

CHARGING ARRANGEMENTS 2019/20

Developer services

DOCUMENT CONTROL

Version No	Date of Issue	Modifications
1	1 Feb 2019	First issue
2	12 Feb 2019	<p>A small number of spelling errors and formatting issues have been corrected.</p> <p>Page 16 in table b) the application fee for a service connection above 32 mm has been removed so that the service connection application fee, irrespective of the diameter of the connection, is the same amount.</p> <p>Page 34 the charges for 225 mm diameter mains in both PE and barrier pipe material in the Northumbrian area have been corrected.</p> <p>Page 74 some commentary has been added to give additional clarity on the basis of the worked example calculations for the “self-lay scheme” and the “requisitioned scheme”.</p> <p>Page 75 in the worked example table titled “Self-laid mains”, a further charge has been inserted to show that a fee applies for the provision of a self-lay agreement.</p>

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OUR CHARGING ARRANGEMENTS

INTRODUCTION



Northumbrian Water Limited operates in the north east of England where it trades as Northumbrian Water (NW) and in the south east of England, where it trades as Essex & Suffolk Water (ESW). Northumbrian Water provides both water and wastewater services whereas Essex & Suffolk Water provides water supply services only.

The terms used in this document, indicated in bold typeface, are defined within the glossary and definitions pages within the appendices.

This is our **Charging Arrangements** document for this **charging year** and it is intended for use by customers that are involved in property **development** and those that wish to connect existing **properties** to our networks.

The document contains our charges for the “connection services” we provide when anyone applies to connect to our water and/or wastewater network. Typically, connection services include providing **water mains**, **sewers**, water and wastewater connections to individual properties, water main and sewer **diversions** and work to reinforce our networks as a consequence of new development.

Our Charging Arrangements also details the charges and payments that apply when water mains are installed by **Self-Lay Providers (SLP)** or **New Appointees (NAV)** and are connected to our network.

The types of customer that will typically use this document will be:

- **Developers** and builders
- Consultants working on behalf of developers in respect of utility provision
- Companies that provide infrastructure for developers e.g. Self-Lay Providers (SLP) and New Appointees (NAV)
- Individuals wishing to connect or re-connect existing or redeveloped properties to our water and wastewater networks

In this document “we” or “us” refers to NW in the north east of England and ESW in the south east. Words in the singular shall include the plural and vice-versa except where the context otherwise requires.

OUR CHARGING ARRANGEMENTS PURPOSE



The aim of our Charging Arrangements document is to provide customers with clear and transparent information about the charges and payments relating to connections services.

Our regulator, **Ofwat** published **charging rules** in December 2017 (that have subsequently been amended) that apply to all English regional water and sewerage companies. One of the requirements of the rules means that we have published **fixed charges** for the work carried out by us in providing connections services.

The benefits of providing fixed charges are:

- Developers can confidently calculate a reasonable estimate of our charges for the connection services we provide when planning for their new developments.
- SLPs and developers will be able to calculate a reasonable estimate of the **asset payment** they will receive on adoption of water mains that SLPs install.
- NAVs will be able to estimate the amount we will pay to them when they build new networks that connect to ours.

We have:

- Set out our information in a way that enables customers to easily identify which charges apply to work that is a) **non-contestable work** that must be done by us and b) the charges and payments relating to **contestable work** that is carried out by accredited and competent contractors working directly for developers.
- Included methodologies and a number of worked examples to help customers to estimate the charges and/or payments that apply to **developments**.



One of the key principles underpinning the provision of new water and wastewater network infrastructure for developments is that those requiring the assets are liable for payment of the associated costs. We are able to recover our reasonable costs associated with any work that we do relating to the provision of network infrastructure as a direct consequence of new development.

There are two areas where the above principle does not apply currently, a) in the case where water mains for a development are provided by either a NAV, an SLP or us and b) where sewers for a development are provided by us. In these cases, the new assets specifically required for development are funded partially by developers and partially by other customers (i.e. household and other non-household customers). We take into account the future revenue we will receive from the **occupiers** of the new **houses** and other buildings that benefit from the new mains and/or sewers. The amount that the other customers contribute to the cost of providing the new assets is known as an **income offset**.

Value Added Tax (VAT)

All charges published in this scheme exclude VAT unless specified otherwise. VAT will be added to the published charge at the appropriate rate where required.

Wholesale connection charges

We have considered the amendments to the Wholesale Charging Rules issued by Ofwat on 16 March 2018 and the charges published in this Charging Arrangements document represent the charges we will raise for all of our new connection services. We do not differentiate between household or non-household customers as our charges are based on, and cost reflective of, the work being carried out. The charges quoted in this document therefore represent our Wholesale Connection Charges where applicable.

OUR CHARGING ARRANGEMENTS

THE MARKET FOR CONNECTION SERVICES



When developers require new water and/or wastewater infrastructure for their developments they can choose who constructs, owns and operates the new assets. Developers can choose the option that best meets their needs. The three options are:

- a) A NAV builds the new infrastructure and either a) arranges for it to be connected to our network(s) or b) develops its own source of water and/or wastewater treatment facilities. The new assets built by the NAV remain in their ownership and, as a licensed water and/or wastewater supplier; they are responsible for the assets' future operation and maintenance.
- b) The developer chooses to construct the network themselves or by employing an accredited contractor to carry out the work on their behalf. Commonly a developer will use a competent drainage contractor to construct sewerage assets and an SLP to construct the new water network. The new networks are ultimately adopted by us under the terms of a legal agreement entered into by all of the parties involved. We become the owner of the new networks and are responsible for their operation and maintenance on adoption.
- c) The developer requests that we install the new networks (known as a “**requisition**”). The new properties are connected and we are responsible for the ongoing ownership and operation of the new assets. It is rare for a developer to ask a water company to construct sewerage assets on a new development site, but the option is available to them.

Lloyds Register administers the accreditation scheme for SLPs, known as the Water Industry Registration Scheme (WIRS). A list of WIRS accredited SLPs can be found at www.lr.org/wirs

To find out more about NAVs and the services they can offer, please visit Ofwat's website www.ofwat.gov.uk/regulated-companies/markets/nav-market/

EXPLANATION OF KEY TERMS

SITE SPECIFIC WORK AND NETWORK REINFORCEMENT



In this section we have explained some key terms that we will use throughout this document.

Site specific work

Site specific work is the term used to describe the work that is required to provide new network infrastructure to specifically serve a new development site. This is the work within the site and up to the nearest practical **point of connection (POC)** to the existing network. It includes the work required to connect any newly laid networks and individual property supplies to our existing networks. Our site specific charges relate to these assets only and exclude the costs of any **network reinforcement** (see below).

Sometimes we may require that **site specific** infrastructure installed is larger than is necessary for a particular development site or phase. This is so that known future developments or phases can be incorporated into our network.

There may also be occasions where we request that the site specific infrastructure is connected to our network at a location that is not the nearest POC, i.e. an **alternative point of connection**.

The way that charges apply to upsizing work and connections at an alternative point of connection is described later in this document on page 10.

Network reinforcement

When new developments connect to our existing networks they usually increase the demand on our existing water and wastewater networks. From time to time, we need to carry out work on our water and wastewater networks to account for the increased demand that is as a direct consequence of new developments connecting to them. These works, known as network reinforcement, ensure the service to our customers does not fall below our minimum levels of service.

The way that we fund network reinforcement is primarily, but not entirely, through charges known as an **infrastructure charges**. Infrastructure charges are payable in respect of **household** and **non-household** properties where some or all of the water used and the wastewater disposed of is for **domestic purposes**. They are payable when properties are connected for the first time or, in some cases, reconnected to our networks.

If some of the water used and wastewater disposed of is not for domestic purposes, infrastructure charges are only payable in relation to the element that is for domestic purposes. In the event that network reinforcement is required as a consequence of water and/or wastewater that is not for domestic purposes, we recover the reinforcement costs through charges other than infrastructure charges.

EXPLANATION OF KEY TERMS

SITE SPECIFIC WORK AND NETWORK REINFORCEMENT



The proportion of network reinforcement required for non-domestic purposes can be charged directly to a developer or NAV.

Infrastructure charges are a contribution made by developers or NAVs that enable us to meet our overall requirement to reinforce our networks to support development. They are distinct from charges relating to site specific work, where the charge has a direct relationship to the cost of the work carried out to specifically serve a particular development.

We have set our infrastructure charges at a level so that we have sufficient funds to invest in our networks to meet the anticipated demand of new developments, for domestic purposes. As a general principle, the vast majority of properties that become connected or, in some cases, reconnected to our network are required to pay infrastructure charges.



a) Water

If an SLP or NAV is appointed to install water infrastructure for a development, they are able to carry out the vast majority of the work. The work that SLPs and NAVs can do is known as contestable work. There are some elements of the work that must be carried out by us and this is known as non-contestable work.

Non-contestable work is usually limited to those activities that have the potential to increase operational risk to our existing assets or to reduce the level of service to our existing customers. This could be where a physical intervention may be required, such as valve operation on the network or an interruption to supplies which could affect those customers.

We have used the superscript “^{NC}” to identify non-contestable work so that it is clear to customers that we must carry out that work.

For water networks, contestable work and non-contestable work are currently defined within the “Code of Practice for the Self Laying of Water Mains and Services – England and Wales” which is available on our websites.

<https://www.nwl.co.uk/developers/adoption-codes.aspx>

<https://www.eswater.co.uk/developers/adoption-codes.aspx>

From 1 July 2019, new water sector guidance is expected to be implemented in accordance with **Ofwat’s Code for Adoption Agreements**. Contestable and non-contestable work will be defined within the new guidance.

b) Wastewater

The vast majority of work to provide new wastewater networks is contestable work and therefore most developers and NAVs employ a competent drainage contractor to construct new sewers and drains for them.

