

Ms Sally Irgin  
Casework – Adoption Codes Discussion  
Ofwat  
Centre City Tower  
7 Hill Street  
Birmingham  
B5 4UA

Direct line: 01392 443967  
Email: [ivosper@southwestwater.co.uk](mailto:ivosper@southwestwater.co.uk)  
Our ref: IV/SC

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Dear Sally,

### **AGREEMENTS TO ADOPT INFRASTRUCTURE CONSULTATION**

Thank you for the opportunity to comment on your proposals, and contribute to the consultation process.

South West Water has a good working relationship with Developers and Legal representatives in the region, which results in very minimal challenges from clients in relation to the condition of the agreement. Any changes are normally of a very minor nature (i.e. name change) and not an issue of principle. We therefore do not have any substantive comments to make on the proposed amendments to the condition agreements.

As there has been a lot of work carried out through Water UK in relation to the provision of a new Self Lay Agreement and the rewriting of the Self Lay Code of Practice, it is important that any amendments to the codes should have bearing on the work that has already been undertaken collectively with the relevant Stakeholders.

In general, we believe that these codes should be a light touch as there is already a substantial amount of guidance and evidence surrounding the codes which have been developed through Water UK. We have contributed to this process, and support the response prepared to this consultation. We have attached detailed responses to the consultation as an Appendix, answering questions by exception.

Yours sincerely,



**Iain Vosper**  
Regulatory Director

## **APPENDIX 1: RESPONSE TO CONSULTATION**

**Q3 - Should the code(s) set out a common procedure applicable to all water and sewerage companies, or should it set out key principles that companies' own processes and procedures should comply with? Why?**

It should be a requirement of the code for individual Water Companies' to have a published procedure available on their website, including their draft model agreement. The code should set out the key principles that companies should include in those procedures. Procedures should be transparent, simple and appropriate to the nature of the infrastructure being adopted.

**Q4 - If the code(s) were to include details of the procedures to be followed by Ofwat in issuing an order for a water or sewerage company to enter, vary or terminate an adoption agreement, what in particular would it be useful for the code to include?**

If a Water Company was to enter into an agreement, the code should reference the specification i.e. Sewer for Adoption (current version) as a standard that Water Companies would expect to be delivered as a minimum by a Developer.

In relation to the termination of an adoption agreement, the impact on the assets which are feeding the customers should be taken into consideration and an appropriate clause written to allow the end customer to still have the assets adopted unless they have all agreed otherwise.

**Q5 - To what extent would it be helpful for the code(s) to set out details of what type of works it is or is not appropriate to be done by a person other than the water or sewerage company? Are there particular types of work where such clarification would be beneficial?**

There is already much detail available within the water industry, particularly in relation to clean water as to what individuals can and cannot undertake. Any inclusion of this in the code should reflect this existing information and support the code going forward.

**Q6 - Are there certain terms or conditions that should be mandatory for all water and/or sewerage adoption agreements? Please outline which and why.**

We would expect to see the terms and conditions for Developer, Bondsman, Specification, Value, Start date and Programme.

It would be helpful for a condition about defects to be included, which enables the end customer to guarantee that by the Developer entering into the agreement they will complete the works. The current adoption agreements allow developers not to undertake the remedial work and in effect walk away from them. This does not provide any security to the end customer when they are looking at purchasing a property.

**Q10. Are there circumstances in which the code(s) should make different provision for different persons? If so, please outline in what circumstances and why.**

It is important that all customers are treated equally and so there should be a consistent approach across all customers. However, should a circumstance arise which is outside of the norm, there should be an option within the code to provide flexibility to amend if appropriate.

There has also been a lot of work carried out at Water UK level in relation to the provision of a new Self Lay Agreement and the rewriting of the Self Lay Code of Practice. Any codes should have bearing on the work that has already been undertaken collectively with the relevant Stakeholders.