

*These notes relate to the Lords Amendments to the Water Bill, as brought from the House of Lords on 9th April 2014 (Bill 201).*

# **WATER BILL**

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## **EXPLANATORY NOTES ON LORDS AMENDMENTS**

### **INTRODUCTION**

1. These explanatory notes relate to the Lords Amendments to the Water Bill, as brought from the House of Lords on 9th April 2014. They have been prepared by the Department of Environment, Food and Rural Affairs in order to assist the reader of the Bill and the Lords Amendments and to help inform debate on the Lords Amendments. They do not form part of the Bill and have not been endorsed by Parliament.
2. These notes, like the Lords Amendments themselves, refer to HL Bill 71, the Bill as first printed for the Lords.
3. These notes need to be read in conjunction with the Lords Amendments and the text of the Bill. They are not, and are not meant to be, a comprehensive description of the effect of the Lords Amendments. All the Lords Amendments were in the name of the Minister.

### **COMMENTARY ON LORDS AMENDMENTS**

#### **Part 1: Water Industry**

##### ***Chapter 1: Water supply licences and sewerage licences***

##### ***Lords Amendments 107, 113, 43 & 45-47***

4. These amendments to Schedules 2 and 4 and Clauses 31 and 32 would ensure that eligible premises that are in the appointment area of one undertaker but receive a supply or service from another are not prevented from switching service providers. This also applies for the purposes of the interim supply duties (clauses 31 and 32). These are known as “cross-boundary” premises.

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## ***Chapter 2: Water and sewerage undertakers***

### ***Lords Amendments 1, 3, & 6-12***

5. These amendments to clause 8 would strengthen the environmental safeguards in relation to bulk supply agreements by giving a greater role, through consultation, to the Environment Agency and the Natural Resources Body for Wales. Lords Amendment 11 would also place a duty on all suppliers to a bulk supply agreement to provide information about the supply of water under that agreement at the request of either the Environment Agency or the Natural Resources Body for Wales.

### ***Lords Amendments 2, 4, 5, 13 & 14***

6. These amendments to clauses 8 and 9 are minor drafting amendments which would correct errors around the positioning of two definitions within the inserted sections.

### ***Lords Amendments 15, 16, 23 & 24***

7. These Lords Amendments to clauses 10 and 11 are minor drafting amendments which would clarify the definition of “the Minister” in new section 51B(8) (inserted by clause 10) and 105ZA(7) (inserted by clause 11). The amendments clarify that the undertaker referred to in each definition is the one from whom the Minister is seeking consent.

### ***Lords Amendments 17-22 & 25-30***

8. These amendments to clauses 10 and 11 would change a power into a duty (Lords Amendments 17 and 25). This means that, in relation to the adoption of water and sewerage infrastructure Ofwat would have to produce market codes. The other Lords Amendments (18 to 22 and 26 to 30) are consequential amendments to the respective clauses to reflect this new duty.

### ***Lords Amendment 31***

9. Lords Amendment 31 would enable regulations made under clause 12 to include a requirement for Ofwat to consult with the Environment Agency or Natural Resources Body for Wales before ordering, varying or terminating a water supply agreement.

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***Lords Amendments 32 & 33***

10. These amendments to clause 16 would insert a duty for Ofwat to issue rules requiring the Consumer Council for Water to be consulted by water and sewerage undertakers on all charges schemes.

***Chapter 3: Regulation of the water industry***

***Lords Amendments 34-36***

11. Lords Amendment 36, to clause 22, would clarify that the new primary resilience duty on Ofwat covers the efficient use of water. Lords Amendments 34 and 35 are linked drafting changes.

***Lords Amendments 37-42***

12. These amendments to clause 24 would require the Secretary of State (Lords Amendment 38) and Welsh Ministers (Lords Amendment 41) to have regard for social and environmental matters when formulating their statements to Ofwat. Lords Amendments 37, 39, 40 and 42 are consequential drafting changes.

***Lords Amendments 44 & 48***

13. These Lords Amendments to clauses 31 and 32 are minor drafting corrections which would correct an error. The amendments would replace “a code” with “the code” as these clauses place a duty on Ofwat to produce market codes for interim duties relating to water supply and sewerage services.

