

# Information notice

IN 18/16 August 2018

ofwat

This is a formal document that alerts our stakeholders to a change in the way that we regulate the water sector in England and Wales.

## Revising the Code for Adoption Agreements

This information notice is a statutory notice given under sections 51CC (1)(a) and 105ZE (1)(a) of the Water Industry Act 1991 (**the Act**). Those sections allow us to make minor or urgent revisions to the code issued by us under sections 51CA and 105ZC of the Act (**the Code for Adoption Agreements**). The Code for Adoption Agreements deals with the adoption of water infrastructure and sewerage infrastructure. It applies to companies whose areas of appointment are wholly or mainly in England.

Under sections 51CC (1)(a) and 105ZE (1)(a) of the Act, minor revisions are revisions for which consultation is considered unnecessary.

### What are the expectations on companies?

The Code for Adoption Agreements requires companies to work with their customers to develop, agree and maintain sector guidance (setting out the processes by which parties can enter into adoption agreements) and model adoption agreements. The sector guidance and the model adoption agreements must reflect overarching principles which are also set out in the Code for Adoption Agreements.

### What have companies done so far?

Companies have published their current procedures for making, varying or terminating adoption agreements and they have also published details of the redress they will

provide to customers if they fail to meet the levels of service they have committed to.

### What do companies still need to do?

The Code for Adoption Agreements requires companies to submit to us for our approval, water sector guidance and a model water adoption agreement by 1 October 2018. The Code for Adoption Agreements also requires companies to submit to us for our approval, sewerage sector guidance and a model sewerage adoption agreement by 1 April 2019.

Following a request from companies, we have agreed to change the above deadline **from 1 October 2018 to 7 January 2019 for the submission of the water sector guidance and the model water adoption agreement**. The additional time added is to allow for companies

to undertake further engagement and consultation with customers on the documents, in order to ensure that, as much as possible, the documents reflect a broad consensus of opinion between customers and companies.

The sewerage sector guidance and model sewerage adoption agreement are still due to be submitted to us by 1 April 2019.

## **When will we approve the documents?**

Subject to the quality of the documents submitted to us by companies, we anticipate reviewing and approving the water sector guidance document and model water adoption agreement by 1 April 2019 with them coming into effect from July 2019.

We anticipate approving the sewerage sector guidance document and model water adoption agreement by 31 July 2019 with them coming into effect from October 2019.

## **Why is a revision of the Code for Adoption Agreements required?**

As the dates for submission of the sector guidance and the model adoption agreements

are set out in paragraph B1.1 of the Code for Adoption Agreements, agreeing to a change to these deadlines requires a change to that paragraph of the Code.

We are therefore giving notice that we have amended paragraph B1.1 of the Code for Adoption Agreements so that it reads as follows:

‘Water Companies must develop and submit to Ofwat for review and approval by 7 January 2019 the first draft water sector guidance, the first draft model water adoption agreement and a recommendation regarding the draft water sector guidance and the draft model water adoption agreement pursuant to paragraphs 3.2 and 3.7 above.’

We have also amended paragraph 3.7.2 to correct an incorrect cross reference. It now reads:

‘The Water Companies and the Sewerage Companies must submit the draft Model Adoption Agreements together with their recommendations to Ofwat, in accordance with the timeframe at Appendix B, paragraph B1.1.’

## **More information**

[Code for Adoption Agreements](#)

Ofwat (The Water Services Regulation Authority) is a non-ministerial government department. We regulate the water sector in England and Wales. Our vision is to be a trusted and respected regulator, working at the leading edge, challenging ourselves and others to build trust and confidence in water.

Ofwat  
Centre City Tower  
7 Hill Street  
Birmingham B5 4UA

Phone: 0121 644 7500  
Fax: 0121 644 7533  
Website: [www.ofwat.gov.uk](http://www.ofwat.gov.uk)  
Email: [mailbox@ofwat.gsi.gov.uk](mailto:mailbox@ofwat.gsi.gov.uk)

Printed on 75% minimum de-inked post-consumer waste paper  
[August 2018]

© Crown copyright 2018

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](http://nationalarchives.gov.uk/doc/open-government-licence/version/3) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email [psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk).

