

Water Supply Licence and/or Sewerage Licence: application form, version 3

Applicants are required to complete this form when making an application for a water supply licence or a sewerage licence (as each of those terms is defined in the Water Industry Act 1991 (as amended)). Water supply licences and sewerage licences are referred to collectively as “WSSLs” in this form and “WSSL” means either a water supply licence or a sewerage licence as the context requires. Applicants seeking to apply for a WSSL with a retail authorisation that is limited to self-supply should read the related [guidance](#) and complete the separate [application form](#).

Section A: Applicant details

- Type of application
- Applicant details and contact details
- Information for consultation notice

Section B: Managerial competency

- Previous refusal or revocation of a licence
- Insolvency
- Fit and proper

Section C: Technical competency

- Knowledge of duties and eligibility of premises for switching
- Systems and procedures
- MOSL’s process

Section D: Additional information

- Other supporting information
- Primary Charges payment
- Application fee

Section E: Enclosures

- Checklist detailing the enclosures required

Section F: Application declaration

Please send your application to Ofwat using one of the contact details below:	
Email	casemanagementoffice@ofwat.gsi.gov.uk
Address	Case Management Office Ofwat Centre City Tower 7 Hill Street Birmingham B5 4UA

This application form reflects the requirements of [Ofwat's notice](#) under s17F of the WIA91. Applicants will need to submit attachments for some of the questions in this form and may also attach additional pages should more space for a response to any of the questions be needed. Any such additional pages should be numbered and clearly indicate which questions in this application form the information is being provided for against the relevant question and the completed application form should indicate if further supporting documents have been attached.

This form should be read in conjunction with guidance issued by Ofwat for this purpose (referred to in this form as the [Guidance](#)). The Guidance outlines the information that we expect to be provided in response to the questions in this application form. To support applicants with completing the application form there is additional guidance at the end of this document. An applicant should ensure that it submits the information requested here along with fees payable to Ofwat. A checklist of required enclosures is set out in Section E.

Please note that if the information and/or documentation provided are incomplete, we will request the missing information. Further information may be requested by Ofwat at any time during the application process to enable a fair and thorough evaluation of the application to be carried out.

In completing its application, an applicant should highlight (explaining its reasons) any information that it would not wish to be published or disclosed by Ofwat in due course. In particular an applicant should set out clearly whether, and for what length of time, it considers the information submitted to be subject to any exemptions under the Freedom of Information Act 2000. Ofwat may have regard to such submissions when considering future publication or disclosure. We will retain your information in accordance with Ofwat's retention schedule and will not share it with third parties unless we have a legal obligation to do so. Further information on the treatment of confidential information, can be obtained from Ofwat at <http://www.ofwat.gov.uk/foi/>. If you have any concerns on how we manage your personal data please contact the Data Protection Officer at FOI@ofwat.gsi.gov.uk

Please note that section 207 of the Water Industry Act 1991 provides that any applicant who knowingly or recklessly makes a statement in connection with an application for a licence that is false or misleading in a material particular is guilty of an offence in England and Wales.

Section A: Applicant details

For additional guidance on questions in this section please see [here](#).

A1. Please tick the appropriate boxes below to indicate which authorisations the applicant is applying for.

Location of operation	Type of Authorisation	Please tick
England	Retail (water) authorisation	
	Retail (sewerage) authorisation	
	Wholesale authorisation ¹	
Wales	Restricted retail authorisation	
	Supplementary authorisation ²	

If the applicant is applying for a variation, as well as completing the above table regarding which licence is being applied for, please can the applicant indicate its existing licence number?

A2. Please provide the contact details of person to whom correspondence or queries concerning this application should be directed.

Contact name:

Position in company:

Contact address:

Email address:

Telephone number(s):

¹ Please note you must hold a WSSL with a retail or restricted retail authorisation or apply for this at the same time to be eligible to apply for a wholesale or supplementary authorisation. In addition, only limited companies can hold a wholesale or supplementary authorisation.

² See above footnote.

A3. Is the contact provided in question A2 above also relevant for queries relating to the Drinking Water Inspectorate (DWI), Natural Resources Wales (NRW) and Environment Agency's (EA) assessment?

Yes

No If there are different details for contact between the applicant and the DWI, NRW or EA please provide these details below.

Contact name:
Position in company:
Contact address:
Email address:
Telephone number(s):

A4. Please provide details for the applicant.

Applicant name:
Legal status:
Registered company number (if applicable):
Contact Address:
Email address:
Telephone number(s):

A5. Where the applicant is not an individual, please give the full names and contact details of each person concerned in the direction or management of the applicant's affairs.

