

## Response received from the Home Builders Federation

“The HBF welcomes the opportunity to respond to the above document on OFWAT’s approach to Competition Law.

As with all aspects of a privatised Water and Wastewater Sector the “devil is in the detail” - from a house builders perspective, this Guidance does not appear to address many of the concerns raised over the last five years or so.

We would submit that in the interaction with Customers, where breaches of Competition Law has the propensity to take place, those involving the house builder customer are the most vulnerable, as briefly explained below.

Based on our experiences to date there are many grey areas – on several occasions we found it necessary to question some of the practises that currently exist within the Water & Sewerage Sector. That said, not all WaSCs and/or WoCs exhibit anti-competitive behaviour but there have been far too many occasions when certain Companies appear to have possibly over-stepped the mark, in particular when compared to the content of this Guidance. In terms of the greatest potential exposure to anti-competitive behaviour, this predominately exists in the Developers Services Departments of some Companies.

The HBF’s main concerns stem from the areas listed below:

1. Forums of Companies being set up to discuss issues relating to New Development but without any form of external/developer representation.
2. Organisations which are affiliated to Companies and paid by the Companies and retained/tasked to look at influential technical issues. [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
4. In the context of providing water and sewerage infrastructure, the use of leveraged commercial arrangements which look to circumvent existing legislation especially the Water Industry Act 1991.

Unfortunately this Guidance does not appear to address any of the above four issues. We would therefore ask that in light of these concerns the above issues are considered in the final Guidance. If beneficial, we are more than happy to further engage with Ofwat on any matter specific to the intended guidance.”