BIODIVERSITY STRATEGY

FEB 2022

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EXECUTIVE SUMMARY

Our biodiversity strategy sets out our ambitions, objectives, and action plan to maintain and enhance biodiversity and ecological resilience across our operational assets and landholdings, within the fulfilment of our functions. The strategy enables the business to continue delivering its core functions whilst supporting our environmental regulator – Natural Resources Wales (NRW) and Welsh Government to address the biodiversity crisis we face. In so doing we will help to safeguard our environment for future generations to come, and meet the expectations of customers.

OUR OVERALL BIODIVERSITY MISSION IS:

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TO MAINTAIN AND ENHANCE BIODIVERSITY WITHIN THE FULFILMENT OF OUR FUNCTIONS FOR THE WELLBEING OF CURRENT AND FUTURE GENERATIONS.

Our mission links directly to our duty in Section 6 of the Environment (Wales) Act 2016 which also requires us to produce and publish a cooperate biodiversity action plan and report on this every 3 years. By delivering this mission we will support the organisation to meet its legislative requirements relating to biodiversity and ecology and so help move our business to a sustainable footing. Our strategic objectives to achieve this, as already supported by our biodiversity plan, focus on the following areas:

ONE

RESTORE HABITATS AND LOOK AFTER THE PROTECTED SITES IN OUR OWNERSHIP

TWO

WORK IN PARTNERSHIP WITH REGULATORS AND STAKEHOLDERS, AND PROMOTE RESEARCH OPPORTUNITIES

THREE

IMPROVE THE MANAGEMENT OF INVASIVE NON-NATIVE SPECIES (INNS)

FOUR

DEVELOP AND ENGAGE OUR COLLEAGUES AS AMBASSADORS AND WORK TO BETTER UNDERSTAND OUR CUSTOMERS' EXPECTATIONS

FIVE

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MAINTAIN AND ENHANCE BIODIVERSITY AT OUR OPERATIONAL ASSETS AND LANDHOLDINGS

The strategy aims at delivering performance improvements in the short term through our biodiversity plan 'Making time for Nature 2020' and delivering improvement plans for the medium term (2030), whilst ensuring that our plans align with the longer-term objectives of our 2050 vision and beyond. It also identifies the risks and opportunities associated with this.



Our biodiversity strategy identifies the risks, challenges, and opportunities for DCWW with the aim to be more ambitious in dealing with the biodiversity crisis as declared by the Welsh Government and widely documented alongside the climate emergency. With customer interest in the environment also increasing it is important that our investment programme reflects the ever-stronger customer sentiment we are picking up, and we focus on the long-term crises we face, as well as deal with the more acute asset performance issues.

The Environment (Wales) Act 2016 placed a strengthened biodiversity duty on public authorities, which includes water and sewerage undertakers. Section 6 requires us to "maintain and enhance biodiversity in the exercise of functions in relation to Wales, and in so doing promote the resilience of ecosystems, so far as consistent with the proper exercise of those functions". The duty puts specific requirements on most public authorities to publish documents describing how they are meeting this duty. In 2017 we became the first public authority to our knowledge to comply with section 6(6) when we published our statutory biodiversity plan, "Making time for nature". This set out how we proposed to meet our strengthened biodiversity duty. This plan included 30 specific commitments relating to actions across the business. In December 2020, we successfully published our latest biodiversity plan 'Making time for nature 2020' – our second plan to date. The plan also continues to strongly support our 2050 vision and strategic responses.

The 30 commitments in our biodiversity plan support many workstreams across the organisation. These include by way of example our journey to Net Carbon Zero 2040, and our ongoing improvements to sustainable procurement.

Going forward there are a number of opportunities to be realised with regards to biodiversity. This includes changes in legislation such as the Sustainable Agriculture (Wales) Bill due in 2022, which will we anticipate set minimum land use and management standards and will also, we hope, enable ecosystem service frameworks to be developed. Similarly, the New Environment Act (2021) may see the requirement for biodiversity net gain (improvements to the biodiversity of sites as a planning condition) be taken up in Wales. We are awaiting Welsh Government detailed guidance on the changes proposed in this new Act. Other policy changes are welcomed too, such as those to facilitate greater use of nature based, 'blue green' solutions.

