

Annual performance report for Hafren Dyfrdwy 2019

Prepared by the Water, Land, Biodiversity & Marine Regulatory Approaches team

Introduction

Natural Resources Wales' purpose is to pursue the sustainable management of natural resources in all our work. This means looking after the air, land, water, wildlife, plants and soil to improve Wales' well-being, and provide a better future for everyone.

We monitor the activities of water companies to minimise the impact that their assets and activities have on the environment. We do this by checking their environmental performance throughout the year in areas such as reducing pollution incidents, complying with permits and delivering environmental improvement schemes. We then publish an annual assessment of their performance.

As the environmental regulator we assess the performance of water and sewerage companies that operate within Wales to provide a picture of how companies are progressing against a range of measurable targets. This report focuses on Hafren Dyfrdwy¹'s environmental performance for 2019.

Hafren Dyfrdwy came into existence on 1 July 2018, forming a water and sewerage company that is wholly within Wales' political boundary. All² assets that were previously owned and managed by Severn Trent Water and Dee Valley Water in Wales were transferred to Hafren Dyfrdwy. To maintain reporting frequency and to aid year-on-year comparisons, we have produced this report using a combination of Hafren Dyfrdwy data and the corresponding Severn Trent Water and Dee Valley Water data from the operating area Hafren Dyfrdwy are now responsible for. See Annex 1 more information.

We also assess Dŵr Cymru Welsh Water's performance which you can find on our [website](#).

The Environment Performance Assessment (EPA) metrics used for the 10 largest water and sewerage companies in England and Wales are not applicable to Hafren Dyfrdwy. However, we use similar themes, for example pollution incidents and permit compliance.

For future reporting, we are currently working with the Environment Agency to review the EPA metrics for 2021 onwards. As part of this work we will be looking at the options for all

¹ Companies House information: HAFREN DYFRDWY CYFYNGEDIG, Company number 0352762, registered office address: Packsaddle Wrexham Road, Rhostyllen, Wrexham, Clwyd, LL14 4EH.

² The only exception is Elan Valley water treatment works which, although located in Wales, will continue to be owned and managed by Severn Trent Water. NRW will regulate this site and provide environmental performance data to the Environment Agency, so that it can be included in Severn Trent Water reporting.

water and sewerage companies in England and Wales. Any changes to how we assess Hafren Dyfrdwy would be used in 2022, when we report the company's performance for 2021.

Headline performance messages

In 2019 Hafren Dyfrdwy:

- had continued good performance in reducing pollution numbers;
- were 100% compliant with their numeric water discharge permit conditions;
- had a 100 score for the Security of Supply Index

But improvement is needed:

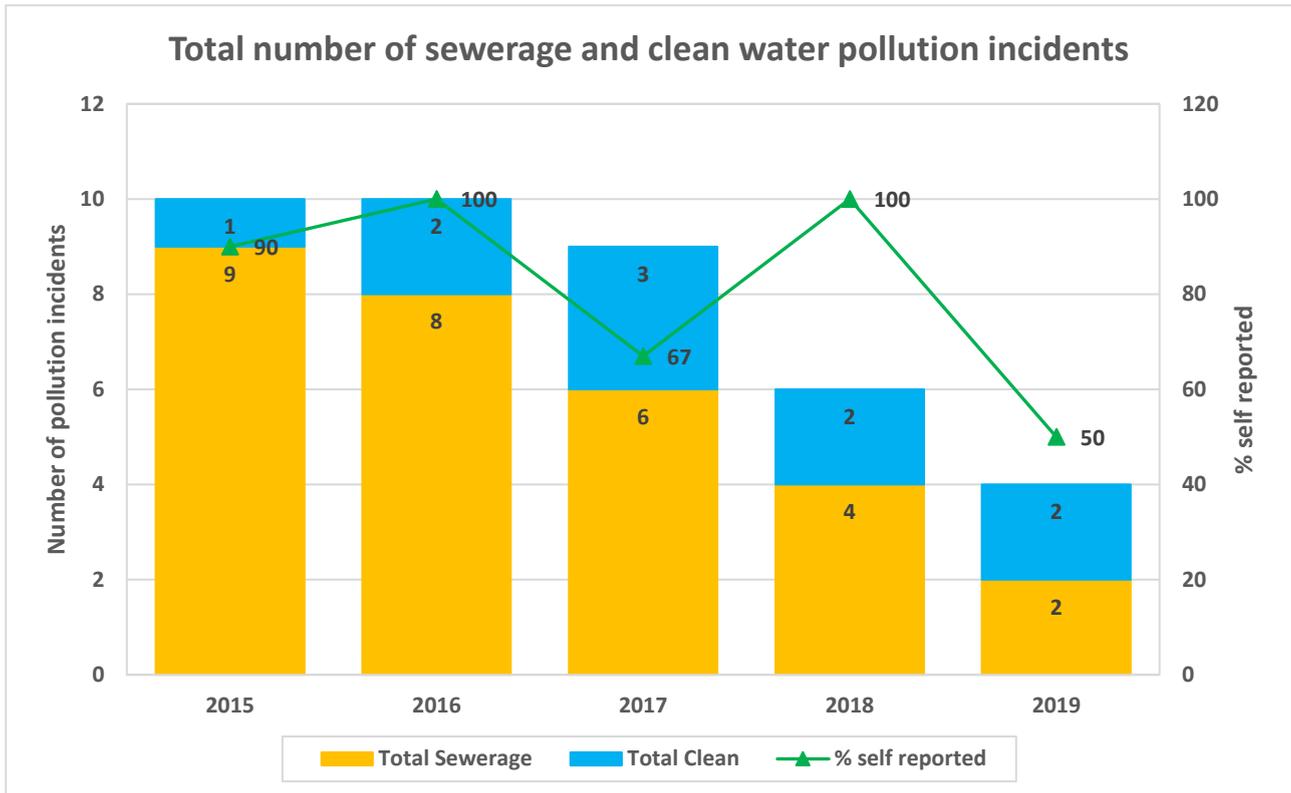
- they only self-reported 50% of their pollution incidents to us;
- 93% of water discharge permitted sites compliant with their descriptive conditions.

