

# **Draft Sector Guidance in relation to the adoption of sewerage assets by water and sewerage companies in England**

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# 1. Introduction

## 1.1. The Draft Sewerage Sector Guidance (“SSG”)

This document comprises the draft Sewerage Sector Guidance that companies holding an instrument of appointment as sewerage supply undertakers under Sections 6 or 7 of the Water Industry Act 1991 (“Water Companies”) recommend Ofwat enables under its Code for Adoption which came into effect on 13 November 2017 (the Code). It also contains a draft Model Sewerage Adoption Agreement (MSAA).

## 1.2. Purpose and Scope

1.2.1 Water Companies are obliged by the Code to comply with the Sewerage Sector Guidance once it has been approved by Ofwat pursuant to the Code. Any failure to do so may result in investigation and sanction by Ofwat under its regulatory powers.

1.2.2 Under the Code, this guidance applies to infrastructure in respect of which an agreement is entered into pursuant to S104 WIA. It applies to companies the areas of operation for which are wholly or mainly in England.

1.2.3 The guidance requires Water Companies to publish information at specific intervals, deliver work in accordance with standard set of procedures, report on their performance, and provide redress where things go wrong.

1.2.4 This SSG does not affect Water Companies’ obligations to set charges in accordance with Ofwat’s Charging Rules for New Connection Services (English Undertakers), August 2017.

## 1.3. Responsibilities

This guidance (including the MSAA), following its approval, is binding on all Water Companies. Deviation is permitted only where a Company and its Customer agree to do so. In such cases, the requirements of paragraph 5 of the Code must be complied with.

## 1.4. Terminology

For clarity and consistency this SSG uses defined terms in key areas and these are listed in Appendix A.

## 2. Procedures

### 2.1. Introduction

Appendix B sets out the standard Procedures and associated Levels of Service that Water Companies will comply with in relation to the adoption of sewerage assets under S104 WIA.

### 2.2. Methodology

The Procedures are presented in a swim-lane style, with columns showing the respective responsibilities of the Customer and Water Company.

### 2.3. Deviation

Deviation from these procedures is permitted where:

- The Customer or Water Company has identified a more suitable process for delivering a particular scheme, and both parties have agreed in writing to deviate. This includes cases of innovation as described below;
- The Water Company has established a Local Practice to reflect particular circumstances in its area or where the SSG has not harmonised requirements (see further section 2.6)
- An area of innovation is being tested, for example on a pilot basis (see section 2.5 below).

### 2.4. Application of Levels of Service (“LoS”)

LoS measures are shown on the Procedures for clarity and are to be treated as measurement stages that apply to all work progressing through the activities shown alongside the pink arrows.

### 2.5. Innovation

The Design and Construction Guidance (DCG) which sets out standards for new sewerage assets (see further section 3) is not exhaustive and new processes and products are able to be presented to the Water Company for approval. It is expected that initially, trials will be conducted by way of an agreed deviation from the DCG before an application is made for the new way of working/product to be more generally adopted via the SSG governance process.

### 2.6. Local practices

2.6.1 Local Practices are only permitted in the following areas:

- Requirements for easements for surface water discharges to watercourse, bodies of water, sewers within 3<sup>rd</sup> party land and sewers which may form part of another feature.
- Pumping station requirements beyond those in the Design and Construction Guidance.

2.6.2 These are considered to be Local Practices pursuant to paragraph 3.1.3 (i) of the Code.

2.6.3 A Water Company wishing to implement a Local Practice in one of the permitted areas must first publish its proposals and give customers an opportunity to comment before implementation. Such proposals must be justified under the principles of the Code.

2.6.4 If a Water Company requires a local practice, it will follow the procedure set out below:

- It will consult with Customers both directly and through its website setting out the details of the proposed Local Practice and why it is considered necessary (e.g., atypical local conditions, topic not adequately covered in the Design and Construction Guidance);
- Such consultation will be carried out so that except in cases of urgency, the consultation period is no less than three months in advance of the date in which it proposes to bring into effect the Local Practice;
- When implementing the Local Practice following consultation, it will publish a summary of the outcome of the consultation, the reasons for its ultimate decision and the way in which the proposed practice meets the principles of the Code;
- As far in advance as possible of the “go live” date for the particular practice, supply details of the practice to Water UK which will maintain details of the same on its website.