***Lords Amendment 49***

14. Lords Amendment 49 would apply the affirmative resolution procedure on the first exercise of the powers under new section 207A or 207C or new Schedule 16 (as inserted by clause 37). This amendment was in response to the Delegated Powers and Regulatory Reform Committee’s Report on the Water Bill.

***Lords Amendments 50-52***

15. These amendments to clause 39 would apply the affirmative resolution procedure to an order under new section 207D (inserted by clause 39). This was in response to the Delegated Powers and Regulatory Reform Committee’s Report on the Water Bill.

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### ***Lords Amendment 53***

16. This amendment would insert a new clause into the Bill, which would enable the Secretary of State to make regulations (“exit regulations”) to allow an undertaker whose area is wholly or mainly in England to apply to exit the non-household retail market for that area. The regulations could include provisions about determining an exit application, for transferring the relevant non-household business to an eligible licensee or licensees and about the operation of a retail exit area after the exit has taken place. The regulations could require an undertaker to exit both the water and sewerage retail markets at the same time. The regulations could also include provisions for protecting the household and non-household customers affected by the exit.

17. The effect of subsections (4) and (5) would be that exit regulations set out the functions that would be affected by retail exit and what undertakers would be prohibited from doing in an area affected by retail exits.

### ***Lords Amendment 54***

18. This amendment would insert a new clause which would allow exit regulations to set out the procedure for an application for retail exit (an “exit application”). The procedure would need to require the relevant undertaker to apply to the Secretary of State when making an exit application. This would mean that the Secretary of State could refuse permission for an undertaker to exit. The new clause would also include a non-exhaustive list of other procedural matters that might be included in the regulations, such as who must be consulted before making an exit application and the grounds for the Secretary of State to refuse the application.

19. The new clause would provide that the grounds on which an application can be refused might include the public interest, the interests of non-household customers or other customers, the costs associated with transferring part of the relevant undertaker’s undertaking and grounds relating to the licensee to which part of the undertaking will be transferred. For example, this might include the licensee’s share of the relevant market or the licensee’s capacity to take on the relevant customers.

20. The new clause would also provide that the conditions that may be imposed by the Secretary of State could relate to the persons who must pay the costs associated with the transfer, the application of money received by the relevant undertaker in connection with a transfer, the consent of the relevant undertaker to any modifications of its conditions of appointment, the consent of the eligible licensee to any modifications of its licence and the treatment of non-household customers affected by the transfer. Conditions could therefore be imposed to ensure that customers are protected, for example by requiring the sharing of proceeds from a transfer, or that customers are no worse off as a result of the exit.

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21. It is intended that exit regulations would make provision about how particular customers and premises may be affected by the undertaker's withdrawal from the non-household retail market. This may, in particular, include disconnected premises, premises that are about to be demolished, premises that are temporarily unoccupied, premises whose owners or occupiers have already decided to switch to a particular licensee. This would enable such premises to be left out of the transfer, if appropriate.

22. The new clause would also allow exit regulations to require the relevant undertaker to disclose certain information about its non-household customers and any charges payable by these customers. The regulations could specify the persons to whom and the purposes for which this information might be disclosed. This might be necessary to ensure that customers can be given the same, or similar, deals by their new supplier as by the undertaker.

#### ***Lords Amendment 55***

23. This amendment would insert a new clause which would allow exit regulations to require a relevant undertaker to specify in its exit application the eligible licensee or licensees to which it proposes to transfer part of its undertaking. This new clause would also allow the regulations to require Ofwat to direct one or more eligible licensees to accept a transfer. An "eligible licensee" would be a licensee that, first, has a water supply licence with a retail authorisation; a sewerage licence with a retail authorisation; or both; and, secondly, has elected to be an eligible licensee. This is because there may be licensees that do not wish to take on so many customers at once and they may therefore elect not to be an "eligible" licensee.

24. The regulations would also be able to provide that an eligible licensee must agree to being specified in an exit application, before it can be specified; that Ofwat can give notice before directing one or more licensees to accept a transfer; and that an eligible licensee would be able temporarily to suspend its decision to be an eligible licensee so that it could not be given a direction by Ofwat, for example if it feels it does not have the capacity to take the customers.

25. The regulations could also make provision for Ofwat to publish a code about eligibility and how it conducts assessments on whether a licensee is an eligible licensee which Ofwat must comply with when making these assessments. It would also be possible for exit regulations to make provision about transfers from a relevant undertaker to an eligible licensee that is associated with it.