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A6. Please provide the name(s) and contact details (including, if applicable, the details referred to in response to questions A4 and A5 above) for any ultimate controller of the applicant, together with the details of the nature of the control exercised.

A7. Does the applicant have any relationship with a company appointed as an undertaker, licensee or infrastructure provider under the Water Industry Act 1991?

Yes Please give details below

No

A8. Please provide information for the notice of application that will be published by Ofwat following confirmation that a complete application has been received.

The purpose of the information included in section A8 is to provide information that the applicant consents to be published as part of the notice of application which forms the commencement of Ofwat's public consultation period. Please refer to section 2.5 of the Guidance for further information.

Applicant's company name:

Registered company number (if applicable):

Contact Address:

Regulated owners or associates³ (if applicable):

³ These are companies that sit within the group that are regulated by Ofwat

Please provide a brief synopsis of the business plan (around 50 words) that can be published with the notice of application as part of the public consultation.

Section B: Managerial competency

For additional guidance on questions in this section please see [here](#).

B1. Is the applicant and are all of the persons referred to in response to question A6 'fit and proper' persons? If any relevant person cannot complete the 'fit and proper' declaration, the reasons for that must be set out below.

Yes Please include declarations (see Guidance – section 3.9.3)

No Please give details of below

B2. Do any of those persons concerned in the direction or management of the applicant detailed in response to question A5 above currently work, or have they previously worked, in a regulated utility?

Yes Please give details of below

No

B3. Do the individuals concerned with the direction or management of the applicant detailed in response to question A5 above hold any professional or industry qualifications that are relevant to the management of the applicant as a licensed retailer or wholesaler as appropriate?

Yes Please give details of below

No

B4. Have any of those persons concerned in the direction or management of the applicant detailed in response to question A5 above been involved in any regulated utility business where a licence has been revoked, withdrawn or refused?

Yes Please give details below

No

B5. Have any of those persons concerned in the direction or management of the applicant detailed in question A5 above been involved in any insolvency event, including any period of receivership or administration?

Yes Please give details below

No

B6. Please provide details of any current litigation involving the applicant or any of the persons referred to in response to question A5.

Yes Please give details of below

No

B7. Please provide details of any cases that involve the applicant or any of the persons referred to in response to question A5 above, where they have plead or been found guilty of a criminal offence and/or been subjected to a civil penalty.

This should exclude minor convictions or penalties. Where the persons listed at question A5 above have any unspent convictions please provide declarations from each person(s) to this effect.

Yes Please give details of below

No Please provide declarations

Section C: Technical competency

For additional guidance on questions in this section please see [here](#).

C1. Please give details as to how the applicant will ensure that it has adequate knowledge of the duties of water supply and/or sewerage licensees (as applicable) and that systems and procedures have been put in place to comply with those duties. Please complete the relevant parts below as appropriate to your application.

Please see section 3.7 of the Guidance for further details particularly the relevant sections that apply to the DWI, EA and NRW as appropriate.

a. Retail Authorisation and Restricted Retail Authorisation applicants

b. Wholesale Authorisation and Supplementary Authorisation applicants

C2. Please give details as to how the applicant will ensure that it has adequate knowledge of the difference in the duties of licensees between England and Wales, and that systems and procedures have been put in place to comply with those duties.

C3. Please give details as to how the applicant will ensure that it has adequate knowledge of the eligibility of customers to switch.

C4. Please explain how the applicant has satisfied itself that its customer facing systems and procedures have sufficient capacity and capability to support its proposed business plan?

C5. Please confirm whether the applicant intends to apply for or has MOSLs market entry assurance certification for the use of low or high volume interface with market systems? Please indicate “Low” or “High”.

High

Low

C6. Please confirm whether the applicant intends to make use of the transfer of certification from incumbent retailer to associated retailer?

Yes

No

If the answer to question C6 is “Yes”, please provide full details of the transfer including the approach and the expected timings of the transfer. Please confirm the steps taken to ensure that the transfer will be effective and reliable, together with related contingency plans.

Section D: Additional information

For additional guidance on questions in this section please see [here](#).

D1. Does the applicant have a financial backer?

Yes Please give details below and include a declaration from the backer

No Please set out below how the company will fund the anticipated costs of operating as a WSSL. It should provide supporting evidence as proof of funds for the amounts required to fund its business

D2. Does the applicant consider that any of the standard licence conditions or any other regulatory requirements should not apply in respect of its licence application? If so, please indicate which conditions or requirements they are and details of the reasons for the proposed disapplication of those conditions or requirements.

Yes Please give details below

No

D3. Please provide details of any facts or circumstances that might adversely affect the applicant's ability to exercise the functions authorised under the licence(s) the applicant is applying for.

