SLP comment	Recommended action	Company response (21 April 2020)	Ofwat response (5 June 2020) and Water UK comments 24 June 2020
1. General comments			
SLPs have expressed serious concerns about the current accreditation arrangements. The main focus of the concerns is on the perceived disparity between the requirements on SLPs and the requirements on water company operatives and the knock on effects SLPs consider this has. SLPs consider this creates significant recruitment difficulties due to the training and assessment costs involved in on-boarding staff and the time it takes to get the required qualifications. SLPs consider this creates significant barriers to entering regions where self-lay is not established and restricts their ability to service developments. This, in turn, makes it harder for SLPs to grow and expand.	We note that companies previously committed to exploring this issue outside of the Code for Adoption Agreements (**the Code**) and, to this end, appointed a consultant to complete a piece of work on this and put forward some recommendations. Unfortunately this has not resulted in any action being taken forward by companies. We understand this was predominantly because, on balance, companies' did not consider there was a significant issue that needed resolving, with reference being made to areas where companies' workers are accredited like SLPs but SLP activity still being very low. Given the importance of this work, and its relevance to the Code, this is disappointing and has put us in a position where we need to now consider how to build on this work and take this forward. With this in mind, we are proposing to issue a request for information to companies to obtain more information on this area. In terms of the focus of our request for information, whilst we understand SLPs desire for accreditation requirements to be exactly the same we are also keen to better understand the package of protections we expect companies' use to ensure workers provide quality infrastructure. We consider accreditation qualifications to be part of that package but we also recognise there will also be indemnity policies, for example, that also balance the risk. We are keen to understand whether that package is delivering the right outcome both in terms of quality of work and competition. In addition to the above, as companies no longer appear to be taking this issue forward alongside the Code documents, and in light of the continuing lack of consensus on this point, please provide the following clarifications: a. In the Model Water Adoption Agreement (**MWAA**), it refers to accreditation under WIRS and/or the water companies local accreditation arrangements. Please clarify the rationale behind why local accreditation arrangements have been introduced, the scenarios where it could be considered alongside WIRS and where it could be considered separate to WIRS (and/or drafting) and how it is intended to work in practice.	**General comment** We look forward to receipt of your RFI and will work with Ofwat should it be decided that changes are to be required to the current accreditation arrangements. We note the reference to a package of protections and would clarify that this package is primarily based on the contract between the water company and its contractor, rather than on any separate indemnity policy - which we take to be a reference to insurance. **Specific questions** The purpose of local accreditation is not to replicate the WIRS scheme but to allow individual companies to accept in their areas of operation that certain tasks marked amber in the ACS can be carried out by SLPs. This can only operate to increase the range of contestable tasks - not to reduce that range. The WSG states in paragraph 3.2.1: "no company's ACS will allow fewer activities to be Contestable than are so marked on that table, as amended from time to time." See also section 7, third bullet point in the WSG. As regards the proposed statement on competition law, we do not consider it appropriate to make a reference to competition law compliance for selected activities in this area of work. Water companies must always comply with competition in all fields of activity and we see no reason to mark out some activities only as being required to comply with competition law. We could, however, propose a generic reference to competition law compliance in the WSG, should Ofwat consider that desirable.	**Action**: Our understanding is that tasks marked green in the ACS are contestable and covered by WIRS whereas amber tasks are not covered by WIRS so need to be covered by local accreditation arrangements. Please can you confirm whether those SLPs undertaking amber activities would be required to be WIRS accredited? Water UK comment The WIRS accreditation scheme accredits the ability of the SLP to perform particular tasks-namely, those in the green boxes. By definition therefore, that accreditation will not attest to the skills of the SLP to carry out other tasks, such as those in the amber boxes. In practice, water companies would expect that SLPs held WIRS accreditation in any activity connected to an activity in the amber zone but given the position outlined, we cannot specify in advance that particular accreditations are a formal requirement for carrying out amber activities. In addition, with regards to your proposal to include a generic reference to competition law compliance in the WSG, we consider this to be a sensible suggestion. Although it is correct that companies have an obligation to comply with competition law in any event, and adding a reference in the documents does not change this, we consider there to be value in this obligation being reinforced in the documents. With the above in mind, please provide your suggested drafting. Water UK comment: New text for WSG_ "1.2.8 This WSG is also without prejudice to Water Companies' duty to comply with relevant legislation including, in particular, Chapter II of the Competition Act 1998 dealing with abuse of a dominant position. Section 18(2)(c) provides that conduct may, in particular, constitute such an abuse if it consists in— "(c)applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage"

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	b. We note that local accreditation arrangements are currently limited to activities shaded amber in the Annual Contestability Summary (**ACS**). Please clarify the rationale behind this and whether companies have considered expanding this to also cover those activities shaded green. We would also like to see an assurance that any accreditation or other requirements to assure the quality of works provided will be agreed in accordance with competition law in the definitions for Accreditation in the Water Sector Guidance (**WSG**) and MWAA.		1.2.9 In applying this WSG, Water Companies will be mindful of the possible application of the 1998 Act".