Our application process provides an opportunity for us to assess a contractor’s proposal in advance of any connections being made to the existing wastewater network. On rare occasions we will insist that we carry out the element of work required to connect developers’ and NAVs’ self-laid sewers and/or drains to our wastewater network i.e. the work becomes non-contestable.

From 1 October 2019, new sewerage sector guidance is expected to be implemented in accordance with Ofwat’s Code for Adoption Agreements. Contestable and non-contestable work will be defined within the new guidance.

EXPLANATION OF KEY TERMS

CONTESTABLE AND NON-CONTESTABLE WORK



The following diagrams show the assets that are defined as site specific and those assets where infrastructure charges would fund any necessary reinforcement. Where the installation of an asset is contestable work, this is indicated on the diagram. Figure 1 relates to water infrastructure and Figure 2 to wastewater.

Figure 1 - Water Network

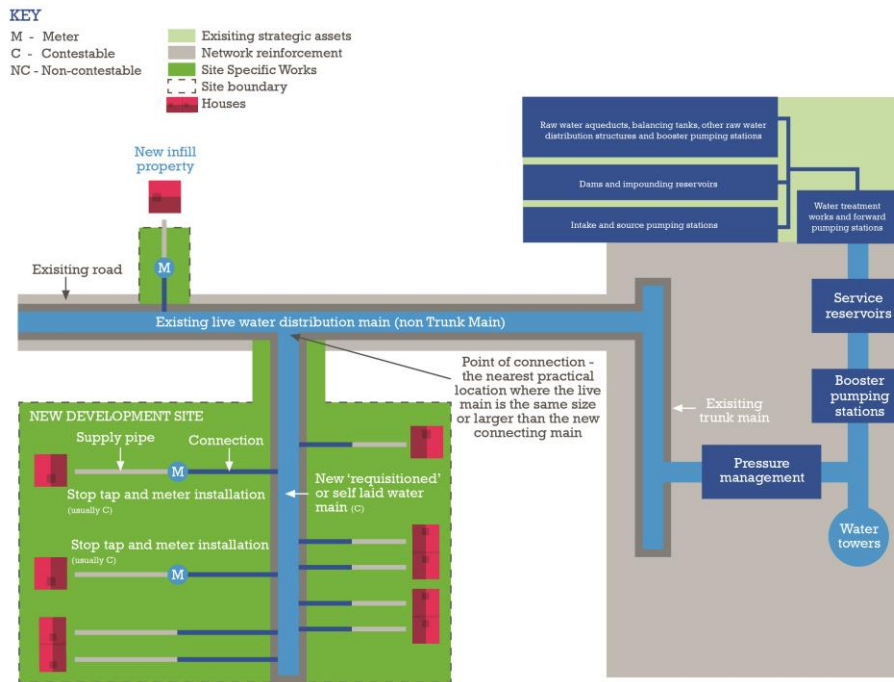
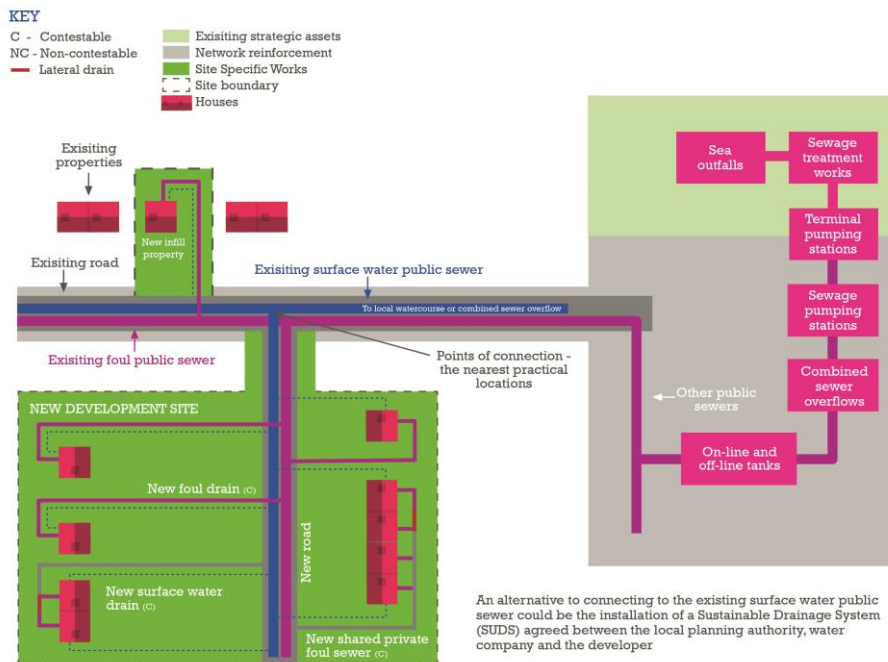


Figure 2 - Wastewater Network





a) Water

Where new water mains are provided for developments, we take into account the future revenue from properties connecting to the new mains. We discount the amount payable by developers for the site specific mains that they ask us to provide (“requisitioned mains”). We do this by way of an income offset that is applied to the construction cost of the new mains. We also make a payment to developers/SLPs for self-laid mains that are adopted by us or where a NAV constructs new mains that connect to our network. The payment in each case is the equivalent of the income offset amount we would apply had the main been requisitioned and is limited to our estimate of the overall construction cost of the water mains had they been provided by us.

The income offset amount will be paid in respect of NAV bulk supply agreements entered into between 1 April 2018 and 31 March 2020.

b) Wastewater

It is uncommon, in our area, for customers to requisition sewers to serve their developments. Most developers prefer to self-lay the sewers and offer them to us for adoption, subject to a suitable agreement being in place before or during construction.

Where a sewer is requisitioned we offset future wastewater income against the costs of providing the new sewer. We do this by means of the method that is set out in Appendix A.

We do not provide an asset payment where sewers are offered for adoption, built by a NAV or where a **lateral drain** is requisitioned from us.

EXPLANATION OF KEY TERMS

UPSIZING OF NETWORKS AND ALTERNATIVE POINT OF CONNECTION



Upsizing of networks

There may be occasions where we require developers, SLPs or NAVs to install new water mains and/or sewers that are larger than is specifically required for their development site. We do this in order to provide future capacity for other developments that are being planned in the same area.

Where we require customers to do this, our charges will be based on the proportion of the capacity of the new water or wastewater network that is actually required for that development alone. The capacity apportionment will be based on anticipated flows for that development compared to the design capacity of the upsized water or wastewater infrastructure. The cost associated with upsizing the asset to cater for future development will be funded by the infrastructure charges we collect from customers.

Alternative point of connection

There may be occasions where we agree with developers, SLPs or NAVs that new water mains and/or sewers are connected to our existing network at a location that is not the nearest practical point of connection. This approach can provide an alternative to increasing capacity at the location that is defined as the point of connection within this document.

Where we require an alternative point of connection, our charges for connecting the mains and/or sewers will be no more than if connection was made at the nearest suitable point of connection. The additional cost associated with connecting at the alternative point of connection will be funded by the infrastructure charges we collect from customers.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER INTRODUCTION



Charges may be different in the Northumbrian region compared with the Essex and Suffolk regions. This reflects the different costs of providing the services in each region.

This section sets out our water charges that include the following:

- Pre-planning enquiry
- Point of connection enquiry
- Service connection charges
- Income offsets
- New water mains
- Water main diversions

Although we have provided a number of fixed charges, some of the charges associated with the delivery of water infrastructure fall within the exceptional circumstances as defined in Appendix C.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER PRE-PLANNING ENQUIRY



Customers are able to enquire about the availability of water network capacity in the early stages of their development project, typically before a developer submits their application for planning permission with the local authority. Our Pre-Planning Enquiry (PPE) response will:

- Be based on the expected development parameters at the time of application.
- Indicate the nearest point on the existing network of an equivalent size or larger (if the customer has not indicated a preferred point of connection).
- Recommend an alternative or technically preferred point(s) of connection (if one is evident at this early stage). If there are multiple options, we will provide the rationale for any recommended option.
- Indicate how we will review any technical constraints and propose to minimise the impact on development programme.
- Provide details and indicative costs of any network reinforcement works for non-household developments.
- Include a plan of our existing water network.
- Specify the validity period of the response

Charge Item	Charge Unit	NW	ESW
Water pre-planning enquiry	Per application	£139	£139

SITE SPECIFIC CHARGES AND PAYMENTS - WATER POINT OF CONNECTION ENQUIRY



Before any design work is started, a technical appraisal should be carried out to establish the point(s) on the existing network from which the development can be supplied and whether any network reinforcement is needed for developments that require water for non-domestic purposes. This would apply to some non-household developments. Our Point of Connection (POC) enquiry response will:

- Confirm that a point of connection is viable where a customer has indicated their preferred location to connect to our network.
- Indicate a suitable point of connection where the customer has not indicated their preference.
- Indicate the status of land ownership at the point of connection (i.e. adopted highway or third party), if known.
- Comment on any special engineering difficulty that may be associated with the existing water mains at the point of connection.
- Indicate any network reinforcement or diversionary work that we will carry out.
- Indicate known risks in the area e.g. the presence of trunk mains, rising mains or other plant and any easements.
- Summarise the contestable and non-contestable elements of work relating to the provision of the infrastructure for the development.
- Provide details and indicative costs of any network reinforcement works where water is to be used for non-domestic purposes.
- Include a plan of our existing water network.
- Specify the validity period of the response.