NOTE: Where there are Local Practices, the Water Company making use of the practice shall publish any impact that the practice has on the procedures in a local version of the procedures documentation appearing in this guidance.

2.6.5 Local Practices may not be relied on for the purposes of excusing non-performance under any LoS measure set out in this Sewerage Sector Guidance and/or reported on nationally as part of D-MeX.

## 3. Design and Construction Standards

### 3.1. Design and Construction Guidance

All Water Companies will adopt sewers complying with the requirements of the Design and Construction Guidance which is set out in Appendix C.

The DCG also notes areas where Local Practices may be established, as referred to in section 2.6.

A design submission may include sewerage components that are not currently covered by the DCG and therefore greater input into the design is required from the Water Company (pursuant to paragraph 4.1 (f) of the Code) to enable adoption. This may but is not limited to components that require a specific engineering design or configuration such as:

- Wastewater treatment works

- Access to sewers at a greater depth than 6m
- Design of special manholes or other structures (inc. specific inlet/outlet)
- Design and location of flow control devices
- Design, configuration and access to multi leg and proprietary tank systems
- Design of large diameter flexible pipes
- Inverted syphons
- Innovative systems or products

Water Companies will publish on their website any technical standard details or designs that they refer to which are not currently included in the DCG.

## 4. Minimum information

Appendix D sets out a range of minimum information and checklists that all Water Companies have agreed to use

## 5. Model agreement

The Model Sewerage Adoption Agreement (MSAA) that must be used by Water Companies is set out in Appendix E. This may only be amended where this is agreed with the Customer.

## 6. Levels of service and reporting

Water Companies shall measure their Levels of Service in accordance with the requirements in Appendix F1 and in line with the Water UK Levels of Service documentation which can be found at <<https://developerservices.water.org.uk/public/metrics>>

All periods are quoted in calendar days and periods start on the first working day after receipt of notification.

Data shall be uploaded monthly to the central Water UK LoS system and to enable it to be reported on in accordance with the interval specified in Appendix F. For clarity, the Levels of Service metrics are also annotated on the procedures flow charts in Appendix B.

In addition, Water Companies shall publish the information specified in Appendix F2 at the intervals shown.

The information required by Appendix F2 shall be published on Water Companies' websites and made available in other appropriate formats as necessary to meet the requirements of the Code.

## 7. Redress

7.1 Where the Water Company fails to comply with a Relevant Metric, without prejudice to any liability on part of the Water Company under an Adoption Agreement, the consequences shall be as follows.

7.2 Without any requirement on the part of the Customer to notify the Water Company of the failure, the following procedure shall apply:-

- Within one working day of the failure, the Water Company shall email the Customer with such information as shall reasonably be available to it regarding the nature and cause of the failure with relevant supporting evidence, and an indication of the proposed remedial action;
- That email shall also contain a new date for the performance of the service in question;
- The Customer may either confirm acceptance of this information or request escalation to the Compliance Manager;
- Where the Customer requests such escalation, the Compliance Manager shall within five working days of receipt of such notification, report in writing on the causes of the failure and on how the failure can be corrected, if this has not already occurred and whether there any lessons for either party arising out of the failure which might prevent a recurrence of similar failures.

7.3 Where in any case referred to in this clause, the Customer considers that it has suffered direct financial loss as a result of the failure, it may make a complaint to the Water Company in question and the Water Companies shall all ensure that their complaints processes are able to handle complaints of this nature and able to make ex gratia payments where Customers are able to demonstrate such financial loss.

7.4 The above provisions represent a minimum level of redress and where individual companies consider it appropriate, they may adopt other forms of redress in addition to those set out.

7.5 Repeated failure may raise questions about the compliance of the Company with its competition law obligations and may result in legal/regulatory consequences.

## 8 Governance

Appendix G contains terms of reference for the Code Panel, as required by paragraph 3.8 of the Code.

