

Appendix 3 – Dŵr Cymru Welsh Water Statement of Common Ground

ANGLESEY AND GWYNEDD JOINT LOCAL DEVELOPMENT PLAN STATEMENT OF COMMON GROUND Between Dwr Cymru Welsh Water (DCWW) and Anglesey and Gwynedd Councils

Date: June 2016

Introduction

- 1.1. This is a joint statement produced by Anglesey and Gwynedd Council and Welsh Water to address deliverability of the Joint Local Development Plan (JLDP) allocations with regard to the capability of the water and sewerage infrastructure.
- 1.2. In preparing the JLDP the Council undertook consultation with Welsh Water on infrastructure capacity and any likely constraints to proposed site allocations under consideration for inclusion within the JLDP. In determining the list of potential site allocations for the JLDP the Council had regard to the comments made by Welsh Water as well as those of other statutory consultees.
- 1.3. The comments provided by Welsh Water on the proposed housing allocations within the JLDP identifies where infrastructure constraints related to water supply issues or wastewater treatment works (WwTW) capacity issues may occur over the lifetime of the JLDP and where improvements to accommodate growth may be required.
- 1.4. The demands on Welsh Water's water and sewerage network changes over time. Appendix 1 of this document provides an update in terms of the capability of the water and sewerage infrastructure to accommodate the proposed site allocations.
- 1.5. Appendix 1 also considers the capability of Welsh Water's infrastructure to accommodate the flows from the proposed employment allocations. Welsh Water has advised that it is difficult to provide definitive capacity comments for employment allocations as the potential demands on their infrastructure is unknown at present. Once the type of 'end user' is known and details of the water and waste requirements are confirmed, further assessments will be undertaken. Welsh Water are only obliged to take 'domestic' foul flows from the allocations and should the 'end user' require a trade discharge to the public sewer then the consent of Welsh Water as the sewerage undertaker is required.

Welsh Water's role in the context of the JLDP

- 1.6. Welsh Water's capital investment is undertaken through a five-yearly Asset Management Plan (AMP) programme which seeks to fund large scale utility (water/sewerage/wastewater treatment works) infrastructure works. AMP 6 is currently being delivered which runs from 1st April 2015 to 31st March 2020.
- 1.7. Welsh Water is a 'not for profit' company and its level of investment must be affordable to customers as it is effectively charges raised through customer bills that fund the capital investment. Whilst Welsh Water cannot give assurances as to the amount of funding that will be approved through the AMP process, they are under a legislative duty to extend their systems to accommodate development.
- 1.8. Welsh Water need some certainty in terms of growth areas and site development proposals when preparing their 5 yearly AMP submission. Information contained in adopted LDPs helps guide where investment is required, and an adopted JLDP for Anglesey and Gwynedd will provide a degree of certainty that allocations

are likely to be delivered as the Water Industry Regulator, Ofwat, will not provide funding for unconfirmed growth. The disparity between a LDP's 15 year timeframe and a water company's 5-year AMP invariably means that certain allocations may need infrastructure investment prior to delivery. Accordingly, once the JLDP is adopted, infrastructure that requires investment to accommodate growth will form part of future submissions to Ofwat for funding in the next AMP (AMP7, 2020-2025).

1.9. Whilst it is unlikely that all of the required infrastructure improvements identified by Welsh Water will receive funding through the AMP process this does not mean that development in areas of infrastructure constraint cannot proceed. Developers can either fund improvements themselves via the planning obligations process (detailed in appendix 2), or enter into a requisition process (detailed in appendix 3) to provide the infrastructure to bring forward development in advance of AMP investment. At this stage Welsh Water cannot advise on specific scheme costs as potential solutions to identified infrastructure constraints have yet to be developed.

1.10. Welsh Water consider that there are no insurmountable constraints regarding the capability of the water and sewerage infrastructure to accommodate the proposed growth, or the capability for any required infrastructure improvements to be delivered. For some allocated sites there will be a requirement for developers to contribute to the provision of off-site water mains and/or sewers to connect sites to the existing water and sewerage networks and, dependant on the scale and density of the developments, for hydraulic modelling assessments (HMAs) of the networks to be undertaken at the developers expense to establish connection points and/or any network improvements required. These requirements are normal routine prerequisites for developers in the progression of large development sites and are not expected to impede the delivery of site allocations. As such, a combination of improvements through AMP investment, developer contributions via the S106 process, and the requisition process can ensure that the allocated sites are delivered as proposed.