Charge Item	Charge Unit	NW	ESW
Water point of connection enquiry	Per application	£163	£163

SITE SPECIFIC CHARGES AND PAYMENTS - WATER **POINT OF CONNECTION ENQUIRY – NAV INFORMATION**



If a development site is proposed be supplied through infrastructure constructed, owned and operated by a NAV, we are able to provide the following information in addition to that stated above:

- An indication of the water infrastructure charges that are applicable
- An indication of the income offsets that we will pay
- Indicative costs for providing bulk supply connections to our network
- An estimate of the operational pressures in our water mains at the proposed points of connection
- An indication of whether we believe the site is served by us or not

Charge Item	Charge Unit	NW	ESW
Water point of connection enquiry - charge for additional information for NAVs	Per application	£101	£101



Introduction

If developers require a new service connection to connect their property to the **existing water mains** network, work includes the provision of the **communication pipe**, meter and usually the meter housing. Developers are responsible for providing the private supply pipe infrastructure up to the boundary of the street in which our water main is laid.

For developments comprising of a single property or a small number of properties or buildings, it is very often the case that the new service connections to an existing water main, usually in a nearby public highway.

On larger development sites where new water mains are being laid, it is usually the case that the connections are being made within the development site.

For service connections we have upfront fixed fees and charges relating to:

- Processing applications
- The administration associated with service connections
- The installation of the service connections, where we are asked to carry out the work.

For some of the elements of work we also offer customers an alternative to the upfront fixed charge, and we will indicate this in the relevant sections of the document.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



Service connection application fees

For connections to existing water mains

The fees and charges include for the following:

- Processing and recording the application and fees
- Acknowledging receipt of the application
- Site visits where required (for non self-lay connections only)
- Network capacity assessment
- Preparing and issuing a quotation for the customer

For connections we are asked to provide that are greater than 32 mm in diameter (typically for larger buildings) the fees and charges also include for the additional labour costs associated with a more detailed network capacity assessment.

a) Where the intention is for the service connections to be self-laid:

Charge Item	Charge Unit	NW	ESW
Self-lay service connection application fee for connections that are up to and including 32 mm in diameter	Per application	£35	£35
Self-lay service connection application fee for connections that are greater than 32 mm in diameter	Per application	£63	£63

b) Where the intention is for the service connections to be made by us:

Charge Item	Charge Unit	NW	ESW
Service connection application fee	Per application	£96	£96

For applications that include service connections to **newly laid** water mains, please see the section relating to Water Mains that covers application fees for requisitioned water mains and self-lay water main schemes.



Service connection administration fees

The administration fees below are applicable where the connections are being made to existing water mains and/or newly laid mains.

The fees and charges include for the following:

- Processing and recording of payments
- Dealing with customer queries and correspondence
- Site visits where required
- Inspections of the supply pipe to determine compliance with Water Regulations (except where compliance is self-certified)
- Processing and recording of Water Regulations self-certification certificates
- Planning and scheduling the installation of the connections (for non self-lay connections only)
- Where necessary, the serving of notices on third parties and local authorities
- Provision of a water meter for self-lay connections, where requested
- Recording of asset information on completion of the construction

For connections we are asked to provide that are greater than 32 mm in diameter (typically for larger buildings) the fees and charges also include for the additional labour costs associated with:

- Site meetings (including Water Regulations inspections)
- Dealing with customer queries and correspondence

a) Where the intention is for the service connections to be self-laid:

i) Administration and legal fees

Charge Item	Charge Unit	NW	ESW
Self-lay service connection administration fee	Per connection	£28	£28
Self lay legal fee (provision of a self lay agreement)	Per application	£59	£59



ii) Fees for Water Regulations inspections on self-laid service connections

Charge Item	Charge Unit	NW	ESW
Connection up to and including 32 mm in diameter where all water fittings are domestic	Per connection	£53	£53
Connection up to and including 32 mm in diameter with non-domestic water fittings	Per connection	£127	£127
Connection greater than 32 mm in diameter where the water fittings are primarily for domestic use	Per connection	£320	£320
Connection greater than 32 mm in diameter with non-domestic water fittings	Per connection	£429	£429

iii) Connections with internal meters

Where a connection is made to a building where there is a requirement to install internal meters to premises (e.g. a block of flats), the following charge applies in addition to the administration charge for the connection to the water main

Charge Item	Charge Unit	NW	ESW
Service connection administration fee – for properties with internal meters	Per meter	£21	£21

iv) Charges for the provision of meters for SLPs to collect and install

Meter size (millimetres)	Charge Unit	NW	ESW
15	Per meter	£21	£21
25	Per meter	£55	£55
30	Per meter	£104	£104
40	Per meter	£124	£124
50	Per meter	£161	£161
50/20 combination	Per meter	£488	£488

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



b) Where the intention is for the service connections to be made by us:

i) Connections to an existing water main

Charge Item	Charge Unit	NW	ESW
Connection that is up to and including 32 mm in diameter where all water fittings are domestic	Per connection	£134	£134
Connection that is up to and including 32 mm in diameter with non-domestic water fittings	Per connection	£209	£209
Connection that is greater than 32 mm in diameter where the water fittings are primarily for domestic use	Per connection	£440	£440
Connection that is greater than 32 mm in diameter with non-domestic water fittings	Per connection	£549	£549

ii) Connections to a newly laid water main

Charge Item	Charge Unit	NW	ESW
Connection that is up to and including 32 mm in diameter where all water fittings are domestic	Per connection	£67	£67
Connection that is up to and including 32 mm in diameter with non-domestic water fittings	Per connection	£167	£167
Connection that is greater than 32 mm in diameter where the water fittings are primarily for domestic use	Per connection	£378	£378
Connection that is greater than 32 mm in diameter with non-domestic water fittings	Per connection	£492	£492



iii) Connections with internal meters

Where a connection is made to a building where there is a requirement to install internal meters to premises (e.g. a block of flats), the following charge applies in addition to the administration charge for the connection to the water main

Charge Item	Charge Unit	NW	ESW
Service connection administration fee – for properties with internal meters	Per meter	£21	£21

iv) Connections in the same excavation as another connection

Charge Item	Charge Unit	NW	ESW
Service connection administration fee – for a service connection to be made in the same excavation as another service connection	Per connection	£53	£53



Service connection construction charges

Our service connection construction charges include for the following:

- Provision and installation of a communication pipe
- Connection of the communication pipe to an existing or newly laid water main
- Connection of the communication pipe to the **supply pipe** that has been laid by a customer
- Provision and installation of meter housings and meters where the communication pipe is up to and including 32 mm in diameter

The charges also include the following where applicable:

- Excavation, backfilling and reinstatement of the ground
- Removal and disposal of any spoil from our excavation
- Chlorination, sampling and water quality testing of the communication pipe
- Pressure testing of the communication pipe
- 2 way traffic lights

The charges exclude any other costs associated with traffic management, which are charged separately where they are applicable.

We have provided charges for the following categories of connection:

- Connections to newly laid mains
- Connections to existing mains

We have included charges for polyethylene (PE) and **barrier pipe** connections up to 125mm in diameter. We have provided charges for laying pipes in pre-excavated trenches, **unmade** surfaces and **made-up** surfaces requiring permanent reinstatement.

We have also given a selection of the typical lengths of connections we are normally asked to provide as well as a charge per metre where the required connection exceeds ten metres in length.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



Connections to newly laid water mains – where the connection is up to and including 32 mm in diameter

Length (metres)	Surface	NW		ESW	
		PE pipe	Barrier pipe	PE pipe	Barrier pipe
Up to 10	Pre excavated	£274	£369	£239	£312
Extra per metre	Pre excavated	£8	£11	£11	£14

Connections to existing water mains - where the connection is up to and including 32 mm in diameter

Length (metres)	Surface	NW		ESW	
		PE pipe	Barrier pipe	PE pipe	Barrier pipe
0-2	Unmade	£323	£421	£476	£551
2-5		£381	£485	£582	£664
5-10		£535	£651	£796	£889
Extra per metre		£38	£42	£53	£56
0-2	Made up	£406	£503	£749	£824
2-5		£540	£644	£1,132	£1,213
5-10		£897	£1,014	£1,849	£1,943
Extra per metre		£89	£92	£145	£148

Branch connections up to and including 32 mm in diameter where the branch is installed at the same time as another connection and in the same excavation

Length (metres)	Connection type	NW		ESW	
		PE pipe	Barrier pipe	PE pipe	Barrier pipe
0-2	Branch connection	£250	£336	£206	£270
0-2	Branch connection to domestic sprinkler	£271	£373	£227	£307

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



For service connections that are 50 mm or greater in diameter, to help calculate the total charge, customers will be required to add together the relevant service connection construction charge (in the table below), the relevant meter installation charge (from page 27) and for connections of 63 mm and above, the charge for chlorination and pressure testing (from page 28). Some connections may also require traffic management.