We also will continue to support collaborative working with our partners, seeking funding from external sources to help build and deliver larger scale projects than we can deliver on our own, such as the £15m LIFE bids now up and running in both North and South Wales to improve river habitats. Biodiversity must compete with other environmental priorities such as how best to reduce the nutrients polluting our rivers which may be seen as a more immediate priority. It should be noted that biodiversity projects can also take significant time to deliver and achieve their outputs making it hard to see any quick wins.

FOR THE WILDLIFE

We have a duty under Section 6 of the Environment (Wales) Act (2016) to maintain, enhance biodiversity and promote the resilience of ecosystems in the exercise of our functions. We have made it clear how we are doing this in our Biodiversity Plan 'Making Time for nature' which was published in 2020.



WELSH WATER 2050 & BIODIVERSITY OBJECTIVES

This strategy has been created to provide clarity on how we will support those elements detailed in the Strategic Responses relevant to biodiversity within Welsh Water 2050. Progressing biodiversity initiatives requires us to plan for the long-term, with the associated uncertainties around the future environment.

There are also challenges around increasing customer expectations and regulatory change to be addressed. However, there will also be many exciting opportunities to help restore biodiversity for future generations such as new innovative research projects to understand the links between asset optimisation and biodiversity, nature-based enhancements, and rewilding (conservation reintroduction and natural regeneration) as well as opportunities to work in partnership with internal teams, regulators, stakeholders, and many other organisations for the benefit of customers and the environment. These opportunities are also likely to be at the heart of our Carbon offsetting, water quality protection at source, and surface water separation (Sustainable Drainage Systems/SuDs) investments. So a joined up integrated approach is essential.

Specifically, this strategy will shape Strategic Response 14 'Supporting ecosystems and biodiversity', as well as the revisions made to Welsh Water 2050. In so doing, we will establish what is the right thing to do for now and future generations, and meet our customers' existing expectations. Our work in this area will of course all be subject to the availability of funding, and the willingness of customers to support our biodiversity agenda.

Our external Independent Environmental Advisory Panel (IEAP) has been, and will continue to be, consulted on any significant changes to the biodiversity plan and are also frequently updated on progress made with the biodiversity objectives. They in turn keep us updated on progress they are making to repair and maintain the biodiversity of Wales.



The DCWW Environmental Strategy and Policy Group has been established to oversee the delivery of the Company's environmental initiatives together with their associated action plans. This group is chaired by the Director of Environment and supported by all relevant Heads of Service and operational environmental specialists within operational teams. This document is to be reviewed by the Ecology and Biodiversity Advisor annually or in the event of notable change. This document will be approved by the DCWW Environmental Strategy and Policy Group after the IEAP has been consulted.

The biodiversity plan is reviewed on a 3-year basis and is next due to be revised in 2023.

FOR THE FUTURE

The Drainage and Wastewater Management plan is a shared vision for the future and the management of drainage and wastewater. See also our projects with Sustainable Management of Resources (SMNR) and the Storm Overflow Assessment Framework (SOAF)





BIODIVERSITY STRATEGIC OBJECTIVES OVERVIEW

To maintain and enhance biodiversity within the fulfilment of our functions for the wellbeing of current and future generations.



To support Natural Resources Wales and Welsh Government to address the Biodiversity crisis to safeguard our environment for future generations to come.

To Deliver our Biodiversity Plan, maintain and enhance biodiversity on our sites whilst also meeting legislative requirements for biodiversity and ecology.

ONE

F

Restore habitats and look after the protected sites in our ownership

THREE

Improve the management of Invasive Non-Native Species (INNS)

FIVE



Maintain and enhance biodiversity at our operational assets and landholdings

TWO

Work in partnership with regulators and stakeholders, and promote research opportunities

FOUR

Develop and engage our colleagues as ambassadors and work to better understand our customers' expectations

SUPPORTING DCWW VISION STATEMENT

Our DCWW Vision is '<u>to earn the trust of</u> <u>our customers every day</u>'. This will not be achieved by great customer service alone. We also need to understand our customers' needs and expectations with regards to the environment and build and deliver plans to meet these.