#### ***Lords Amendment 56***

26. This amendment would insert a new clause which would allow exit regulations to provide for a scheme for transferring property, rights and liabilities where an exit application has been granted. A transfer scheme would have to deal with cases where

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undertakers are providing services to non-household premises on the basis of the statutory regime about charges in Chapter 1 of Part 5 of the Water Industry Act 1991. The clause would allow such cases to be treated as if they were agreements, and to be so transferred.

### ***Lords Amendment 57***

27. This amendment would insert a new clause which would allow exit regulations to include the following provision:

- provision that requires an undertaker to impose on the licensee charges that enable the licensee to fulfil its obligations under the agreements transferred from the undertaker;
- provision that requires a water supply or sewerage licensee providing services under its licence in a retail exit area to provide specified services. These might, for example include, functions relating to the interim duties in section 63AC or 110L (amended by clause 31 and inserted by clause 32);
- provision that requires the agreement between an undertaker and the water supply or sewerage licensee to be such as would enable the licensee to carry out specified services imposed on it;
- provision about the functions of a relevant undertaker in relation to a retail exit area, which may include modifying or disapplying the undertaker's interim duty to provide water or sewerage services;
- provision that applies the special administration regime in certain circumstances to a licensee providing services in a retail exit area, which might mean, for example, that the special administration regime would affect licensees that had a significant share of the market;
- provision that requires relevant undertakers and licensees to provide certain specified information to customers, Ofwat, or the Secretary of State; and
- provision that requires Ofwat to record certain information in its public register.

### ***Lords Amendment 58***

28. This amendment would insert a new clause which would allow exit regulations to require licensees to produce schemes containing terms and conditions that would apply to transferred customers in the absence of agreed terms and conditions and would enable a form of ongoing price regulation of licensees to be introduced where

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customers are transferred to licensees where they have not chosen to switch to one.

29. The regulations would be able to provide for the schemes to make different provision for different purposes or areas; for publication of the schemes; and for the licensees to send a copy of the schemes to Ofwat. The regulations might also allow Ofwat to direct that the terms or conditions be modified and requiring the licensee to comply with this direction including by making it enforceable under section 18 of the Water Industry Act 1991.

30. The regulations could also require Ofwat to issue a code about providing services. This code could include provisions about the terms and conditions contained in the scheme; provision for licensees to inform owners or occupiers of premises about the schemes before they agree to other terms and conditions; provision allowing Ofwat to direct the licensee to act in accordance with the code if it is not doing so; provision requiring the licensee to comply with this direction including by making it enforceable under section 18 of the Water Industry Act 1991; and provision requiring Ofwat to review and, where appropriate, to revise the code.

31. Exit regulations could also allow Ofwat to issue and enforce rules about the charges that a licensee might impose in relation to a retail exit area and, where relevant, rules about the schemes. The regulations may provide for the rules to make different provision for different purposes or areas; for Ofwat to direct a licensee to comply with the rules; for the directions to be enforceable by Ofwat; for the Secretary of State to issue guidance on the content of the rules; and for the Secretary of State to veto the rules so that Ofwat has to change them.

32. These provisions broadly mirror the arrangements for undertakers producing charges schemes in accordance with rules produced by Ofwat under section 143 of the Water Industry Act 1991 (as amended by clause 16 of the Bill).

#### ***Lords Amendment 59***

33. This amendment would insert a new clause which would allow exit regulations to control what a relevant undertaker's conditions of appointment say about making exit applications. The new clause would also allow the regulations, in particular, to prevent the inclusion of a provision that would require a relevant undertaker to make an exit application. The regulations could also include a requirement for Ofwat or the Competition and Markets Authority to seek the Secretary of State's consent before exercising their functions in a way that might require a relevant undertaker to make an exit application.

#### ***Lords Amendment 60***

34. This amendment would insert a new clause which would provide that the

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regulations may allow Ofwat to modify the appointment conditions of a relevant undertaker or the licence conditions of a water supply or sewerage licensee where this is necessary or expedient in consequence of a transfer of a part of the undertaker's undertaking to the licensee. This might be because an undertaker is no longer required to carry out a particular function in the area. It is intended that modifications would be made more easily than the provisions of the Water Industry Act 1991 would allow. The new clause would also provide that the regulations may allow Ofwat to make consequential changes following these modifications. They might require Ofwat to obtain the Secretary of State's consent to a modification and might set the time period during which modifications can be made. The time period could not exceed one year after the transfer has taken place.