2. Design and Construction Specification (DCS)			
SLPs are nervous about the lack of detail regarding companies' local variations.	We understand SLPs nervousness on this as they have yet to see what companies' local variations will look like. With this in mind, we would like companies to set out: a. Current progress on developing their local variations including the areas where are looking to include local variations; b. When companies propose completing this exercise; and c. How they are planning to consult with their customers.	Given the limited range of permissible local practices, it is not clear what is giving rise to concerns. Companies are obliged to publish proposed local practices two months before the proposed implementation date of the WSG and have not generally anticipated that timetable in advance of the code documentation being finalised, to do so is seen as potentially inefficient. In any consultation, companies will use their usual methods for consulting, asking local SLPs and others such as FWC, the HBF and CCW. A number of companies have local practices reflecting different approaches to the provision of meter details and another example is in relation to the timing of the requirement to report plot reference numbers. Where there have not already been consultations, these local requirements will be consulted on following approval of the WSG.	**Action:** The Code says at 3.3.1 that: 'water and sewerage companies must inform customers about any proposed local practices, referred to at para 3.1.3(i), and give customers an opportunity to comment on those local practices before they are implemented. Any local practices must be justified under the principles of this Code and must be permitted by the sector guidance.' With the above in mind, whilst we consider your response to be reasonable, we also consider that two months to consult and then make any required changes might be a bit tight. Is there any further assurance you can provide that companies have considered this and are well prepared? Water UK comment: We note that some companies have already consulted on their proposed local practices. This was also brought to companies' attention during the IPG meeting on 16 June and companies have agreed that they will endeavour to provide a three month consultation period. Once an implementation has been fixed by Ofwat, companies can be expected to consult promptly on proposed local practices, to the extent they have not already done so.
SLPs have concerns with the current wording on pre-start meetings which says (see section 24) that 'a pre-start meeting shall only be required if one party to the MWAA submits a written request to the remaining parties notifying them that it requires a pre-start meeting'.	We understand SLPs' concerns and consider a minor amendment to the current wording to set out that companies must provide reasoning for why such meetings are required is a sensible build. As such, we recommend amending the wording of section 24 of the DCS to read: 'a pre-start meeting shall only be required if one party to the MWAA submits a written request to the remaining parties	Companies consider this to be good practice, allowing not just the SLP and company to be clear on the plans for a particular site but also other parties such as the developer. A number of companies have commented that this is a step in the process which the SLPs they deal with welcome. Such meetings allow the parties to be clear as to what is required onsite - the key priorities, routes, layouts,	Action: Whilst we agree that pre-start meetings are good practice and allow parties to be clear on plans for a site, we continue to consider our suggested amendment to be sensible. The intention behind the drafting change is to ensure transparency and to ensure all parties are clear as to

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SLPs do not consider the current wording will change company behaviour and those companies that insist on pre-start meetings will continue to do so.	notifying them that it requires a pre-start meeting. Any such request must set out the operational reason(s) why a pre-start meeting is required.'	timescales and respective responsibilities. Companies do not consider that they should be required to justify a meeting which can only serve to improve delivery. It does not affect any of the levels of service.	why a pre-start meeting is required. We do not consider our suggestion to be onerous or an administrative burden. The requirement would apply to all parties to the MWAA not just companies. With the above in mind, please further reflect on our suggested drafting. Water UK comment: The proposed Ofwat wording introduces an opportunity for disagreement about the merits of holding a meeting which water companies universally consider to be a valuable part of the process of adoption. Such disagreements would lead to potential delays while debating the merits of such meetings. It is not clear why companies would insist on a meeting in the limited number of cases where it would not be productive. We have added the following explanatory wording to clause 24 of the DCS: However, such meetings are viewed by Water Companies as a key means of helping to achieve good Health and Safety outcomes, of securing timely, cost-effective delivery and ensuring smooth adoption and handover. For this reason, they will generally be requested by Water Companies In more detail, such meetings will allow the following aspects of the project to be addressed: • Site-specific Health & Safety and site management issues • Confirmation of the identity of the Principal Contractor under CDM Regulations • Introduce site personnel and establish their individual roles and responsibilities • Establish local lines of communication between site and Water Company staff • Assess any associated construction activity that may need accommodating in the SLP construction programme • Discuss issues relating to the distribution that have the potential to affect the project.
