



Cooperative Housing; Community Futures



# Tenants money down the drain

Transfer of responsibility for shared sewers in England & Wales to the water companies

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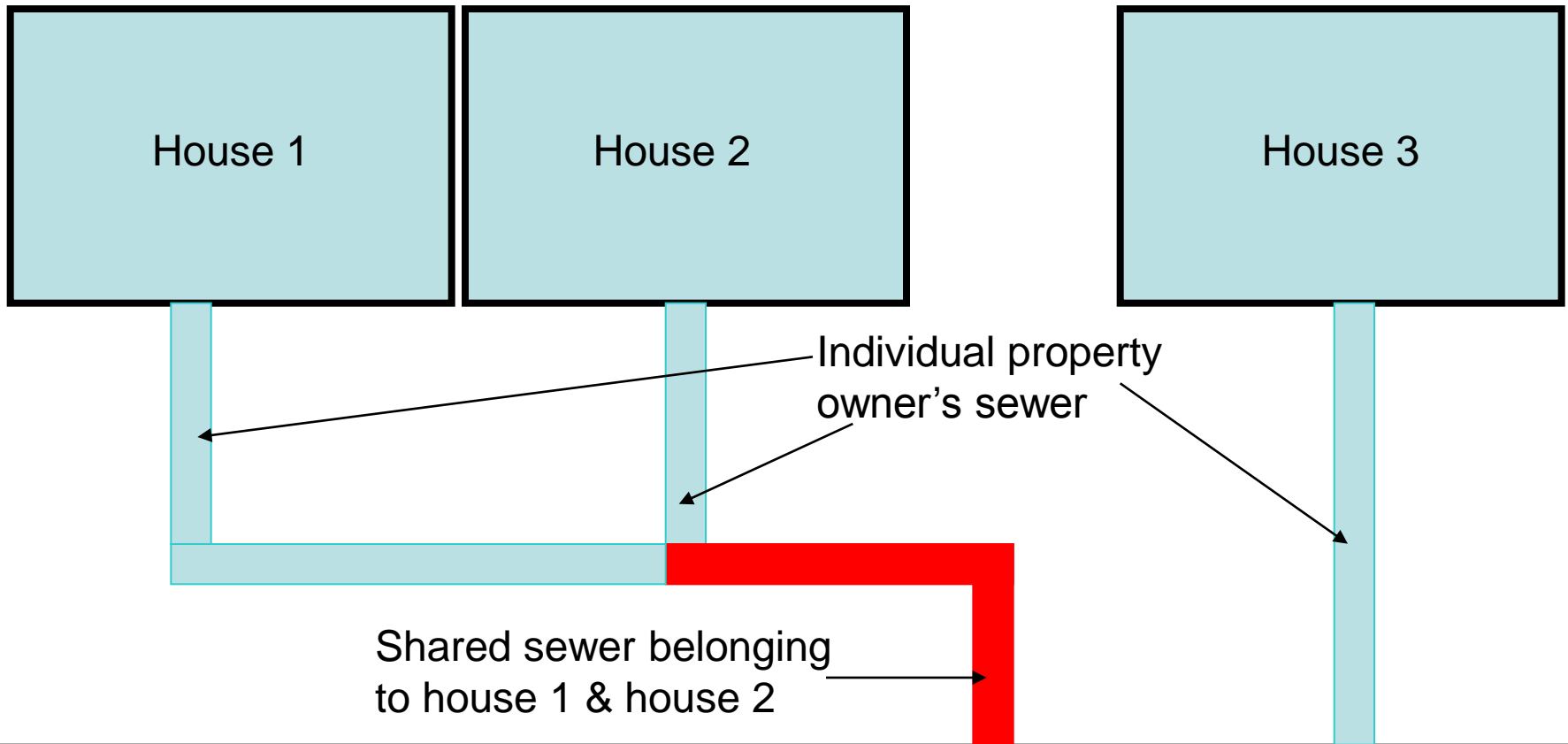


## On 1<sup>st</sup> October, 2011

- Transfer of all private shared sewers and lateral drains in England & Wales to the relevant water company
- Notice letters going out to all properties already. In batches so will take a few weeks
- DEFRA & the Welsh Assembly have pushed the regulatory change through their legislative systems this year
- A joint consultation took place between 26<sup>th</sup> August and 18<sup>th</sup> November last year
- DEFRA estimates an additional charge of between £3-£14 or higher per annum on everyone's water bill in 2014
- Water companies already have ownership & responsibility for shared sewers & lateral drains for pre 1937 properties