#### ***Lords Amendment 61***

35. This amendment would insert a new clause which would enable the regulations to permit the Secretary of State to publish a statement from time to time with general directions for Ofwat and the Competition and Markets Authority. The general directions would affect functions that could be used to secure that a relevant undertaker makes an exit application.

36. The regulations could require the Secretary of State, when drafting the statement, to have regard to Ofwat's duties under section 2(1)(b) of the Water Industry Act 1991, the general duties of the Competition and Markets Authority, the protection of consumers and any other matters as the Secretary of State sees fit. The regulations could also require the Secretary of State, before publishing the statement, to consult and the statement is subject to a negative resolution procedure.

#### ***Lords Amendment 62***

37. This amendment would insert a new clause which would allow for exit regulations to provide for duties and powers of various persons to be modified and added to. It would also allow regulations to amend or repeal provisions in Acts (including Acts or Measures of the Assembly). It would also allow the regulations to make provision about powers to make subordinate legislation.

#### ***Lords Amendment 63***

38. This amendment would insert a new clause which would define certain terms used in this chapter.

#### ***Lords Amendment 64***

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39. This amendment would insert a new clause which would provide for the making of exit regulations and for the affirmative resolution procedure to apply.

***Part 2: Water resources***

***Lords Amendment 65***

40. Lords Amendment 65 would insert a new clause to the Bill before clause 45. This new clause would place a duty on the Secretary of State to report to Parliament on the Government's progress on abstraction reform in England. This report must be prepared and laid before Parliament within five years of Royal Assent of the Water Bill.

***Part 3: Environmental regulation***

***Lords Amendment 66***

41. Lords Amendment 66 could correct a drafting error in subsection (12) of clause 49.

***Part 4: Flood Insurance***

***Lords Amendments 67 & 80***

42. These Lords Amendments to clauses 51 and 57 would make minor drafting corrections.

***Lords Amendments 68 & 69***

43. Lords Amendment 68 to clause 51 would change the power to set eligibility thresholds so that the power would more accurately reflect the way the insurance industry operates. Lords Amendment 69 is a consequential change arising from Lords Amendment 68.

***Lords Amendments 70, 75, 81-83 & 91-95***

44. These amendments to clauses 51 (Lords Amendment 70), 54 (Lords Amendment 75), 69 (81-83) and 71 (91-95) are in response to the Delegated Powers and Regulatory Reform Committee's Report on the Water Bill. Lords Amendments 70, 75 and 81 to 83 would define key terms and expressions on the face of the Bill; "flood insurance" and "insurer". Lords Amendments 91 to 95 would make the

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necessary changes to clause 71 in respect of the regulations which are to be subject to the affirmative procedure or affirmative procedure on first exercise of the power.

#### ***Lords Amendment 71***

45. Lords Amendment 71 would ensure that the consent of the Flood Re Scheme Administrator is obtained before regulations about the Scheme's reserves and their dispersal are made. This consent cannot be unreasonably withheld.

#### ***Lords Amendments 72 & 84-86***

46. Lords Amendment 72 would insert a new subsection into clause 54 that places a requirement on the Scheme Administrator to provide information to relevant insurers to pass on to their policyholders whose policies are reinsured under the scheme. The information is intended to help households understand the flood risk in their area, how it can be managed and understand the nature of the Flood Re scheme including its transitional nature.

47. As a consequence of Lords Amendment 72, minor changes are also made to clause 70 (Lords Amendments 84 to 86) that would allow "flood" and "flood risk" to be defined in regulations for the purposes of clauses 52 to 57.

#### ***Lords Amendment 73***

48. This Lords Amendment would correct a small drafting error.

#### ***Lords Amendments 76 & 88***

49. These Lords Amendments are minor drafting corrections that insert standard wording that would ensure that the employment contracts could be transferred.

#### ***Lords Amendments 77-79, 74 & 100***

50. These Lords Amendments would remove the regulation-making powers in clauses 54(6)(a) and 56 and replace them with new powers on the face of the Bill to enable the disclosure of council tax information to certain parties (Lords Amendments 77-79). Lords Amendment 77 provides a power which permits Her Majesty's Revenue and Customs to release Council Tax information for the purposes connected with the set up of the Flood Re Scheme, and purposes connected with the Flood Re Scheme, once it is up and running.

