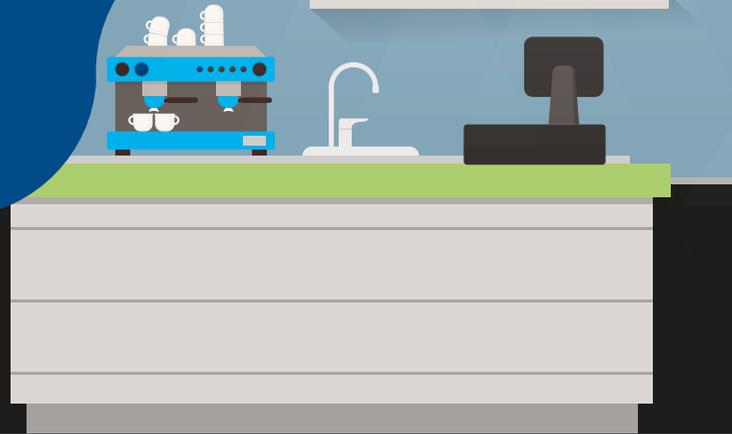
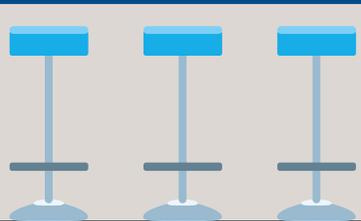


Water Matters

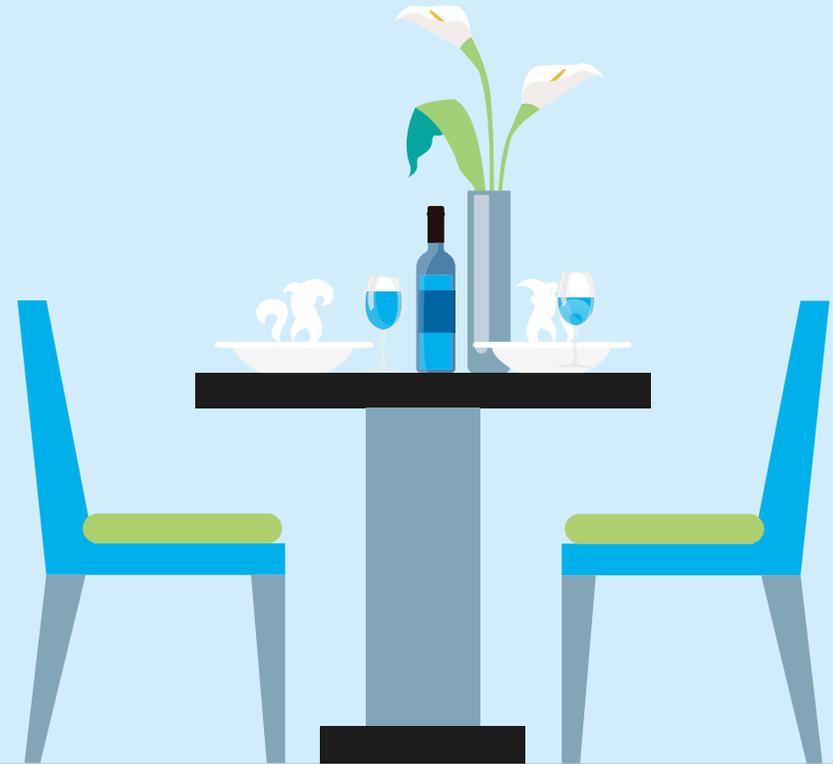
Insight for the UK's
Pub & Restaurant
Sector



waterscan 

Contents

Introduction	1
The Invisible Risk in Your Business	3
Doing the Right Thing	5
Make Water Work for You	9
Assess: Benchmark Your Operation	10
Act: 10 Steps To Water Resilience	11



Introduction

Everyone needs water. Water sustains life. It creates growth and prosperity. It's the lifeblood of your business.

