**Water Adoption Panel**

**Meeting on 12 October 2021 at 11.00am via MS Teams**

**In attendance:**

**Victor Olowe – Chair**

**Kate Raybould – Secretary**

**Ben Brownbill – Infrastructure Gateway**

**Dan Borst – Severn Trent Water**

**Chris Harrop – Wessex Water (alternate for Nigel Martin)**

**Graham Morley – United Utilities**

**Patrick Daly – P N Daly**

**Ryan Lownds – Southern Water**

**Sathi Amulaseelan – Southern Water (observer)**

**Damian Hill - Persimmon**

**James Ball – Anglian Water**

**David Topping – Triconnex**

**Mark Whitehouse – Lloyds (observer)**

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|  | **Item** | **Action** |
| 1 | **Introduction and Apologies**  The Chair welcomed members to the meeting and it was noted that the meeting was quorate, with the required number of representatives from both water companies, developers and self-lay providers (SLPs) in attendance.  Apologies had been received from Robert Perrins. Chris Harrop attended as an alternate for Nigel Martin (Wessex Water) and Sathi Amulaseelan (Southern Water) attended as going forward he will be taking over Ryan Lownds’ place on the Panel. |  |
| 2 | **Declaration of Interests**  Ryan Lownds and Sathi Amulaseelan declared an interest in the Southern Water change proposal to be discussed by the Panel. The Panel agreed that they would take part in the discussion of the proposal and then withdraw from the meeting while the Panel reached its decision on the proposal. |  |
| 3 | **Waiver of notice and publication period**  The Panel had received a further change proposal from Fair Water Connections (see 5 below) which had been received 11 days before the meeting. Rather than defer consideration of the proposal to the next meeting possibly in January 2022, the Chair had agreed to accept the proposal for consideration at this meeting and in light of this, all members gave their consent to the waiver of the notice and publication period in relation to the change proposal in accordance with the Panel’s Terms of Reference. |  |
| 4 | **Approval of Minutes of Panel Meeting on 27 July 2021**  The Panel approved the minutes of the Panel Meeting held on 27 July 2021 for publication.  In respect of matters arising, it was noted that the Panel had not received any responses to the queries on the current change proposals that it had referred to the Water UK (‘WUK’) Lawyers’ Network. After discussion, it was agreed that opinions should be sought from both developer and water company lawyers, before external legal advice was obtained. United Utilities, Severn Trent and PJ Daly would refer the queries to their in-house lawyers. | Get in-house legal view (GM/DB/PD) |
| 5 | **Change proposals**   1. **Metric S2/2B – Southern Water**   It was noted that Ofwat had agreed an extension of the deadline for the Panel’s recommendation on the proposal until 31 October. The Panel discussed the proposal regarding the change of Level of Service (‘LOS’) Metric S2/2B from a stop/start ‘chess clock’ metric to a re-start metric. The primary concern is that the ‘stop/start’ clock within the current metric is ambiguous.  RL explained that a non-compliant design could be submitted to water companies several times within the 14 day period and there is no set period within which developers must re-submit non-compliant designs. As the assets will be adopted by water companies, it is important that the design approval process is not rushed. If an amended design is re-submitted towards the end of the 14 day period, water companies could be left with very little time to properly review it. RL stressed that the current metric is not practical and badly designed and potentially poses too much risk to the End Customer. RL indicated that the scale of the problem should not be a valid consideration in view of the risk of getting things wrong.  It was proposed that submission of major changes to designs would ‘re-set’ the clock back to 14 days for consideration; minor changes would require a 7 day period. The definition of ‘major’ and ‘minor’ would be based on those used in the Waste Adoption Code. RL emphasised the desirability of alignment between the two codes.  It was noted that, although Southern Water are experiencing issues with the metric, this does not appear to be a widespread problem for other companies. This may be due to SLPs in other areas being more familiar with the requirements of companies’ Design Manuals and other guidance.  Similarly, it could be an issue with individual design companies, as the market is small. However, even a single failure for companies has an impact on their D-Mex scores. In the electricity industry, companies had been referred to Ofgem in respect of ‘clock-stopping’ and this had led to improved timescales within this industry.  RL and SA withdrew from the meeting while the Panel discussed its recommendation. It was noted that the issue was not widespread and appeared to be localised to Southern Water’s area. There are opportunities to halt a project on-site or at the connection stage if companies have concerns about an asset. While the metric could be said to be ambiguous, the proposed solution of re-setting the clock does not offer a better solution than the current position. On that basis, the Panel agreed unanimously to reject the change proposal. The Secretary would draft a letter to Ofwat setting out the recommendation and circulate it to the Panel for approval before the deadline.  