

## Memorandum submitted by The Consumer Council for Water (FW 10)

1. The Consumer Council for Water (CCWater) is the independent statutory body (sponsored by DEFRA and the Welsh Assembly Government) charged with representing both business and domestic water customers' interests in England and Wales.
2. We are paid for by water bill payers, not tax payers, and cost 25p per bill payer per year.

### Introduction

3. CCWater welcomes the Floods and Water Management Bill as a valuable step towards a more sustainable water sector. It provides proposals for legislation that complement the Future Water strategy published by Defra including measures that promise a more robust water and sewerage infrastructure.
4. The aims behind the three themes of the Bill, security, service and sustainability are welcome and appear appropriate. The Bill offers to create clearer structures for responsibility and it seeks to manage risk, protect essential water supplies and improve service levels for consumers. We support these principles. We do however wish to be reassured that water customers will not be asked to pay for improvements that others require or will benefit from.
5. Below are the main CCWater views on the elements of the Floods & Water Management Bill that are relevant to the water consumers we represent

### 6. Flooding

- The Bill addresses consumers' concerns about flooding.
- CCWater is looking for rapid progress to get the flooding risk mitigated.

### 7. Consumers' Views on Flooding

- ✓ Investment should ensure there is a never a loss of water supply due to flooding
- ✓ Good communication is vital during a flooding event. Consumers expect to know what is going on and where to turn.
- ✓ Consumers want reassurance that if something does go wrong different organisations involved have clearly defined roles. The Bill seeks to address that.

We support the Bill's aims to:

- give adequate protection for water industry assets;
- prevent sewer flooding incidents.

### 8. But protection comes at a cost.

We support:

- ✓ Water customers paying their fair share, but not being asked to pick up the costs of wider flooding measures.
- ✓ Works required from water companies as part of a partnership's strategy being subject to cost/benefit analysis.

### 9. Surface Water Drainage Concessions

- CCWater feels that the consultation of consumers and their representatives

**should be stated in the enabling clause itself.**

- **It is essential that this is also addressed throughout the supporting guidance.**

- ✓ Need to make sure the proposed solution will be practical for water companies and Ofwat to operate and fair for those customers who will have to bear the cost.
- ✓ The guidance should be explicit in naming the types of groups that will or will not qualify.
- ✓ It is important to listen to the local community views on plans to give reduced charges to faith and community groups and have a route for any required arbitration.
- ✓ We support the sentiment of the Water UK amendment.

#### **10. Sustainable Drainage (SUDS)**

- **Water companies should have a right to object to a connection to the sewers of surface or highway water because of the risk of overloading the sewer and causing sewage flooding.**

- ✓ We support the Water UK amendment on providing water companies with a right of objection to the connection to the public sewerage system (for surface & highway water), subject to an appeal to Ofwat.

#### **11. Debt Recovery Measures**

- **We believe there should be a clause to help tackle the problem of bad debt.**
- **We would like to see the liable person for paying the bill to be defined as the property owner.**

- ✓ Support Walker recommendation that “the ‘liable person’ should be the property owner unless they discharge their liability to the water company by providing tenancy information correctly and in a timely manner”
- ✓ Support Water UK’s amendment on landlord liability. Property owners need to produce ‘timely’ information.

#### **12. Special Administration Regime (SAR)**

- **Customers must not suffer extra costs from any rescue of a water company.**
- **Rescue costs must be paid for by shareholders or creditors of the rescued company.**
- **Administrator should have regard to agreements held by interested parties**

**with the original business.**

- ✓ The rescued company must not recover rescue costs by asking Ofwat for an increase in price limits.
- ✓ The SAR administrator must consider the interests of customers, and make sure that agreements where the rescued company is supplying water to another water company are safeguarded.

**13. Non-essential Use of Water - temporary ban on use**

- **The planned approach by Defra makes sense, and will ensure that consumers are at the heart of future decisions.**
- **We believe the industry's voluntary code of practice for drought restrictions could be a starting point for developing any new powers.**

- ✓ We support Bill's aim to limit use of non-essential water use during a drought.
- ✓ We support additional work by Defra to clarify who would be affected and how it would affect them.

**14. Further information**

If you have any further enquiries or would like more information on the Consumer Council for Water's view of the Floods and Water Bill or any aspect of our work for water customers, please contact Jenny Suggate, Policy Manager, on 07768276290 or at [Jennifer.suggate@ccwater.org.uk](mailto:Jennifer.suggate@ccwater.org.uk).

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