there is a great detail of further work to be undertaken before the next consultation on the project in the summer.

In particular, there remains uncertainty given the size and timing of the South East Strategic Reservoir which will impact on the size of the water recycling plant needed to serve Havant Thicket. The principle of the need for the water recycling plant at Havant Thicket is therefore questioned.

As described above, the Bedhampton Springs has always been our main source of water. Its excess flows have made the possibility of a reservoir possible. Therefore, we are not supportive of any plans to supply this water to Portsmouth Water customers in the Borough as there is quite simply not the need.

We understand that the environmental pressures on rivers such as the Itchen and Test might mean that for Southampton residents the benefits outweigh some of the challenges that we are raising here. However, we do not see that as the case for residents in the Borough of Havant.

In conclusion, Water recycling is not a technology which is familiar to most in the UK. This in particular emphasises the need to focus on engagement as part of the proposal so that all stakeholders can respond on an informed basis. As part of this, it is critical that this information is clear, unambiguous and fully in the public domain so that all interested stakeholders can come to a considered view on the proposals.

But ultimately, we remain unconvinced that these proposals are in the best interests of Havant residents. Therefore, we are asking that when taking the next steps in deciding the Development Consent Order you consider the needs of Portsmouth Water customers and Southern Water separately. The needs and demands of the two areas are different and unique.

I look forward to hearing back from you on this mater.

Yours faithfully

Councillor Alex Rennie
Leader of the Council