EXPLANATORY MEMORANDUM TO THE

ENTERPRISE ACT 2002 (BODIES DESIGNATED TO MAKE SUPER-COMPLAINTS) (AMENDMENT) ORDER 2005

2005 No. 2468

1. This explanatory memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 The Consumer Council for Water will replace the Water Voice Council with effect from 1st October 2005. This Order transfers the Water Voice Council's designation as a body able to make Super-complaints to its successor organisation.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None

4. Legislative Background

4.1 The Water Voice Council is one of several bodies that has been designated in the Enterprise Act 2002 (Bodies Designated to make Super-complaints) Order 2004 (S.I. 2004/1517, as amended by S.I. 2004/3366). The Water Voice Council is a non-statutory body and consists of the chairpersons of the customer service committees established under section 28 of the Water Industry Act 1991. However, Part 2 of the Water Act 2003 amends the Water Industry Act to abolish the customer service committees and replace them with a Consumer Council for Water. The change is due to come fully into effect on 1st October 2005 and this Order is consequential upon that change.

5. Extent

5.1 This instrument extends to all of the United Kingdom.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 The Water Voice Council was designated as a body able to make Super-complaints in December 2004. This followed an assessment that the Council met the criteria set down in section 11(6) of the Enterprise Act 2002, namely that it represented consumers and satisfied other published criteria to be applied in determining whether to make a designation. Under the terms of the Water Industry

Act 1991, as amended by the Water Act 2003, the Consumer Council for Water will inherit the functions currently exercised by the Water Voice Council through its constituent customer service committees. It will also receive additional powers to represent the interests of consumers.

The Government carried out a public consultation on the setting up of the Consumer Council for Water in *Water Bill – Consultation on Draft Legislation* (Cm 4908, November 2000). The majority of respondents supported the move to separate Water Voice from Ofwat in order to create an independent consumer representative.

8. Impact

No regulatory impact assessment has been prepared in respect of this instrument. A regulatory impact assessment in respect of the Water Act 2003 was prepared and placed in the library of each House of Parliament during the passage of the Water Bill. This included an assessment of the provisions in Part 2 of that Act in relation to the setting up of the Consumer Council for Water.

9. Contact

Keith Bailey at the Department for Environment, Food and Rural Affairs Tel: 020 7082 8354 or e-mail: keith.bailey@defra.gsi.gov.uk can answer any queries regarding the instrument.