Pollution incidents

As a regulator we respond to a wide variety of pollution incidents, some of which are from water company assets and networks. We report on how many incidents each water company is responsible for. This is to drive continued reduction in the number of pollution incidents, aiming to reduce incidents to zero. We expect no serious (High) incidents.

In 2019 Hafren Dyfrdwy improved performance on the number of pollution incidents, there were:

- no serious (High) pollution incidents
- 2 sewerage incidents (both from Combined Sewer Overflows), both had Low environmental impact (Category 3)
- 2 clean water incidents (both from the water distribution network), both had Low environmental impact (Category 3)



Self-reporting incidents

We would like to see water companies self-report³ at least 80% of their pollution incidents.

This means we can be more confident that the water company:

- understands their assets and networks better;
- continually looks for ways to improve how they predict pollution incidents, including using their own telemetry data to improve levels of self-reporting;
- use their data to identify hot spots and target high risk locations and specific asset types;
- attends and reacts to incidents quickly to stop any impact as soon as possible.

It is disappointing that Hafren Dyfrdwy's self-reporting performance dropped in 2019 from 100% (6/6) to 50% (2/4) but we do recognise that the data set is small. We would encourage the company to consider other initiatives they could implement to achieve a higher rate of self-reporting.

Water discharge permit compliance

We issue permits for water discharges, including treated discharges from water company sewage treatment works and water treatment works. The permits require the discharge to meet specific criteria to make sure there's no deterioration to the water environment. Water

³ To report an incident to us, call our Incident Hotline on 03000 65 3000

companies self-monitor their discharges and provide data to us which we assess for compliance. We expect all permit conditions to be complied with.

In 2019 all of Hafren Dyfrdwy's sewage treatment works and water treatment works complied with their numeric permit limits. This is reassuring to see consistent 100% numeric compliance as this demonstrates that Hafren Dyfrdwy are managing their 39 numeric sewage treatment works, and 6 numeric water treatment works well.

Water discharge descriptive permit condition compliance

Descriptive conditions relate to non-numeric aspects such as maintenance, management and reporting. Overall, descriptive condition compliance at STWs and WTWs with numeric and descriptive permits is 93% (4 non-compliant out of a total of 57).

We identified 1 CCS3 breach and 3 CCS4⁴ breaches.

We expect to see an improvement in the performance of compliance against descriptive permit conditions.

Flow

Four sites exceeded their Dry Weather Flow (DWF) permitted limit, resulting in the sites receiving more sewage than permitted. Good progress has been made in obtaining comprehensive reports for exceeding sites. Hafren Dyfrdwy also continue to investigate any sites they consider to be at risk of failing their flow to full treatment (FFT) permitted limits, which means they may not be treating the amount of flow required by their permits.

The company have demonstrated they are proactively investigating these sites with an aim of securing full compliance. They have also ensured an improved internal management system is in place for MCERTS re-certification and all sites are currently compliant.

Water resources

Water resources licence compliance

No water resources licence compliance assessments were carried out in 2019. Work focused on resolving compliance issues raised in 2018.

Security of Supply index

The Security of Supply Index (SoSI) measures the extent to which the company can guarantee provision of its levels of service for restrictions of water supply (e.g. Temporary

⁴ CCS (Compliance Classification Scheme) categories are the way we categorise non-compliance breaches. They are on a scale between 1-4. CCS1 is most likely to have a serious impact on the environment to CCS4 which is likely to have little or no impact. CCS3 is likely to have minor impact to the environment.

