Opinion: validation IA

Origin: Domestic and European

RPC reference number: RPC-DEFRA-3374(1)

Date of implementation: not provided



Amendments to the Water Supply (Water Quality) Regulations 2000

Department for Environment, Food and Rural Affairs

RPC rating: validated

Description of proposal

The Department proposes to amend the Water Supply (Water Quality) Regulations 2000 (the regulations) to:

- a) Transpose the requirements of the Euratom Directive into domestic law. This will require water companies to monitor for radon in accordance with the monitoring frequencies specified in the Directive.
- b) Clarify the wording relating to the transposition of the Drinking Water Directive (DWD) in two places, clarifying the monitoring of water companies and removing uncertainty on risk assessments
- c) Introduce two changes to existing regulatory requirements. Firstly, to reduce the time the Drinking Water Inspectorate (DWI) has to process risk assessments of new sources from 3 months to 1 month. Secondly, to clarify the data records that water companies need to maintain by including a specific reference to electronic records.

Parts a) and b) of the proposal are of EU origin, and part c) of the proposal is of domestic origin.

Impacts of proposal

Part a) of the proposal will require water companies to monitor water sources for radon. The Department explains that the existing regulations require water companies to monitor water sources for a variety of substances. The Department expects water companies to incorporate the monitoring for radon in their existing sampling processes. It is unlikely that any specific treatment will be needed to remove radon in public water supplies as the presence of radon is not considered to be a significant issue in England. Additionally, the Department proposes to adopt a risk-based approach allowing water companies that demonstrate that radon levels are sufficiently low in a certain area to apply to the DWI for a waiver that if successful will exempt them from the Euratom monitoring requirements. The Department's conservative estimate is that incorporating monitoring for radon into existing sampling processes will impose an annual cost on business of £157,050.

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Part b) of the proposal will clarify the wording in two places in relation to the transposition of the DWD. The Department expects that clarifying the wording in the existing regulations in relation to two of the DWD provisions will have a negligible impact on water companies.

Part c) of the proposal will reduce the time the DWI has to process risk assessments of new sources from 3 months to 1 month. This is expected to be beneficial to business as it will allow new water supplies to be brought into use more quickly. The Department expects clarifying the existing requirements for data records maintained by the water companies, to include a specific reference to electronic data records, will impose no significant cost on business. This view was supported at a stakeholder workshop. The Department explains that this clarification will ensure DWI investigations can be more efficiently resolved when water quality incidents occur.

The RPC verifies the estimated equivalent annual net cost to business (EANCB) of £0 million. Parts a) and b) will be non-qualifying regulatory provisions that will not score under the business impact target. Part c) will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

The Department has provided sufficient information to support the assessment of parts a) and b) of the proposal as not going beyond the minimum EU requirements.

The Department has provided sufficient justification to support the assessment of all elements of the proposal as low cost. The assessment would, however, benefit from providing a more extensive discussion of stakeholder views in relation to some of the estimates of the impacts. For example, in relation to the statement that in low risk areas, "applying for a waiver will carry no cost to the water company" (page 6). While any cost to the 10 companies expected to apply for a waiver is likely to be insignificant, the assessment would benefit from justifying this view with reference to evidence from stakeholders.

Departmental assessment

| Classification | Parts a) and b): Non-qualifying regulatory provision (EU) Part c): Qualifying regulatory provision (OUT) |
|--|--|
| Equivalent annual net cost to business | £0 |

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| (EANCB) | |
|----------------------------|----|
| Business net present value | £0 |

RPC assessment

| Classification | Parts a) and b): Non-qualifying regulatory provision (EU) Part c): Qualifying regulatory provision (OUT) |
|---|--|
| EANCB – RPC validated ¹ | £0 |
| Business Impact Target (BIT) Score ¹ | £0 |
| Small and micro business assessment | Not required (fast track low-cost regulation) |

Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.