

**Affinity**Water

# Supporting Sustainable Growth

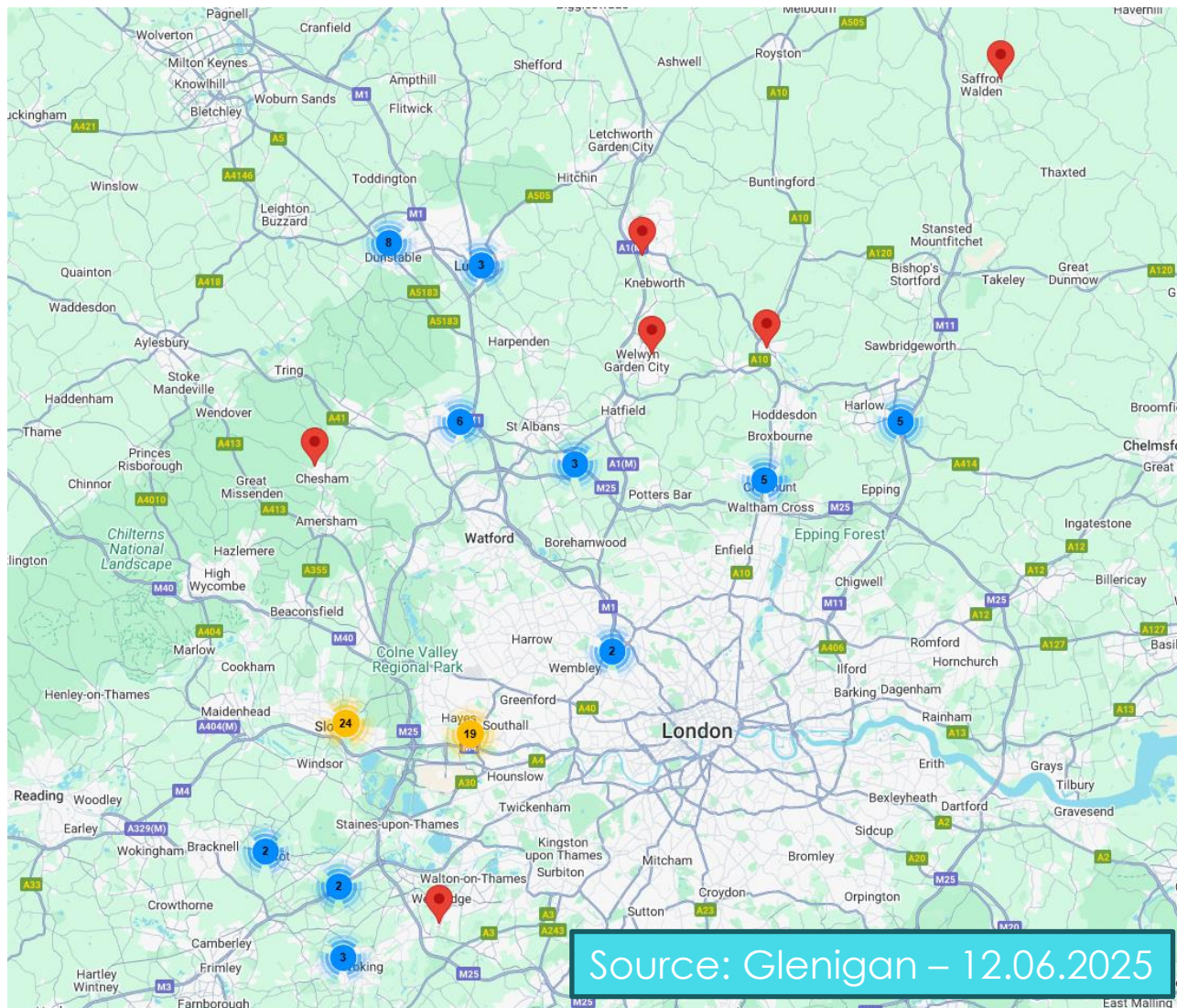
LPA Engagement  
12/06/2025



# Agenda

- Data Centres
  - Context and Purpose
  - Understanding the Challenges
  - How to Boost Collaboration
- Environmental Incentives Common Framework
  - Overview
  - Adopting the Framework
  - A Common Incentive
  - Our Standard Approach
  - Bespoke Incentives
- Questions

# Data Centres – Context and Purpose



The UK is seeing rapid growth in the data centre sector, driven by increased digital demand, AI usage and investment in digital infrastructure.

