



Department for
Business, Energy
& Industrial Strategy

BUSINESS IMPACT TARGET: SUMMARY TEMPLATE

Non-qualifying Regulatory Provisions (NQRP)
summary reporting template

Regulator: Drinking Water Inspectorate (DWI)

Business Impact Target Reporting Period Covered: 21/06/2019 – 12/12/2019

Excluded Category*	Summary of measures, including any impact data where available
<p>Measures certified as being below <i>de minimis</i> (measures with an EANDCB below +/- £5 million)</p>	<ol style="list-style-type: none"> <li data-bbox="663 461 1382 943"> <p>1. Part a) Information Letter 03/2019 Description: Information Letter to the water industry encapsulating changes made to the Information Direction and associated documents (The Water Industry (Suppliers' Information) Direction 2019 and Data Specification Tables). This measure has been split into two parts as it divides into two exclusion categories. This part, part a), relates to the Data Tables' submission date change Justification: The cost to the water industry to implement this measure would be under the <i>de minimis</i>. This measure relates to purely a change in submission date. This measure was required to facilitate better reporting of companies' performance indicis by the Inspectorate.</p> <li data-bbox="663 976 1382 1301"> <p>2. Changes to Annual Return Reporting Description: Notification to the water industry of changes to the Annual Return reporting process for regulation 28 notices. Changes will result in a reduction of report production for most companies that have such notices. Justification: Proportional economic evaluation has determined that even using a worst case scenario the financial impact of this measure would be under the <i>de minimis</i>.</p>
<p>EU Regulations, Decisions and Directives and other international obligations, including the implementation of the EU Withdrawal Bill and EU Withdrawal Agreement</p>	<ol style="list-style-type: none"> <li data-bbox="663 1346 1382 1760"> <p>3. Part b) Information Letter 03/2019 Description: Information Letter to the water industry encapsulating changes made to the Information Direction and associated documents (The Water Industry (Suppliers' Information) Direction 2019 and Data Specification Tables). This measure has been split into two parts as it divides into two exclusion categories. This part, part b), relates to changes made to enable Monitoring Variations which stem from an EU Directive. Justification: Monitoring Variations stem from an EU Directive requirement; this measure is to facilitate this EU requirement.</p> <li data-bbox="663 1794 1382 2011"> <p>4. Amendments to Annex A of Information Letter 02/2018 Description: publication of amendments to Annex A of Information Letter 02/2018 on the implementation of Monitoring Variations. Justification: Monitoring Variations stem from an EU</p>

Excluded Category*	Summary of measures, including any impact data where available
	Directive requirement; this measure is to facilitate this requirement [Monitoring Variations were reviewed in the 2018-19 reporting period under the Water Supply (Water Quality) (Amendment) Regulations 2018 (measure 24) which was excluded under this EU exclusion category].
Measures certified as concerning EU Withdrawal Bill operability measures	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Pro-competition	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Systemic Financial Risk	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Civil Emergencies	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Fines and Penalties	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Misuse of Drugs	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Measures certified as relating to the safety of tenants, residents and occupants in response to the Grenfell tragedy	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Casework	<p>5. Casework Description: One measure to log all casework completed this reporting period. Casework includes specific investigation, individual licence comments and approvals and enforcement activity and individual advice. Justification: This measure logs all casework undertaken by the DWI for this reporting period. Exclusion of individual casework is consistent with the maintenance of operational independence.</p>