Clause 8.1.1 of the DCS, which is on a pre-construction phase plan being created at the design stage, does not set out clearly which party is responsible for this. SLPs have set out that they do not normally complete this as part of the self-lay approval submission.	We agree with SLPs that there is a lack of clarity in the DCS on who is responsible for the pre-construction phase plan. In addition, if SLPs do not currently complete such a plan, we are unsure why such a plan is required. We recognise your previous comments that this is a standard Construction (Design and Management) (**CDM**) Regulations activity and	Here is a link to an HSE publication that sets out the contents of such a plan and specifies that it is required under the CDM regulations: https://www.hse.gov.uk/pubns/cis80.pdf	**Action**: We consider your suggestion to specify in the DCS that this obligation rests on the contractor is sensible. Please provide your suggested drafting. Water UK comment: This is proposed additional wording in clause 8.1.1

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	would be grateful if you could confirm this is the reason why a pre-construction phase plan is required. In addition, please set out who is responsible for the plan and make any necessary amendments to the DCS to ensure this is clear.	The obligation to prepare this rests on the contractor and if necessary we could specify this in paragraph 8.1.1 of the DCS.	"The need for the plan arises from the requirements of CDM. HSE leaflet INDG411(rev1), published 04/15 that states: **Ensure a construction phase plan is in place** The principal contractor (or contractor if there is only one contractor) has to draw up a plan explaining how health and safety risks will be managed. This should be proportionate to the scale of the work and associated risks and you should not allow work to start on site until there is a plan"
Clause 9.9 of the DCS sets out the minimum requirements of design drawings and SLPs consider this is requiring them to include items on design drawings that are not currently provided by some or all water companies in their standard drawing. SLPs have particular concerns that items 6, 7,12,13,14,15,17,18 and 20 are not currently provided by water companies. In addition, SLPs also consider that items 2, 11, 21,22,23,24 and 27 are not currently required at all. There are a number of items on this list that SLPs consider should be made compulsory for water companies to include on designs to provide a truly contestable activity and SLPs believe this inconsistent requirement on both water companies and SLPs creates a market distortion and is, therefore, anti-competitive.	We understand SLPs' concerns that the requirements around design drawings might not match what water companies do when they provide design drawings. Having said this, we note companies' comments following the last consultation that the list is based on company best practice. In addition, companies also set out that the requirements apply to all construction, whether company or SLP, and companies cannot request that SLPs design in a way that they themselves do not. With the above in mind, please explain the rationale behind any additional requirements not currently required. Please provide assurance that companies are not requesting requirements not provided in their own design drawings or, if not, the justification for the inconsistency. We also consider it would be sensible to include a cross-reference in clause 9.9 to section 2.2.2 of the Water Sector Guidance (**WSG**) which sets out that 'in providing services to SLPs in connection with the provision by them of adoptable assets and in the conduct of their business generally, water companies will ensure compliance with the requirements of competition law'.	**General** It is not possible to respond fully to this comment without having an understanding of each company's approach to drawings. The list set out is, however, considered to represent best practice. It may also be the case that some requirements are currently imposed through other documents rather than through the drawings required. Generally, companies report that their approach is consistent between their own works and works carried out by SLPs. Two options suggest themselves. We could do an exhaustive review of each company's requirements and then work to devise a harmonised approach. This might give rise to some delay in the programme as this is not a trivial task and companies may well need to make changes to their internal procedures to accommodate this. Alternatively, we could investigate the possibility of adding a requirement to the WSG and/or DCS to the effect that a company would need to explain and justify any differential between the drawings requirements for requisitioned works and for self-laid works. We suggest that given the need for competition law compliance, this second option would ensure the necessary equality between the two approaches. One of our members has helpfully provided detailed comments on the specific drawings that have been identified. These are relatively shorthand comments but indicate how the particular company has assessed the allegations of differential treatment.	**General** **Action**: We agree that your suggestion of adding a requirement to the WSG and/or DCS to the effect that a company would need to explain and justify any differential between the drawings requirements for requisitioned works and for self-laid works is sensible. Please provide your suggested drafting. Water UK comment: New wording for DCS clause 9.9 The above list represents best practice and in some cases, not all such drawings will be required by the Water Company. Water Companies will justify differences in documentation requirements between requisitioned and self-lay schemes In addition to the above, and separate to the approval process for the water sector documents, we think it would be beneficial for companies to review their requirements with a view to harmonising their approach over time with any subsequent DCS changes being made via the Code Panel. Water UK comment: Noted **Specific requirements** **Action**: The comments you provided on the specific requirements were helpful, however, we are unclear as to the difference between something not being included on design drawings but being part of the design process. This