D4. How has the applicant submitted the application fee with the application form?

Electronic transfer

Cheque

D5. Do you require a receipt for payment of the application fee?

Yes

No

D6. Please tick how you anticipate paying the Primary Charges to the applicable wholesalers.

Pre-payment

Post-payment

D7. Please specify below any additional information that you feel is necessary to support your application. Please list any other documents you are providing.

Section E: Enclosures

This section provides a list of tick boxes to ensure that all the additional documents required are included with the application form. If you do not provide the information required within this section we will be unable to process your application.

Please check the following are included for ALL applications except where it specifically states it is not needed:

Fee	<input type="checkbox"/>
Letter of authority (if third party is submitting the application on behalf of the applicant)	<input type="checkbox"/>
Business Plan	<input type="checkbox"/>
Cover letter confirming that the business plan has been agreed by those persons concerned in the direction or management of the applicant	<input type="checkbox"/>
CVs for key personnel	<input type="checkbox"/>
Organisational structure chart	<input type="checkbox"/>
Management structure chart	<input type="checkbox"/>
Statement of any unspent criminal convictions	<input type="checkbox"/>
Copy of latest audited statutory accounts and annual report (if available)	<input type="checkbox"/>
Three years' projected balance sheets, cash flow statements and profit and loss statements. The financial information should be provided in the form of an Excel spreadsheet, with a clear narrative demonstrating any underlying assumptions that have been made.	<input type="checkbox"/>
Certificate of Adequacy	<input type="checkbox"/>
Declaration from Financial Backer (if applicable)	<input type="checkbox"/>
Declarations of 'fit and proper' status	<input type="checkbox"/>
Declarations that the applicant, if granted a licence, will work positively with CCWater, the DWI, the EA and the NRW.	<input type="checkbox"/>
Declarations that persons detailed at question A5 of this application form are aware of the responsibilities of licensees under the WIA91.	<input type="checkbox"/>

Section F: Applicant declaration

I confirm that, having made due enquiry of the applicant (if someone other than me) and each of the persons (if any) listed in the response to *Question A5*, the information supplied is complete and correct to the best of my knowledge and belief.

I confirm that I, and (if someone other than me) the applicant, will provide such further information as Ofwat requests in connection with its assessment of this application and will inform Ofwat if there is any material change to the circumstances of the applicant and/or the information contained in this application.

I confirm that I, and (if someone other than me) the applicant, consents to Ofwat sharing the contents of this application, including for the avoidance of doubt any enclosures, with third parties whose input is necessary or desirable for the assessment of this application.

Signed

Print Name

Print job title

For and behalf of (if applicable)

Dated

Additional guidance

Section A

Question 1: The application form requires applicants to select the type of authorisation(s) for which they are applying. A summary of the authorisations available under a WSSL licence are shown below:

Area	Authorisation Type	Service type that can be provided	Eligible customers that can be served
England	Retail (Water)	Retail services	<ol style="list-style-type: none"> 1. the licensee 2. persons associated with the licensee 3. the licensee's customers
	Retail (Sewerage)	Retail services	<ol style="list-style-type: none"> 1. the licensee 2. persons associated with the licensee 3. the licensee's customers
	Wholesale ⁴	Wholesale services	The licensee's customers that meet the minimum annual user threshold of 5MI ³
Wales	Restricted Retail ⁵	Retail services	The licensee's customers that meet the minimum annual user threshold of 50MI ³
	Supplementary ⁶	Wholesale services	The licensee's customers that meet the minimum annual user threshold of 50MI ³

Applicants who select authorisations that are listed as applicable to England are indicating that they would like to use the supply system and/or sewerage system of an appointed company whose area is wholly or mainly in England to provide services to eligible customers. For this purpose, supply system has the meaning given in

⁴ This is available for water services only and the applicant must be a limited company. In order to apply for a wholesale authorisation, the applicant must already hold a WSSL with a retail or restricted retail authorisation or apply for these at the same time.

⁵ This is available for water services only.

⁶ This is available for water services only and the applicant must be a limited company. In order to apply for a supplementary authorisation, the applicant must already hold a WSSL with a retail or restricted retail authorisation or apply for these at the same time.

section 17B(4A) WIA91 and sewerage system has the meaning given in section 17BA(7) WIA91.⁷

Applicants who select authorisations that are listed as applicable to Wales are indicating that they would like to use the supply system of an appointed company whose area is wholly or mainly in Wales to provide services to eligible customers. For this purpose, supply system has the meaning given in section 17B(5) WIA91.⁸ Applicants should note that it is not possible to apply for a sewerage licence in relation to the use of sewerage systems of appointed companies whose areas are wholly or mainly in Wales.