Excluded Category*	Summary of measures, including any impact data where available
Education, communications and promotion	<p>6. Chief Inspector's Report 2018 Description: Statutorily required annual report produced by the Chief Inspector of Drinking Water. The Chief Inspector's report summarises the performance of the industry over 2018, highlights good or bad practice within the water industry and provides guidance or advice to the industry. Justification: This is a piece of communication to the industry to aid future compliance by highlighting water quality events and industry good or bad practice that occurred in 2018. The measure itself does not set any regulatory or deregulatory requirements.</p> <p>7. Update to the Notification of Events Guidance Description: The Notification of Events Guidance was updated to make small admin changes (e.g. revision to Regulation titles) and to include the new Water UK Note on minimum reporting requirements as an example of good practice. Justification: The update in itself does not have a regulatory or deregulatory effect, or specifically relate to business compliance with regulation.</p> <p>8. Information Letter 04/2019 (launch of the Risk Management Approval Scheme) Description: Notification to the water industry of the launch of the Risk Management Approval Scheme (DWIRMAS). Justification: This measure is merely a communication exercise to notify the industry of the launch of the scheme, it does not set any regulatory or deregulatory requirement in itself.</p> <p>9. CRI & ERI provisional figures for 2018 Description: publication of Compliance Risk Index (CRI) and Event Risk Index (ERI) figures for the water industry for 2018. Justification: This measure communicates water companies' indices figures for 2018.</p>
Activity related to policy development	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Changes to management of regulator	<p>10. Cascade update Description: Inspector cascade list updated to reflect personnel changes. Justification: notification of the cascade, does not set any regulatory or deregulatory requirements.</p> <p>11. DWI organigram updated Description: DWI organigram updated following personnel changes.</p>

Excluded Category*	Summary of measures, including any impact data where available
	<p>Justification: Relates to changes to the organisational structure of the DWI as a result of personnel changes alone.</p>

* For detailed guidance on the exclusion categories, please see <https://www.gov.uk/government/publications/better-regulation-framework>

Non-regulatory Provisions

'Non-regulatory provisions' (as defined by the Small Business, Enterprise and Employment (SBEE) Act 2015) are not statutorily required to be published, however in the interest of full transparency, the Inspectorate chooses to publish all of its measures, including non-regulatory provisions.

Measure	Description	Reason non-regulatory provision
Invitation for expressions of interest for technical expert	Invitation for expressions of interest for expert advice on quality of leachate reports.	This measure does not relate to a business activity, it is advertising the replacement of an existing role which does not interact directly with water companies or regulation 31 applicants.
Publication of research paper on Measures and tools for disinfection by products minimisation strategies	Publication of research paper on 'Measures and tools for disinfection by products minimisation strategies'.	The measure in itself does not set any regulatory requirements, guidance or recommendations, being merely the publication of scientific research. It is therefore not considered a regulatory provision under regulation 22(3) of the SBEE Act 2015.
Microplastic Research publication	Publication of research paper on the potential risks from nanoparticles and microplastics (dwi 70/2/326 wt 2219).	The measure in itself does not set any regulatory requirements, guidance or recommendations, being merely the publication of scientific research. It is therefore not considered a regulatory provision under

		regulation 22(3) of the SBEE Act 2015.
PWS Activity	<p>One measure to capture all Private Water Supply related measures including for example:</p> <ul style="list-style-type: none"> - publication of research; - updated guidance; and - Chief Inspector's Report of Private Water Supplies in 2018. 	<p>All private water supply measures relate to local authorities who are not considered businesses. Consequently the measure is not for the purpose of a business activity (as defined by regulation 27(2) of the SBEE Act 2015) and therefore cannot be considered as a regulatory provision.</p>

Drinking Water Inspectorate

Department for Environment, Food and Rural Affairs

Non-qualifying regulatory provision assurance statement: **confirmed**

Under the better regulation framework, for measures being introduced during the 2017-22 parliament there is no requirement for regulators to submit their non-qualifying regulatory provision (NQRP) summaries for Regulatory Policy Committee (RPC) assurance. The RPC welcomes the Drinking Water Inspectorate's voluntary submission of its June to December 2019 NQRP summary for RPC assurance.

The RPC is content that, based on the summary information provided by the regulator, none of the measures or activities covered in the summary document should be considered as a qualifying regulatory provision for the purposes of the business impact target (BIT). This statement does not provide a detailed view of any specific activity in the regulator's summary document. Nor does it comment on any activities not covered in the summary. Some activities might, however, have been the subject of separate assessments of qualifying regulatory provisions.

