

FLOOD AND WATER MANAGEMENT ACT 2010

EXPLANATORY NOTES

COMMENTARY

Part 2: Miscellaneous

Schedule 5: Special Administration

Transfer schemes

345. [Paragraph 1](#) amends Schedule 2 to the Water Industry Act 1991, which in certain circumstances allow a water or sewerage undertaker or qualified licensed water supplier to transfer its business (or part of its business) to a new appointee by way of a transfer scheme. A transfer scheme may be used to facilitate the smooth transfer of the business of a water company in special administration to the new appointee. Paragraph 1 removes the provisions requiring the consent of third party undertakers with an interest in the transfer before the transfer scheme is prepared, approved or modified.
346. [Paragraph 2](#) makes a further amendment to provide that a transfer scheme may not impose new liabilities on third party undertakers.