## Appendix A - Glossary of Terms

Adoption	The process by which Water Companies take over responsibility for sewerage infrastructure
Adoption Agreement or MSAA	An agreement in the form of the Model Sewerage Adoption Agreement set out in Appendix E under which the Water Company is to adopt certain works
Charging Arrangements	A Water Company document adopted in accordance with Ofwat's Charging Rules for New Connection Services (English Undertakers), August 2017
Code	The Code for Adoption Agreements adopted by Ofwat and which came into effect on 13 November 2017, as amended from time to time;
Compliance Manager	An appointed individual or individuals within the Water Company's developer services team with managerial authority to require the Company or its contractors to take steps to resolve service failures
Customer	Shall have the meaning given in the Code
Damage	Physical harm caused after commissioning that impairs the value, usefulness, or normal function of installed sewers
DCG	The Design and Construction Guidance published pursuant to the Code from time to time
Defect	A fault caused by poor workmanship or flaw in the installed materials
Developer	Shall have the meaning given in the Code
Diversion	Re-routed pipeline.
Domestic Purposes	In relation to sewerage means (a) the removal, from buildings on the premises and from land occupied with and appurtenant to the buildings, of the contents of lavatories; (b) the removal, from such buildings and from such land, of water which has been used for cooking or washing; and (c) the removal, from such buildings and such land, of surface water This term is defined fully in S117 WIA
Easement	A legal right of way over another person's property to install and maintain pipework.
Highway	That part of the street including the carriageway, verge and footpath (as defined by the Highways Act 1980).
Household Premises	(Defined by Ofwat) as premises in which, or in any part of which, a person has his home.
Network Reinforcement	Work funded by the Water Company from Infrastructure Charges, to provide or modify such other water infrastructure as is necessary beyond the site Point of Connection in consequence of providing an adequate supply to a development.

New Development	Are premises on which there are buildings, or on which there will be buildings when proposals made by any person for the erection of any buildings are carried out, and which require connection with, and/or modification of, existing water distribution systems.
Ofwat	The Water Services Regulation Authority which is the economic regulator of the Water and Sewerage Companies in England and Wales.
Point of Connection	The exact location (manhole or pipeline detail) where the proposed adoptable sewerage network connects and discharges to the Water Company's existing public sewerage system
Relevant Metric	A performance standard included in Appendix F relating to activity to be carried out by a Water Company and which is marked with "Yes" for the purposes of redress under the SG
Requisitioning	The process, as detailed in S98 WIA, by which an owner or occupier or local authority, who owns buildings or proposes to construct buildings on their land can apply to the Water Company to provide a public sewer to be used for the drainage for domestic purposes of premises in its area
Site-Specific Works	Works necessary to supply a Development, as defined in Charging Rules for new connection services (English undertakers) published by Ofwat, July 2018.
Standard Procedures or SP	The procedures set out in Appendix B
Street (as defined by the New Roads and Street Works Act 1991)	The whole or any part of any of the following, irrespective of whether it is a thoroughfare: (a) any highway, road, lane, footway, alley or passage; (b) any square or court; or (c) any land laid out as a way whether it is for the time being formed as a way or not.
Technical Standards or TS	Technical standards or details under paragraph 3.1 of the Sewerage Sector Guidance dealing with matters not covered by the DCG and where greater input into the design is required from the Water Company to enable adoption
Vesting Date	The date which confirms the date of transfer of ownership to the Water Company
Vesting Certificate	A document, confirming the transfer of ownership of sewerage assets to the Water Company
Water Company	A Company holding an instrument of appointment under Section 6 or 7 of the Water Industry Act 1991 (i.e., whether a regional Company or a New Appointment and Variation);

## Appendix B-Standard Procedures and LoS

Is available separately on the Codes Programme Web Page at:

<https://www.water.org.uk/developer-services/codes-adoption>

## Appendix C-Design and Construction Guidance

Is available separately on the Codes Programme Web Page at:

<https://www.water.org.uk/developer-services/codes-adoption>

## Appendix D-Minimum Information requirements and checklists

Is available separately on the Codes Programme Web Page at:

<https://www.water.org.uk/developer-services/codes-adoption>

## Appendix E-Model Adoption Agreement

Is available separately on the Codes Programme Web Page at:

