## **WATER INDUSTRY ACT 1991**

# MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS AND THE CONSUMER COUNCIL FOR WATER

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## FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS AND THE CONSUMER COUNCIL FOR WATER

This Memorandum of Understanding between the Department for Environment, Food and Rural Affairs and the Consumer Council for Water is laid before Parliament by the Secretary of State for the Department for Environment, Food and Rural Affairs in accordance with section 27B of the Water Industry Act 1991, as amended by the Water Act 2003.

### MEMORANDUM OF UNDERSTANDING

### Introduction

- 1. This Memorandum of Understanding sets out the relationship between the Department for Environment, Food and Rural Affairs (Defra) and the Consumer Council for Water ("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 amended by the Water Act 2003, to secure:
  - a) the co-operation and exchange of information between Defra and the Council; and
  - b) the consistent treatment of matters which affect them both.
- 3. The memorandum is not intended to cover every detailed aspect of the relationship between the two parties (the Framework Document<sup>1</sup> considers this in more detail). 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.
- 4. This Memorandum will be laid by the Secretary of State before each House of Parliament. It is not legally binding but serves as a working document which will be subject to review in the light of operational necessities.

### **Review of MOU**

5. 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**

6. The Council is a non-departmental public body (NDPB) of Defra and a Welsh Government Sponsored Body (WGSB). It was established under the Act to represent the interests of water and sewerage customers by handling complaints about water and sewerage companies, water supply licensees and sewerage licensees; acquiring and publishing information, providing advice and investigating matters of interest to consumers.

 $<sup>^{1}\,\</sup>underline{\text{https://www.ccwater.org.uk/wp-content/uploads/2015/09/CCW-Signed-Framework-document-May-2015.pdf}$ 

- 7. The Council is supported by regional committees in England and a Committee for Wales established under the Act, principally to provide advice and information to the Council on consumer matters affecting the areas of the relevant water and sewerage companies allocated to the committees.
- 8. Defra sets the policy and regulatory framework for the water and sewerage sector in England<sup>2</sup> and ensures that it delivers the Government's wider policy aims and objectives as set out most recently in Defra's Strategic Policy Statement (SPS) to Ofwat published in September 2017. The Act is the main piece of legislation that underpins the current responsibilities of the industry, regulators, the Council and Government.
- 9. In agreeing this Memorandum, Defra fully recognises the independence of the Council and the Council recognises the legitimate interests and responsibilities of Defra in the overall work of the Council.

### **Working Relationship**

- 10. Defra and the Council will seek to build upon 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;
  - undertaking bilateral meetings between Defra officials and the Council;
  - respecting each other's views, where different, after discussion to ensure proper understanding of the reasons for any such differences;
  - having a "no surprises" policy, based upon notifying each other well in advance, where possible and appropriate, about significant announcements and relevant policy developments; and
  - minimising duplication of activity wherever possible.

### **Co-operation**

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

<sup>&</sup>lt;sup>2</sup> Until the Wales Act 2017 is implemented "England" means the areas of water companies that are wholly or mainly in England.

### **Treatment of Matters of Common Interest**

- 12. 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.
- 13. Against this background, and in confidence where appropriate, 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;
  - agree agendas for meetings between Ministers and senior Council representatives ahead of the scheduled meeting;
  - invite each other to public or water-related events hosted by one, but of interest to both, where appropriate; and
  - 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**

- 14. We will aim to minimise the burden placed upon water and sewerage companies, water supply licensees and sewerage 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.
- 15. 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.
- 16. Where a request is received by the Council or Defra 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 consult the other. On being consulted, each party will 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**

17. If there is a dispute about the interpretation and/or operation of this Memorandum which cannot be resolved between us at working level, the Council's Chief Executive and the Director of Floods and Water in Defra will discuss the matter and decide what action to take.

### **Publication of Memoranda**

18. The Secretary of State will lay this and any revised memoranda before Parliament. Defra will also forward this and any revised memoranda to the Welsh Government, Ofwat, Natural Resources Wales, the Environment Agency and the Chief Inspector of Drinking Water.

An up-to-date version of the Memorandum will be published on the Council's website.

Signed by:

for the Consumer Council for Water

(Alan Lovell)

14th May 2018

**Chair, Consumer Council for Water** 

(Sarah Hendry)

Date: 14 | 5 | 18

Director of Floods and Water, Defra