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		Items SLPs consider are not currently provided by water companies on their design drawings Item 6 - Depth of Self-Laid Main if not accordance with Street works UK guidance - all mains are to be laid at correct depth and cover therefore specific depth not included on design. Variation will only occur in specific scenarios and a more detailed drawing produced for that section is produced (normally by the developer) as Principal Designer. Or if there are special engineering difficulties that warrant further detail then this will be done by [X Co] Major Projects Team. Item 7 - Self-Lay Works and Water Company Works - Clearly marked on all [X Co] drawings and identified on drawing key. Item 12 - Location of boundary boxes, meter chambers etc - General location of meter boxes, manifolds are included, specific detail referred to in construction guidance. Item 13 - Type of service connection for each plot- either marked on drawing or in notes. Item 14 - Hydrants to be adopted by fire authority - washouts and FH marked on drawing. Item 15 - Location of ducts - On drawing but to be in consultation with developer as part of design collaboration. Item 17 - Areas of contamination where protective pipework required - as part of the application process [X Co] require an intrusive site investigation and soil remediation report (if appropriate), it will then be clearly shown on the design where barrier pipe is required, therefore indicating areas of contamination. Item 18 - Future demand - if there are adjacent phases linked to the development then these are indicated on our design drawings. Item 20 - Site boundary - on all our drawings. **Items SLPs consider not currently required at all** Item 2 - AoD at POC and highest point of site- existing mandatory requirement on our DMA approval template for Networks, developers supply topographical survey, GPS referenced and to ordnance datum so we can factor this into our network capacity assessment. Not on design drawing but used as part of the design process. (Water UK italics)	is something that occurs on a number of the requirements. Please clarify in the DCS where something is required for design drawings compared to where something is required for the wider design process. Water UK comment We consider that the distinction is properly drawn in the DCS between elements needing to appear on the design drawings and elements which need to be dealt with but which do not need to be on the design drawings. In the design of water mains and services (and any other infrastructure for that matter) certain information is required in order to enable a design to be undertaken, i.e. to facilitate the design process. Not all the information provided to facilitate a design will necessarily make it onto a design drawing. The main problem is that if all information were presented on a drawing it would make the drawing illegible. For example, it is necessary for any designer of mains and services to understand the topography of a development site so that hydraulic gradients can be understood and so that customers receive statutory minimum pressure requirements. This level information is provided in the form of a topographical survey. Topographical surveys typically contain several data points and to include these on the final drawing would make it difficult to interpret the layout of the mains and services in relation to the development. **Action**: You also make reference to some requirements being imposed through other regulatory requirements. If some of the drawing requirements are because of other regulations (similar to the HSE plan requirement above) please do set this out. Water UK comment Listed below are drawing requirements linked to other regulations or guidance, (NB, item number corresponds to the item number in 9.9 of the DCS) Item 6- Depth of Self Laid main and Streetworks guidance; all mains and services to be laid in accordance with UK Streetworks Guidance volumes 1 to 6, (as stated in 11.3 and 11.4 of the DCS). This is routinely followed by both companies and SLPs and allows the designer not to show specific depths on a

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		Item 11 - Service pipe entry points – [X Co] show general but not specific service pipe entry points on design drawings, in any case it would be assumed that as competent providers of mains services and services that SLPs should know where the appropriate entry point should be. Item 21 - Roads/ highways/ service strips proposed for adoption - this is on developers S.38 drawing which we then use to inform design, therefore not appropriate to be on our design drawing. SLPs should follow the same process and obtain this information from developers as part of a collaborative design process. Item 22 - Change in Ground level – we require topographical survey from developers as part of the design process so that hydraulic gradient across a site and head loss calculated so we can ensure that statutory minimum pressures are achieved. Item 23 - Service strips, wayleaves, easements- service strips provided by developer on masterplan layout and S38 drawings, any wayleaves or easements required would be discussed as part of the design process and marked on a drawing. Item 24 - Significant environmental and H&S hazards- information provided by developer and not necessarily marked on design drawing but considered in the design process. (Water UK italics) Item 25 - Design risk assessment – not on design drawing but any information provided to contractor to ensure CDM compliance.	drawing unless there are special circumstances which fall outside the standard guidance. Item 23- Service strips, wayleaves and easements. We do not understand the objection that has been raised. Identifying these features is critical to safeguard future operation and maintenance of assets. Water companies need to ensure at the design phase that the new assets are not located within private land and preferably in a dedicated service strip or adoptable highway. As regards the S38 reference, this is a reference to Section 38 of the of The Highways Act 1980, dealing with the adoption process whereby a developer will request the relevant Highway Authority to adopt highways constructed as part of a development. The Section 38 drawing is a drawing produced by a developer and approved for adoption by the Highway Authority. This drawing is utilised in the design process to facilitate appropriate routing of a water main. It is not a requirement imposed by other regulatory requirements but information that is used in the design process.