Think for a second...

how long could your business continue to operate without it? The chances are, you've got about 10 minutes before your customers stop getting served. Give it a day and you're in crisis management mode. Within a week, customer confidence and financial targets are impacted, and corporate reputation is at stake.

Now think for a minute...

when was the last time you analysed your organisation's water data? Do you know how much water all your sites consume and how much it costs your business?

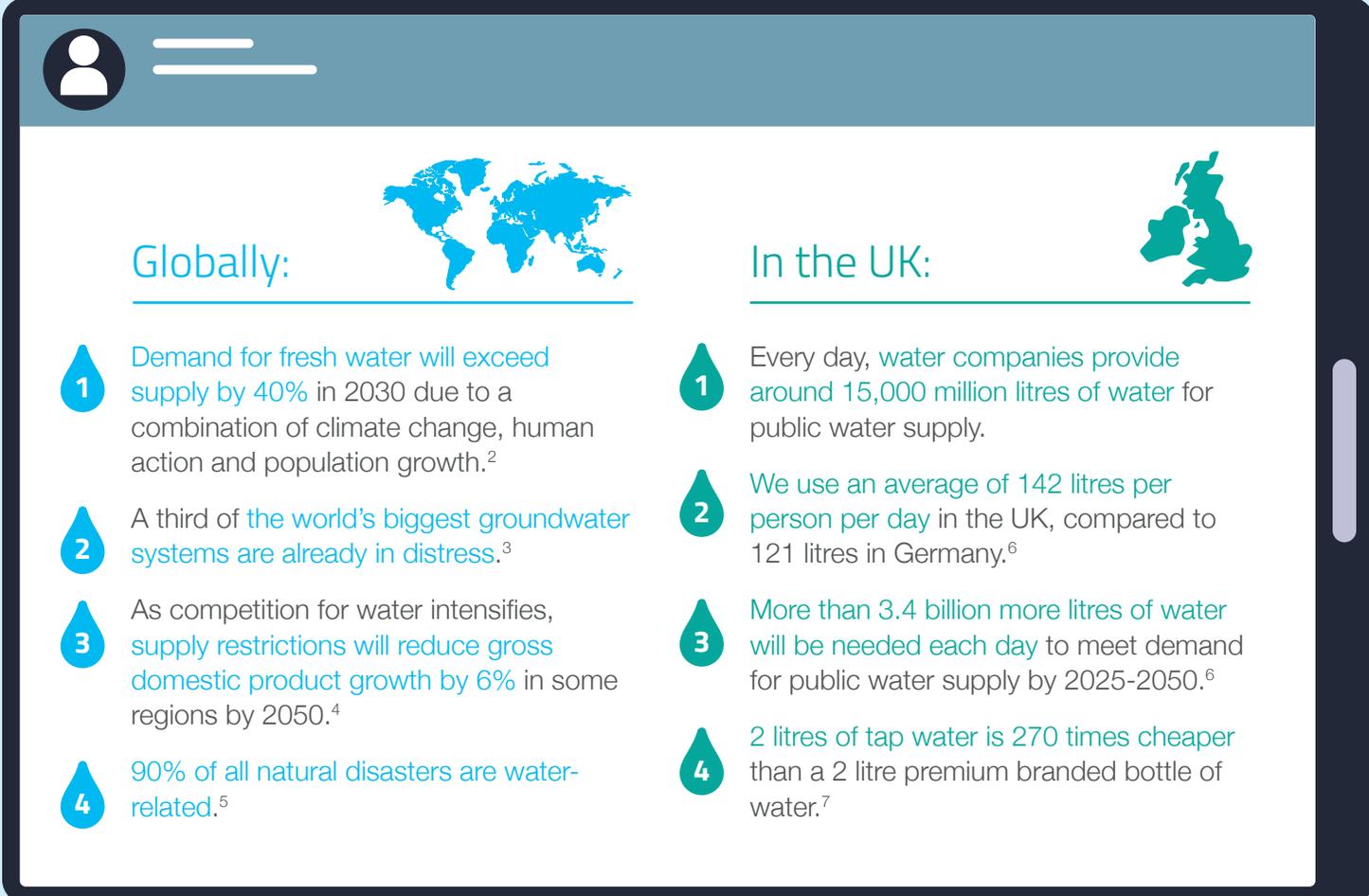
If you're not sure, you're not alone. For most businesses, water plays second fiddle to gas and electricity. It's comparatively cheap, it's apparently readily available and there's little stakeholder pressure to act. So, what's the big deal?

