

**WATER INDUSTRY ACT 1991**

**MEMORANDUM OF UNDERSTANDING BETWEEN THE WATER SERVICES  
REGULATION AUTHORITY AND THE CONSUMER COUNCIL FOR WATER**



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### **MEMORANDUM OF UNDERSTANDING BETWEEN THE WATER SERVICES REGULATION AUTHORITY AND THE CONSUMER COUNCIL FOR WATER**

**This Memorandum of Understanding between the Water Services Regulation Authority (Ofwat) and the Consumer Council for Water (the Council) will be laid before each House of Parliament by the Secretary of State in accordance with section 27B of the Water Industry Act 1991, as inserted by the Water Act 2003.**



# **MEMORANDUM OF UNDERSTANDING BETWEEN THE WATER SERVICES REGULATION AUTHORITY AND THE CONSUMER COUNCIL FOR WATER**

## **Introduction**

1. This Memorandum of Understanding sets out the relationship between Ofwat and the Council and the principles that underlie that relationship.
2. The Memorandum is required by section 27B of the Water Industry Act 1991 ("the Act"), as inserted by the Water Act 2003, to secure:
  - (a) co-operation and the exchange of information between Ofwat and the Council; and
  - (b) the consistent of treatment of matters which affect both of them.
3. This memorandum is not intended to cover every aspect between the two parties. Rather it is a statement of principles which will guide relations to ensure suitable arrangements are in place to enable each party to discharge its responsibilities effectively and to avoid duplication of effort. It is not legally binding but will serve as a working document which will be subject to review by both parties in the light of operational practice.

## **Review of memoranda**

4. Amendments to this memorandum may be made at any time by agreement of both parties. In addition, this memorandum will be reviewed at three-yearly intervals and updated as necessary to reflect changing operational requirements.

## **Roles and responsibilities**

5. The Council is a non-departmental public body of the Department for Environment, Food and Rural Affairs (Defra) and a Welsh Government Sponsored Body (WGSB). It was established under the Act to represent the interests of water and sewerage consumers by handling complaints about water and sewerage undertakers ("Undertakers") water supply licensees and sewerage licensees ("Licensees"); acquiring and publishing information, providing advice and investigating matters of interest to consumers.

6. The Council is supported by regional committees in England and a Committee for Wales established under the Act to provide advice and information to the Council on consumer matters affecting the areas of the relevant Undertakers allocated to the committees.

7. Ofwat is the independent economic regulator of the water and sewerage industry in England and Wales, and is a non-ministerial government department. Ofwat is responsible for regulating the sectors, acting independently of the industry, government and other stakeholders, while working within the government policy framework.

8. In agreeing this memorandum, Ofwat fully recognises the independence of the Council and the Council recognises the legitimate interests and responsibilities of Ofwat in the overall work of the Council.

### **Working relationship**

9. Ofwat and the Council will seek to build on the good working relationship that already exists by:

- having an open and constructive working relationship;
- working closely together at all levels, both in policy and strategic issues of importance;
- respecting each other's views, where different, after discussion to ensure proper understanding of the reasons for any differences;
- undertaking bilateral meetings between Ofwat officials and the Council;
- having a 'no surprises' policy, based upon notifying each other well in advance, where possible and appropriate, of significant announcements and relevant policy developments; and
- minimising duplication of activity wherever possible.

### **Co-operation**

10. Ofwat and the Council affirm their commitment to working together, where appropriate, on matters of mutual interest. They recognise the importance of co-operation across a range of areas, whilst at the same time maintaining statutory independence.

### **Treatment of matters of common interest**

11. We are committed to the principle of good communication with each other on

areas of mutual interest on a "no surprises" basis. This will be done through regular liaison and discussion on relevant issues. The intention is not to constrain the discretion of either party but to allow each to make representations to the other in sufficient time for those representations to be considered.

12. Against this background, and subject to the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, in confidence where necessary, we will:

- brief one another as soon as is practicable to relevant developments within respective areas of responsibility, whenever possible prior to publication;
- give appropriate consideration to the views of others and explain where we do not agree;
- invite each other to public or water related events hosted by one, but of interest to both, where appropriate;
- where appropriate, liaise, involve and keep each other informed as necessary on the drafting of key documents where relevant to the other party's functions.

### **Exchange of information**

13. We will aim to minimise the information burden placed upon Undertakers and Licensees in providing information to public authorities. We will aim to avoid duplication by sharing publication schedules and plans to collect information from companies. Where appropriate, we will consult each other before considering an approach to companies to determine whether the required information is already held in a suitable form by the other party.

14. We will provide information that may be reasonably requested by the other, subject to necessary confidentiality constraints and safeguards or any relevant bars on disclosure.

15. Where a request is received by Ofwat or the Council under the Freedom of Information Act 2000 or Environmental Information Regulations 2004 for information held by them that originated with the other party, before disclosing any information each party will inform the other. Although the discretion to release information will remain with the party that received the request, on being informed, each party may make clear whether it objects to the disclosure of such information and if so, why that is and what harm would be caused by disclosure.

### **Disputes**

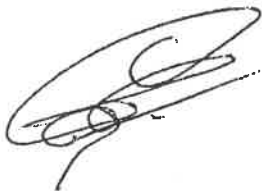
16. If there is a dispute about the interpretation and/or operation of this memorandum which cannot be resolved between us at working level, Ofwat's Chief Executive and the Council's Chief Executive will discuss the matter and decide what action to take.

#### **Publication of memoranda**

17. The Secretary of State will lay this and any revised memorandums before each House of Parliament.

18. An up to date version of this Memorandum will be published on Ofwat's website ([www.ofwat.gov.uk](http://www.ofwat.gov.uk)) and on the Council's website ([www.ccwater.org.uk](http://www.ccwater.org.uk)). Hard copies will also be available on request from Ofwat on 0121 644 7500 and the Council on 0121 345 1000.

**Signed by:**



**Cathryn Ross for the Water Services Regulation Authority (Ofwat)**

**Date:** 19-12-17



**Tony Smith for the Consumer Council for Water**

**Date:** 14.02.18