As part of clause 9.9, there is a requirement at point 22 for design drawings to include 'change in ground level'. SLPs consider this should be amended to read 'Considerable change in ground level'.	We consider SLPs suggestion sensible, however, we also consider there would need be a view on what 'considerable' is. With this in mind, please reflect on options to amend clause 9.9 point 22 of the DCS.	In principle, it is essential to show changes in ground level to calculate hydraulic gradient across the site and ensure minimum pressures are maintained. Developers are in any event required to submit a topographical survey to ordnance datum. Adding a non-specific qualification such as "considerable" is not therefore acceptable. We would be happy to consider a	We consider your response to be reasonable. We agree a measurable de minimis threshold sounds sensible and we consider this to be something the Code Panel could address going forward. Water UK comment:

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		measurable de minimis threshold for changes that need to be shown in drawings. We are not able to commit to a change without understanding what level of threshold might be suggested.	Noted
As part of clause 9.9, there is a requirement at point 25 for a 'design risk assessment demonstrating hazard and risk management'. SLPs suggest removing this as it was never provided previously on self-lay designs.	We understand SLPs' concerns. Please clarify the rationale behind including point 25 in clause 9.9 of the DCS, in particular, setting out why it has now been suggested if it did not apply previously.	As noted above, this is a requirement of the CDM regulations.	**Action**: We note that 'risks to members of the public, the client and others' is included on the pre-construction plan linked to above, which contractors must complete per clause 8.1.1 of the DCS. With this in mind, can this additional risk assessment be removed as it appears to be a duplication? **Action**: We also note you have provided no comment on whether this is a new requirement. We would be grateful if you could please respond to this. Water UK comment: This is not a new requirement and as noted is required under CDM. We agree however that it need not appear both here and at 8.1.1 and we have therefore deleted point 25 in this list.
SLPs consider the DCS sets requirements for hydraulic modelling which are above and beyond what is reasonably required, not justifiable and unreflective of the day to day practices used by the water companies and their own contractors. SLPs consider that like training and qualifications, they are being asked to attain standards which water companies themselves cannot meet. Given the policy of point of connections (**POCs**) being from the nearest suitably sized main, SLPs ask why they should become involved in any hydraulic modelling at all.	We understand SLPs concerns. Please clarify the rationale behind the inclusion of hydraulic modelling.	We consider that there is a misapprehension here. Companies are not requiring hydraulic modelling. The water company carries out any modelling required by the scheme and informs the SLP if the results indicate that the works on the particular site need to differ from standard requirements. The SLP's responsibility is to ensure that the mains are sized adequately for the demand that the developer requires. Paragraph 10.2 of the DCS specifically refers to water companies carrying out such modelling: "The Self-Laid Main shall be sized such that all known future sites within any larger area of Development relative to the Site are taken into consideration to avoid unnecessary upsizing at a later date, such that the pipes shall be sized to supply the entire Development notwithstanding any phasing, taking into account: The results of any Network modelling by the Water Company relative to an area of Development by reference to information in the public domain and/or by reference to related development enquiries it has received"	We consider your response to be reasonable. No further action required.
3. Model Water Adoption Agreement (MWAA)			
Clause 3.3 of the MWAA sets out that nothing in the MWAA shall imply any obligation on the water company to ensure	We understand SLPs' concerns. Please clarify that the reference in the MWAA to there being 'no obligation on	The definition of Self-Laid Main indicates the disclaimer in 3.3 applies only to works carried out by the SLP:	We consider your response to be reasonable.

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the self-laid main, or any section and any service pipe is properly constructed. SLPs consider that any pipe installed by the water company as part of the self-laid works is warranted by the water company but this is not apparent from the wording of this clause.	water companies to ensure the self-laid main, or any section and any service pipe is properly constructed' is just in reference to SLP constructed works. If our understanding of the above clause is correct, please suggest amended wording to make the above clear, including to any defined terms.	"The new water main and/or any Existing Main which is to be diverted, which is the subject of this WAA (including accessories as defined in the Water Industry Act 1991) to be constructed by the SLP as part of the Self-Lay Works..." (Water UK highlighting)	No further action required.