88 new data centres are proposed or under construction in the Affinity Water Supply Area

This part of the session aims to provide insight into the **water implications of data centres**, outline the **challenges faced by water companies**, and explore how we can work **collaboratively with LPAs** to ensure sustainable growth.

# Data Centre – Understanding the Challenges

## Water Resources Pressure:

Data Centres can require significant volumes of water for cooling - We received applications from proposed new data centres requesting peak demands of **5 L/S to 35 L/S** – equivalent to **5000 new homes**.

## Planning Overruling:

Following government classifying data centres as **critical national infrastructure**, we've seen government overrule planning.

## Lack of Early Engagement:

We often don't have early visibility of new data centres, reducing our ability to assess, plan, support and invest appropriately.

Rejected data centre gets approval after appeal



Hertfordshire to see 'Europe's largest' cloud and AI data centre operational by 2030



L/S Peak Demand	New Dwelling Equivalent
5 L/S	200
10 L/S	1000
20 L/S	2500
35 L/S	5000
50 L/S	10000

Based on Affinity Water Hydraulic Demand Calculations

# Data Centres – How to boost collaboration

## Early Engagement

We ask LPAs to notify us of any large-scale non-domestic developments early in the pre-application process.

## Planning Policy Input

We support the inclusion of **bespoke planning policies** for large non-household users like data centres, enabling early assessment of water availability and infrastructure needs.

## Sustainable Design

Working with developers to explore **non-potable solutions**, water recycling, and dry cooling technologies.

## Integrated Growth Planning

Aligning Local Plans with our **Water Resources Management Plans** to ensure long-term resilience.



# Environmental Incentives

What is the Environmental Incentive Common Framework?

# Environmental Incentives Common Framework (EICF)

Effective from 1<sup>st</sup> April 2025 Ofwat introduced the Environmental Incentives Common Framework

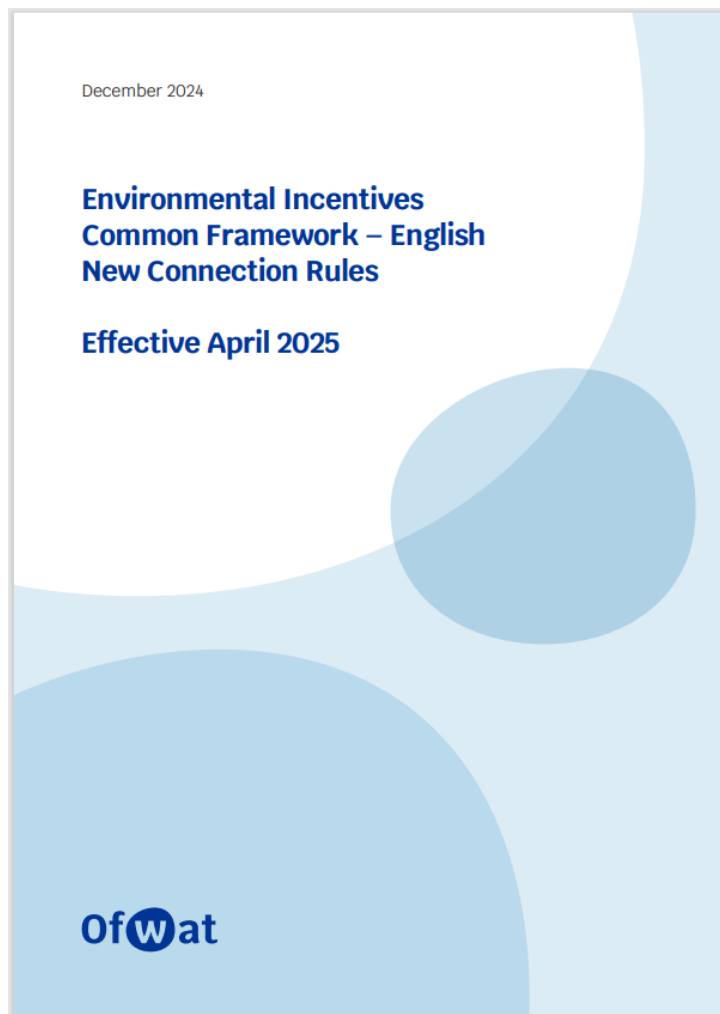
The Framework sets 3 General Principles:

Environmental Incentives must go beyond the required water efficiency level for a given area, as set out in Building Regulations.