<https://www.water.org.uk/developer-services/codes-adoption>

## Appendix F-Levels of Service & Reporting

### F1 Levels of Service

Level of Service Measure	Proposed SLA & criteria	Notes	Escalation
Pre-planning application (Stage 1a) – Water Company – <b>SLPM – 1/1 – Acknowledgement of receipt &amp; application completeness</b>	Within 7 days of receipt. To review application submission to ensure all relevant details are included or request any specific items that are needed. Full response within 21 days of receipt	To ensure Developer is made aware as early as possible that application is received and any bespoke or special designs require further details or application is incomplete to allow full consideration	Yes
Pre-Design Application (Stage 1b) – Water Company – <b>SLPM – Review Application</b>	14 days to review application and respond	Response to be sent no later than 7 days after meeting or design discussions	
Section 104 application (Stage 2) Water Company – <b>SLPM – 2/1 – Acknowledgement of receipt &amp; application</b>	Within 7 days of receipt. To review application submission to ensure all relevant details are included or request any specific items that are needed	To ensure Developer is made aware that application is received and any bespoke or special	

<i>completeness</i>		designs require further details or application is incomplete to allow full consideration	
Full Design review and response (Stage 2) – Water Company – <b>SLPM – 2/2 – Review Design Step 1</b>	Full design review of application and respond with formal design response (may be acceptable as per below stage 3 or may be refused) or advise regarding any required design alterations. 28 days from application receipt (this includes the 7 days to acknowledge and review the application for completeness)	This SLA will restart if the above Triage step has requested additional or missing information	Yes
Design Acceptance (Stage 2) – Water Company – <b>SLPM – 2/3 – Review Design Step 2</b>	Issue formal technical acceptance of proposed adoptable network design, including calculations and summary of required inspection fees and Bonding levels – a further 14 days from receipt of additional information or design alterations	Will be included as part of the above response at Step 1 if no additional info or alterations are requested	Yes
Execute Adoption Agreement (Stage 3) – Water Company – <b>SLPM – 3/1 – Update draft Agreement</b>	Issue draft Agreement to Developer for signing. 14 days after receipt of inspection fees, coloured plans and all required legal & land matter details	Developer advised at early stage of any legal/land requirements	
Developer notifies of construction start date and requests inspections (Stage 4) – Water Company – <b>SLPM – 4/1 Inspections &amp; construction period</b>	Plan start up meeting and inspection regime. 1 <sup>st</sup> inspection undertaken within 14 days of request	Developer to give as much notice as possible	
Construction complete (Stage 5) - Water Company – <b>SLPM – 5/1 request for pre maintenance inspections</b>	Undertaken within 14 days from receipt of request	Developer to provide as built for inspection purposes	
Issue pre maintenance certificate/Provisional Certificate (Stage 5) - Water Company – <b>SLPM – 5/2 –</b>	7 days from confirmation that all construction works are satisfactory (or remedial works complete) and receipt of as built and CCTV survey	Standard maintenance period to be 12 months	N/A

<b>Construction is substantially complete</b>			
Issue Vesting Certificate (Stage 6) – Water Company – <b>SLPM – 6/2– Vest Sewers</b>	7 days from confirmation that all construction works are satisfactory (or remedial works complete) and all legal & land matters are complete		Yes

## F2 Reporting Requirements

<b>Process/Document Name</b>	<b>Description</b>	<b>Location of Publication</b>	<b>Frequency of Publication</b>
Levels of Service	A set of metrics produced to measure Water Company service levels.	Water UK/central website	Minimum quarterly
Local Practices	Where there is a deviation from the national standards, the Water Company will publish their local practice/s and an annual report setting out any agreed deviations from the Sewerage Sector Guidance or the Model Sewerage Adoption Agreements, for the preceding twelve-month period (from 1 April – 31 March). The annual report must, as a minimum, include details of the number of deviation agreements entered into under paragraphs 5.1.2 and 5.2.2 of this Code; the nature and categories of deviations agreed; and any other detail as may be specified by Ofwat from time to time.	Water Company website	Minimum annually
Procedures	Process flowcharts (Stages 1 – 7) for mains and services	Water Company website	Minimum annually
Minimum Information Checklist	The minimum information requirements of each party at each stage of each procedure, and which may include template forms if necessary.	Water Company website	Minimum annually
Local design guidance	Document that lists equipment requirement, construction and asset standards.	Water Company website	Minimum annually
Technical	Water Company to publish a	Water Company	Minimum

Standards/Requirements	document for outlines technical requirements that are out of scope of the DCG	website	annually
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## Appendix G-Code Governance Panel

The rules governing the operation of the Panel are available separately on the Codes Programme Web Page at:

<https://www.water.org.uk/developer-services/codes-adoption>