To support this, our mission for biodiversity is:

TO MAINTAIN AND ENHANCE BIODIVERSITY WITHIN THE FULFILMENT OF OUR FUNCTIONS FOR THE WELLBEING OF CURRENT AND FUTURE GENERATIONS.

SUPPORTING DCWW MISSION STATEMENT

To support the company mission statement as set out in Water 2050 – 'To become a truly world class, resilient and sustainable water service for the benefit of future generations' – from a biodiversity perspective we will:

ONE

Support Natural Resources Wales and Welsh Government to address the biodiversity crisis so as to safeguard our environment for future generations to come.

TWO

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Deliver our Biodiversity Plan, maintain and enhance biodiversity on our sites whilst also meeting legislative requirements for biodiversity and ecology.

OBJECTIVES

Our objectives to achieve this are as follows and make up the structure for the biodiversity plan:

Over the next few pages is the direction suggested

for delivery and outputs.

for biodiversity going forward with varying timescales

ONE RESTORE HABITATS AND LOOK AFTER THE PROTECTED SITES IN OUR OWNERSHIP	TWO WORK IN PARTNERSHIP WITH REGULATORS AND STAKEHOLDERS, AND PROMOTE RESEARCH OPPORTUNITIES	
THREE IMPROVE THE MANAGEMENT OF INVASIVE NON-NATIVE SPECIES (INNS)	FOUR DEVELOP AND ENGAGE OUR COLLEAGUES AS AMBASSADORS AND WORK TO BETTER UNDERSTAND OUR CUSTOMERS' EXPECTATIONS	
FIVE MAINTAIN AND ENHANCE BIODIVERSITY AT OUR OPERATIONAL ASSETS AND LANDHOLDINGS		FOR THE
Our current biodiversity plan 'Making time for Nature 2020' contains 30 commitments with actions ongoing or near completion. Progress will be reported in December 2022.		INSECTS

PestSmart encourages people to consider smarter ways of weed, pest and disease control that minimise their impact on people, water or wildlife.

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ONE RESTORE HABITATS AND LOOK AFTER THE PROTECTED SITES IN OUR OWNERSHIP

To support addressing the biodiversity crisis there must be a focus on restoring habitats to favourable condition as well as managing our protected sites and the species that live within them. The outcomes we wish to achieve are listed below, but with finite resources and funding both in DCWW and our stakeholders, we will need to prioritise the areas we focus on. To support this process we are working to improve our baseline data.

To restore habitats and look after our protected sites we will subject to the availability of funding:

Ζ

Focus on Woodland management, particularly on our landholdings, including tree planting and restoring designated sites to favourable condition;

Ζ

Undertake Peatland restoration to support the carbon strategy where possible and develop a baseline assessment to determine areas suitable for restoration;

\mathbf{Z}

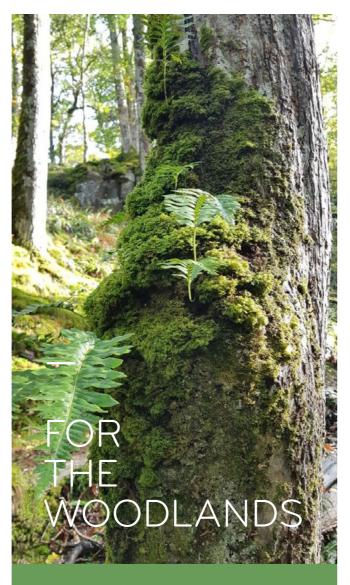
Support Conservation reintroductions where a strong evidenced assessment has been undertaken to ensure any impact to Water Quality and DCWW assets is avoided. As part of this, promote Wildflower meadows wherever possible across our operational sites and estate. Build a revised ground maintenance schedule to increase ecological corridors across our operational area;

Г

Support Habitat restoration where possible by working with local groups and landowners to gain support for the changes needed. We recognise that this will require relationship building and a supportive approach to be successful;

И

Explore what can be achieved within the Marine environment to protect marine species, beyond our efforts to research and reduce our inputs of microplastics and chemicals to the environment.



As part of our Carbon Journey to Zero we will undertake tree planting which also supports biodiversity benefits.