Clause 5.8 of the MWAA is on the grant of such land rights and any statutory consents being completed prior to and as a condition of the water company: • Providing a source of water for testing on the delivery date; • Carrying out the final connection; • Carrying out the water company works; and • Issuing a declaration of vesting. SLPs do not agree with the above wording and are similarly concerned with the wording at clause 10.1 which sets out that the water company will provide a source of water for testing on the delivery date subject to, amongst other things, all agreed land rights. They consider that the grant of third party rights prior to a source of water connection should only be a pre-condition where those rights are a requisite for undertaking or accessing that connection. SLPs consider that once a design has been submitted and non-contestable costs (where applicable) paid, then the clock for a source of water connection should start. SLPs acknowledge WaterUK's comment that companies will not wish to undertake works by a certain date when there is no legal commitment to the project by the SLP. SLPs, however, think companies are seeking to unreasonably prolong the duration of works.	We understand SLPs' nervousness on this, in particular on having to ensure land rights and consents have been transferred or granted prior to providing a source of water for testing connection. Having said this, we also understand the rationale behind companies wishing to ensure all land rights and consents have been secured. We consider it would be helpful if you could provide more information around companies' Land Rights Criteria and what this is likely to cover. We note that companies publishing their Land Rights Criteria has been highlighted in the water sector documents recommendation as an issue the Code Panel could pick up going forward. We consider, however, that some further information on this is required at this stage. We also note there does not appear to be a similar requirement for sewerage adoption and would welcome some clarity around why this is so.	It is fundamental to a water company's adoption processes that the necessary rights exist in third party land. A failure to secure those rights make it impossible for the adoption to proceed. Given the number of cases where schemes have proceeded, only for rights not to be secured, it is reasonable to take this opportunity to ensure that the rights are in place before substantive work is undertaken. If this is not done, it requires the water company to undertake work that may be abortive if it is ultimately not able to adopt the asset due to third party rights. The requirement may either be an easement or a transfer of rights. The reference to the panel in this context is a reference to the suggestion that a standard form easement could be developed for use by all companies. In the sewerage code, there is an ability for companies to require easements by way of a local practice. The same result is therefore achieved by a different route.	We consider your response to be reasonable and agree with your suggestion that a standard easement form could be developed for use by all companies. We consider this to be something that the Code Panel could pick up in the future. Water UK comment: Noted
Clause 12.4 of the MWAA is on the provision of meter details and resident details (amongst other things) 'immediately upon the making of any communication pipe connection'. SLPs consider 'immediately' to be unrealistic, particularly given SLPs do not deal with residents.	We understand SLPs concerns but also recognise the need for this information as it impacts on end customers for billing. With this in mind, could you please consider whether there could potentially be a level of service on this, for example, within 10 working days. We also note that in response to SLPs comments to the last consultation companies agreed to take out the requirement for details of the end customer to be provided when a connection is made. This appears to have resulted in this being omitted from the minimum information (Appendix E).	Agree that we need to change the MWAA to reflect the agreed position - which is set out in LoS SLPM S7/2: "The SLP to provide this information to the Water Company within 1 working day of completing the connection for non-household and 5 calendar days for household."	**Action**: We consider your response to be reasonable and agree that the MWAA needs amending. Our understanding was that reference to the owner/occupier would be removed from clause 12.4 of the MWAA as the LoS requirement relates only to notification that the connection is made and meter details if the SLP is fitting the meters. Water UK comment: We are not clear why it would be beneficial to remove the reference to owner/occupier as it is reasonable for the water company to know who will be responsible for their charges after the property has been sold. The fact that there is no

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	We would be grateful for your comments on this potential inconsistency.		associated service level requirement does not affect this consideration. We note that the drafting has changed from 'immediately upon the making of any communication pipe connection' to 'following the making of any communication pipe connection'. We consider this change sensible. We also note you have inserted an additional clause (12.5) to reflect the position in SLPM S7/2. We also note, however, that there still appears to be some inconsistency between the MWAA, the LoS, the procedures and the minimum information (**MI**). The MWAA references SLPs providing water companies with the name and address of the owner (where known), the procedures reference the customer and the MI and LoS do not mention the customer or owner at all. Please address the above inconsistency. Water UK comment: MWAA wording has been inserted into the MI doc to make the two compatible. The procedures already cross-refer to the MI and do not therefore need changing. The LoS measure Water Company activity whereas this is a requirement imposed on the SLP.
Clause 3.4.2(f) of the Code sets out that as a minimum the draft MWAA must include named points of contact for each party in relation to the day to day operations and contract management, specific to each site.	Companies to address this omission.	Agreed. Change to be made. But note that this may be a generic email address rather than that of a named individual.	We note your addition of Schedule 6 in the MWAA and the reference to Schedule 6 at paragraph 23.5. We consider this to be reasonable. No further action required.
