

**Memorandum from Water UK to the
Flood and Water Management Bill Committee**

January 2010

1. Water UK represents UK water and wastewater service suppliers at national and European level.
2. Water UK welcomes the introduction of the Flood and Water Management Bill which will implement the recommendations of the Pitt Review of the 2007 floods. It aims to clarify roles and responsibilities, giving the Environment Agency a strategic overview and local government the lead locally. Surface Water Management Plans will be introduced. Water UK co-ordinated the water industry's own review after the 2007 floods.

Water UK's concerns:

1. Omission of a Proposal on the Provision of Information and (Discharge of) Landlords' Liability for Water Charges

3. Water debt, from bills that are unpaid by customers, is a large and growing problem. Approximately £12 has to be paid by customers who do pay their water bill to make up for those who don't pay. This is a particular problem in rented properties where it is often unclear who is actually liable for water charges. Rented properties account for almost half of the total water debt, now over £1.2 billion.
4. Water UK strongly argues that the Flood and Water Management Bill should include a clause whereby a landlord (i.e. the property owner) would be responsible for water charges unless they have discharged that responsibility by providing information to the relevant water company setting out who else is the person liable for water charges, (i.e. the tenant).
5. This uncontroversial, and practical, legislative proposal was recommended, as a priority, by Anna Walker's Independent Review of charging for household water and sewerage services.

6. The proposal was developed with the Residential Landlords' Association, the British Property Federation, the National Landlords' Association and Water UK through meetings chaired by Anna Walker's Review team.
7. In Parliament, there was support for this measure at Second Reading from the Shadow Secretary of State for Environment, Food and Rural Affairs, from a former Defra Minister and from the Chair of the All Party Water Group.
8. This proposal is also supported by Ofwat, the water industry's economic regulator, and by the Consumer Council for Water, representing consumers.

2. Sewerage issues

9. Water companies have a crucial role to play in the protection of public health and, specifically, in the public sewerage system. Flooding and pollution can be caused if the system becomes over-loaded. The sewerage system has a finite capacity and this can be compromised when excessive rain water enters the system.
10. Water UK suggests four amendments to the Bill to reduce the risk of over-loading.

2.1 Rights of Connection to the Public Sewerage System

11. Uncontrolled connections to the sewerage system can lead to overloading. Water UK seeks the right for water and sewerage companies to control the amount of rainwater that goes into sewers, the rate at which it enters, and the place in which rainwater enters sewers.
12. As drafted, the Bill states that companies must be consulted about a proposed connection but there is nothing to say that any regard needs to be taken of their views.
13. Specifically, Water UK seeks to:
 - provide water companies with a right of objection to the connection to the public sewerage system of –
 - sustainable drainage systems,
 - highway drains, and

- surface water drains and sewers,
- subject to a right of appeal to the Secretary of State in order to protect the public sewerage system from overloading, and thus reduce consequential flooding and pollution.

2.2 Sustainable Drainage Systems (Clause 32, Schedule 3)

14.A Sustainable Drainage System (SUDS) can reduce the load on a sewerage system from rain water and the run-off from impermeable surfaces.

15.Water UK would like to see the Bill:

- place an express duty on the Approving Bodies (County Councils and unitary authorities) to maintain SUDSs in a fully operational condition.
- extend the definition of SUDS to make clear that lateral drains and sewers draining to SUDS will be adopted as part of the SUDS and will not form part of the public sewerage system.

2.3 New Sewers and Lateral Drains – the universal build standards (Clause 41)

16.Water UK feels strongly that all new sewers and lateral drains must be built to universal build standards in order for them to be connected to the public sewerage system, even if an agreement is in place between the developer and the water company. This point is not made clear in the Bill as drafted. Currently, Clause 41 would allow a connection to be made even if a sewer was not built to universal build standards.

17.Water UK suggests that the Bill is re-drafted to:

- ensure that new sewers and lateral drains may not be connected to the public sewerage system until they actually comply with universal build standards to be prescribed by Ministers;
- reconcile such requirement with the existing requirements of the Building Regulations 2000 as administered by the local authorities and approved inspectors.

2.4 Transfer of Private Sewers and Works to Water Companies

18. It is the Government's intention that private sewers and works should shortly be transferred from individual owners to water companies. The land that the asset sits on must also be transferred so that water and sewerage companies can have access to them, in order to operate and maintain the transferred assets.

19. Water UK suggests that the Bill be amended to:

- ensure that water companies may, before transfer, acquire all lands and easements necessary for securing, maintaining and operating transferred sewage disposal works, pumping stations, and outfalls;
- ensure that transfers are subject to water companies first obtaining all necessary consents from the Environment Agency; and
- ensure that there is an exemption from the duty to map all transferred sewers and lateral drains – as already allowed for in the Water Industry Act 1991 – for all sewers built before September 1989.

3. Provision of infrastructure (Clause 35)

20. Over the past 20 years, water companies have had an impressive track record in delivering major infrastructure projects, and have invested over £85 billion to improve environmental standards, drinking water and customer services.

21. The Bill introduces a new approach to the provision of major infrastructure projects but all the details of this are left to regulations.

22. Water UK feels strongly that there must be full consultation on the way in which these provisions are to be operated and that a requirement for consultation must appear on the face of the Bill.

23. Under the provisions of the Bill, incumbent water companies would not be allowed to participate in bidding for this work. It is not clear whether their associates would.

24. Water UK feels that, given their proven expertise and track record of delivery, it would be beneficial for customers and the environment for incumbent water companies and their associates to participate in bidding for this work.

4. Drainage: concessionary charges for community groups (Clause 42)

25. Ofwat expects companies to charge for surface water according to the size of the area that is drained to the public sewer. This reflects the cost, unlike the old system which was based on the rateable value of the property. For those companies who have implemented this change, the move has increased water charges for scout groups, churches and other community groups, many of whom have contacted their Member of Parliament.

26. The Government has introduced a clause that will enable companies to offer concessionary charges to community groups in order to reduce the impact of the change. The cost of the concession will fall on other customers.

27. Water UK seeks to ensure that Ministers prescribe a tight definition of the community groups that may benefit from concessionary charges.

5. Water use: temporary bans (Clause 36)

28. Water UK supports the provisions in the Bill to update hosepipe ban legislation. However, we think that it is important that regulations are laid promptly and that the ambiguous wording of this section of the Bill is clarified in relation to:

- Prohibited uses of water - these are currently limited to watering gardens and washing cars, plus other uses ordered by Ministers. Water UK would like to see the prohibition extended to other uses of a hosepipe (such as washing patios) and to other devices (such as pressure washers).
- Rebates for charges – these should be limited to cases where the water company has made a specific additional charge for something it then bans. At present, the Bill reads as though a refund would be due simply because restrictions have been put in place (i.e for everyone that owns a hosepipe)

- How the water company should take account of representations received - we suggest that representations should only be required for a 'non-essential use' restriction and not when there is a basic hosepipe ban.
- Notice periods for introducing restrictions - these should be flexible enough to allow companies to bring in restrictions promptly when they are needed.

Water UK has produced a suite of 12 background briefing papers on the Flood and Water Management Bill which may be of interest to the Committee. These are available at:

<http://www.water.org.uk/home/policy/flood-and-water-bill/flood-bill-background-briefings>

We hope that these suggestions will be helpful to the Committee and would be delighted to expand on them in oral evidence.

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