Redefining the Social Contract
Lessons for social delivery from other countries and markets

Bryan Harvey

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The Social Contract

The fundamentals of our current ‘social contract’ were established in 1989.

A lot has changed since then!
Typical Portfolio of strategic supply-side resources and transfers by 2065 under mid-range scenarios or by 2040 under more extreme scenarios.
The commission recommends that government should ensure plans are in place to deliver additional supply and demand reductions, of at least 4,000 MI/day. Action to deliver this twin approach should start immediately:

- **Water Resilience** — National Infrastructure commission

The Department for Environment, Food and Rural Affairs should set objective for the water industry to halve leakage by 2050, with Ofwat agreeing 5 year commitments for each company (as part of the regulatory cycle) and reporting on progress.

- **£20bn investment**

- **Competitive process to be launched**
  - 2019
  - Ofwat should launch a competitive process by end of 2019 complementing the Price Review so that at least 1,300MI/day is provided through:
    - (i) A national water network
    - (ii) Additional supply infrastructure by the 2030s.

- **50% reduction in leakage by 2050**

- **Implement Smart meters by 2030s**

The Department for Environment, Food and Rural Affairs should enable companies to implement compulsory metering beyond water stressed areas by the 2030s, by amending regulations before the end of 2019 and requiring all companies to consider systematic roll out of smart meters as a first step in a concerted campaign to improve water efficiency.
Need to work together – Social Contract

Water Company Water bills proposal vs. need of £20bn investment

- No change: 11%
- Increased the bill: 21%
- Reduced the bill: 68%

Source: The Water Report - September 2018
The sustainable water system challenge

For $1 per barrel, fresh drinking water to every house of the country at the turn of the tap.

150 litre/day
Typical water usage per day per person

Cost comparison

- $70 per barrel
- $190 per barrel
- $130 per barrel

Bottled water from your local supermarket

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Case Study - Singapore

Water at the heart of the development since the 1970’s.

Long term thinking for resilience

Whole population of Singapore engaged

Collect every drop of water

Reuse water endlessly

Desalinate seawater

Source: Singapore’s National Water Agency (PUB), Singapore Water Story
Time is running out – 12 years

2 x Amp cycles until 2030

NATIONAL INFRASTRUCTURE COMMISSION

Water UK

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Summary

Water... at the heart of everything we do.

Recognise Water is a National Resource

Recognise that we have a major issue to deal with
- That needs investment

We all need to work together
– Aligned to a common vision of water resilience