



guardians of drinking water quality

DRINKING WATER INSPECTORATE

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Information Letter 07/2010

To: Board Level and Day to Day contacts of Water and Sewerage Companies and Water Companies in England and Wales

Dear Sir/Madam

DRINKING WATER QUALITY IMPROVEMENT PROGRAMMES - PROCESS FOR REPORTING ON, AGREEING CHANGES TO AND CLOSURE OF IMPROVEMENT PROGRAMMES

Purpose

This Information Letter sets out the process to be followed when a company reports on, seeks to alter or completes a statutory drinking water quality improvement programme.

Background

The Inspectorate issued documentation in July 2009 outlining the process for putting in place the appropriate legal instrument for each drinking water quality scheme associated with the Price Review. The legal instruments include Regulation 28 Notices and Section 19 Undertakings. For each of the Notices and Undertakings a template was provided for companies to complete to set out details of the work to be carried out and the dates by which each step is to be completed. The process outlined below sets out the information that the company needs to provide to the Inspectorate when reporting on improvement programmes, when it wishes to make any change in the content scope or timescale of an improvement programme and when it submits evidence to support the closure of an improvement programme. This process applies to all DWI improvement programmes including those established separately from the Price Review process, and supersedes the existing arrangements.

Process for reporting on progress of Improvement Programmes

The company is required to report progress on improvement programmes to the Inspectorate on a basis defined within each individual scheme schedule of works.

The Inspectorate's intention is to collect from companies the minimum information necessary for it to (i) discharge its duties to monitor progress with improvement programme, and (ii) to conduct periodic audits of progress to confirm the accuracy and integrity of reported information and to clarify issues arising. The requirement to report progress with a programme commences once the relevant statutory documentation has been completed.

When reporting on progress, the company should use the templates attached to this letter (Annexes 1, 2 and 3). Progress with all Undertakings should be reported on the template contained in Annex 1. In addition, Annex 2 should be completed for progress with consumer acceptability undertakings. Progress with Regulation 28 Notice programmes should be reported on the template contained in Annex 3. A separate report should be completed for each individual scheme and the electronic file should be named in the following format **[yy.mm].[DWIRef].[Scheme Name]**. Reports should be submitted for all those improvement programmes in place at the time of reporting.

Under each step within the progress report the company should indicate the **current** state of progress and provide a summary of measures taken during the reporting period in fulfilment of that step. The due date in the progress report should correspond with the due date against that step in the current Undertaking, Notice or other legal instrument. Where a step has been completed the actual date of completion should be included in the status column. Where a particular step is delayed or a delay is foreseen the company should expand on this in the report. The report should provide details of the expected completion date, the impacts arising from and reasons for the delay and the measures being taken by the company to avoid or minimise the delay. This can be provided as a separate report attached to the progress report or can be included in the Further Information box at the bottom of the report.

The company should provide a summary of monitoring, including number of samples taken during the relevant reporting period as well as maximum and mean concentrations. Further details should be provided on exceedences of the prescribed concentration or maximum deviation of quality value (where appropriate).

Companies must submit progress reports electronically to DWI_Improvement_Programmes@defra.gsi.gov.uk. Reports should not be sent to individual email accounts.

The requirements for reporting progress set out in this letter will apply to the reporting period for all improvement programmes for January to June 2010 and thereafter.

Process for proposing a change to a technical solution and/or the delivery date for an improvement programme

A pro forma is attached as Annex 4. This sets out the minimum information requirements for most drinking water quality improvement programmes. Companies should note that for Notices not associated with the Price Review, Annex 3 should be completed in addition to the submission of a Regulation 28 report.

Matters to be addressed include:

- a) Reasons for the proposed change to the technical solution together with supporting evidence to demonstrate a change in circumstances and to support justification of the need to revise the current scheme.
- b) Any factors outside the company's control that may affect delivery of the solution, for example:
 - Unforeseen difficulties on site, e.g. ground conditions which would not have been identified until the detailed assessment was completed
 - Land purchase issues
 - Planning permission delays (evidence of timely submission of applications is required)
 - Protracted negotiations involving third parties
 - Can the delays be overcome through application of additional resources to the project?
- c) Evidence that the alternative solutions are technically sound and will secure long term compliance.
- d) Evidence that the alternative solutions will deliver wholesome water within an equivalent timescale.
- e) Evidence of the cost effectiveness of the alternative solutions relative to the existing solution.
- f) Evidence of the sustainability of the alternative solution. Has the Company liaised with appropriate bodies, for example, in the case of nitrate treatment schemes, has the Environment Agency confirmed it is satisfied that all possible arrangements for blending solutions have been considered?

If the Inspectorate is satisfied the proposed changes are appropriate, a letter of confirmation will be issued to the company and the associated legal instrument will be revised. For PR09 improvement programmes, the letter may be used by the company as evidence of the Inspectorate's acceptance of the proposed changes, when making an application under Ofwat's Change Protocol 2010-15. It will be for the company and Ofwat to assess the financial impact of the changes.

If the Inspectorate considers that the existing solution continues to be appropriate, it will require the company to deliver that solution.

Closure of Improvement Programmes

Companies are required to submit a final report to the Inspectorate on the efficacy of the actions taken for every improvement programme. The report should include evidence to confirm that the actions required by the programme have been successfully completed and that the benefits for consumers have been delivered where appropriate.

The Inspectorate's intention is to collect from companies the information necessary to close these programmes by reporting that each step has been adequately completed.

A template for completion reports for Undertakings is attached in Annex 5 and for Notices in Annex 6. For each section within the respective report the company should confirm that the step has been completed, the date on which it was completed, the reasons for any delays in completing the step and any action taken by the company to minimise the delay. The company should also provide evidence to demonstrate that the programme has been completed. This can take the form of certificates of completion or handover or in cases where these are not available, some other form of documentary evidence.

The company should provide all monitoring carried out as part of the programme and should distinguish between samples taken prior to completion of the solution and those taken after completion of the solution. The company should provide further detail on exceedences of the prescribed concentration.

The Inspectorate will assess the information submitted and where satisfied that the requirements of the Undertaking or Notice have been fulfilled, will send a letter confirming this to the company, copied to other relevant stakeholders.

This process applies with immediate effect to all drinking water quality improvement programmes, including schemes put in place as part of the Periodic Review process, and other programmes carried out outside the Periodic Review process. Any proposals for change should be submitted by email to dwi_improvement_programmes@defra.gsi.gov.uk.

Copies of this letter are being sent to Pamela Taylor, Chief Executive, Water UK; Mike Walker, Water Supply and Regulation Division, Department for Environment, Food and Rural Affairs; Olwen Minney, Water Management Team, Welsh Assembly Government; Colin McLaren, Drinking Water Quality Regulator for Scotland; Margaret Herron, Drinking Water Inspectorate for Northern Ireland; Tony Smith and Chairs of the Regional Consumer Council for Water; Noel Wheatley, for Office of Water Services; Tony Warn, Environment Agency; Nigel Harrison, Food Standards Agency; and Frances Pollitt at the Health Protection Agency.

This letter is being sent electronically to Board Level and day-to-day contacts. Please acknowledge receipt by email to dwi.enquiries@defra.gsi.gov.uk. Hard copies are not being sent but the letter may be freely copied. Any enquiries about the letter should be addressed to Claire Pollard (claire.pollard@defra.gsi.gov.uk).

Yours faithfully



Milo Purcell
Deputy Chief Inspector (Regulations)