Connections to newly laid water mains – where the connection is 50 mm in diameter and above

Diameter (millimetre)	Length (metres)	Surface	NW		ESW	
			PE pipe	Barrier pipe	PE pipe	Barrier pipe
50	Up to 10	Pre excavated	£388	n/a	£532	n/a
	Extra per metre	Pre excavated	£16	n/a	£22	n/a
63	Up to 10	Pre excavated	£403	£487	£552	£668
	Extra per metre	Pre excavated	£17	£25	£23	£34
90	Up to 10	Pre excavated	£771	£839	£1,055	£1,150
	Extra per metre	Pre excavated	£20	£28	£27	£39
125	Up to 10	Pre excavated	£887	£972	£1,215	£1,331
	Extra per metre	Pre excavated	£23	£31	£32	£43

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



Connections to existing water mains that are 50 mm in diameter and above

Diameter (millimetres)	Surface	Length (metres)	NW		ESW	
			PE pipe	Barrier pipe	PE pipe	Barrier pipe
50	Unmade	0-2	£468	n/a	£687	n/a
		2-5	£528	n/a	£850	n/a
		5-10	£687	n/a	£1,176	n/a
		Extra per metre	£40	n/a	£81	n/a
	Made up	0-2	£551	n/a	£962	n/a
		2-5	£688	n/a	£1,378	n/a
		5-10	£1,050	n/a	£2,155	n/a
		Extra per metre	£91	n/a	£171	n/a
63	Unmade	0-2	£517	£601	£708	£823
		2-5	£637	£736	£872	£1,009
		5-10	£876	£1,007	£1,201	£1,380
		Extra per metre	£60	£68	£82	£93
	Made up	0-2	£717	£801	£982	£1,097
		2-5	£1,022	£1,122	£1,400	£1,536
		5-10	£1,591	£1,722	£2,180	£2,359
		Extra per metre	£126	£133	£172	£183

Continued on next page

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



Continued from previous page

Diameter (millimetres)	Surface	Length (metres)	NW		ESW	
			PE pipe	Barrier pipe	PE pipe	Barrier pipe
90 ^{NC}	Unmade	0-2	£984	£1,052	£1,347	£1,442
		2-5	£1,118	£1,204	£1,531	£1,649
		5-10	£1,385	£1,506	£1,898	£2,063
		Extra per metre	£67	£74	£92	£101
	Made up	0-2	£1,216	£1,284	£1,665	£1,759
		2-5	£1,563	£1,649	£2,142	£2,259
		5-10	£2,161	£2,281	£2,960	£3,125
		Extra per metre	£133	£142	£183	£195
125 ^{NC}	Unmade	0-2	£1,096	£1,181	£1,501	£1,618
		2-5	£1,233	£1,334	£1,690	£1,828
		5-10	£1,508	£1,641	£2,066	£2,247
		Extra per metre	£69	£77	£94	£105
	Made up	0-2	£1,360	£1,446	£1,864	£1,980
		2-5	£1,733	£1,834	£2,374	£2,512
		5-10	£2,388	£2,521	£3,272	£3,453
		Extra per metre	£147	£154	£201	£212



Water meter installation charges

a) Where the intention is for the service connections to be self-laid:

Where an SLP asks us to install meters on a self-laid service connection, the following charges apply for the provision, installation and commissioning of the meter:

Meter size	Charge unit	NW	ESW
15 mm internal	Per meter	£167	£167
15 mm fitted in chamber installed by SLP	Per meter	£72	£72
25 mm fitted in chamber installed by SLP	Per meter	£106	£106
30 mm	Per meter	£831	£720
40 mm	Per meter	£933	£1,102
50 mm	Per meter	£1,167	£1,246
50/20 mm combination	Per meter	£1,475	£1,554

In the charges above, any meter that is installed that is greater than 25 mm includes the provision and installation of the meter housing.

b) Where the meter is to be installed by us:

The charges in the table on the next page are to be used:

- In conjunction with construction charges for connections greater than 32 mm
- Where there is a requirement to install a meter on an existing service

The fees and charges include for the following:

- Excavation, backfilling and reinstatement of the ground
- Materials
- Construction of a meter chamber where required, and installation of a meter
- Connection of the meter to the service pipe
- Removal and disposal of any spoil from our excavation

SITE SPECIFIC CHARGES AND PAYMENTS - WATER SERVICE CONNECTIONS



Meter size	Surface	NW	ESW
Internal		£116	£116
15 mm	Pre excavated	£233	£122
	Unmade	£291	£364
	Made up	£392	£567
25 mm	Pre excavated	£410	£299
	Unmade	£323	£476
	Made up	£406	£745
30 mm	Pre excavated	£781	£670
	Unmade	£839	£912
	Made up	£940	£1,115
40 mm	Pre excavated	£883	£1,052
	Unmade	£1,436	£1,404
	Made up	£1,572	£1,726
50 mm	Pre excavated	£1,116	£1,195
	Unmade	£1,774	£1,547
	Made up	£2,049	£1,869
65 mm ^{NC}	Pre excavated	£1,378	£1,457
	Unmade	£2,035	£1,809
	Made up	£2,311	£2,131
80 mm ^{NC}	Pre excavated	£1,481	£1,648
	Unmade	£2,138	£2,000
	Made up	£2,414	£2,319
100 mm ^{NC}	Pre excavated	£1,525	£1,692
	Unmade	£2,182	£2,044
	Made up	£2,458	£2,363
50/20 mm combination	Pre excavated	£1,424	£1,503
	Unmade	£2,081	£1,855
	Made up	£2,357	£2,129
50/20 mm combination with flow straightener	Pre excavated	£1,749	£2,004
	Unmade	£2,406	£2,355
	Made up	£2,682	£2,630
80/20 mm combination ^{NC}	Pre excavated	£1,771	£1,938
	Unmade	£2,428	£2,290
	Made up	£2,704	£2,609
80/20 mm combination with flow straightener ^{NC}	Pre excavated	£2,267	£2,610
	Unmade	£2,924	£2,962
	Made up	£3,200	£3,236
100/25 mm combination ^{NC}	Pre excavated	£2,222	£2,565
	Unmade	£2,879	£2,917
	Made up	£3,155	£3,191
100/25 mm combination with flow straightener ^{NC}	Pre excavated	£2,723	£3,154
	Unmade	£3,380	£3,506
	Made up	£3,656	£3,780



Chlorination and pressure testing fees

Where the communication pipe required for a development is 63mm in diameter or above, it must be pressure tested, disinfected and a sample of the water taken.

The fixed fee includes for the following:

- Pressure testing the pipe to ensure that there are no leaks
- Materials
- Chlorination and de-chlorination of the pipe
- Taking of a sample of the water and having it tested at a UKAS accredited laboratory
- Flushing the pipe when the sample results are satisfactory

Charge Item	Charge Unit	NW	ESW
Chlorination and pressure test of a communication pipe	Per test	£258	£258



Alternative to the payment of fixed charges for service connections construction

Customers may, rather than paying on the basis of our quotation based upon fixed charges, ask us to calculate the actual costs.

To proceed with this option, we require customers to pay the fixed charges upfront plus an additional non-refundable administration fee. We will calculate the final amount payable by accounting for the costs we have actually incurred in installing the service connection. Customers will be liable to pay the actual costs whether they are less than or more than the fixed charges once costs are reconciled.

Charge Item	Charge Unit	NW	ESW
Additional administration fee – for the calculation of service connection construction costs based on actual costs	Per application	£74	£74

SITE SPECIFIC CHARGES AND PAYMENTS - WATER INCOME OFFSETS



Where new water mains are provided, we take into account the future revenue of new properties connected to the new mains. We make an income offset payment which is an equivalent amount whether the new mains are constructed by us, an SLP or a NAV.

The maximum income offset amount that we will pay will be no more than the estimate of the cost of constructing the mains had they been requisitioned and we had carried out the excavation ourselves and reinstated the ground to its original state.

a) Requisitioned water mains

We reduce the amount payable by developers for the requisitioned mains that they ask us to provide.

b) Mains constructed by SLPs

We make a payment to the developer/SLP when the mains are adopted by us.

c) Mains constructed by NAVs

We make a payment when new houses and/or non-household buildings are connected to the mains the NAV has constructed.

The income offset amounts are:

Item	Unit	NW	ESW
Income offset	Per house	£422	£487

Where properties are not houses we use the relevant multiplier in Appendix D to calculate the equivalent number of houses and hence the income offset. The income offset in relation to properties that are not houses can be expressed as a decimal as well as a whole number.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER WATER MAINS



Introduction

If developers require new water mains for their development, the work involves the provision of the new mains themselves, valves, hydrants, washouts and a connection to the existing network. Occasionally booster stations will be required to increase the pressure of the water in the new network.

For new water mains we have upfront fixed fees and charges relating to:

- Processing applications
- Approving SLP's designs
- Designing the mains, where requested
- The administration associated with the provision of the new mains
- The construction of the mains, where we are asked to carry out the work

Water mains application fees

Our application fees and charges include for the following:

- Processing and recording fees
- Acknowledging receipt of the application
- Network capacity assessment (where there is no valid pre-planning (PPE) or point of connection (POC) response)
- Preparing a quotation for a) requisition mains and service connections and b) contestable work and an indicative income offset amount for self-laid mains

Charge Item	Charge Unit	NW		ESW	
		Where a valid POC or PPE response exists	Where no valid POC or PPE response exists	Where a valid POC or PPE response exists	Where no valid POC or PPE response exists
Water mains application fee	Per application	£104	£243	£104	£243



Water mains design fees

Our design fees and charges include for the following:

- Processing and recording of fees
- Assessment of an SLP's design or
- Providing a design and/or costs where we are asked to do so

Charge Item	Charge Unit	NW	ESW
Mains design approval fee ^{NC}	Per application	£173	£173
Initial mains design fee	Per application including up to 20 properties	£364	£364
Additional mains design fees	Per additional 20 properties (or part thereof)	£66	£66

Water mains administration fees

Our mains administration fees and charges include for the following:

- Processing and recording of payments
- Dealing with customer queries and correspondence
- Site visits where required (for requisitioned mains only)
- Instructing our framework contractor or direct labour to commence work
- Attendance at pre-start meetings
- Recording of asset information on completion of the construction
- Quantity surveying (for requisitioned mains only)

Charge Item	Charge Unit	NW	ESW
Requisition mains administration fee	Per application	£463	£463
Self-lay mains administration fee	Per application	£413	£413
Self lay legal fee (provision of a self lay agreement)	Per application	£59	£59



Water mains construction charges

Our water mains construction charges include for the following:

- Construction of water mains and ancillary fittings
- Connection of either a self-laid main or requisitioned main to an existing main
- Materials

The charges also include for the following where applicable:

- Pressure testing, chlorination and sampling of the water
- Excavation, backfilling and reinstatement of the ground
- Removal and disposal of any spoil from our excavation
- Traffic management

The charges exclude any costs associated with road closure required by the local authority, and any costs that fall within the exceptions defined within Appendix C. Charges for road closures can be found in the section entitled “Traffic Management and Road Closures”.

