

Freedom of Information/EIR Provide the Information

Centre City Tower, 7 Hill Street, Birmingham B5 4UA
21 Bloomsbury Street, London WC1B 3HF



05 April 2016

Freedom of Information Act –Request For Information

Reference: Fol 33032016

Dear 

Thank you for your letter in which you request information concerning the twelve points you have listed.

I can confirm that we do hold the information you have requested and I have answered each point in turn.

1. Luton is served by Affinity Water's central region (<https://www.affinitywater.co.uk/our-supply-area-moving-home.aspx>) and so is in an area of serious water stress. This document sets out the water stressed areas in England and Wales - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/244333/water-stressed-classification-2013.pdf. I have included a hard copy as I was not sure if you had access to the Internet or an electronic version.
2. The definition is set out in the document enclosed. The concept of water-stressed is set out in the Water Industry (Prescribed Conditions) Regulation 1999. You would need to approach either the Environment Agency or Defra

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for more details of this as we are not responsible for this definition or the legislation.

3. Affinity Water owns the water that comes into homes - they have a licence to abstract and operate the water supply in the area and pay for the infrastructure and treatment to get the water to each home in the area. They are permitted under their licence to charge customers for this water, subject to Ofwat's price limits and charging rules. These rules cannot prevent universal metering.
4. They have a licence under the Water Industry Act, available here <http://www.ofwat.gov.uk/regulated-companies/licences/> under Affinity Water. This is granted by the Secretary of State and allows the company to operate (with powers under the Water Industry Act) under the conditions set out in the licence and the requirements of the Water Industry Act and other legislation relevant to water companies. This document comprises of 176 pages and therefore for practical reasons I have included the first three which confirms the license and shows the schedule of contents. If you are unable to view the electronic document and would like the complete document please let me know.
5. With respect to time limits; if any of the circumstances listed are present, for example, the Secretary of State has declared an area to be an area of water scarcity, there is no longer a statutory prohibition on the undertaker charging by reference to volume that is as per a meter reading. However, before installing a meter, which enables the company to start charging by reference to volume, the company must give you reasonable notice of its intention to install a meter. Reasonable notice in this context is seven days (see part 2 of schedule 6 of the Water Industry Act 1991 (the Act)).
6. There is no specific information contained directly in the licence, but in our price control determinations (see Condition B of the licence) we set an efficiency challenge for companies to reduce costs. This includes leakage, with the target historically being the 'economic level of leakage'; that is the lowest leakage possible where it is still cost-effective to repair leaks rather than simply treating more water. As customers would have to face these costs Ofwat requires the most efficient outcome and that the leaked water is not lost

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from the eco-system. I have also enclosed the section which refers to a companies' Code of Practice in relation to water leakage.

7. No, a water company cannot enter your property without consent to install a meter. It may be possible to receive a court order to do this, but Ofwat would generally not expect companies to take this route. A water company may enter your property to carry out the necessary works required for installing a meter (sections 162 and 172 of the Act. Its right to enter your property is regulated by part 2 of schedule 6 of the Act. In terms of these provisions it can only enter your property after giving reasonable notice (7 days). If you refuse to allow entry in circumstances where a company has a right to enter, the company may apply for a warrant.
8. Ultimately, customers pay for the meters through their bills - as with all expenditure. However, this is overall cheaper than paying for new water resources in a very water stressed area - this has to be the best-value in the long-term otherwise Ofwat would not allow companies the funds for this.
9. As at question 8.
10. Primary legislation (i.e. an Act of Parliament) may permit or mandate regulations. This means that once made, provided they comply with the primary legislation, the regulations have the same effect as primary legislation (they are law) and can confer obligations and duties. The Water Industry (Prescribed Conditions) Regulations 1991 were permitted by section 144B (1) (c) of the Act and, when read together, these give companies the right to install meters compulsorily.
11. As indicated above, if you refuse to have a meter in circumstances where the company can compulsorily meter your premises, the company can get a warrant to enter your premises and install a meter without your consent.
12. The Secretary of State is responsible for the Water Industry. Ofwat does not have any powers in granting universal metering. As the economic regulator, our powers are limited to ensuring that customers are protected. This includes keeping bills as low as possible when companies exercise their powers under legislation. However, Ofwat has no jurisdiction in amending legislation.

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Further information can be found regarding the Secretary of State on the Defra website or you can write to:

Nobel House
17 Smith Square
London
SW1P 3JR
Tel: 03459 33 55 77

If you have any queries or concerns with regard to the content of this email please do contact me, quoting the reference number.

If you are unhappy with the service you have received in relation to your request and wish to make a complaint or request a review of the decision, please contact:

Programme Office
Ofwat
Centre City Tower
7 Hill Street
Birmingham B5 4UA
mailbox@ofwat.gsi.gov.uk

If you are not happy with the outcome of that review you can ask the Information Commissioner's Office to consider your complaint. Generally, the ICO will not make a decision unless you have exhausted Ofwat's complaints procedure. The ICO can be contacted at:

<https://ico.org.uk/>

or

The Information Commissioner's Office
Wycliffe House
Water Lane

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Wilmslow

Yours sincerely,

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