

# Fact Sheet

## Water Strategy 2008



## What the strategy means for business and industry

**With much of industry already metered for mains water use, the gains from cutting water waste are not only environmental but economic.**

By implementing simple monitoring and water management measures, it is possible for an industrial site that has not considered its water use before to make savings of up to 30% of its water and effluent bills at little or no cost. Savings could increase to 50% by investing capital in long-term water saving projects.

The Food and Drink Federation has responded to the challenge of saving water with a partnership agreement to reduce consumption by 20% by 2020 compared to a 2007 baseline. It is estimated that the initiative could potentially save 140 million litres of water per day and a combined financial saving of around £60m per year on water bills.

We welcome the water industry's commitment to take 20% of its energy from renewable sources by 2020.

Water charges do not reflect the full environmental cost of water usage though, and Defra will continue to work with industry to promote more efficient use of resources.

### For design and manufacture

**We want efficiency to motivate improvements to design and innovation in water technology.**

Amendments to the Building Regulations - which include a minimum standard of efficiency for new homes - and the new Code for Sustainable Homes will help act as drivers. Later this year we will review the regulations covering the maximum water use of fittings like toilets and washing machines.

Manufacturers, builders and designers can help their business customers to become more water efficient by using the Government Water Technology List. Through the WTL the Government encourages a more sustainable use of water, as products on the list must meet predefined water saving criteria. Businesses investing on WTL listed technologies can benefit from accelerated tax relief by claiming the Enhanced Capital Allowance on their capital investment.

## For the water sector

**Water companies already offer advice on water efficiency and publicise the range of measures available to householders.** This can include the provision of free or subsidised water saving devices as well as help to reduce water wastage through leaking pipes and fittings.

Fair charging and affordability are key concerns for the Government. The review of water charging will encourage water companies to take a more flexible approach and consider the role of tariffs in future charging models. We want them to think beyond the current arrangements allowed for in 25 year water resource management plans.

The improvement in leakage performance needs to continue. Since 1994/95 when leakage peaked, it has been reduced by 33% in England and Wales. Leakage rates are now comparable with the lowest in Europe, and last year only one of the water companies failed to meet its targets.

Leakage not only wastes water, it wastes the energy used in treating and distributing it. Eliminating leaks completely is not possible, but over time we expect new technology and improved management techniques to enable companies to reduce leakage levels further.

## For agriculture

**Although agriculture uses only 1% of water resources, there are significant regional and seasonal variations.** In some regions agriculture uses as much as 16% of abstracted water. Daily irrigation in summer can exceed abstraction levels for public use and damage habitats.

Agriculture has a major contribution to make to reducing pollution from nutrients – phosphorous and nitrates – in our water environment: about 60% of nitrates and 25% of phosphorous in our water bodies comes from agriculture, principally through manure and fertiliser.

We need to tackle some of this through regulation - for instance we are currently considering comments on our proposals to revise the Nitrates Action Programme and to extend the coverage of Nitrate Vulnerable Zones. But we will continue to work with farmers in other ways as well.

Between 2006 and 2008 over £20 million was spent providing advice and support to farmers in 40 priority catchments under the England Catchment Sensitive Farming Development Initiative, and we shall roll out initiatives over a further three years in support of catchment sensitive farming. Details will be available in due course. We shall be looking to use a combination of approaches – regulatory, advisory and supportive - to address pollution from agriculture under the Water Framework Directive, taking account of responses to our recent consultation on the mix of approaches to adopt. And we shall encourage water companies to work with farmers to tackle pollution at source, as a number have already done, in circumstances where that is more cost effective than treating water at the point of abstraction to make it fit to drink.