Applicants should be aware that there are separate statutory provisions in the WIA91 in relation to water supply and sewerage service provision respectively. In particular applicants should note the offences in sections 66I, 66J and 117P WIA91.

Question 2: Where the applicant is not an individual, please provide the contact details of the person who may be contacted concerning the application.

If an application is completed by a third party on behalf of the applicant, please ensure that the contact details for the applicant are included alongside the details of the third party (if applicable). A letter of authority should also be provided as a supporting document if using a third party.

Question 4: Where the application is by an individual, please indicate the contact details (business address, telephone number and email address). Where the applicant is not an individual, please indicate the jurisdiction in which the applicant is established and the address of its principal place of business. In setting out the applicant's legal status, please indicate whether the applicant is, for example, a body corporate, partnership, unincorporated association, individual or some other entity.

Question 5: The persons concerned in the direction or management of the applicant's affairs would typically include, in the case of companies, their directors (executive and non-executive) and, in the case of partnerships, each of the partners. In addition, details of any other persons occupying senior management positions (for example, chief executive, financial controller etc.) should be provided where those individuals will be directly accountable for the licensed part of the applicant's

⁷ Sections 17B(4A) and 17BA(7) were introduced into the WIA91 by the WA14 and when this guidance was issued had not yet come into effect.

⁸ Section 17B(5) was introduced into the WIA91 by the WA14 and when this guidance was issued had not yet come into effect.

business. If the applicant is an individual the answer to this question should be 'Not applicable' or 'N/A'.

Question 6: If the applicant has no ultimate controller, the response to this question should be 'Not applicable' or 'N/A'.

For the purpose of the application as a whole, the 'ultimate controller'⁹ means a person or undertaking who, acting alone or jointly, has control of the applicant and is not itself controlled by another person or undertaking.

Question 7: The applicant should provide details of any relationship it has with an appointed water or sewerage company where there is common ownership or common control. The applicant should also highlight this detail on the organisational structure chart required to be included as an enclosure with the application form. This should make clear the nature of the relationship between the applicant and the relevant company, and the nature of any contractual relationships it has with the company.

Question 8: The purpose is for the applicant to provide information that it consents to Ofwat publishing as part of the notice of application which forms the commencement of Ofwat's public consultation period. Further detail on the consultation can be found in 2.5 of the Guidance.

⁹ The concept of control should be interpreted and assessed in accordance with Merger Regulation (Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings, OJ L 24/1, 29.1.2004).

Section B

Question 1: 'Fit and proper' requirement

We will have regard to the responses to previous questions in considering whether a person meets our requirement to be fit and proper. In determining whether a person is fit and proper, we will have regard to, but will not be limited to:

- Any statement setting out the circumstances of the case where the person has been convicted of a criminal offence in response to Question A5.
- Any statement setting out the circumstances of the case where the person has been the subject of any adverse finding or any settlement in civil proceedings in response to Question A5.
- Any statement setting out the circumstances of the case where the person is currently involved in litigation in response to Question A5.
- Any statement setting out the circumstances of the case where the person has been the director, partner or concerned in the management of a business that has gone into insolvency liquidation or administration while the person has been involved with that organisation in response to Question A5.

Whether the person has been, or is currently, the subject of investigation or disciplinary proceedings by any regulatory body. The applicant must provide details of any regulatory investigations or disciplinary proceedings in the last three years involving the applicant (or any of the individuals concerned with the direction or management of the applicant). A statement setting out the nature of the investigation/ disciplinary matter(s) must be provided.

Question 2: Details should be provided of any current and/or previous employment within a regulated utility of those persons referred to in question A5, This information should include, but is not limited to, regulated utilities within England and Wales.

In addition to any experience in the water and sewerage industry, previous retail experience or previous experience of other regulated utilities such as electricity, gas or telecommunications will be particularly relevant.

Question 3: Details should be provided of any professional or industry qualifications that are relevant to the management of the applicant as a licensed retailer or wholesaler as appropriate.

Questions 4: Applicants should give details of all previous or similar applications for a licence by the applicant or any of the persons referred to in question A5, including applications that were refused, revoked, withdrawn or otherwise unsuccessful.

Question 5: Applicants should include details of every occasion on which the applicant or any of the persons referred to in question A5 has been involved with a regulated utility which has been the subject of enforcement or revocation proceedings in respect of its licence or other authorisation, as well as details of any insolvency event.