Comments on the non-qualifying regulatory provision summary

The regulator has reported, in its statement, measures that fall within the following excluded categories: *de minimis*; EU regulations; regulator casework; education, communications and promotion; changes to management of regulator; and non-regulatory provisions.

The regulator's summary includes a description of each measure with links to publications. For some of the measures, the submission would benefit from consistency with previous annual submissions, particularly in clearly justifying why measures fall under particular excluded categories.

The RPC is content with the regulator's assessment of the measures against the exclusion categories in the present BIT framework and agrees that they are, therefore, non-qualifying regulatory provisions.

The summary could be improved by the following:

Casework. The submission would benefit from further clarity in this area ensuring it is consistent with previous submissions. The justification for the casework measure falling under the excluded category could be more detailed; the submission currently

repeats the description rather than providing justification. This section is described as a log of all casework, but uses the term “*for example*” which suggests that only a sample of casework is covered. The submission would benefit from stating whether the list is exhaustive.

De minimis. Measures including Changes to Annual Return Reporting and Part a) Information Letter 03/2019 are listed as falling below the *de minimis* threshold. While the regulator states that impacts will fall below the threshold, the submission would benefit from more clarity about the expected impacts.

Amendments to Annex A of Information Letter 02/2018. This was excluded as stemming from EU legislation. The original Information Letter 02/2018 was excluded in the DWI’s previous summary as a pro-competition measure. The summary would therefore benefit from explaining why the original and amended letters are classified differently.

Providing clarity on whether revised water quality guidance would have additional impacts on business. In point 7 the regulator states that guidance was published on the Water Supply Regulations as an example of good practice. It would be helpful if the regulator could clarify whether this is intended to create a new regulatory standard.

Regulatory Policy Committee

Annex A

Regulator: Drinking Water Inspectorate

Business Impact Target Reporting Period Covered: 21/06/2019 – 12/12/2019

Ordinarily, regulators would have been required to publish the “required documents” for the third reporting period by July 2020. However, as a result of the early general election, the statutory deadline for regulators changed and became no later than two weeks before the dissolution of Parliament. The dissolution of Parliament was set for 6 November 2019, just six days after the early general election was approved. Therefore, the statutory deadline for regulators to publish the “required documents” had already passed when the election was approved, making it impossible for regulators to comply with the Small Business, Enterprise and Employment (SBEE) Act 2015 requirements in this exceptional circumstance.

The Inspectorate has provided the required documents to the Better Regulation Executive by the deadline requested and completed this publication as soon as possible following the dissolution of Parliament. As this publication is before the end of the reporting period, which will now run until the new Parliament is in session (13 December 2019), the Inspectorate will review the publication as soon as it is practicable to do so after 12 December 2019 and make any necessary amendments to account for measures that have not yet been published.

Excluded Category*	Summary of measures, including any impact data where available
<p>Measures certified as being below <i>de minimis</i> (measures with an EANDCB below +/- £5 million)</p>	<ol style="list-style-type: none"> <li data-bbox="663 1196 1398 1637"> <p>1. Part a) Information Letter 03/2019 Description: Information Letter to the water industry encapsulating changes made to the Information Direction and associated documents (The Water Industry (Suppliers’ Information) Direction 2019 and Data Specification Tables). This measure has been split into two parts as it divides into two exclusion categories. This part, part a), relates to the Data Tables’ submission date change Justification: The cost to the water industry to implement this measure would be under the <i>de minimis</i>. This measure relates to purely a change in submission date. This measure was required to facilitate better reporting of companies’ performance indices by the Inspectorate.</p> <li data-bbox="663 1675 1398 2000"> <p>2. Changes to Annual Return Reporting Description: Notification to the water industry of changes to the Annual Return reporting process for regulation 28 notices. Changes will result in a reduction of report production for most companies that have such notices. Justification: Proportional economic evaluation has determined that even using a worst case scenario the financial impact of this measure would be under the <i>de minimis</i>.</p>