The mediation section of the MWAA does not clearly set out what will happen on the outcome of mediation.	Companies to address this omission.	We do not understand this comment. By definition, a mediation is a process aimed at resolving a dispute by reaching an agreed settlement between the parties. Any such process will only work if the result is accepted by both parties – i.e. in a successfully concluded mediation. If either party does not accept then the matter will need to be resolved in court.	**Action**: We consider your response to be reasonable, however, we would also suggest a sentence is added along the lines of 'Any agreement reached through the mediation procedure shall be recorded in writing' to make it clear what happens on the outcome of a successful mediation. Water UK comment: The CEDR model mediation procedure provides a considerable amount of detail about possible mediation outcomes-reaching a written settlement is only one such outcome. We suggest that the current reference to the CEDR procedure is adequate. See https://mk0cedrxdkly80r1e6.kinstacdn.com/app/uploads/2020/01/CEDR-Model-Mediation-Procedure.pdf:

SLP comment	Recommended action	Company response (21 April 2020)	Ofwat response (5 June 2020) and Water UK comments 24 June 2020
4. Water Sector Guidance (WSG)			
SLPs have expressed concerns around companies' performance with regards to delivery dates. With this in mind, SLPs are keen for new delivery dates to be provided by water companies where original dates are not met and they want this date 'as soon as possible'. This is due to concerns that once an original date has been missed they might be put to the 'back of the queue'.	We understand SLPs' concerns and consider an amendment to the wording of the redress section of the WSG is required. We recommend amending clause 10.1.2 of the WSG to set out that where the failure arises in relation to a category 2 metric: 'That email to the SLP about the failure will also contain a new date for the performance of the service in question which will be as soon as possible and less than resetting the level of service.	It is not easy to see the motivation for a water company putting the SLP to the back of the queue. We also need to consider that there may be good reasons why a date has not been met - these may also affect any attempt to set a new delivery date. Proposed wording as follows: "In cases of a failure to meet the Delivery Date, as specified in the WAA, that email will also contain a new date for the performance of the service which will be as soon as reasonably practicable taking account of the circumstances which led to the original delay".	We consider your suggested drafting to be broadly reasonable and we note this has now been included at paragraph 10.1.2. No further action required.
WaterUK has set out that the procedures are mandatory as part of the WSG, however, it does not consider the procedures can be made mandatory under the MWAA. Section 4.1.1 of the WSG sets out that it may be that over time consideration will be given to additionally requiring compliance with the procedures pursuant to the MWAA. With the above in mind, SLPs have questioned whether the procedures set out in the WSG are binding on water companies. SLPs also consider there needs to be tougher language included to promote companies' compliance with the procedures.	Our interpretation is that the references in the MWAA to compliance with the WSG means that the procedures form part of the contract and any failure in relation to them would be a breach of contract. The MWAA clearly sets out on page 5 that the water company will carry out the water company works in accordance with its obligations in this WAA and the WSG. It also sets out that the water company will adopt the self-laid main subject to its completion in accordance with this WAA and the WSG. Clause 4.2 of the MWAA also sets out that the parties undertake and warrant that they will carry out the self-lay works and the water company works on the terms set out in this WAA, including its schedules and in accordance with (e) the WSG, including the levels of service. With the above in mind, please clarify the rationale that the procedures (Appendix C) are not mandatory under the MWAA.	We need to differentiate the LoS and procedures. It is intended that there be a contractual commitment to the former but not to the latter. The reason for this differentiation is that the procedures are not sufficiently developed to form the basis of such a commitment. We question whether the many variations in individual projects can ever be reduced to a legally binding set of procedures. We also question whether that is desirable as it forces parties into a strait jacket rather than allowing pragmatic approaches to meeting the overall requirements of the code. One could envisage legal challenges over failures to follow procedures when they can never hope to cater for the range of situations that occur in everyday construction projects. But, as the WSG notes, we are open to considering this further through the panel. It is true that the MWAA cross refers to the WSG and that the WSG includes a reference to the procedures. However, by cross-referring to the WSG, we are also importing the caveat expressed at paragraph 4.1.1, i.e. that they are not intended to be legally binding. We recognise that this needs to be made clearer and will adjust the wording. None of this affects the fact that companies have had to produce a set of procedures and that once the WSG is approved, there will be a regulatory requirement to comply. This is important as a number of the metrics apply before the contract is entered into.	We consider your response to be broadly reasonable. We acknowledge sites may need to vary from the procedures. We agree that further clarity on this would be helpful and welcome your additional drafting at clause 4.2(e) of the MWAA. No further action required. In addition, we also consider this should be closely monitored and potentially put to the Code Panel in the future (if possible).

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Provision of a source of water date for testing is only contractually binding once the water company has agreed to it. SLPs consider that this is a recipe for ongoing costly and wasteful debates. To address this a maximum time limit for companies to provide a source of water from date upon which it is requested by the SLP, subject to all requisite information having been provided, needs to be imposed. SLPs suggest this time limit should be 28 days.	We understand SLPs' concerns and desire to get a date for a source of water for testing connection as soon as possible. The current arrangement is that companies will provide a source of water for testing within an agreed period or within a minimum of 42 days of the initial application. This includes that the date for testing will be not less than 28 calendar days from the day the company receives the signed adoption agreement. However, there are multiple references to the process across a number of the documents including the WSG, the procedures and the MWAA and there does not appear to be consistency across those documents. With the above in mind, please clarify the procedure and timescales for providing a source of water for testing connection. Please also clarify the rationale behind including reference to a minimum number of days within which to provide the connection and whether the inclusion of a maximum number of days (subject to exceptional circumstances) would be more sensible and provide SLPs with greater certainty.	In our discussions with the SLPs, a key requirement was for a date to be given for this connection and for it then to be fixed. We have provided a fixed date and this is expressly referred to in the MWAA at clause 10.1 and specified the consequences of not meeting it in the WSG. There are also potential remedies for contractual breach. What is now being proposed is another approach but we fail to see how this would work in practice. The delivery of a connection can be subject to many factors which are not under the control of the parties such as access to land and traffic management. These factors led to the decision to have an agreed date for delivery rather than a maximum date which might simply be unachievable because of these external factors. The 42 day period represents 14 days (pre-contract) for design acceptance and then a further 28 days from the date the contract is entered into. We will review the suite of documents to ensure that this is consistent and clear in the various documents.	We consider your response to be broadly reasonable. No further action required.
