

STATUTORY INSTRUMENTS

2004 No. 3206

The Water Mergers (Determination of Turnover) Regulations 2004

Citation and commencement

1. These Regulations may be cited as the Water Mergers (Determination of Turnover) Regulations 2004 and shall come into force on 29th December 2004.

Commencement Information

I1 [Reg. 1](#) in force at 29.12.2004, see [reg. 1](#)

Interpretation

2. In these Regulations:

- (a) “the Act” means the Water Industry Act 1991;
- (b) “applicable turnover” means the turnover of a water enterprise in the preceding business year, or in a case to which regulation 3(4) applies, in the period referred to in that regulation, determined in accordance with the Schedule to these Regulations; and where a business year or a period under regulation 3(4) does not equal 12 months the applicable turnover shall be the amount which bears the same proportion to the applicable turnover during that business year as 12 months does to that period;
- (c) “appointed business” means the business of carrying out the activities which are necessary for a water enterprise to fulfil its functions as a relevant undertaker;
- (d) “business year” means a period of more than six months in respect of which a water enterprise or, if applicable, the business of which it forms part, prepares or is required to prepare its regulatory accounts;
- (e) “regulatory accounts” means regular accounting and other information supplied by the water enterprise to the ^{F1}Water Services Regulation Authority] to enable ^{F2}it] to compare the financial position and performance of the appointed businesses of all water enterprises.

F1 Words in [reg. 2\(e\)](#) substituted (1.4.2006) by [The Water Act 2003 \(Consequential and Supplementary Provisions\) Regulations 2005 \(S.I. 2005/2035\)](#), [regs. 1\(5\)](#), [25\(a\)](#)

F2 Word in [reg. 2\(e\)](#) substituted (1.4.2006) by [The Water Act 2003 \(Consequential and Supplementary Provisions\) Regulations 2005 \(S.I. 2005/2035\)](#), [regs. 1\(5\)](#), [25\(b\)](#)

Commencement Information

I2 [Reg. 2](#) in force at 29.12.2004, see [reg. 1](#)

Determination of turnover in England and Wales of a water enterprise

3.—(1) This regulation shall apply for the purposes referred to in section 33(4) of the Act.

(2) The turnover in England and Wales of a water enterprise shall be, subject to paragraph (3), the applicable turnover for the business year preceding—

- (a) where the question for determination is whether it is or may be the case that arrangements are in progress which, if carried into effect, will result in the merger of two or more water enterprises, the date when the decision in relation to a possible reference has been or is to be made, or such earlier date as [F3CMA] considers appropriate;
- (b) where the question for determination is whether a merger of two or more water enterprises has taken place otherwise than as a result of the carrying into effect of arrangements that have been the subject of a reference by virtue of sub-paragraph (a) above, the date when the water enterprises concerned ceased to be distinct water enterprises or such earlier date as the [F3CMA] considers appropriate.

(3) Where an acquisition or divestment or other transaction or event has occurred since the end of the preceding business year which the [F3CMA] considers may have a significant impact on the turnover of the enterprise, that acquisition or divestment or other transaction or event shall be taken into account if the [F3CMA] considers it appropriate to do so.

(4) Where in the application of this regulation there is any period in respect of which there is no preceding business year then the applicable turnover shall be the turnover for that period.

F3 Word in [reg. 3\(2\)\(3\)](#) substituted (1.4.2014) by [The Enterprise and Regulatory Reform Act 2013 \(Competition\) \(Consequential, Transitional and Saving Provisions\) \(No. 2\) Order 2014 \(S.I. 2014/549\)](#), art. 1(1), [Sch. 1 para. 23\(2\)](#) (with art. 3)

Commencement Information

I3 [Reg. 3](#) in force at 29.12.2004, see [reg. 1](#)

Gerry Sutcliffe,
Parliamentary Under Secretary of State for
Employment Relations, Postal Services and
Consumers
Department of Trade and Industry

Changes to legislation:

There are currently no known outstanding effects for the The Water Mergers (Determination of Turnover) Regulations 2004.