

This document provides guidance for applicants of a WSSL licence and accompanies the OFWAT Guidance available here: <http://www.ofwat.gov.uk/publication/applications-wssl-licences-explanatory-guidance-ofwat-wics/>

The applicant should be able to demonstrate adequate knowledge of the issues set out below. (For some of these requirements, the applicant may be able to fulfil this requirement by showing that it has access to advisers with adequate knowledge of these issues.)

The applicant should be able to set out how it intends to:

- comply with its duties under the Water Industry Act 1991 (WIA91);
- comply with the Standard Conditions of the WSSL; and
- communicate emergencies and details of sensitive customers to the relevant appointed company.

The DWI is concerned to ensure that applicants for a WSSL have an overall understanding of water supply and water quality issues and the potential environmental impacts that can arise from their usage of supply systems so that licensees' activities do not have a detrimental effect on an appointed company's supply system. The application form provides an opportunity for applicants to inform DWI of their understanding in their response to Section 2.

Applicants for Water and Sewerage Licences must demonstrate a clear understanding of the relationship between the wholesaler/retailer/customer over planned and unplanned interruptions to supply and water quality incidents. The Wholesale/Retail Code (WRCode Part D, E and F <http://www.open-water.org.uk/media/1907/3a-postvendormap-appendix2-wrc-part3-operationalterms.pdf>) covers the roles, responsibilities and obligation of each party in this respect. The over-riding message being that for any unexpected change to supply quality or quantity, the wholesaler is immediately informed. Retailers must therefore ensure that customers can easily find the contact details for their relevant wholesaler, 24 hours a day (it may be done via standard answerphone message out of hours).

Additionally retailers are required under the WRCode to assist the wholesaler (as reasonably required) in any investigations into water quality incidents or exceedance of standards identified by sampling.

Therefore as a minimum, applicants should include in their applications

Guidance: DWI Technical competence requirements for WSSL licensing: (Retail only)

1	Evidence that the applicant understands the WRCode for England - Part DEF: i.e.
a	Evidence that the applicant understands communication duties with WHOLESALER : i. 24 hour communication route with the wholesaler for emergencies, ii. Maintenance of wholesaler records of customer emergency contact details iii. Reasonable assistance during planned and unplanned events (in and out of hours) iv. Provision of named individuals for liaison during incidents
b	Evidence that the applicant understands communication duties with CUSTOMER : i. Provision of contact details of wholesaler for immediate incident reporting ii. Ability to contact customers during incidents (in and out of hours) iii. Appreciation of sensitive sites
2	Evidence that the applicant understands DWI's reporting requirements i. Provision of information under the Water Undertakers (Information) Direction 2012) ii. Provision of public record as specified in Regulation 34 ¹

Applicants will also need to be aware of the role of the DWI and of their responsibilities under the relevant sections of the WIA91 and Regulations as included in OFWAT guidance here:

- i. *the regulatory requirement to provide wholesome water;*
- ii. *the definition of water unfit for human consumption;*
- iii. *the penalties for supplying water unfit for human consumption;*
- iv. *the circumstances in which they are required to notify appointed companies, for example those identified in the Water Undertakers (Information) Direction 2012;*
- v. *the implications of the Water Supply (Water Fittings) Regulations 1999;*
- vi. *relevant security and emergency directions issued by Defra and/or the Welsh Government. (Licensees may sub-contract the implementation of these plans, but will need an understanding of the situations that can arise and of the potential need for appointed companies to communicate directly with the licensee's customers.)*

¹ Reg 34 (2) and (4) refer. This Regulation is not explicitly covered in the Codes, but the requirements are encompassed in the general requirement for liaison about drinking water matters between all parties, wholesalers/retailers/customers.

Guidance: DWI Technical competence requirements for WSSL licensing: (Retail only)

- vii. *the appointed companies Water Resources Management Plan and Drought Plan and its responsibilities in helping to develop, maintain and action these;*
- viii. *the management of planned and unplanned events including droughts; and*
- ix. *the duty to promote the efficient use of water under section 93A of the WIA 1991.*

If you have any queries please email Caroline.Knight@defra.gsi.gov.uk.