We have provided indicative charges for the following categories of connection:

- The construction of new mains
- The construction of the connection of a self-laid main to our existing mains

We have included charges per metre for polyethylene (PE) and barrier pipe mains up to 355 mm in diameter. We have provided charges for laying pipes in pre-excavated trenches, unmade surfaces and made-up surfaces.

Customers can estimate the cost of construction of mains by using the table below and referring to the design criteria for new mains within Appendix E.

The amount payable for requisitioned mains will be the total construction cost (the sum of application, administration, design and construction fees), less the income offset amount for the development.

The gross asset payment for self-laid mains is equal to the equivalent income offset had the mains been requisitioned, subject to total offset not exceeding the total construction cost of the mains. The net asset payment is the gross asset payment less a) the non-contestable work that we do plus and b) any contestable work that we agree to do.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER WATER MAINS



Main diameter (millimetres)	Surface	NW		ESW	
		PE pipe per metre	Barrier pipe per metre	PE pipe per metre	Barrier pipe per metre
63	Pre-excavated	£32	£40	£43	£50
	Soft dig	£53	£60	£73	£81
	Unmade	£98	£105	£142	£150
	Made up	£140	£147	£205	£212
90	Pre-excavated	£40	£48	£42	£53
	Soft dig	£61	£69	£74	£85
	Unmade	£110	£118	£147	£158
	Made up	£153	£161	£213	£223
125	Pre-excavated	£43	£51	£50	£60
	Soft dig	£65	£72	£82	£93
	Unmade	£113	£121	£155	£166
	Made up	£156	£164	£221	£232
180	Pre-excavated	£58	£68	£74	£86
	Soft dig	£84	£95	£114	£126
	Unmade	£138	£149	£196	£208
	Made up	£189	£199	£272	£284
225	Pre-excavated	£59	£71	£77	£89
	Soft dig	£85	£98	£117	£129
	Unmade	£139	£152	£199	£211
	Made up	£190	£202	£275	£288
250	Pre-excavated	£78	n/a	£107	n/a
	Soft dig	£109	n/a	£153	n/a
	Unmade	£180	n/a	£251	n/a
	Made up	£234	n/a	£343	n/a
280	Pre-excavated	£80	£93	£110	£122
	Soft dig	£111	£124	£156	£169
	Unmade	£175	£188	£254	£266
	Made up	£236	£249	£346	£359
315	Pre-excavated	£82	£99	£112	£128
	Soft dig	£113	£129	£159	£175
	Unmade	£178	£194	£256	£272
	Made up	£238	£254	£349	£365
355	Pre-excavated	£113	£135	£156	£177
	Soft dig	£159	£181	£225	£247
	Unmade	£234	£256	£338	£360
	Made up	£305	£327	£446	£468



Charges for connecting new self-laid water infrastructure to our existing water mains network

Where an SLP or NAV constructs water infrastructure and brings it to the agreed point of connection, the following charges apply for the work we will carry out to connect the new infrastructure to our existing water mains network.

Charge Item	Charge Unit	NW	ESW
Connection to a main that is up to and including 125 mm in diameter ^{NC}	Per connection	£1,992	£2,350
Connection to a main that is greater than 125 mm in diameter but less than 250 mm in diameter ^{NC}	Per connection	£2,355	£2,779
Connection to a main that is 250 mm in diameter or greater but less than 355 mm in diameter ^{NC}	Per connection	£3,188	£3,762
Connection to a main that 355 mm or greater in diameter ^{NC}	Per connection	£3,829	£4,519

SITE SPECIFIC CHARGES AND PAYMENTS - WATER ABANDONMENT OF WATER MAINS & SERVICES



Abandonment application fees

The fees and charges include for the following:

- Processing and recording the application and fees
- Acknowledging receipt of the application
- Site visits
- Preparing and issuing a quotation for the customer

Charge Item	Charge Unit	NW	ESW
Water main or service connection abandonment application fee	Per application	£96	£96

Abandonment administration fees

The fees and charges include for the following:

- Processing and recording of payments
- Dealing with customer queries and correspondence
- Site visits where required
- Planning and scheduling the abandonment of mains or services
- Where necessary, the serving of notices on third parties and local authorities
- Recording of asset information on completion of the abandonment

Charge Item	Charge Unit	NW	ESW
Water main or service connection abandonment administration fee	Per application	£123	£123

The above fee does not apply when the abandonment of a service connection is taking place in the same excavation as a new service connection and at the same time the new service connection is being made.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER ABANDONMENT OF WATER MAINS & SERVICES



Abandonment (site work) fees

The following charges apply to the abandonment of service connections or water mains where the pipe is no longer required as a consequence of development taking place.

The fees and charges include for the following, where applicable:

- Excavation
- Disconnection of a communication pipe from a main or a main from another main
- Removal of any chambers and meters
- Backfilling and reinstatement of the ground
- Removal and disposal of any spoil associated with our excavation

Abandonment of service connections and water mains – site work

Diameter	Surface	NW	ESW
Up to and including 32 mm ^{NC}	Pre excavated	£205	£233
	Unmade	£263	£353
	Made Up	£364	£649
Greater than 32 mm and up to and including 63 mm ^{NC}	Pre excavated	£431	£233
	Unmade	£601	£353
	Made Up	£831	£649
Greater than 63 mm and up to and including 110 mm ^{NC}	Pre excavated	£440	£528
	Unmade	£610	£925
	Made Up	£840	£1,243
Greater than 110 mm and up to and including 180 mm ^{NC}	Pre excavated	£534	£528
	Unmade	£703	£1,013
	Made Up	£934	£1,331

SITE SPECIFIC CHARGES AND PAYMENTS - WATER ABANDONMENT OF WATER MAINS & SERVICES



Abandonment of service connections in the same excavation and at the same time as a new connection is being made

Diameter	Surface	NW	ESW
Up to and including 32 mm ^{NC}	Pre excavated	£205	£140
Greater than 32 mm and up to and including 63 mm ^{NC}		£431	£140
Greater than 63 mm and up to and including 110 mm ^{NC}		£440	£308
Greater than 110 mm and up to and including 180 mm ^{NC}		£515	£440



Introduction

On occasions our existing water mains cross a development site in a location which may impact upon how customers wish to develop their site. We may be able to work with them to slightly amend their site layout, or suitably protect the mains to allow the development to proceed without the need to divert the main. We have provided a deposit amount for this service.

However, if it is clear that customers require an existing water main to be diverted or altered for the purposes of developing a site, the following charges will apply. Whilst the statutory duty to divert the main rests with us, there may be some non-complex situations where laying the pipes for the newly diverted main could be carried out by a SLP or NAV subject to it being wholly within the customer's land and with our approval.

Within our range of options we have included:

- Charges for applying for us to divert the main (subject to it not falling into the range of exemptions contained with Appendix C)
- Charges for us to technically appraise and inspect a mains diversion designed by an SLP.

Where an SLP or NAV lays the new mains for the diversionary works, the connections to our existing main would be completed by us.

Our fixed charges have been derived based upon the average cost of providing each element of the work that contributes to the cost of dealing with an application to divert water mains.

Our initial appraisal fee to determine whether a main can be protected to be left in place rather than diverted includes for the following:

- A review of the application with our internal stakeholders to gather the maximum information about the main.
- A site survey/meeting to gather more accurate asset location data
- An initial design report with options for the main remaining in place and/or an initial diversionary route.

SITE SPECIFIC CHARGES AND PAYMENTS - WATER WATER MAINS DIVERSIONS



Water main diversion application fees

Our water mains diversion application fees include for the following:

- Processing and recording fees
- Acknowledging receipt of the application
- Network capacity assessment
- Providing an estimate of cost for the diversion

Charge Item	Charge Unit	NW	ESW
Water main diversion application fee	Per application	£162	£162
Appraisal deposit (to determine whether a critical main needs to be diverted or protected)	Per application	£1,300	£1,300

Water main diversion design fees

Water mains diversion design fees includes for the following:

- Designing the water main diversion in accordance with our design criteria
- Producing a CAD drawing of the water mains and services layout
- Consultation with the customer and internal stakeholders
- Vetting of an SLP's or NAV's proposed design in accordance with the criteria within our self-lay local arrangements document
- Consultation with the SLP or NAV where required
- Corresponding with the SLP or NAV to give approval or otherwise

Charge Item	Charge Unit	NW	ESW
Water main diversion design fee	Per application	£634	£634
Technical assessment fee (where we agree that the design work may be provided by an SLP or NAV)	Per application	£374	£374
Technical assessment site survey fee (if required)	Per hour	£88	£88

SITE SPECIFIC CHARGES AND PAYMENTS - WATER WATER MAINS DIVERSIONS



Water mains diversion administration fees

For mains diverted by SLPs or NAVs our fees include for the following:

- Provision of a water main diversion agreement to include for abandonment of the existing main.
- Legal fees

Charge Item	Charge Unit	NW	ESW
Water main diversion legal fee (provision of a standard water main diversion agreement)	Per application	£335	£335
Water main diversion additional legal fees over and above the minimum fee	Per hour	£67	£67
Inspection fee (where some of the diversion work can be provided by an SLP or NAV)	Per visit	£264	£264



Network reinforcement is other work that needs to be carried out in consequence of the site specific work associated with a new development. Occasionally we will be required to carry out network reinforcement work to ensure that a new development does not result in a degradation of service to our other customers. In terms of degradation we mean the service would fall below our company's standard for the relevant service.

Under Ofwat's **Charges Scheme Rules**, developers will contribute towards the capital cost of network reinforcement through infrastructure charges. The cost of providing capacity will be recovered through infrastructure charges which will apply when any property connects to our networks for the first time¹.