RL and SA rejoined the meeting.   1. **Making adoption agreements s.9 Highways Authority notification compliant – Fair Water Connections (FWC)**   The Panel discussed the change proposal submitted by FWC regarding making s.9 of the adoption agreement in relation to Highways Authority notification compliant and removing streetworks opening barriers to connection competition. It was noted that Ofwat had agreed to extend the deadline for the Panel’s recommendation on the proposal until 5 January 2022 to allow the Panel to seek legal advice. After discussion it was agreed that the Panel would hold a further meeting in December 2021 to review the legal advice and agree its recommendation on the proposal.   1. **SLPM S4/1 and incoming water quality issues - FWC**   The Panel discussed the change proposal submitted by FWC in respect of clarifying responsibility for incoming water quality issues in LOS metric SLPM S4/1. It was noted that the current deadline for the Panel’s recommendation on the proposal expires on 26 October and that the Panel also needs to seek legal advice on the proposal. It was agreed that the Secretary would seek to agree an extension of the deadline with Ofwat until January 2022 and the Panel would review the legal advice and agree its recommendation on the proposal at the meeting in December 2021.   1. **Escalating Cat 1 Delivery Failures – FWC**   The Panel discussed the change proposal regarding providing a means to escalate Cat 1 Delivery failures submitted by FWC. It was noted that the current deadline for the Panel’s recommendation on the proposal expires on 6 January 2022. The Panel discussed the proposal. It was noted that SLPs do experience issues and that performance varies between water companies. The priority for developers was delivery of works and there were inconsistencies between Cat 1 and Cat 2 failures.  Generally, water company performance is high and they are additionally measured on their performance via D-Mex and an ODI, as well as through company complaints procedures. The change proposed would therefore create an additional sanction against companies, which may not be required. Cat 1 performance is also published on the Water UK website which drives awareness of individual company performance.  After discussion, it was noted that the Panel members’ view on the proposal were varied and its recommendation had to be unanimous. It was agreed that Panel members would seek feedback from their respective companies on whether the change proposed would incentivise better performance and improve service.   1. **SLPM 5/1.a – Affinity Water**   The Panel discussed the change proposal regarding LOS SLMP S5/1.a ‘within 14 calendar days from receipt of all valid test results and paperwork complete the Final Connection’ submitted by Affinity Water. It was noted that Ofwat had agreed an extension of the deadline for the Panel’s recommendation on the proposal until 31 October.  The Panel agreed that there was no change to its decision reached at the July meeting to recommend the change. The Secretary would draft a letter to Ofwat setting out the recommendation and circulate it to the Panel for approval before the deadline. | Draft letter to Ofwat and circulate (KR)  Request extension (KR)  Obtain feedback (All)  Draft letter to Ofwat and circulate (KR) |
| **6** | **Changes to Terms of Reference (TOR) – timescales and quorum**  The Secretary had recently spoken with Ofwat regarding the current change proposals submitted to the Panel. As part of this discussion, Ofwat and the Secretary had also talked about whether the Panel’s TOR best reflected how it was able to operate in practice. In particular the time period realistically required for the Panel to respond to change proposals and the challenges of securing a quorum for the meetings. Ofwat had indicated that it would be prepared to discuss this further and the Panel agreed to consider it fully at the next meeting. |  |
| **7/8/9** | Due to time constraints, agenda items 7, 8 and 9 were not considered by the Panel. |  |
| **AOB** | 1. **Communications plan**   It was agreed that the Panel would create a distribution list of SLPs, water companies and developers to circulate change proposals to and request feedback.   1. **Technical Group**   At the recent WUK New Connections Committee meeting, WUK had asked for companies to nominate representatives to join the new Technical Group, to support the Panel by providing feedback on technical issues arising in change proposals. WUK will shortly provide details of representatives to the Secretary.   1. **Forward meeting dates**   The next Panel meeting will take place at 11am on 7 December. Going forward, it was agreed that the Panel would run a hybrid model of virtual/in-person meetings, with one in-person meeting being held a year to discuss the annual review of the Code documentation. |  |

**Water Adoption Panel**

**Meeting Action Log**

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| **Date of Meeting** | **Action** | **Action Owner** | **Due Date** | **Status** |
| 12/10/21 | FWC Proposals – ask in-house lawyers for view | GM/DB/PD | 10/11/21 |  |
| Southern Water – draft letter to Ofwat and circulate | KR | 21/10/21 | Complete |
| Affinity Water – draft letter to Ofwat and circulate | KR | 21/10/21 | Complete |
| FWC Proposals Cat 1 failures – ask companies for feedback | All | 07/12/21 |  |