



Water Act 2014

2014 CHAPTER 21

PART 1

WATER INDUSTRY

CHAPTER 3

REGULATION OF THE WATER INDUSTRY

Guidance relating to rules about charges

38 Guidance relating to rules about charges

In the Water Industry Act 1991, after section 144ZD there is inserted—

“General guidance on charges

144ZE General guidance on charges

- (1) The Minister must issue guidance about the principles to be applied by the Authority in determining the provisions of—
 - (a) rules under section 66E;
 - (b) rules under section 117I;
 - (c) rules under section 143B.
- (2) The Minister may issue guidance about the principles to be applied by the Authority in determining the provisions of—
 - (a) rules under section 40E;
 - (b) rules under section 51CD;
 - (c) rules issued in accordance with regulations under section 66M;
 - (d) rules under section 105ZF;

Changes to legislation: Water Act 2014, Section 38 is up to date with all changes known to be in force on or before 23 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (e) rules under section 110F;
 - (f) rules under section 144ZA.
- (3) Guidance under subsection (1) or (2) may include other guidance about the provisions of any of the rules mentioned in subsection (1) or (2).
- (4) The Minister may issue guidance about the principles to be applied by the Authority in determining the contents of other documents produced by the Authority about charges that may be imposed by relevant undertakers or water supply or sewerage licensees.
- (5) Guidance under subsection (4) may include other guidance about the contents of the documents mentioned in subsection (4).
- (6) The Authority must have regard to guidance issued under this section when making rules to which the guidance relates (as well as to any guidance relating to those rules issued under another provision of this Act).
- (7) If—
- (a) the Minister issues guidance under this section in respect of rules made under a particular provision, and
 - (b) the Authority, having regard to that guidance, considers that it is appropriate to revise rules made by it under that provision,
- the Authority must issue revised rules under that provision.
- (8) Before issuing guidance under this section, the Minister must—
- (a) prepare a draft of the proposed guidance;
 - (b) consult the relevant persons about the draft;
 - (c) comply with the requirements of section 144ZF.
- (9) The relevant persons are—
- (a) the Secretary of State;
 - (b) the Welsh Ministers;
 - (c) the Council;
 - (d) any relevant undertakers likely to be affected by the proposed guidance;
 - (e) any water supply licensees or sewerage licensees likely to be affected by the proposed guidance;
 - (f) such other persons as the Minister thinks appropriate.
- (10) The Minister may from time to time revise guidance issued under this section and issue revised guidance.
- (11) Subsections (8) and (9) apply to revised guidance as they apply to the original guidance.
- (12) The Minister must arrange for the publication of guidance issued under this section.
- (13) In this section “the Minister” means—
- (a) the Secretary of State, in relation to relevant undertakers whose areas are wholly or mainly in England;
 - (b) the Welsh Ministers, in relation to relevant undertakers whose areas are wholly or mainly in Wales.

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144ZF Guidance under section 144ZE: procedure

- (1) Before issuing guidance under section 144ZE, the Secretary of State must lay a draft of the proposed guidance before both Houses of Parliament.
- (2) The Secretary of State must not issue the guidance until after the period of 40 days beginning with—
 - (a) the day on which the draft is laid before both Houses of Parliament, or
 - (b) if the draft is laid before the House of Lords on one day and the House of Commons on another, the later of those two days.
- (3) If before the end of that period either House resolves that the guidance should not be issued, the Secretary of State may not issue it.
- (4) In reckoning any period of 40 days for the purposes of subsection (2), no account is to be taken of any time during which—
 - (a) Parliament is dissolved or prorogued, or
 - (b) both Houses are adjourned for more than four days.
- (5) Before issuing guidance under section 144ZE, the Welsh Ministers must lay a draft of the proposed guidance before the Assembly.
- (6) The Welsh Ministers must not issue the guidance until after the period of 40 days beginning with the day on which the draft is laid before the Assembly.
- (7) If before the end of that period the Assembly resolves that the guidance should not be issued, the Welsh Ministers may not issue it.
- (8) In reckoning any period of 40 days for the purposes of subsection (6), no account is to be taken of any time during which the Assembly is dissolved or is in recess for more than four days.
- (9) Nothing in this section prevents the Secretary of State and the Welsh Ministers issuing a single document containing guidance under section 144ZE, and preparing draft guidance accordingly.”

Commencement Information

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| I1 | S. 38 in force at 1.1.2015 for specified purposes by S.I. 2014/3320 , art. 2(1)(b) (with art. 3) |
| I2 | S. 38 in force at 6.4.2015 for W. for specified purposes by S.I. 2015/773 , art. 2(3)(b) (with art. 6) |
| I3 | S. 38 in force at 1.4.2016 for E. in so far as not already in force by S.I. 2016/465 , art. 2(h) (with Sch. 2) |
| I4 | S. 38 in force at 15.12.2017 for W. in so far as not already in force by S.I. 2017/1288 , art. 2(b) |

Changes to legislation:

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Changes and effects yet to be applied to :

- specified provision(s) amendment to earlier commencing S.I. 2017/1288, art. 3(c)(d) by [S.I. 2019/706 art. 2](#)
- specified provision(s) amendment to earlier commencing S.I. 2017/462, arts. 4, 5 by [S.I. 2017/926 art. 2](#)