We are required by Ofwat to ensure that our network reinforcement expenditure broadly matches our total infrastructure charge revenue over a five year rolling period. To ensure that we have access to sufficient funding to provide for growth in our areas, we will set our infrastructure charges annually but expect infrastructure charges to remain reasonably stable.

¹ or reconnects after being disconnected for a period of five years or more



a) Household properties

Our water infrastructure charges for this charging year are:

Charge Item	Charge Unit	NW	ESW
Water infrastructure charge	Per house	£185	£240

b) Non-household properties

Where connected properties are not houses, the infrastructure charge per property is calculated by considering the anticipated demand for domestic purposes; then relating it to the demand to the equivalent number of houses. To do this we use a formula known as the Relevant Multiplier. Details of the Relevant Multiplier can be found in Appendix D.

c) Infrastructure charge credits

In the case of redeveloped sites, we give credit against infrastructure charges where applicable. Credits will apply where former properties on the development site were a) connected to our networks and b) there is evidence, from our billing records, that there has been water consumption in the five years prior us receiving a valid “connection” application. For more detail on how we calculate infrastructure charge credits please refer to Appendix D.

d) Water efficiency incentives for new houses

We offer a discount to customers that design and build houses to promote a lower consumption of water. We will waive the water infrastructure charge in the event that evidence is provided to show a house is to be built to achieve a consumption of no more than 105 litres per person per day.

The level of water efficiency of a property can be derived by using the calculator tool on the following website: <http://www.thewatercalculator.org.uk>

Region	Water infrastructure charge per house	Water efficiency multiplier	Net amount payable per house
Northumbrian	£185	0.00	£0
Essex & Suffolk	£240	0.00	£0

SITE SPECIFIC CHARGES - WASTEWATER INTRODUCTION

This section sets out our wastewater charges that include the following:

- Pre-planning enquiry charges
- Communicating with a public sewer
- Adoption of sewers and lateral drains
- Sewer and lateral drain requisitions
- Sewer diversions

Although we have provided a number of fixed charges, many of the charges associated with the delivery of wastewater infrastructure fall within the exceptional circumstances as defined in Appendix C.

Customers that arrange for the construction of wastewater infrastructure themselves, will only incur charges relating to the issuing of our approval or otherwise. We have published fixed charges for provision of our necessary approval.

Customers can ask us to divert our existing sewerage assets, provide a sewer or lateral drain through our statutory requisitioning powers or ask us to adopt wastewater infrastructure to support their development. Whilst we have published a schedule of fixed charges for pipework up to and including 300 mm in internal diameter associated with the provision of a sewer, lateral drain and a communication with an existing public sewer; we consider that the complexity of providing wastewater infrastructure above this size to fall within exceptional circumstances (Appendix C). In such cases, we will provide customers with a reasonable estimate of our charges; however our final invoice will reflect the actual costs.

We can exercise our statutory powers under section 107 of the Water Industry Act 1991 (WIA) to insist that we carry out the construction of a connection to an existing sewer. Where we do so, we will apply the same published schedule of fixed charges to provide a quotation. This happens in cases where we consider the risk of developers connecting to the sewer to be significant.

SITE SPECIFIC CHARGES - WASTEWATER PRE-PLANNING ENQUIRY



Before any design work is started, a technical appraisal should be carried out to establish the point(s) on the existing network from which the development can be supplied and whether any network reinforcement is needed for developments that require wastewater services for non-domestic purposes. This would apply to some non-household development. Where a customer has not selected the point of connection or requires confirmation of their chosen point of connection, we will confirm the feasibility of supplying the proposed development. The PPE response will also include:

- For non-household developments, details of any required off-site works; indicative costs and indicative asset payment value.
- Information on the current availability of sewage treatment capacity.
- Identification of any of our water and wastewater assets which may require protecting or diverting to provide wastewater services for the site.
- A **viability letter** to confirm whether capacity can be provided by us in line with a customers' proposed development programme and assist in the planning process with the local planning authorities.
- A plan of our existing wastewater network.

Charge Item	Charge Unit	NW	ESW
Wastewater pre-planning enquiry (includes viability letter)	Per application	£995	n/a

If a development site is proposed to be supplied through wastewater infrastructure constructed, owned and operated by a NAV, at no additional charge, we will provide a response that also includes the following information in addition to that stated above:

- An indication of the wastewater infrastructure charges that are applicable
- An indication of whether we believe the site is served by us or not



Introduction

If customers ask us to construct a new wastewater connection to connect a development to the existing wastewater network, we will connect the drains to the nearest reasonably practicable point. For developments comprising of a single property or a small number of properties/buildings, it is often the case that connections of private and lateral drains are made to an existing public sewer, usually in a nearby public highway. In these circumstances, we will carry out the excavation, backfilling and reinstatement works for the construction of lateral drains and at the point of connection for private drains. Where necessary, we will serve notices on third parties and local authorities so that we can gain access to their land to proceed with our installation. Where traffic management is required for connections made in the highway, we will also make the necessary arrangements.

On larger development sites where new sewers are being laid, it is usually the case that developers choose to do the excavation, backfill and reinstatement themselves as the connections are being made within the development site.

We have published a schedule of fixed charges for wastewater pipework installation up to 300mm in internal diameter and to provide the connection to the existing public sewer that depend upon:

- The connection depth
- Sewer type (gravity/pumped)
- Pipe diameter of private/lateral drains
- Pipe diameter of existing sewer pipe
- Method of connection (e.g. to an existing sewer pipe, existing manhole or new manhole)
- A pipe laying charge per metre
- Surface type (e.g. in a road, in a footpath, unmade)
- Whether we are required or requested to carry out the excavation, backfilling and reinstatement works.

Our fixed charges for new wastewater connections and lateral drains do not include for traffic management which are levied when applicable. Please see the section within Other Charges relating to Traffic Management & Road Closures.

We consider schemes involving pipework larger than 300 mm internal diameter to fall within the definition of exceptional circumstances. Please see Appendix C



Sewer connection application fees

The application fees below are applicable where the connections are being made directly to existing public sewer or private drainage that in turn discharges to a public sewer.

The fees includes for the following:

- Acknowledging receipt of the application and processing the appropriate fee
- An operational risk assessment (where applicable)
- Issue of decision letter (indirect connection only)

Charge Item	Charge Unit	NW
Sewer connection application fee – direct connection	Per application	£103
Sewer connection application fee – indirect connection (i.e. via an existing private drain/sewer)	Per application	£85

Sewer connection administration fees

The administration fees below are applicable where the connections are being made directly to an existing public sewer. There are no administration fees for indirect connection applications where the developer carries out the works themselves.

The fees include for the following:

- Processing payments
- Dealing with customer queries and correspondence
- Network capacity assessment
- Issue of an approval letter
- A site visit to inspect the works (where applicable)
- Recording asset information on completion of the installation
- Updating our billing records

Charge Item	Charge Unit	NW
Direct sewer connection administration fee (includes an inspection)	Per application	£196
Sewer connection additional administration over and above that which is included in the fixed fee above.	Per hour (or part thereof)	£45
Charge for additional sewer connection inspections	Per visit	£153



Sewer connection construction fees

Where the intention is for the connection to be made by us (including s107 connections), the schedule of fixed charges below cover the construction work in carrying out different methods of connection:

Charge Item	Charge Unit	NW
Connection into existing sewer pipe up to and including 200 mm in diameter (assumes pre-excavated)	Per connection	£411
Connection into existing sewer pipe greater than 200 mm in diameter and up to and including 300 mm in diameter (assumes pre-excavated)	Per connection	£570
Break into an existing sewer manhole where pipe size is up to and including 200 mm in diameter (assumed pre-excavated)	Per connection	£1,504
Break into an existing sewer manhole where pipe size is greater than 200 mm in diameter and up to and including 300 mm in diameter (assumed pre-excavated)	Per connection	£1,617
New manhole up to and including 1.5 m deep	Per connection	£5,560
New manhole greater than 1.5 m deep and up to and including 3 m deep	Per connection	£14,313
New manhole greater than 3 m deep and up to and including 6 m deep	Per connection	£25,564

SITE SPECIFIC CHARGES - WASTEWATER COMMUNICATING WITH A PUBLIC SEWER



If a customer is only requesting us to construct the connection to the existing public sewer i.e. not the construction of pipework serving the development, there will be a need to use the following table to add two metres of pipework which allows for the pre-excitation of the trench to carry out the works.

Sewer Type	Pipe Depth	Pipe Diameter	Surface	NW (charge/m)
Gravity Sewer	Up to and including 3 m	Up to and including 200 mm	Road	£1,386
			Footpath	£882
			Unmade	£347
		Greater than 200 mm and up to and including 300 mm	Road	£1,507
			Footpath	£1,002
			Unmade	£423
Gravity Sewer	Greater than 3 m and up to and including 6m	Up to and including 200 mm	Road	£2,243
			Footpath	£1,738
			Unmade	£692
		Greater than 200 mm and up and including 300 mm	Road	£2,449
			Footpath	£1,945
			Unmade	£770
Pumped Sewer	Up to and including 3 m	80 mm	Road	£1,398
			Footpath	£894
			Unmade	£345

Alternative to the payment of fixed charges for wastewater connections and lateral drain construction

Customers may, rather than paying on the basis of our quotation based upon fixed charges, ask us to calculate the actual costs.

To proceed with this option, we require customers to pay the fixed charges upfront plus an additional non-refundable administration fee. We will calculate the final amount payable by accounting for the costs we have actually incurred in making the connection. Customers will be liable to pay the actual costs whether they are less than or more than the fixed charges once costs are reconciled.