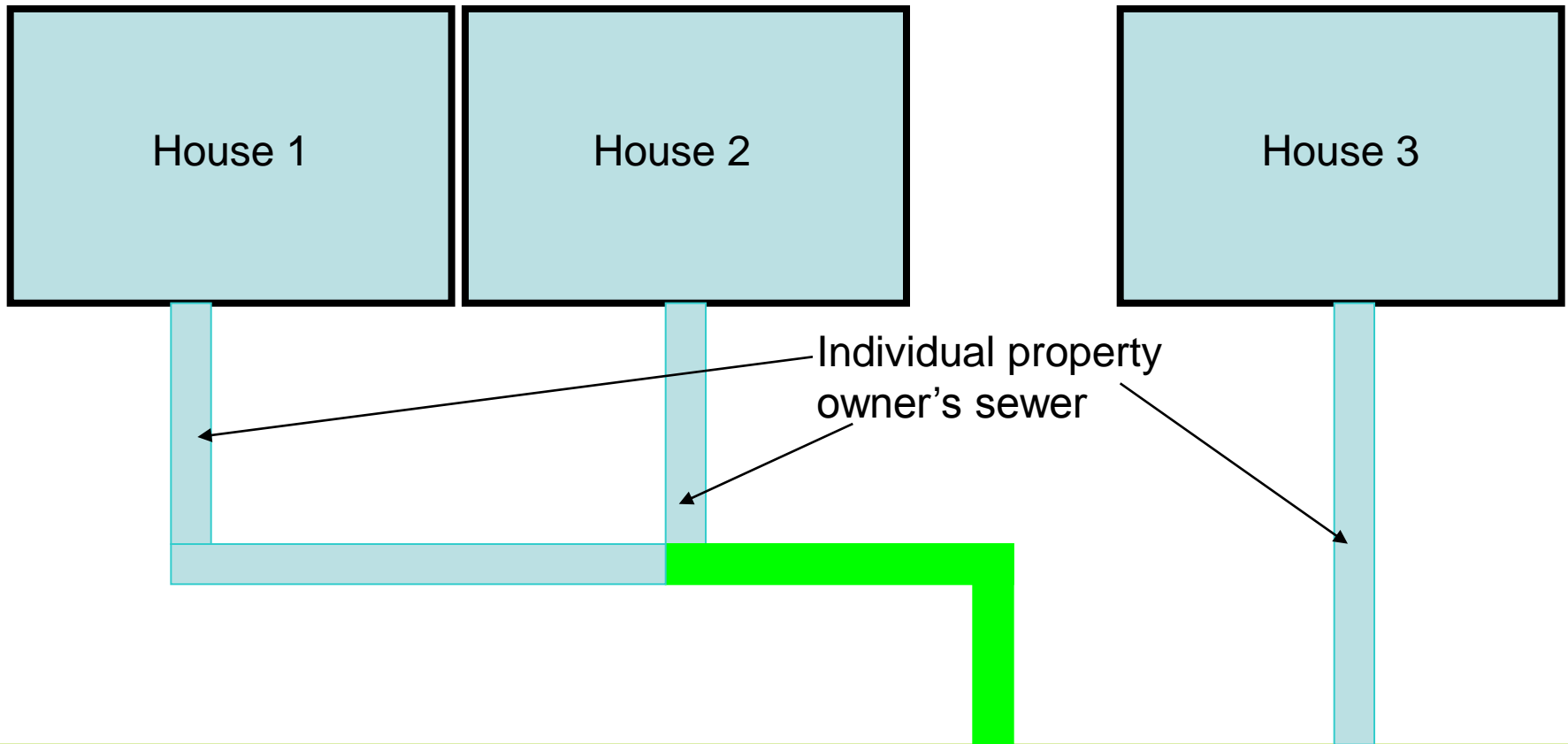
# Current position – post 1937 properties



**MAIN SEWER – OWNED AND MAINTAINED BY WATER COMPANY**



# From 1<sup>st</sup> October 2011



**MAIN & SHARED SEWER – OWNED AND MAINTAINED BY WATER COMPANY**



## What it means

- Home owner( post 1937 property) with shared sewer – great but still responsible for own section & bill goes up ; still likely to have disputes about which part of sewer the problem is in
- Home owner without shared sewer – not great as bill goes up, but no benefit
- Landlord with shared sewer – great as cost passed to tenant BUT.....see next slide
- Tenant – hooray, you are now paying for a service you either do not need (no shared sewer) or that was carried out by the landlord before.



## Landlords like us

- Do you know where you have shared sewers ?
- Who has to call the water company ? You or the tenant ?
- Would it be sensible to confirm problem is in the shared sewer first ?
- Who pays for a wrong callout ?
- What standards can you hold the water company to, if any ?
- What rights does the company have over what you do on your land (eg section 18 of the 1984 building Act)



## Can you appeal ?

- An appeal to OFWAT can be made on the grounds that the change will cause you a “serious detriment”. A landlord could do this on their own behalf or on behalf of tenants, or a tenant could do it themselves
- Appeal has to be within 2 months of 29<sup>th</sup> July, 2011 and you would have to specify the shared sewer(s) you wanted to be exempted.
- A successful appeal would mean that all, or some, of your shared sewers would remain property of, and responsibility of the landlord
- Tenant’s bill would still go up to pay for everyone else’s shared sewers being transferred.
- You may think an appeal is a waste of time !



## Some thoughts

- Done by DEFRA in England and the consultation does not appear to have thought about tenants. Questions to be asked about the thoroughness and fairness of the consultation
- Remedies in law exist to deal with shared sewer disputes. Insurance to cover such costs is available.
- Costs are a guesstimate. Water companies can't be certain where shared sewers exist, and certainly no-one can know their condition. OFWAT & the companies will negotiate a price.