

## **Environment Agency response to South Staffs Water Willingness to Pay research group [meeting 8.2.13]**

Thank you for the meeting on 8<sup>th</sup> February 2013 where SSW presented their latest thinking on their “WTP questionnaire” and “Developing the Valuation Framework for Cost Benefit Analyses”. Presentations were given on these topics by ICS consultants.

In summary, the Environment Agency feel that there is space within the proposed WtP methodology to incorporate a revised set of attributes to assess customer views on the impact that SSW activities have on the water environment (both flow and quality). We would be willing to work with SSW to help craft attributes accordingly.

There is some concern that insufficient time has been allocated to the WtP research group to discuss issues arising from a review of the proposals. We recognise the tight timescales that SSW are operating to but feel it is important that the CCG and associated sub-groups can demonstrate that the process is as robust as possible. This will allow SSW to gain assurances from the CCG.

### **General comments**

- The presentations had not been circulated to the WtP research group in advance and it became apparent that 2 hours (allocated for the meeting) was not enough to afford sufficient challenge and discussion on issues that arose.
- The methodology of approach seemed reasonable in that the UKWIR guidance was to be used to scope the WtP engagement.
- We are concerned that there is a heavy emphasis given to “water Quality (Biological, Chemical and aesthetic” attributes within the proposed WtP questionnaire. For instance - Boil notices, Do not use notices, discolouration, taste & odour and hardness). This is in the context of only having a limited number of attributes with which to engage customers.
- We are unclear of the process for identifying Output Performance Measure attributes as highlighted on Slide 11 of the “Developing the Valuation Framework for Cost Benefit Analyses” presentation. Specifically the delineation between the No code, WTP study, Interpolate from WTP study, Value Transfer and Additional Question in WTP study shaded boxes. More time exploring and discussing this part of the presentation would be useful.
- The focus group evidence referred to in the “Developing the Valuation Framework for Cost Benefit Analyses” presentation has (I think) yet to be seen by the WtP research group.
- Only one “environmental attribute” (Minor transient cat 3 & 4 pollutions) was included under the proposed WtP questionnaire (we would support attributes addressing % of good quality rivers rather than an absolute number of pollutions).

- The EA would strongly support the inclusion of a flow attribute (supporting % reductions in low flow rivers).
- We are keen to understand how SSW anticipate engaging with customers on issues around climate and catchment management.
- The EA would support the CCW view in promoting Water Efficiency (possibly linked to a leakage)
- The meeting was concerned about endorsing as final the proposed attributes from within the WtP work. There appeared to be a reluctance to delay pre-organised customer engagement programmes in order for assurances from the WtP research group to be given.
- We would welcome the opportunity to help SSW refine attributes in line with the comments above.
- We would also be willing to be involved in helping to scope questions within future sampling surveys.

END

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12<sup>Th</sup> February 2013