



guardians of drinking water quality

DRINKING WATER INSPECTORATE

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Information Letter 11/2010

To: Local Authority private water supplies contacts in England

Dear Local Authority Colleagues

Guidance to local authorities in England on charging arrangements under the Private Water Supplies Regulation 2009.

Background

The Private Water Supplies Regulation 2009 (the Regulations) place a duty on Local authorities to carry out certain activities to ensure that private water supplies are wholesome and not present a potential danger to human health. The focus of the regulations for smaller private supplies is no longer on routine testing (which does not in itself make the water supply safe), but is instead on risk assessment to enable local authorities to deal effectively with those supplies where remedial action is needed to prevent a risk to human health. Where a risk to human health is identified then this risk must be mitigated against and some monitoring may be required to confirm that there is no residual risk to human health.

Local Authority duties include conducting risk assessments, investigations, and taking and analysing samples. The Regulations permit Local Authorities to recover the costs associated with providing these services from private supply owners/operators. Schedule 5 of the Regulations detail these services and the maximum fees that can be charged. However, the regulations only permit Authorities to charge the *reasonable cost* of providing the service subject to the specified maximum amounts.

In light of recent correspondence (a copy of the Minister's response to which is attached to this letter) the Minister has asked the Drinking Water Inspectorate to review the Guidance related to the charging arrangements under the Private Water Supplies Regulations.

Amendment to the Private Water Supplies Guidance

Section 2.5.1.1 of the Inspectorate's guidance document on the implementation of the regulations ("The Legislative Background to the Private Water Supply Regulations, Technical Manual, Section 9 [England and Wales]" [available on www.dwi.gov.uk](http://www.dwi.gov.uk)) has been revised to clarify the charging provisions in the Regulations.

The Guidance reiterates that local authorities are only permitted to recover the "*reasonable cost of providing the service*", subject to maximum amounts specified in the regulations. For example it is expected that a risk assessment of a small supply or single property which uses the water for commercial purposes will usually take less time than a large or more complex supply and therefore should be charged less. In many cases the actual costs incurred will be below the maximums contained in the regulations.

The Inspectorate is aware that where local authorities have published information relating to the possible financial impact of the regulations based solely on the maximum limits in the regulations (rather than the estimated actual costs) this has been confusing to those who may be charged. The Inspectorate therefore recommends estimates of the *actual* costs be published rather than reproducing the maximum charging limits detailed in the Regulations.

The Inspectorate recognised that there will be variations in charging arrangements between local authorities as the actual charges levied should be decided by locally elected Councillors based on the advice from local authority officer and subject to the constraints of the regulations. Examples of locally agreed charging schemes in place include those based on an hourly rate, those employing a flat rate fee or a combination of both approaches.

The revised guidance also clarifies that in practice the risk assessment activity will identify those parameters for which monitoring is appropriate and discount others that are not necessary, thus focussing on the protection of consumers' health and avoiding unnecessary monitoring costs.

A copy of the revised section of the guidance document is attached to this letter for ease of reference.

Further assistance for local authorities from DWI

To increase the visibility of the charging options open to local authorities and in order to inform Ministerial policy on future charging arrangements, the Inspectorate will be collating the fees and charges already set in England and Wales. To assist this process, local authorities who have completed their charging policies are asked to email details to the Inspectorate via: dwi.enquiries@defra.gsi.gov.uk with the title "PWS charges". This information will be collated and made available to authorities via the Inspectorate's website.

If you have any further queries regarding this letter please do not hesitate to contact me via the e-mail address or telephone number at the head of this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T. Isaacs', with a long horizontal flourish underneath.

Teresa Isaacs
Inspector