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TWO

WORK IN PARTNERSHIP WITH REGULATORS AND STAKEHOLDERS, AND PROMOTE RESEARCH OPPORTUNITIES

We will continue to develop strong working relationships with regulators and stakeholders, to provide partnership opportunities, particularly those which can leverage funding. Many areas within biodiversity still require significant research to support future improvement proposals and new ways of thinking.

Potential areas for partnership working and research opportunities include, but are not limited to:

Л

Work to form a sector position on the reintroduction of certain species such as beavers, within the UK. Currently we do not adequately understand the risks to river water quality or ecology from their reintroduction.

И

What is needed to support biodiversity within the marine environment as well as explore opportunities linked to air quality and emissions;

Л

Developing a better understanding of the relationship between soil health and biodiversity;

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Using the health of lichen, moss and fungi to determine the state of our woodland areas in relation to climate change;

\mathbf{V}

Develop our understanding of Invasive Non-Native Species, climate change and water quality;

\mathbf{V}

Understand the emerging risks from significant tree planting on water quality such as acidification, changes in soil carbon and erosion;

\mathbf{V}

Establishing the 'sweet spot' between biodiversity the development of nature based solutions, Sustainable Management of Natural Resources (SMNR) approaches, Drainage and Wastewater Management and other strategic Plans (DWMP), and Carbon;

Ζ

Continue to work with operational teams to reduce the impact of activities such as mowing and or the use of pesticides on the biodiversity and ecology of our sites;

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Continue to develop relationships with our partners delivering our investment programme to improve their understanding of biodiversity and how we can move to cost effective and resilient nature based solutions;

\mathbf{A}

With the increased demand for native trees for tree planting across the UK there is likely to be a shortage of trees and/or land available for planting. This will have an impact on cost, delivery timelines, and desired biodiversity outcomes for our woodland projects. We should, therefore, review our procurement arrangements and potentially consider the development of our own seed bank, which would also support our own needs.



Working with Herefordshire Council at Luston we are helping to build their first constructed wetlands designed to offset the impact of new development on the river. This should be the first of several sites we can support in this way. This approach will not only protect the river from deterioration but it will also support increased biodiversity at the site.

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IMPROVE THE MANAGEMENT OF INVASIVE THREE NON-NATIVE SPECIES (INNS)

Managing Invasive Non-Native Species (INNS) is one of the biggest challenges we have. For this to be successful a multi-agency/party integrated catchment based approach is needed from source to sea due to the nature of these species being easily transferred from up stream catchment areas.

The only practical way forward is to join those resources available in Wales in an integrated effort to manage such invasive species. To that end we will, subject to funding availability:

Develop a reporting method for INNS internally using the data to develop hotspots for control and management with site specific management plans;

\mathbf{N}

Continue to contribute to the Wales Resilient Ecological Network (WaREN) project board and Wales Biodiversity Partnership INNS working group as well as any other stakeholder groups to help with the management of INNS on our assets and estate;

Z

Work with Water Resources and the Drinking Water Catchment team to implement the findings of the INNS Raw Water Transfer project completed in 2021;

N

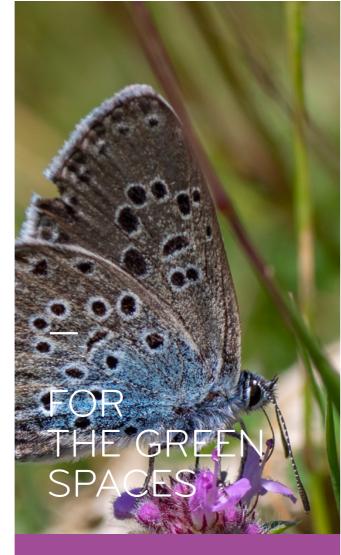
Develop a position statement on INNS management for DCWW outlining how we will adopt an integrated approach to managing such species;

Z

Continue to provide guidance and awareness internally on INNS through communications and the INNS guidance booklet;

Z

Develop and engage our colleagues as ambassadors and work to better understand our customers' expectations.



Rainscape continues to lead the way in developing and using new, innovative solutions to manage the amount of surface water entering our sewers from urban areas.

