



Hearing Session 6: Transport, Other Infrastructure: Community Facilities

Wednesday 9th April 2014, 10.00am

Council Chamber, Civic Centre, Newport

Main discussion matters

1. Infrastructure funding and delivery; SP13 Planning Obligations

What evidence demonstrates that the key elements of infrastructure needed to successfully deliver the Plan can realistically be delivered through known public funding programmes together with infrastructure contributions through the development process?

Dwr Cymru Welsh Water's funding programme

The capacity of existing and future infrastructure plays an important part in the delivery of the Local Development Plan and as a provider of water supply and waste facilities we look to the Plan to guide us where we need invest for future growth.

DCWW's investment in water and sewerage infrastructure is managed in rolling 5 year Asset Management Plans (AMPs) which seek to ensure appropriate large scale water and sewage infrastructure works are undertaken to provide capacity for growth. The current AMP, AMP5, runs from April 2010 to March 2015 and it should be noted that there are schemes for improvements/upgrades to our infrastructure in Newport that will be delivered within this AMP period. AMP6 will run from April 2015 to March 2020, and the submission for funding was applied for December 2013 but the Final Determination won't be known until November 2014.

At this moment in time, we are unable to give absolute assurances as to the amount of funding that will be approved. We do however, have a legislative duty (under Sections 37 and 94 Water Industry Act 1991, as amended) to extend our systems, which will support growth, and the information contained within the LDP supports our AMP submission for future investment. OFWAT, our Regulator sets the charging mechanisms in 5 yearly cycles and as it is effectively customers' money that funds our capital investment, therefore, this has to be affordable to our customers.

DCWW therefore require a degree of certainty in terms of potential growth and an adopted or 'sound' LDP with identified allocated development sites significantly strengthens the case that DCWW puts forward in relation to infrastructure projects required in the Newport area. OFWAT looks more favourably on LDPs that are either adopted or are considered 'sound'.

Our funding via the Regulatory Settlement envisages that almost 60% of our total investment on growth must be derived from developer contributions. As a 'not for profit' company, this reinforces the case that the additional burden of costs is passed on to those who will be developing the site. Where shortfalls occur, there are other mechanisms available for potential developers to pursue i.e. planning obligations Town & Country Planning Act 1990 and/or requisition provisions under the Water Industry Act 1991.

Newport water and sewerage infrastructure

Due to the location and density of some proposed allocations in the Local Development Plan, there will undoubtedly be a requirement for off-site water mains and sewers to be provided to the boundary of and within development sites. This is typical of a water and sewerage undertaker's requirement in safeguarding the security of water supplies to existing customers and communities and the sewerage network whilst at the same time allowing new developments to be served. The extent of off-site water mains and sewer laying in some instances can be extensive and expensive, especially for any large scale development proposals, but these services can be procured through requisition provisions of sections 40-41 and 98-101 of the Water Industry Act 1991 (as amended).

In some instances Hydraulic Modelling Assessments (HMAs) of the water and sewerage networks will be required to establish how we will provide the required services, without detriment to our existing customers, with the cost of the assessment being borne by the developer.

In terms of the sewerage network, the county is well served with public sewerage provision, with the city of Newport and areas to the north and east draining to our Nash Waste Water Treatment Works (WwTW). This WwTW also serves parts of Monmouthshire along the coastal belt as far as Chepstow.

Improvement works to create additional capacity at our Nash WWTW are being considered for inclusion within AMP6. We will know the extent of funding or if the works are included in our AMP after Final Determination in November 2014.

Matthew Todd-Jones
Lead Forward Plans Officer
Dwr Cymru Welsh Water
25th March 2014