

ENVIRONMENT POLICY DEVELOPMENT GROUP - 30 June 2010**IMPLEMENTATION OF CHARGES FOR THE PRIVATE WATER SUPPLIES REGULATIONS 2009****Report of Head of Environmental Health**

Statutory Powers: Private Water Supplies Regulations 2009

Financial Implications: There should be no direct financial implications arising from this report. The cost of implementing the new requirements should be offset by additional income.

Purpose

To agree new charges to discharge duties arising from Private Water Supplies Regulations 2009. This report discusses and suggests what the new charges should be. This report addresses the following Corporate Priorities:
CP4: maintaining a clean environment.

RECOMMENDATIONS

- 1. That the Council be RECOMMENDED that the charges shown in Appendix A to this report be agreed to recover the costs from appropriate persons in respect of carrying out the duties under the Private Water Supplies Regulations 2009**
- 2. That the Council be RECOMMENDED to review these charges at the same time as other Environmental Health fees and charges.**

Background**Introduction**

1. The new Private Water Supplies Regulations introduced from 1 Jan 2010, now apply standards to private water supplies similar to those covering mains water. Supplies to single properties are outside of the scope of monitoring (sampling) provisions, but sampling and analysis can be performed at the request of the owner, for example when the property changes hands. The Private Water Supply Regulations were brought in due to concern that many private water supplies were of poor quality.
2. Anyone who 'supplies' drinking water from a private well, spring or borehole which is intended for human consumption and anyone who takes a supply of water from the water undertaker (e.g. South West Water) and supplies it to others via a private distribution network will fall within the provisions introduced by these Regulations.
3. Schedule 5 of the Regulations includes an amended Schedule of fees showing the maximum the Council may charge when carrying out this function.

4. The previous Private Water Supply Regulations 1991 (revoked by the 2009 version) set a maximum visit fee of £50 which the Council has been charging up until January 2010. As this was prescribed in statute there was no provision to enable it to increase in line with inflation.
5. These new regulations introduce:
 - new definitions and categories of private water supplies,
 - new enforcement provisions,
 - considerable new administrative burdens on local authorities,
 - a duty to carry out risk assessments on each 'large' supply (those serving over 50 persons or 10 cubic meters of water per day or those with a commercial use),
 - audit and check monitoring (sampling) stemming from the risk assessments of those supplies, and
 - a duty to monitor private mains water distribution networks when the risk dictates.
 - The Drinking Water Inspectorate (DWI) requires Statutory returns showing the Council's performance of the function annually.

Calculation of fees

6. As previously stated, the Regulations detail the maximum charges and fees which the Council may recover. The Council's duty is to only charge what is considered reasonable to enable it to meet the cost of discharging these duties. The Council needs therefore to set its fees at an appropriate level to reflect these additional duties, given the constraints, and the fees shown in the schedule in appendix 1 cover the requirements of the Regulations. The maximum charges prescribed by the Regulations are also shown.
7. The proposed fee is £50 per visit and £200 per risk assessment. These fees have been based on carrying out multiple sampling visits per day and carrying out one risk assessment per day. Sampling required under the previous Regulations was conducted on one day per week and averaged 5 premises per day.
8. The cost of an investigation following failure of a private water supply to meet the required standard may be charged to a maximum fee of £100. The proposed fee for this item is shown in Appendix 1.
9. The granting of an authorisation – a temporary relaxation of standard of a private water supply in exceptional circumstances – may be charged to a maximum of £100. The proposed fee for this item is shown in Appendix 1.
10. The sampling requirement i.e. the collection, labelling and delivery of the samples to the Laboratory will remain as per our existing arrangements with a private contractor and therefore we can continue to rely on the likelihood of up to five sampling visits per day being achieved.
11. All fees are paid to this authority by the supplier of the water on invoice. Other responsible person(s) are dependent on the terms or agreement in place on which the water is supplied.

Calculation of final invoice

12. Whatever suite of parameters the supply risk assessment highlights will be individually calculated and charged by the laboratory to the Council according to the schedule of rates. The analytical costs are added to either the £200 Risk Assessment/sampling fee or the £50 visit fee to calculate the final charge to be invoiced to the customer.

13. The analytical costs are not yet known, but of those laboratories able to perform the level of analysis required, schedules of rates are being completed as part of the tendering exercise that Mid Devon District Council are organising on behalf of the Devon authorities. Laboratories dealing with the analysis of private waters must comply with the specific requirements in the Regulations relating to analysts and analysis, and in reality it is those companies already involved in the analysis of mains water who will be prepared to do this work and hence will be competent, competitive and able to provide the level of analytical service with costs for most if not all eventualities.

Risk Assessment

14. The following are the significant risks and opportunities identified:

Opportunity	Issues / Obstacles	Benefits
<p>To improve the monitoring and assessment of private water supplies and protect public health.</p> <p>To introduce regulation by sampling and risk assessment of private distribution systems.</p> <p>To establish charges that are reasonable.</p> <p>To effectively publicise the new regime to customers.</p>	<p>That fees charged do not recover the costs incurred to the Council. To mitigate this risk the reasonable costs associated with providing this service have been examined and estimated (mileage, officer time, admin, legal advice etc.) to arrive at those costs in the schedule.</p> <p>That fees charged are too high resulting in payment difficulty and the associated debt recovery. To mitigate costs are kept to a minimum by combining risk assessment and compliance visits wherever possible and by continuing to do several visits on one day</p> <p>The change in the regime is not well publicised and private water supply users are not well informed of the benefit to protecting health in the long term.</p> <p>That the plans to make multiple visits per day are thwarted because of missed, deliberately avoided appointments or vexatious right of entry problems.</p>	<p>The health of the population is maintained and improved by the increased monitoring and assessment of private water supplies.</p> <p>To protect the health of users of water supplied by private distribution systems, where there is no existing legislative control.</p>

	This will entail travelling costs and officer time which would be borne by the service budget to the detriment of those service users who had not caused such problems.	
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Conclusion

15. The Private Water Supplies Regulations 2009 will provide an improved level of public health protection for users of private supplies, however the cost of regulation of those supplies in the majority of cases will be increased. Large Supplies (those serving over 50 persons or 10 cubic metres of water per day or those with a commercial use) will have a significant increase in monitoring requirements together with associated costs.
16. The requirement for a risk assessment to be carried out for small supplies, large supplies and private distribution systems is new and will require a considerable amount of resource from the Council. The resource requirement to do this is difficult to quantify owing to the diverse nature of supplies in the Council's area and training costs for Officers carrying out the risk assessments, but is it anticipated that the proposed fee should be sufficient to cover the expenditure.
17. Some desktop risk assessment has been undertaken using in house knowledge of supplies gathered from the contactor previously sampling under the old Regulations. The results have informed the level of fees proposed.
18. The recommendation to review these fees at the same time as other fees and charges gives the opportunity to re-appraise the income in light of some more factual evidence. To start the process however fees are required to be agreed in order to recharge the work that is outlined

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 30 June 2010

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Background Documents:

Appendix 1 Table of proposed charges

Appendix 2 Explanation of classification and estimate of number of supplies

Drinking Water Inspectorate Legislative Background to the Private Water Supplies Regulations 2009

<http://www.dwi.gov.uk/stakeholders/legislation/pwsregs2009.pdf>

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