Water Companies must offer Environmental Incentives for household premises and may offer Environmental Incentives for non-household premises (We don't currently provide a non-household offering)

Incentives are funded by the Environmental Component, a new charge to developer customers, levied solely to fund Environmental Incentive Payments. **Developer Customers are paying more!**

# Adopting the Framework



Our Water Resource Management Plan (WRMP) currently aligns with Building Regulations with new household properties being required to achieve 110 litres per person per day or less.

We are in support of the regulatory framework that Ofwat have published for Environmental Incentives, being designed to deliver greater water efficiency above building regulations.

We have built our offering to meet and exceed the mandatory requirements of the Framework

# A Common Incentive

As part of the Framework it sets out all Water Companies must offer at least one Environmental Incentive for Water Efficiency, measured using the methodology present in Table 1.

Table 1 – Water efficiency methodology

Building Regulations, Part G, Table 2.2		Common Environmental Incentive
Water fittings	Maximum consumption (110 l/p/d)	Maximum consumption (equal to or less than the following values)
WC	4 / 2.6 litres dual flush	≤ 4 / 2.6 litres dual flush
Shower	8 l/min	≤ 7 l/min
Bath	170 litres	≤ 170 litres
Basin taps	5 l/min	≤ 5 l/min
Sink taps	6 l/min	≤ 6 l/min
Dishwasher	1.25 l/place setting	≤ 1.0 l/place setting
Washing machine	8.17 l/kilogram	≤ 6 l/kilogram

When using Table 1 to assess water efficiency, the premises must have the following water fittings: WC, shower, bath, basin taps and sink taps.

The efficiency of dishwashers and washing machines will only be assessed if installed by the developer.

Source: Environmental Incentives Common Framework – English New Connection Rules Effective April 2025

# Our Standard Approach

**Meeting the mandatory requirements of EICF**

## **Environmental Component**

In line with the EICF we have introduced the Environmental Component Charge, this charge is used solely to fund our Environmental Incentives Payments.

**£127  
Per Property**

## **Environmental Incentive**

We have created a basic Environmental Incentive aligning with table 1, this reflects that a home builder can achieve this level of water efficiency without additional expenditure over and above Building Regulations.

**£127  
Per Property**

# Bespoke Incentives

The Framework enables Water Companies to provide bespoke incentives, which we have adopted through our Tiered approach

## Affinity Water Tiered Environmental Incentives

Tiers	Qualifying Criteria	Payment Per Property
Basic	Common Environmental Incentive - Table 1	£127
Enhanced	Achieve water usage between 90 – 81 lppd	£590
Premium	Achieve water usage of 80 lppd or less	£2163
Water Neutral	Achieve Premium tier and offset demand	£2880

# How can you Support?

As water is a statutory requirement, developers often approach us with fully approved plans that have already progressed through the planning process. This means we frequently gain visibility of developments only after key design decisions have been made. As a result, many customers first become aware of potential Environmental Incentives too late to incorporate the necessary measures.

Our ask for your support is simple:

Advise customers early in their planning application process that water companies offer Environmental Incentives, providing potential cost savings for developments that incorporate enhanced water efficiency measures. Customers can learn more and explore their eligibility by engaging directly with their water provider.

# Questions



# Useful Information

- Ofwat's published [Environmental Incentives Common Framework](#)
- Affinity Water's guidance on [EICF](#)
- Affinity Water's guidance on Water Neutrality as a [bespoke Environmental Incentive](#)
- Affinity Water's [calculation/eligibility checker](#) for developer customers to understand their eligibility for an incentive
- If you would like any more information or support in relation to either of the topics covered, please reach out to:
  - [sustainablehomes@affinitywater.co.uk](mailto:sustainablehomes@affinitywater.co.uk)
  - [julian.webster@affinitywater.co.uk](mailto:julian.webster@affinitywater.co.uk)
  - [ryan.judge@affinitywater.co.uk](mailto:ryan.judge@affinitywater.co.uk)

**Affinity**Water

**THANK YOU**

**Julian Webster**

**Sustainable Homes Technical Manager**

[Julian.webster@affinitywater.co.uk](mailto:Julian.webster@affinitywater.co.uk)

