

WATRS: Governance process for changes to Scheme Rules

This document is supplementary to the Scheme Specification and was adopted by RWD following approval by the Water UK Council on 15 September 2016.

Background

The scheme and process principles underpinning WATRS (the Primary Principles) are set out in the Scheme Specification (as from time to time amended) and are as follows:

- the Scheme should be free to customers;
- there are set time limits for the completion of the adjudication process;
- there is binding resolution if a customer accepts the decision;
- there is no right of appeal for either party;
- ADR can only take place after the customer complaints has been completed:
- there are set financial award limits on awards;
- there are set eligibility criteria for complainants;
- there are set eligibility criteria for complaints.

The independence and effectiveness of WATRS is overseen by the independent ADR Panel. The primary purposes of the ADR Panel are to:

- a. ensure that the Scheme follows the ADR Scheme principles;
- b. monitor the operation of the Scheme ;
- c. to make recommendations to RWD to ensure the effective operation of the Scheme

Process

The following provisions sets out the processes to be followed in order to make amendments to the Scheme Rules.

A. Minor changes:

RWD may make minor/administrative changes to the Scheme Rules provided that the proposed amendment does not affect the Primary Principles.

Note: a proposal to increase a time limit will be treated as a minor change. Any proposal to shorten a time limit will be treated as a change affecting the Primary Principles.

Mechanism:

A. Minor Changes

1. The proposed minor change to be notified by RWD (with reasons for amendments and proposed date changes to come into effect) to:
 - 1.1 companies' lawyers or delegated directors/officers;
 - 1.2 the ADR Panel; and
 - 1.3 CEDR (which runs the scheme).
2. Parties (companies/Panel/CEDR) have 15 working days to raise objections.
3. On receipt of an objection to a proposed minor change RWD may:
 - 3.1 accept the objection and amend or withdraw the proposed minor change; or
 - 3.2 reject the objection and proceed to make the proposed minor change.
4. Where RWD rejects an objection, it shall notify the party concerned and give reasons for the decision and allow a further 10 working days before implementing the proposed change to allow the party concerned to make further objections. If the party concerned notifies RWD within 5 working days that it is not satisfied with the reasons given and/or raises further objections, RWD will refer the matter to the ADR Panel and the procedure applying to major changes (see Section B) shall apply.
5. Minor changes can be initiated by RWD and/ or by recommendation by the Panel, and/or a company and/or CEDR.

B. Changes affecting Primary Principles

1. RWD shall not make changes to the Scheme Rules in relation to any matter affecting a Primary Principle unless the proposed change or changes have been considered and recommended by the ADR Panel as being necessary for the continued independence and/or effectiveness of the Scheme.

Examples of changes to affecting a Primary Principle include (but are not limited to) the following:

- a. Rule 1.5: “the Scheme is free of charge to customers”
 - b. Rule 2.1: eligibility to use the Scheme
 - c. Rule 3.3: list of type of disputes that can be referred to the Scheme
2. RWD and/or an individual company may make a recommendation to the ADR Panel for a proposed change to a Scheme Rule that affects a Primary Principle.
 3. On receipt of a recommendation from RWD and/or an individual company the ADR Panel will consider the proposal and if so minded will make a recommendation to RWD.
 4. The wording of any such proposed change/s will be circulated to:
 - a. Companies/company lawyers and/or delegated directors/officers; and
 - b. CEDRfor comment and will be subject to approval by the Water UK Council.

Note: The Panel may in accordance with its Terms of Reference, make recommendations on its own account to RWD.

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