Spare ten minutes and discover...

- why water is the invisible risk in your business,
- how some companies in your sector are managing this risk,
- what you can do to start your journey to water sustainability.

By the time you've read this, 106 million litres of water will have been used across the UK and 20 million litres of that will have been lost to leakage.¹

This would supply a third of UK households on an average day.¹



Globally:



- 1 Demand for fresh water will exceed supply by 40% in 2030 due to a combination of climate change, human action and population growth.²
- 2 A third of the world's biggest groundwater systems are already in distress.³
- 3 As competition for water intensifies, supply restrictions will reduce gross domestic product growth by 6% in some regions by 2050.⁴
- 4 90% of all natural disasters are water-related.⁵

In the UK:



- 1 Every day, water companies provide around 15,000 million litres of water for public water supply.
- 2 We use an average of 142 litres per person per day in the UK, compared to 121 litres in Germany.⁶
- 3 More than 3.4 billion more litres of water will be needed each day to meet demand for public water supply by 2025-2050.⁶
- 4 2 litres of tap water is 270 times cheaper than a 2 litre premium branded bottle of water.⁷

The Invisible Risk in Your Business

Water efficiency is still struggling to make it onto the boardroom agenda. Emissions and waste tend to be prioritised when setting corporate social responsibility agendas, targets and action plans.

This needs to change.

Roughly twenty years from now, water demand (which is rising due to population growth and business development) is predicted to exceed water availability (which is declining due to climate change and aging infrastructure).

At this tipping point, when water scarcity impacts our daily lives, everyone will sit up and take notice, but that is the point when it will be too late, far too late; especially for businesses in the food and drink sector that rely heavily on water to operate.

Ofwat, the water industry regulator, public bodies like DEFRA and the Environment Agency, and some water companies are working to reduce the probability of water shortages and to put effective drought plans in place.

However, as businesses consume 30% of the UK's available water, we too need to play our part if we are to achieve a sustainable future water supply.

Businesses that are proactive on water will futureproof their operations through:



Lowering their bills and increasing competitiveness in their respective markets.



Becoming more resilient to the effects of climate change and water scarcity by making them less dependent on external factors.



Tackling more comprehensive corporate social responsibility targets and enhancing their progress reporting to investors and customers (noting that, while saving water is a success in itself, it will also positively impact other goals like emission reduction).



Building leadership and long-term reputational gains by playing an active, collaborative role in the communities and environments within which they operate.

The Pub and Restaurant Sector

As a major contributor to UK GDP, and following lengthy periods of enforced closure, it is essential that the sector is supported in all ways to safeguard resilience.

Water must play a part in this because, unsurprisingly, pubs and restaurants use a lot of water in comparison to others.

In Waterscan customers, pubs, restaurants and breweries combined consumed an average of over 37,000 m³* every single day 2019. Increasing water efficiency therefore has a direct tangible impact on profitability in the short term and on operational resilience in the longer term.

An average restaurant uses 5,225 litres of water every day in the UK.

A brewery uses over 722,000.

Leaky taps and pipes waste 2,954 million litres of water every day in the UK.

That's 9 billion cans of a soft drink that water customers are paying for unnecessarily.



Multi-site operations generate lots of bills.

It takes about 100 hours to validate water bills across a 100-site estate each year. That's >2 weeks not spent on your customers.