If the source of water delivery date becomes invalid, WaterUK has set out that this would be considered a breach of contract and would be dealt with as such. WaterUK also referenced the redress process. In response, SLPs have questioned how a breach of contract would help the SLP or their customer.	We understand SLPs' concerns and consider the addition to category 2 metrics of providing a new date as soon as possible (see comment above) should address these concerns.	We not understand this concern. In any construction contract, a failure to meet an agreed delivery date will lead to the potential of a claim for damages where loss can be shown. This is the same as is being provided for here. We have also a more practical remedy through the redress procedures. No further change is considered necessary.	Further to the above comment, we note your additional drafting at 10.1.2 which we consider reasonable and addresses this concern. No further action required.
SLPs have expressed concerns regarding the use of the 'chess clock' approach for certain metrics with some SLPs expressing concerns that water companies resetting the clock when conversations are being had between SLPs/developers and themselves will extend the timescale for delivery and is open to manipulation.	Please clarify what the chess clock approach is and the rationale behind using this approach. In particular, why this approach is only suitable for one metric (S2/2b). In addition, please reflect on whether there is any additional clarity that can be provided in the sector documents to make it clear to SLPs what the approach is and when it applies and also any additional assurance that this approach will not be open to manipulation by companies.	This approach reflects the collaborative and iterative nature of agreeing designs. It incentivises the water company to perform by ensuring that the clock is not reset to zero. If the water company objects to design proposals and asks for further work to be done by the SLP, it knows that it will have only the remaining time to complete its assessment. We consider that no additional constraints need to be imposed as companies' ability to reject designs comes with a price already – i.e. a more limited time to complete the water company's assessment.	**Action**: We consider your response to be reasonable. We also consider, however, that the drafting could be tightened to explicitly confirm that the timeframe for these metrics will not be extended in the event companies object to design proposals and ask for further work to be done by SLPs. Please consider what additional drafting you could include. Water UK comment: Wording added to LoS for S2/2b: Water company rejection of a design will not affect the overall timescale for acceptance.

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In regards to SLPM S1/2, SLPs consider the addition of 28 calendar days to review PoC proposals for complex sites has not been justified. This metrics was initially to review a PoC proposal within 14 days.	We understand SLPs' concerns and note the S1/2 metric was initially 14 days but increased to 28 days for complex sites in the latest draft proposals. We recognise this was introduced in response to company concerns that 14 days is insufficient time to provide a full response for schemes that are complex. However, we are not so clear what it is about complex sites that require an additional 14 days. With the above in mind, please clarify the rationale behind increasing this metric to 28 days for complex sites.	A number of additional steps can arise where a scheme is "complex" including the need to consider reinforcement and the consultation of network and asset management departments within water companies. Note also that the 14 days is a shorter period than the current LoS.	We consider your response to be reasonable. We consider companies should keep this under review.
Companies have made no reference to mediation in the WSG. We note it is referenced in the MWAA.	Section 3.1.2 (g) of the Code sets out that sector guidance must include the process for dispute resolution including mediation. With the above in mind, companies to address this omission.	We will add a sentence to the WSG, section 8, to note that the MWAA contains a mediation procedure.	We note that you have included a new paragraph into the WSG at section 8 that cross-refers to Schedule 5 of the MWAA (Dispute Resolution Procedure). We consider this addition to be reasonable. No further action required.
SLPs have expressed concerns at the legitimacy of the Code Panel as it only has 3 SLP members compared to 5 water company members.	We note that the terms of reference for the Code Panel set out at paragraph 8.3 that the panel shall consist of the five members nominated by customers, three shall represent SLPs and two developers. This meets the Code requirements for an equal number of company and customer representatives on the Panel. We will continue to monitor this once the Panel is up and running.	No comment.	No further action required.
			Action: We note you have included a reference to valve ops in 11.7 of the DCS but your reference in the ACS to this paragraph only refers to 11.7. Please consider clarifying the drafting so the reference in the ACS is to '11.7 of the DCS'. Water UK comment Reference added to the DCS in the note to the ACS