Charge Item	Charge Unit	NW
Additional administration fee – for the calculation of wastewater connection and lateral drain construction costs based on actual costs	Per application	£74

SITE SPECIFIC CHARGES - WASTEWATER ADOPTION OF SEWERS AND LATERAL DRAINS



Introduction

If customers offer new wastewater assets for adoption under section 104 of the WIA, they are also required to make an application to connect to the public sewer under section 106 of the WIA.

On receipt of an application, we will technically assess it to ensure the proposals are acceptable and when satisfied that this is the case, we will approve the design and formally offer the developer a section 104 adoption draft agreement. When the developer provides all relevant information we will enter into the adoption agreement with them. On satisfactory completion of the works and full occupation of the development, we will issue a final certificate confirming vesting of the wastewater network.

Sewer adoption application fee and initial administration

The fees include for the following:

- Pre-application discussions
- Acknowledging receipt of the application
- Processing the appropriate application fee
- Initial assessment on the completeness of an application and the provision of an acknowledgement letter
- A full technical appraisal of a sewer adoption design submission
- Advising whether the proposals are acceptable or not
- Calculating our estimation of the construction costs
- Providing the applicant with a schedule for the legal document

The sewer adoption technical assessment fee is inclusive of any previous payments made as part of the same application.

SITE SPECIFIC CHARGES - WASTEWATER ADOPTION OF SEWERS AND LATERAL DRAINS



Sewer adoption technical/inspection fee

The fees include for the following:

- Sufficient site inspections and testing for quality control purposes
- Provision of a maintenance certificate
- Completion of a joint inspection and provision of a defects correction list followed by a final inspection
- Completion of a CCTV survey of the sewers
- Issue of a final sewer adoption certificate

For smaller developments we make a minimum charge of £500 to cover all of the items above.

Charge Item	Charge Unit	NW
Sewer adoption application fee (includes initial administration)	Per application	£500
Sewer adoption technical/inspection fee (including administration)	% of value of works	2.5% or £500 minimum
Sewer adoption legal fee (provision of a standard sewer adoption agreement)	Per application	£219
Sewer adoption legal fee for amendment of sewer adoption agreement wording above standard and/or providing additional copies	Per hour (or part thereof)	£67
Sewer adoption – security (if applicable)	% of value of works	10% or £5000 minimum
Pumping station and rising main adoption - security (if applicable)	% of value of works	15%

SITE SPECIFIC CHARGES - WASTEWATER ADOPTION OF SEWERS AND LATERAL DRAINS



Lateral drain adoption fees

If customers offer lateral drains for adoption under section 104 of the WIA where they do not form part of a larger development, there is no need to enter into a standard sewer adoption agreement, although the following fees apply:

Charge Item	Charge Unit	NW
Lateral drain adoption application fee (including initial administration)	Per application	£103
Lateral drain adoption technical / inspection fee (including final administration)	Per application	2.5% or £206 minimum
Lateral drain adoption charge for additional administration over and above that which is included in the fixed fee above and re-inspections of sub-standard work	Per hour (or part thereof)	£51

SITE SPECIFIC CHARGES - WASTEWATER SEWER AND LATERAL DRAIN REQUISITIONS



Due to the great variations in scale and complexity, sewer requisitions fall within the type of scheme where exemptions apply (Appendix C).

Where customers require a requisitioned sewer or lateral drain from us there are four key stages in delivering a project to provide the sewer.

- a) Project initiation
- b) Investigate and define
- c) Design and construct
- d) Commissioning

Throughout the project we will carry out the following activities which will be included in the final amount customers will pay:

- Project management
- Framework consultancy to investigate and define the project
- Third party landowner engagement
- Legal and estates notices
- Complete detailed design and cost evaluation
- Complete the construction of the sewer
- Agree compensation and way leave payments

We require a fixed deposit of £5,000 to initiate the project to provide customers with an estimated charge for the “investigate and define” stage.

Sewer requisition fees and charges

Charge Item	Charge Unit	NW
Sewer and lateral drain requisition application fee	Per application	No charge
Sewer requisition administration deposit	Per application	£5,000
Lateral drain requisition administration fee	Per application	£299
Sewer/lateral drain construction charge	% of value of works	100%

SITE SPECIFIC CHARGES - WASTEWATER SEWER AND LATERAL DRAIN REQUISITIONS



There will be some non-complex situations where a sewer requisition can be delivered without the detailed process above, for example:

- Crossing a narrow strip of unregistered land
- A lateral drain from an individual property

To enable customers to estimate the amount they will pay; we have included some fixed charges for sewers up to 300 mm in internal diameter associated with the provision of a requisitioned sewer or lateral drain.

Sewer Type	Pipe Depth	Pipe Diameter	Surface	NW (Cost/m)
Gravity Sewer	Up to and including 3 m	Up to and including 200 mm	Road	£1,386
			Footpath	£882
			Unmade	£347
		Greater than 200 mm and up to and including 300 mm	Road	£1,507
			Footpath	£1,002
			Unmade	£423
Gravity Sewer	Greater than 3 m and up to and including 6m	Up to and including 200 mm	Road	£2,243
			Footpath	£1,738
			Unmade	£692
		Greater than 200 mm and up and including 300 mm	Road	£2,449
			Footpath	£1,945
			Unmade	£770
Pumped Sewer	Up to and including 3 m	80 mm	Road	£1,398
			Footpath	£894
			Unmade	£345

Provision of a sewage pumping station

Charge Item	Charge Unit	NW
Supply and install type 1 sewage pumping station – pass forward flow less than 2.5 litres per second and 10 metres head	Per unit	£135,300

SITE SPECIFIC CHARGES - WASTEWATER SEWER DIVERSIONS



If customers require an existing sewer to be diverted or altered for the purposes of a development, the charges below will apply. Options are available depending on the technical complexity of the work and whether or not the works are contained within the customer's land.

Major sewer diversion fees

- a) Where a formal agreement is entered into and we allow the customer to undertake the diversion.
- b) Where a formal agreement is entered into, but we will undertake the diversion, when:
 - The diversion is to pass through third party land and or;
 - The sewer is critical infrastructure of strategic importance.

Where we provide the diversion, we will undertake the feasibility study, design, supervision and construction of the diversion. This means we will provide customers with a quotation based on our best estimate, but our final invoice will reflect the costs we reasonably incurred as a result of providing the diversion, which could be more or less. The published schedule of fixed rates for sewers up to 300 mm in internal diameter and sewer connections, can be used to derive a reasonable estimate of charges for the pipe laying and connection elements of the works prior to making an application.

The customer must use our s106 connection procedure and any s185 diversion legal agreement must be signed before turning flows at either end of the diversion.

SITE SPECIFIC CHARGES - WASTEWATER SEWER DIVERSIONS



Charge Item	Charge Unit	NW
Sewer diversion application fee	Per application	£500
Sewer diversion appraisal fee (to determine whether or not the critical sewer is to be diverted or protected)	Per application	£5,000
Sewer diversion technical assessment fee (where the design for the diversion is provided by the developer)	% of value of our estimate for the works	10%
Sewer diversion legal fee (provision of a standard sewer diversion agreement)	Per application	£335
Sewer diversion additional legal fees over and above the minimum fee	Per hour	£67
Sewer diversion - security (if applicable)	% of value of our estimate for the works	100% or £5,000 minimum
Sewer diversion - construction charge	% of value of actual cost of the works	100%
Decommissioning redundant sewers following a diversion – application fee	Per application	£103
Decommissioning - legal fees	Fixed fee	£201
Decommissioning costs	% of value of actual cost of the works	100%

The sewer diversion technical assessment fee is inclusive of any payments already made as part of the same application.

SITE SPECIFIC CHARGES - WASTEWATER SEWER DIVERSIONS



Minor sewer alteration fees

This covers the diversion of lateral drains and sewers for pipework, up to 225 mm in internal diameter and less than 1.05m deep, which are located within back or side gardens of existing properties. We will not require a formal diversion agreement for this type of work.

Charge Item	Charge Unit	NW
Sewer diversion application fee	Per application	£103
Sewer diversion technical assessment/inspection fee for minor alteration	% of value of our estimate for the works	10% or minimum of £250



Network reinforcement is other work that needs to be carried out in consequence of the site specific work associated with a new development. Occasionally we will be required to carry out network reinforcement work to ensure that a new development does not result in a degradation of service to our other customers. In terms of degradation we mean the service would fall below our company's standard for the relevant service.

Under Ofwat's new **Charges Scheme Rules**, developers will contribute towards the capital cost of network reinforcement through infrastructure charges. The cost of providing capacity will be recovered through infrastructure charges which will apply when any property connects to our networks for the first time².

We are required by Ofwat to ensure that our network reinforcement expenditure broadly matches our total infrastructure charge revenue over a five year rolling period. To ensure that we have access to sufficient funding to provide for growth in our areas, we will set our infrastructure charges annually but expect infrastructure charges to remain reasonably stable.

² or reconnects after being disconnected for a period of five years or more



a) **Household Properties**

Our wastewater infrastructure charges for this charging year are:

Charge Item	Charge Unit	NW	ESW
Wastewater infrastructure charge	Per house	£335	n/a ³

b) **Non-household Properties**

Where connected properties are not houses, the infrastructure charge per property is calculated by considering the anticipated demand for domestic purposes; then relating it to the demand to the equivalent number of houses. To do this we use a formula known as the Relevant Multiplier. Details of the Relevant Multiplier can be found in Appendix D.

c) **Infrastructure Charge Credits**

In the case of redeveloped sites, we give credit against infrastructure charges where applicable. Credits will apply where former properties on the development site were a) connected to our networks and b) there is evidence, from our billing records, that there has been foul sewage discharged in the five years prior us receiving a valid “connection” application. For more detail on how we calculate infrastructure charge credits please refer to Appendix D.