Unread meters = inaccurate invoices. Across England, there are >251,304 meters that have not been read in the last year.



Complaints to water companies have increased by 317%.

75% relate to invoices.



*(1 m³ = 1,000 litres)

Doing the Right Thing

Examples of how companies in the pub and restaurant sector have taken leadership on water management in quite different ways.



Greene King: First to Market

Greene King was the first of 1.2 million eligible organisations to apply for and obtain a water self-supply licence. With Waterscan's support, the company switched all of its >3,000 supply points on the day the market opened. This represented 30% of the total market switches.

In its first year of self-supply, Greene King reduced its water consumption by 140,000m³: that's 384.32m³ (the equivalent of 676,313 pints) per day.

Alongside significant consumption and cost savings, the company has also benefited from proactive site level engagement in driving efficiency and reducing risks to daily operations. For example, during the 'Beast from the East' cold snap, communications were sent to each Greene King site advising the need to be alert to higher than usual consumption. In addition, impromptu meter reads were taken across the estate to verify usage and pinpoint any unexpected spikes in consumption which could indicate a cracked and leaking pipe.

"We are looking forward to building on this successful experience to date, which we believe delivers competitive advantage in both corporate social responsibility and commercial terms. We have seen reports of a slow customer response and questionable impacts of the open water market, but this has not been our experience. While self-supply was a leap into uncharted waters, it has delivered better than expected results in a short timeframe."

Gavin Worthington,
Senior Purchasing Manager
Greene King



Marston's Brewery: Reputation Building

Marston's Brewery was named as winner, and Greene King the runner-up, in the Sustainable Use of Water category at the 2019 Footprint Drinks Sustainability Awards. Marston's Brewery also scooped the Waste Prevention Award at the same event.

The Footprint Drinks Sustainability Awards is the only initiative to honour the achievements of companies in specific areas of sustainability and responsible business practice in the out of home sector and its supply chain. These awards reflect the fact that few industries rely on raw materials, water, energy and packaging as much as those involved in the production of alcohol and soft drinks. Carbon outputs through manufacturing processes and distribution, not to mention the waste implications, are evidence of a global industry with a huge collective responsibility that is arguably more beholden to climate and environmental conditions than many others.

Both Marston's and Greene King were quick to see the potential benefits of becoming a self-supplier in the open water market and went on to make big impacts in driving sustainable water use. It's clear that those businesses that take control over this operationally critical resource reap the benefits and importantly, are applauded for their efforts.

Since becoming a self-supplier, Marston's saves 162,000 pints of water a day and has been applauded for its work on water.



Trade Effluent: Responsible Disposal

For many, responsible water management is focused on consumption efficiency but, for Waterscan and the many brewers, pub and restaurant operators it works with, environmental accountability doesn't stop there.

As a result of premises temporarily closing due to the Covid-19 pandemic from March 2020 to February 2021, an enormous amount of beer – around 87 million pints according to the British Beer & Pub Association - was rendered out-of-date and unsaleable. While waste prevention is always at the top of the waste hierarchy, it was clear that in this unforeseen situation, disposal would be necessary. Amid warnings from Water UK that wildlife could be harmed if large quantities of beer were washed away to end up in rivers and waterways, this process needed careful consideration.

Dealing with this level of trade effluent on a nationwide scale required sound data and processes as well as multi-layered collaboration at scale. Starting with risk assessments, verification of stock levels and analysis of environmental risks on a region-by-region basis, Waterscan worked with its customers and water wholesalers to execute and document the disposal of this trade effluent safely.

“The challenges for the pub and restaurant trade over the last year are well documented but some of the issues it has faced didn't make the headlines. When beer waste has been reported, the primary focus has been on the financial rather than environmental costs. Our job has been to work on behalf of our customers to manage both risks and create a new best practice approach to beer waste in an unprecedented situation.”