Use Bans) if the previous year had been dry. Hafren Dyfrdwy's SoSI index score for 2019/20 is 100.

Drought planning & Water Resources Management Plans

Water companies have a duty to maintain water supplies in their area, without damaging the environment or affecting the needs of other water users. There is statutory requirement for water companies in Wales to prepare, maintain and publish water resources management and drought plans. These are published every five years.

For the latest information on Hafren Dyfrdwy's water resources management plans please refer to their website: www.hdcymru.co.uk/about-us/plan-and-strategy/water-resource-planning/water-resource-management-plan

Please also have a look at our webpages for more information on these topics:

- Water Resources Planning: naturalresources.wales/about-us/what-we-do/water/water-resource-management-planning
- Drought: naturalresources.wales/guidance-and-advice/environmental-topics/water-management-and-quality/drought

Leakage and water use

Hafren Dyfrdwy reported in its annual review for 2019/20 that the average per capita consumption (PCC), which is how much water each person uses, was 142.7 litres per person per day (l/h/d), this is an increase of 0.2 l/h/d from the previous reported annual average of 142.5 l/h/d. The total leakage was 12.95 megalitres per day for 2019/20.

We work with Ofwat to publish a wide variety of water company data which includes leakage rates and water use and this will be available at discoverwater.co.uk

Other regulatory work

AMP National Environment Programme delivery

Hafren Dyfrdwy have completed 100% of their expected Year 5 outputs from their Asset Management Plan 6 (AMP 6) National Environment Programme (NEP). The improvements delivered by the programme will mean assets achieve higher standards and deliver water quality improvements.

We have changed management of Hafren Dyfrdwy's NEP programmes, which were previously included in Severn Trent Water's AMP NEP. Now we manage Hafren Dyfrdwy's programme separately, and this started for the last year of AMP6. We will continue to work with Hafren Dyfrdwy to ensure that their AMP7 programme is delivered by 2025.

Enforcement (higher than a Warning)

In 2019 we took no enforcement action higher than a warning against Hafren Dyfrdwy.

Reservoirs

Hafren Dyfrdwy manage 16 Large Raised Reservoirs (LRRs) in Wales with a raised capacity greater than 10,000m³ which we regulate under the Reservoirs Act 1975. The purpose of this law is to prevent an uncontrolled release of water and subsequent flooding of downstream communities. Every LRR must undergo statutory periodic inspection and implement the recommendations made by an independent Inspecting Engineer. These reservoirs must also always be supervised by a qualified civil engineer and records kept of principal information and monitoring activities.

We receive regular correspondence from Hafren Dyfrdwy's Dam Safety Team illustrating inspection and supervision of reservoirs has been carried out as required. Compliance levels are generally high.

Flood Risk Management

Under the Flood and Water Management Act 2010, water and sewerage companies are defined as risk management authorities. They are required to act in a manner consistent with the National Strategy for Flood and Coastal Erosion Risk Management in Wales and have a duty to cooperate with other risk management authorities in Wales.

Every few years we produce a report for the Welsh Ministers about how flood risk and coastal erosion is managed across Wales and about the activities underway to raise awareness and increase resilience of those who are at risk. We do this on behalf of all Risk Management Authorities who operate in Wales, therefore we will include Hafren Dyfrdwy. Our latest report covers the period 2016-19 and can be found on our [Flood and coastal erosion risk in Wales](#) webpage.

Performance expectations for 2020

Considering the challenges with Covid-19 and serious storms experienced across Wales so far in 2020, we acknowledge the pressures the company has operated under given the unprecedented circumstances. They have shown resilience in their ability to maintain services.

With that in mind, we still feel that Hafren Dyfrdwy can improve their performance across their business. In 2020 we expect Hafren Dyfrdwy to:

- maintain 100% compliance with permitted numeric limits
- improve self-reporting so that all pollution incidents are self-reported
- continue to reduce pollution incident numbers, aiming for zero incidents
- maintain the SoSI index score at 100
- continue to deliver Asset Management Plan (AMP) improvement schemes to deadline.

Annex 1

Hafren Dyfrdwy was formed on 1 July 2018 but we use data in this report back to 2015.

For incident and self-reporting data, water discharge permit compliance data and water resources licence compliance data detailed in the text and graphs in this report, we have used the following data sources:

- For **2015, 2016** and **2017**: we combined data from Severn Trent in Wales and Dee Valley Water
- For **2018** we combined two periods (pre formation of Hafren Dyfrdwy on 1 July 2018 and post formation):
 - From 1 January 2018 to 30 June 2018: we combined data from Severn Trent in Wales and Dee Valley Water
 - From 1 July 2018 to 31 December 2018: we combined data from Severn Trent Water in Wales, Dee Valley Water (as some permit variations were completed post 1 July) and Hafren Dyfrdwy.
- For 2019 we only used data from Hafren Dyfrdwy.