

# Review of abstraction charges to safeguard water supplies

The Environment Agency has today (18 August) launched a [consultation](#) on changes to the way licence holders are charged to abstract water from the environment.

England is facing increased pressure on its water resources due to population growth and climate change. Based on recent projections, more than 3.4 billion additional litres per day will be needed in England by 2050, 23% more than today's supplies. Without action, we risk of significant water shortages in parts of the country.

The water needs of the environment, society and the economy need to be balanced, both now and in the future. All businesses are required to have an abstraction licence to take more than 20 cubic metres a day from a river, stream, canal or groundwater. Reviewing and updating the way organisations are charged for these licences will help manage and protect our water resources.

The new proposed charges – which have not changed for the past 10 years – will be based on:

- the volume of water taken from the environment;
- where the water is taken from; and
- how much of that water is returned to the environment

Under the proposals, around 45% of abstractors will see their annual charges decrease and 55% will see an increase. Overall, three quarters (75%) of all abstractors will see either a decrease or an increase of less than £100 in their charges.

New applicants will also see a higher initial application fee, in line with those charged for other permitting regimes.

The changes will benefit the environment by enabling the Environment Agency to invest more in upgrading infrastructure assets to move water around the country, using data to improve local management of water resources and protecting water-stressed catchments such as chalk streams.

All those who abstract water from the environment – including water companies, farmers, local authorities and other organisations – are encouraged to take part before the consultation closes on 10 November. Those affected will also receive a letter from the Environment Agency this week.

Environment Agency Chief Executive Sir James Bevan said:

“In the face of the climate emergency, population growth and rising demand for water, we need to protect our rivers, aquifers and the environment; and ensure that those who rely on water for their business or public supply can

continue to do so into the future.

“The proposed changes to the Environment Agency’s water abstraction licence charges are designed to do that. They will allow the EA to do more to protect our rivers and chalk streams; to manage our water resources better for the public, businesses and the environment; and to sustain supplies into the future, helping us secure long term water resilience.

“I urge anyone with an interest to take part in this consultation on this critical issue for us all.”

The Environment Agency and Defra published a joint Water Abstraction Plan in 2017 setting out the planned reforms for water abstraction management over the coming years. It set out how plans will reach sustainable levels of abstraction, develop a stronger catchment focus and modernise the abstraction service.

The Government will consult later this year on plans to streamline the overall environmental regulatory framework for abstraction licensing in England to create a modernised, flexible system for all.

The Environment Agency [consultation](#) opens today for 12 weeks until 10 November. The new charging scheme will then be implemented from 1 April 2022.