Neil Pendle
Managing Director
Waterscan

Make Water Work for You

For companies operating breweries, pubs and restaurants, balancing the quality of customer experience with efforts to reduce environmental impacts is understandably a challenge: no-one wants to let a customer down when all they're wanting to do is let their hair down!

In your sector therefore, it's more effective to look at internal operations and approaches before asking customers to support your efficiency drive.

Technology is one option. However, notwithstanding automated meter reading devices which are now significantly advanced, capital investment in water saving technologies often falls short of return on investment expectations. Most water saving hardware is still in its infancy; there are some great innovations in the pipeline, but these remain unproven at scale, and hence an investment risk.

In our experience, most leadership teams across hospitality are switched on to water, with clear strategies in place to reduce water-related business risks. Some have gone further in setting new standards by choosing to self-supply their water.

As a water procurement option, self-supply allows companies to take complete control over their consumption and costs as well as the ability to access detailed data that feeds into site-specific action plans, informs nationwide efficiency strategies and supports wider sustainability ambitions. Self-supply has also given the sector unrivalled influence in shaping the future water marketplace too; appropriate given the scale of its consumption.

If you are yet to instigate a water resilience strategy, it may seem daunting at first and perhaps not much of a priority right now. Rest assured though, that the

benefits of doing so are numerous, usually resulting in a swift return on investment and ongoing benefits to your business that will be realised for decades.

So, where do you start? How do you keep your customers engaged, loyal and delighted without compromising on water efficiency – and ultimately, secure a sustainable business model?

Assess and Act

1. Benchmark your operation.
2. Review our ten-point plan.

Step 1: Assess Benchmark Your Operation

Understand what leadership on water looks like



Poor

These companies will just pay their water bills and not give any further consideration to water. Their back-office staff will be spending a lot of unnecessary time on billing administration and supplier liaison because they won't have accurate meter readings and they could even be juggling multiple water retail contracts.

They're likely to be paying far more than they need to but getting involved in the open water market seems daunting and an extremely low priority (after all, "it's much cheaper than energy!"). The result is that their businesses are operating with continuity risk.



Mediocre

These companies will have some awareness of their overall water consumption but will not be sure how or where it is used, nor how much of this is essential or how much could be saved.

They're likely to take a reactive approach to efficiency measures, perhaps only fixing leaks when they cause disruption to operations and will only consider water saving equipment when they need to replace something.



Excellent

These companies will have full visibility of how much water they use, and where down to site level across all operations.

This visibility means that they'll be able to operate in a lean and efficient way with close to no consumption or cost wastage, fully engaged staff who value water and with confidence that no water-related event will adversely impact business operations.

They are also likely to be working proactively and collaboratively with others to protect local supplies and set new benchmarks in corporate social responsibility.

Step 2: Act

10 Steps To Water Resilience

How to reduce risks to your operations and start your journey to water sustainability

Completing these steps is likely to take 12 months if carried out internally, or 3 months using an independent consultant.



We've been working for more than twenty years to make it easier for businesses to make good choices around water, to help them save money and time, and to build sustainability and resilience.

We advocate innovation, transparency and passionately champion business water customers while working collaboratively to improve performance across the board and unlock the water market's potential to give customers a better deal.



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1 <https://discoverwater.co.uk/where-water-comes-from>

2 <http://www.unesco.org/new/en/natural-sciences/environment/water/wwap/wwdr/2015-water-for-a-sustainable-world/>

3 <https://doi.org/10.1002/2015WR017349>

4 <http://www.worldbank.org/en/news/press-release/2016/05/03/climate-driven-water-scarcity-could-hit-economic-growth-by-up-to-6-percent-in-some-regions-says-world-bank>

5 https://www.unisdr.org/2015/docs/climatechange/COP21_WeatherDisastersReport_2015_FINAL.pdf

6 <https://discoverwater.co.uk/price-comparison>

7 <https://www.gov.uk/government/speeches/escaping-the-jaws-of-death-ensuring-enough-water-in-2050>

8 <https://discoverwater.co.uk/price-comparison>