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51. Lords Amendment 78 would define what information can be shared (this definition may be amended through secondary legislation, subject to the affirmative procedure). If the definition of what information may be shared is amended, Lords Amendment 78 would also provide a regulation making power to create a criminal offence which will also be subject to an affirmative procedure.

52. Lords Amendments 74 (to clause 54), 93 (to clause 71) and 100 (to clause 80) make consequential changes based on these new powers.

#### ***Lords Amendment 87***

53. Lords amendment 87 would make a drafting improvement to the power in clause 70(3)(b), so that the Secretary of State may make provision in connection with the revocation of a flood reinsurance scheme's designation where no new designation is to be made.

#### ***Lords Amendment 89***

54. Lords amendment 89 to clause 70 would allow for regulations to define reserves for the purposes of clause 70 and would place a duty on the Secretary of State to consult the Flood Re Scheme Administrator about the amount of the Scheme's Reserves to be transferred at the end of the life of the Scheme (i.e. de-designation without a new designation being made) before making any transfer orders.

#### ***Lords Amendment 90***

55. This Lords Amendment to clause 71 would allow for the transfer of property, rights and liabilities by a separate order which is exercisable by statutory instrument.

#### ***Lords Amendment 96***

56. Lords Amendment 96 would avoid hybridity issues. If a transfer of property, rights and liabilities is dealt with by a separate order under clause 70 which is not exercised by statutory instrument then hybridity issues would not arise. But if a transfer of property, rights and liabilities is dealt with together with other matters in an order under clause 70 made by statutory instrument then hybridity issues could potentially arise. Lords amendment 96 would prevent hybridity issues arising in such circumstances.

#### ***Part 5: Miscellaneous***

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### ***Lords Amendments 97 & 98***

57. These amendments would extend clause 72 to cover internal drainage boards in Wales. Clause 72 amends Schedule 3 to the Land Drainage Act 1991 to simplify the process by which internal drainage boards may seek to make organisational or structural changes.

### ***Lords Amendment 99***

58. This amendment would insert a new clause into the Bill to amend Schedule 3 to the Flood and Water Management Act 2010. This amendment relates to the situation where a non-performance bond is required as a condition of approval of a drainage system under Schedule 3, and the bond is provided by a third party specialist bondsman on behalf of the developer. The amendment would ensure that, where a payment is made under the bond, any excess is refunded to the person that made the payment under the bond, rather than always being made to the developer.

### ***Part 6: General and final***

#### ***Lords Amendments 101-106***

59. Lords Amendments 101 to 106 would make minor drafting corrections to clause 80. Lords Amendments 104 and 105 provide for the new clauses inserted by Lords Amendments 65 and 99 to come into force two months after Royal Assent.

### ***Schedules***

#### ***Lords Amendments 108-112***

60. These amendments to Schedule 2 would make minor drafting amendments.

#### ***Lords Amendments 114-115 & 122***

61. These amendments to Schedule 4 would make minor drafting improvements. Lords Amendments 114 and 122 are linked.

#### ***Lords Amendments 117-121 & 124***

62. Lords Amendments 119 and 120 would make provision which is consequential on the extended water licensing regime and the sewerage licensing regime applying in Wales once clause 5 and Schedule 5 are commenced. Lords

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Amendments 117, 118, 121 and 124 are minor drafting corrections or improvements.

#### ***Lords Amendments 123 & 135***

63. These Lords Amendments would update cross-references in section 158 of the Water Industry Act 1991. Lords Amendment 135 would update them to reflect the amendments made by Schedule 2 to the Bill. Lords Amendment 123 would further update them once clause 5 and Schedule 5 come into force to apply extended water licencing regime and sewerage licensing regime in Wales.

#### ***Lords Amendments 133 & 134***

64. Lords Amendment 134 would correct a drafting error in section 12(3D) of the Water Industry Act 1991 (as inserted) by the Enterprise and Regulatory Reform Act 2013. Lords Amendment 133 is linked to this.