Question 6: Applicants should include pending and ongoing litigation. Disclosure should cover not only court proceedings, but also those raised by or before any other tribunal or regulatory agency. Applicants should also indicate the jurisdiction in which each litigation has been raised. Where there is a large number of cases to disclose, for example, in relation to routine debt collection, we are willing to consider disclosure of information on the basis of categories.

Question 7: Applicants should indicate the jurisdiction in which they were convicted. We would not expect applicants to submit information about minor convictions or penalties, such as routine traffic violations. If applicants are unsure about whether or not something is a 'minor' conviction or penalty, then they should raise it with us prior to making their application. Applicants should note that we regard civil penalties as including any enforcement orders issued by a court, tribunal or other regulatory agency.

If the persons referred to in question A5 have any unspent convictions an individual declaration signed by each of these person(s) should be provided. Further information can be found in section 3.9.2 of the Guidance.

Section C

Question 1: Please see section 3.7 of the Guidance for further details.

Question 2: Please see section 3.7 of the Guidance for further details.

Question 3: Applicants should demonstrate that they have the understanding and procedures in place to ensure that they can identify whether a customer is eligible for switching. The distinction between eligibility requirements for retail, restricted retail, wholesale and supplementary authorisations should also be addressed.

Question 4: Recent experience in the energy market has demonstrated that problems related to customer service can compromise the switching process for customers and undermine general confidence in the market. So as some licence holders will increase the scale of their business very rapidly as a result of being an acquiring licensee for a company exiting the retail market, or through other activity in the new market, we have included a question on this issue.

This question asks applicants to explain how they have satisfied themselves that their customer facing systems and procedures have the capacity and capability to support the proposed business plan. The question is designed to get applicants to explain what design thinking and/or testing they have done to make sure that if they do acquire large numbers of customers, they can maintain service standards for both their existing and new customers. We expect this to cover aspects such as IT systems and staffing levels and training.

By customer facing systems and procedures, we mean those systems and procedures that applicants use for any element of service after a customer has signed-up with them, until the point at which that customer transfers to another retailer. Aspects such as sales and marketing are of less concern since the impact of any deficiencies will be on the applicant rather than the customer.

The question has been designed to be proportional for different types of applicants. So for example, applicants who have only a small number of customers or whose business plans do not signal rapid growth in customer numbers will need to provide less information than those who intend to grow quickly.

Question 5: Question 5 seeks confirmation as to whether the applicant intends to seek market entry assurance certification for the use of the low or high volume interface. This is to help ensure that the scale of plans set out in the licence application process is consistent with the interface capability.

Question 6: MOSL allows the transfer of certification from incumbent retailer to an associate retailer who will make use of the certified capability for operation in the live market. This assumes that Defra approves the exit application.

Where an applicant intends to make use of transferable certification, it must explain this in the response to this question. Applicants are asked to explain the circumstances behind this approach, together with the expected timing and details of the transfer. The response should also explain the steps that they plan to ensure that the transfer will be effective (e.g. the quality and breadth of capability will be as expected) and reliable (e.g. that the applicant will have control of the capability). Applicants should also comment on their contingency plans in the event that the transfer does not proceed as planned as well as how they will ensure that their Certificate of Adequacy remains valid.

Section D

Question D1: The applicant's response to information on financial backing, alongside other enclosures including its business plan and Certificate of Adequacy provides the basis on which we make this assessment. This should contain information regarding the organisational structure and management team. For example CVs for key personnel; corporate strategy; resources for delivery; and both current and forecast financial information, for example audited statutory accounts and annual report (if available). As part of the business plan, we also require declarations, signed by an authorised person, that the applicant will work with CCWater, the DWI, the EA and the NRW. In chapter 3 of the Guidance, we set out detail on our expectations regarding business plans supporting an application.

Question D2: On 17 March 2016, the Secretary of State published the Standard Conditions of the WSSL which apply to all licences granted under section 17H and section 17HA of the WIA91. In granting a particular licence, we may exclude or modify any of the standard conditions to such an extent as we consider requisite to meet the circumstances of a particular case.

If applicants consider that we should exercise this power in the case of their application, they should set out their reasons in response to this question.

Question D4: As detailed in section 2.4 of the Guidance, the applicant must submit the application fee with the application form. Until the fee is provided, the processing of the application form will not commence. An applicant may pay the fee by either electronic transfer or cheque. If you wish to pay by electronic transfer please contact Ofwat's Case Management Office at casemanagementoffice@ofwat.gsi.gov.uk for further details. If you are paying by cheque, please make this payable to "The Water Services Regulation Authority".

Question D6: If the applicant is supplying any additional information in response to this, such other information may be included in any of the supporting documents submitted with the application form, or it may be included in extra sheets added to the completed form.