Excluded Category*	Summary of measures, including any impact data where available
EU Regulations, Decisions and Directives and other international obligations, including the implementation of the EU Withdrawal Bill and EU Withdrawal Agreement	<p>3. Part b) Information Letter 03/2019 Description: Information Letter to the water industry encapsulating changes made to the Information Direction and associated documents (The Water Industry (Suppliers' Information) Direction 2019 and Data Specification Tables). This measure has been split into two parts as it divides into two exclusion categories. This part, part b), relates to changes made to enable Monitoring Variations which stem from an EU Directive. Justification: Monitoring Variations stem from an EU Directive requirement; this measure is to facilitate this EU requirement.</p> <p>4. Amendments to Annex A of Information Letter 02/2018 [This measure is yet to be issued but is expected to be delivered in November 2019] Description: publication of amendments to Annex A of Information Letter 02/2018 on the implementation of Monitoring Variations. Justification: Monitoring Variations stem from an EU Directive requirement; this measure is to facilitate this requirement. [IL 02/2018 was reviewed in the 2018-19 reporting period].</p>
Measures certified as concerning EU Withdrawal Bill operability measures	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
Pro-competition	Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.
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Casework	<p>5. Casework Description: One measure to log all casework completed this reporting period. For example, this includes:</p> <ul style="list-style-type: none"> - 14 regulation 28(4) notices - 1 section 19 undertaking - 3 regulation 15 approvals - 2 radioactivity notices (regulation 6(12)) <p>Justification: This measure logs all casework undertaken by the DWI for this reporting period.</p>
Education, communications and promotion	<p>6. Chief Inspector’s Report 2018 Description: Statutorily required annual report produced by the Chief Inspector of Drinking Water. The Chief Inspector’s report summarises the performance of the industry over 2018, highlights good or bad practise within the water industry and provides guidance or advice to the industry. Justification: This is a piece of communication to the industry to aid future compliance by highlighting water quality events and industry good or bad practise that occurred in 2018. The measure itself does not set any regulatory or deregulatory requirements.</p> <p>7. Update to the Notification of Events Guidance Description: The Notification of Events Guidance was updated to make small admin changes (e.g. revision to Regulation titles) and to include the new Water UK Note on minimum reporting requirements as an example of good practise. Justification: The update in itself does not have a regulatory or deregulatory effect, or specifically relate to business compliance with regulation.</p> <p>8. Information Letter 04/2019 (launch of the Risk Management Approval Scheme) Description: Notification to the water industry of the launch of the Risk Management Approval Scheme (DWIRMAS). Justification: This measure is merely a communication exercise to notify the industry of the launch of the scheme, it does not set any regulatory or deregulatory requirement in itself.</p> <p>9. CRI & ERI provisional figures for 2018 Description: publication of Compliance Risk Index (CRI)</p>

Excluded Category*	Summary of measures, including any impact data where available
	<p>and Event Risk Index (ERI) figures for the water industry for 2018. Justification: This measure communicates water companies' indices figures for 2018.</p>
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<p>disinfection by products minimisation strategies</p>	<p>disinfection by products minimisation strategies’.</p>	<p>guidance or recommendations, being merely the publication of scientific research. It is therefore not considered a regulatory provision under regulation 22(3) of the SBEE Act 2015.</p>
<p>Microplastic Research publication</p>	<p>Publication of research paper on the potential risks from nanoparticles and microplastics (dwi 70/2/326 wt 2219).</p>	<p>The measure in itself does not set any regulatory requirements, guidance or recommendations, being merely the publication of scientific research. It is therefore not considered a regulatory provision under regulation 22(3) of the SBEE Act 2015.</p>
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Version History

Date	Version no.	Sections changed	Reason
14/11/2019	1	Original	Original publication. Published following the early dissolution of Parliament.
18/12/2019	2	RPC's Non-qualifying regulatory provision assurance statement added. Page numbers added. Measure 4 and 5 wording amended following RPC guidance. Dissolution of parliament explanatory text removed.	Regulatory Policy Committee's (RPC) Non-qualifying regulatory provision assurance statement was obtained after the date by which this document had to be published. Document republished to add the RPC's validation opinion and to take account of the RPC's advice.