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FOUR DEVELOP AND ENGAGE OUR COLLEAGUES AS AMBASSADORS AND WORK TO BETTER UNDERSTAND **OUR CUSTOMERS' EXPECTATIONS**

Upskilling our internal teams is a priority to help establish an ever more positive culture toward biodiversity and the environment. With greater public awareness of the biodiversity emergency we face, there has been a shift in customer focus to doing the right thing for nature.

We therefore need to:

Z

Provide internal training on invasive non-native species and various other topics on biodiversity;

Z

Continue to provide improved internal communications, guidance documents, and useful information to colleagues;

\mathbf{A}

Relaunch an updated e-Learning package on biodiversity for colleagues;

Z

Relaunch biodiversity champions across the organisation to attract new ambassadors to promote awareness;

Establish customer expectations for biodiversity and ecology and feed these into our understanding for PR24 and beyond;

\mathbf{A}

Establish measurable targets (KPI's, Measures of Success) for biodiversity;

И

Celebrate success more and embrace and share lessons learnt.

FOR THE CUSTOMERS

Our Visitor Attraction sites are a hub for health, wellbeing and recreation. Reconnecting our customers with the outdoors, water and

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FIVE

MAINTAIN AND ENHANCE BIODIVERSITY AT OUR OPERATIONAL ASSETS AND LANDHOLDINGS

DCWW has a statutory duty to maintain and enhance biodiversity under section 6 of the Environment Wales Act (2016). With limited data available on the condition of our assets with regards to biodiversity we now need to develop our biodiversity measures and in particular what is referred to as 'net gain' as we continue to progress with our action plan.

One of the biggest opportunities we have, will be how we can capitalise on the new Sustainable Agricultural Bill with its focus on public funds for public goods such as improved biodiversity.

To maintain and enhance biodiversity at our sites we need to establish the funding implications of and where affordable:

И

Conduct baseline studies at every operational asset to establish a baseline with repeat surveys as standard to confirm progress with respect to 'net gain;

И

Implement biodiversity management plans for operational sites as well as environmental notice boards to be incorporated into site inductions;

И

Create care packages (wild flower seeds, bird boxes, bug hotels etc) with a biodiversity management guide which can be used on operational sites and our offices to promote biodiversity;

И

Use the DEFRA metric 3.0 biodiversity net gain tool as standard across the business;

И

Utilise the findings from our research programme in future decision making on our sites.



The Brecon Beacon's Mega Catchment (BBMC) work with stakeholders co-creates a common vision which will deliver the best possible outcomes for everyone who lives, works and benefits from the Brecon Beacons.

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- CURRENT ACTION PLAN

As part of our Section 6 Duty, we have published a list of actions within our latest biodiversity plan – Making Time for Nature 2020.

Our plan consists of 30 overarching commitments (actions) from across the business which were kept from the original commitments published in the first plan in 2017. This is so we could show continuity with the original plan and highlight progress made relative to our original ambitions.

- FUTURE ACTION PLANS

It is clear that to better reflect our customer's interest and willingness to support our work to protect and improve the environment, we need to be more ambitious with our biodiversity commitments. This will be reviewed in our next biodiversity plan, scheduled to be published in December 2023..

Future action plans will include direction from the National Environment Programme (NEP) and its equivalent in England (WINEP). These should trigger and enable further proposals and ambitions to be funded.

- CONCLUSION

The level of monitoring needed to progress our biodiversity agenda and initiatives needs to increase so that we can more effectively engage with local authorities and other parties such as NRW.

As we move into AMP8, we can see synergies between our Carbon commitments, the need to better control activities in catchments, water resources and flooding mitigation, SUDs and the re-greening of urban communities, and biodiversity. Biodiversity is often the 'sweet spot' linking such investments and undertakings.

We must continue to promote and execute a 'Team Wales' approach to biodiversity, leveraging funding from academia, UKRI, Governments, Regulators and eNGO groups so we can work together to deliverer our statutory duties in the most efficient way. Only in this way, together with adequate funding in AMP8, will we be able to deliver our biodiversity mission – To maintain and enhance biodiversity within the fulfilment of our functions for the wellbeing of current and future generations, and in so doing meet the increased expectations of our customers.





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