

18 July 2019

Brighton & Hove City Council

NOTICE OF MOTION

GREEN GROUP

'SELF SUPPLY' WATER LICENCE

Committee notes the damaging impact of water privatisation on the environment and on residents' fuel bills, and resolves to:

- commission a report exploring the options for the City Council to apply for a water 'self-supply' licence from Ofwat, in order to manage its own water supply;
- such a report will explore: potential cost benefit analysis of this approach, including a reduction in residents' water bills and improved environmental outcomes.

Proposed by Councillor Mac Cafferty

Seconded by: Councillor Hannah Clare

Supporting Information:

Councils have legal powers to apply for a water 'self supply' licence from the regulator Ofwat. Such a licence enables local authorities to buy water and wastewater services directly from utility companies, reducing administration costs and minimising profit margins that go to third party suppliers. Licensees are granted voting rights with companies in the water market and the regulator, giving local councils a greater say over how water is managed.

There is growing evidence on the value of self-supply from comparator councils. Blackpool City Council was recently granted a self-supply licence to manage its own water, meter reading and billing, estimated to save the council up to £194,000 over three years, passing on savings to residents. [1] <https://www.localgov.co.uk/Blackpool-first-council-to-be-awarded-self-supply-water-licence/45512>

Nottingham City Council has also applied for such a licence estimating 10% cost savings over a year. [2] <https://www.waterbriefing.org/home/company-news/item/15900-retail-water-market-notts-city-council-applies-for-water-and-sewerage-self-supply-licence>

Evidence shows water 'self-supply' has significant environmental benefits, enabling greater local control over water management. A sustainability report from self-supply licensee Greene King found the licence had reduced the company's water 'footprint' by over 140,000 cubic meters [m3] since April 2017. [3] <https://www.edie.net/news/4/Greene-King-has-saved-more-than-600-000-pints-of-water-since-self-supply-switch-/>