#### ***Lords Amendments 140, 141 & 125***

65. Lords Amendment 140 would make changes to the amendment to section 213 of the Water Industry Act 1991 made by paragraph 116 of Schedule 7 to the Bill. The changes are to reflect the fact that section 213 has been amended by section 35 to the Flood and Water Management Act 2010, but that the amendments made to section 35 are not yet in force in relation to relevant undertakers whose areas are wholly or mainly in Wales. Lords Amendment 141 is a consequential amendment to section 35 of the 2010 Act. Lords Amendment 125 is a further amendment to section 213 of the Water Industry Act 1991 which will be required once clause 5 and Schedule 5 to the Bill come into force to apply the extended water licensing regime in Wales.

#### ***Lords Amendments 126-130***

66. Lords Amendments 126 to 130 to Schedule 7 would change the amendments to section 2 of the Water Industry Act 1991 made by paragraph 3 of Schedule 7 to the Bill. The changes update and extend the powers and duties of the Secretary of State, the Welsh Ministers and Ofwat which are subject to the general duties contained in section 2, to reflect the amendments made by the Bill.

#### ***Lords Amendments 131 & 116***

67. Lords Amendment 131 would make consequential changes to new sections 2A and 2B of the Water Industry Act 1991 (as inserted by clause 24 of the Bill) to reflect the new licensing regimes. Amendment 116 makes a further consequential change

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once the sewerage licensing regime comes into force in Wales.

### ***Lords Amendment 132***

68. Lords Amendment 132 would amend section 10 of the Water Industry Act 1991 to provide for charging rules under new section 144ZA (inserted by clause 17 of the Bill) to apply in cases where, by an appointment or variation, a new undertaker is to replace another company as a relevant undertaker but the appointment or variation has not come into force.

### ***Lords Amendments 136-138***

69. Lords Amendment 136 would change the amendment to section 174 of the Water Industry Act 1991 made by paragraph 104 of Schedule 7 to the Bill. It would add a further consequential amendment to subsection (1A) of section 174. Lords Amendments 137 and 138 are consequential on Amendment 136.

### ***Lords Amendment 139***

70. Lords Amendment 139 would repeal paragraph 111 to Schedule 7, which is superfluous because of amendments to section 203 made by clause 36.

### ***Lords Amendments 142-144***

71. Lords Amendments 142 and 144 would insert further paragraphs into Schedule 11, describing transitional provision which may be included in an order under clause 77 of the Bill. The new paragraphs would enable the Secretary of State to make provision to allow Ofwat to revoke existing water supply licences as part of the transition to the new water supply licensing regime. The power would also provide flexibility for Ofwat to allow existing licences to continue until new licences are available or until they are revoked on a specified day. The powers also provide for compensation to be payable to the holders of revoked licences. The powers provide for Welsh Ministers to make transitional provisions, including as to compensation, when clause 5 and Schedule 5 are commenced to apply the extended water supply licensing regime in Wales, thereby revoking the lesser authorisations that would then be in place.

72. The amendments would also allow for transitional provision to be made in relation to sewerage activities carried out by arrangement with sewerage undertakers. This is for when those activities become licensable arrangements under the new sewerage licensing regime. Compensation is payable if sewerage arrangements, in place before 31 March 2014, are no longer possible or are restricted because a licence

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is required.

73. The amendments would allow provision to be made about appeals relating to compensation. They also provide for an order to make provision about how the provisions in the Water Industry Act 1991 about modifying licence conditions would work if there were old and new water supply licences running at the same time for a period.

74. Lords Amendment 143 would make a drafting correction.

#### ***Lords Amendments 145-147***

75. These amendments to Schedule 12 would make drafting improvements.

#### **FINANCIAL EFFECTS OF THE LORDS AMENDMENTS**

76. Lords Amendment 142 provides Ofwat with the power, through a section 77 order, to revoke existing water supply licences. This new power also provides that compensation is payable by Ofwat, subject to the terms of a scheme, for the revocation of a previously existing licence (1A(4)(b)) or when it removes rights to enter into certain arrangements previously allowable under the licence (1A(4)(d)). Subsection 1D(2) provides for compensation to be payable if arrangements with sewerage undertakers in place before 31 March 2014 would no longer be able to continue without a sewerage licence or could be restricted. Similar provisions apply for when the Welsh Ministers fully implement the new water supply licensing regime in Welsh areas. It is not known at this stage the number of water supply licences that may be revoked or the number of sewerage arrangements that may be discontinued as a result of a section 77 order. Nor is it possible to estimate how much compensation, if any, will be payable.

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