³ Where Essex & Suffolk Water is the water undertaker, the relevant sewerage undertaker’s wastewater infrastructure charges are payable where new properties are connected to their networks, when applicable.



d) **Incentives for sustainable drainage solutions**

We offer a discount to customers that design and build properties that drain wastewater away from our existing wastewater networks. We discount the wastewater infrastructure charge on the following basis:

Drainage arrangements	Wastewater infrastructure charge per house	Sustainable drainage multiplier	Net amount payable per house
No surface water drains to an existing public sewer	£335	0.15	£50
No foul sewage drains to an existing public sewer	£335	0.85	£285
No surface water and no foul sewage drains to an existing public sewer	£335	0.00	£0

We will also apply the discount where wastewater drains to a recently adopted public sewer that has been specifically designed to serve further phases of development. This is conditional upon the newly adopted sewer not being connected to the existing wastewater network.

OTHER CHARGES SECURITY & DEPOSITS



For certain activities we require a security prior to commencing work.

Charge Item	Charge Unit	NW	ESW
Deposit to commence major water main diversion scheme.	Fixed fee	£1,300	£1,300
Deposit to commence major sewer diversion scheme.	Fixed fee	£5,000	n/a
Deposit to commence sewer requisition scheme.	Fixed fee	£5,000	n/a
Surety for sewers under sewer adoption agreement. (Can be in the form of a bond of surety or a cash bond)	Percentage of construction cost	10%	n/a
Surety for sewers under sewer adoption agreement with Sewage Pumping Station. (Can be in the form of a bond of surety or a cash bond)	Percentage of construction cost	15%	n/a
Surety for sewers under sewer diversion agreement. (Can be in the form of a bond of surety or a cash bond)	Percentage of construction cost	Initial 100% but reduces to 10% on completion	n/a
Surety for self-laid water mains	n/a	Not required	Not required

OTHER CHARGES PLANS



Initial plan enquiries

Where customers are proposing a development and require a copy of our asset records, we will provide plans, in pdf format, showing water and wastewater networks at no charge.

To request plans

For the NW area please contact developmentenquiries@nwl.co.uk

For the ESW area please contact developerservicessouth@eswater.co.uk

Charge Item	Charge Unit	NW	ESW
Extract of water and/or wastewater network map in .pdf format	Per map	£0	£0

If customers require a wastewater map and ESW is the water supplier in the area, they should approach the relevant sewerage undertaker.

OTHER CHARGES

TRAFFIC MANAGEMENT AND ROAD CLOSURES



Where we are requested to construct a new water main, water service connection, sewer connection, a new sewer or lateral drain there will be occasions where we require traffic management to enable us to complete the works and keep our workforce, other road users and members of the public safe.

Where additional costs are payable as a result of compliance with Traffic Management Act 2004, these will be payable in addition to our fixed charges where they are not already included.

In some extreme circumstances the connection can only be completed by putting in place a full road closure. This is often a decision made by the local highway authority and we must comply with their statutory requirements and processes, while providing them with up to three months' notice.

Our traffic management and road closure charges include for the following:

- Site visits and meetings with the highway authority
- Provision of drawings
- Local authority fees for permits and advertising
- Information signage
- Letter drops to notify affected customers
- Fees for cessation of parking bays and provision of temporary bus stops
- The provision and maintenance of the traffic management scheme including cones, barriers and traffic lights

Charge Item	Charge Unit	NW	ESW
2 - way temporary traffic lights	Per week or part thereof	£282	£331
3 or 4 - way temporary traffic lights	Per week or part thereof	£350	£436
Traffic light suspension	Per week or part thereof	£340	£478
Footpath closure	Per closure	£213	£402
Lane closure	Per closure	£388	£489
Full road closure	Per closure	£2,181	£2,272
Bus stop suspension	Per week or part thereof	£110	£148
Pedestrian crossing set up (2 head)	Per week or part thereof	£350	£478
Parking bay suspension	Per closure	£110	£198

OTHER CHARGES

REVISION OF QUOTATIONS AND DESIGNS



The following fees apply when we are required to carry out additional work as a consequence of customers' development plans changing.

Charge Item	Charge Unit	NW	ESW
Revision of a valid service connection quotation (including cancellation of a quotation and/or refunding of any fees)	Per revision	£36	£36
Revision of a valid abandonment quotation (including cancellation of a quotation and/or refunding of any fees)	Per revision	£36	£36
Revision of a water mains design and/or quotation (price includes 1 hour of design/re-pricing)	Per design and or quotation	£151	£151
Additional fee for the revision of a water mains design and/or quotation	Per additional hour of design (or part thereof)	£50	£50

OTHER CHARGES

ABORTIVE CONSTRUCTION WORK, RE-INSPECTIONS AND OUT OF HOURS WORK



Abortive construction work

The attendance to carry out the construction of water mains and/or service connections is on a date agreed with the customer. On occasions where we are unable to complete the work for reasons related to circumstances on the development site an abortive charge is due.

Typical reasons for abortive work would include:

- Trenches have not been pre-excavated to allow the construction of the requested service connection or main.
- The presence of another contractor occupying the same working area
- We deem that the working area is unsafe for us to complete our works
- Vehicles or materials are obstructing the working area that cannot be moved within a reasonable time
- The request for mains is cancelled less than two working days before they are due to be installed
- The request for service connections is cancelled less than one working day before they are due to be installed

a) Water service connection work

Our charges include for:

- Our framework contractor's abortive travel and time costs.
- Our additional administration and labour costs to reschedule the works.
- Amendments to permit charges (for connections to existing mains only)

Charge Item	Charge Unit	NW	ESW
Abortive service connection charge - newly laid mains	Per visit	£143	£143
Abortive service connection charge - existing mains	Per visit	£190	£190

OTHER CHARGES

ABORTIVE CONSTRUCTION WORK, RE-INSPECTIONS AND OUT OF HOURS WORK



b) Water mains work

Our charge includes for:

- Our framework contractor's abortive travel and time costs
- The cost of the labour and plant needed to lay the mains which cannot be redeployed at short notice
- Our additional administration and labour costs to reschedule the works
- Additional visits over and above those specified in our mains requisition proposal

Charge Item	Charge Unit	NW	ESW
Abortive mains visit charge	Per visit	£700	£800

Water Regulations re-inspection fees

Where applicable, our service connection administration fees include for one Water Regulations inspection. Where there is a requirement to re-inspect a supply pipe and excavation, the following charges apply:

Charge Item	Charge Unit	NW	ESW
Water Regulations re-inspection fee – supply pipe and excavation	Per visit	£70	£70

OTHER CHARGES

ABORTIVE CONSTRUCTION WORK, RE-INSPECTIONS AND OUT OF HOURS WORK



Out of hours work – service connections and mains construction

There may be occasions where customers ask or third parties require that connections be completed outside of normal working hours. Typically this would be before 08:00 or after 16:00 Monday to Friday or at any time on a Saturday or Sunday. We will use reasonable endeavours to accommodate customers' requests.

Work is charged for at a premium rate in the event that we are able to fulfil such a request or we have to comply with a third party's requirement. The charge that we make reflects the average additional labour costs that we incur as a result of the work being carried out outside of normal working hours. It also includes the additional work we undertake to organise, plan and co-ordinate the work in advance of it taking place. The fee below is the amount per construction crew.

Charge Item	Charge Unit	NW	ESW
Out of hours working for service connections and mains construction	Per hour	£74	£81

OTHER CHARGES

PRE OCCUPANCY CHARGES



Our pre-occupancy charge is a fixed charge for the water and sewerage services we provide whilst properties are being developed. It covers the income that is due from developers and builders (“developers”) prior to the occupancy, by others, of any building developers have constructed or converted.

Developers use water and benefit from some aspects of our sewerage service during the lifecycle of a development. In most cases, larger development sites are provided with a metered temporary supply from a nearby water main. Whilst we are satisfied that we were able to charge developers for temporary supplies, the pre-occupancy charge provides a mechanism to charge where other connections are made to our network. Developers also use water drawn from individual communication pipes connected to newly laid and existing mains around a development site. Typically, the water is used to water the gardens of new housing plots and washing down surfaces.

Whilst the development is being built, we are required to operate and maintain the existing mains serving the development, the new mains and connections on site and to maintain each new building’s water meter. We also take readings from the water meters once they have been installed and collect and dispose of rainfall falling on highways (in the NW area).

The fixed pre-occupancy fee only applies to developments where the buildings are household properties. It applies to both newly constructed buildings and where new properties are created due to conversion. We are satisfied that we are able to recover the charges due to us from non-household developments through metering of consumption.

Charge Item	Charge Unit	NW	ESW
Pre-occupancy charge for water and drainage services used by developers prior to household properties being occupied (water only in ESW)	Per house	£42	£24

One pre-occupancy charge will be applied for every new permanent meter that is installed and is payable at the same time that developers pay for a new service connection or an SLP advises us they are to install a connection. However, if a temporary supply has been installed and it is due to be converted to a permanent supply, we will not apply a pre-occupancy charge in respect of that particular connection (see below).

a) Temporary Supplies that are made into a permanent supply

If a developer requires a temporary supply, but wishes to ultimately convert this to a permanent supply, they will need to indicate their intention to do so in their application. In such a case, no pre-occupancy charge will apply in respect of that particular temporary service connection.

OTHER CHARGES

PRE OCCUPANCY CHARGES



b) Using an adjacent existing supply for building purposes

This situation typically relates to developments of single or a small number of buildings and there is an existing metered supply very close to the location of the development. The developer may request to use this existing supply to provide water for construction of the new properties.



The following worked examples will help customers to calculate a reasonable estimate of our charges relating to site specific works. In the examples we have also indicated the water and wastewater infrastructure charges that would be payable in each case.

These examples are for illustrative purposes only.

In all of the examples the following assumptions have been made:

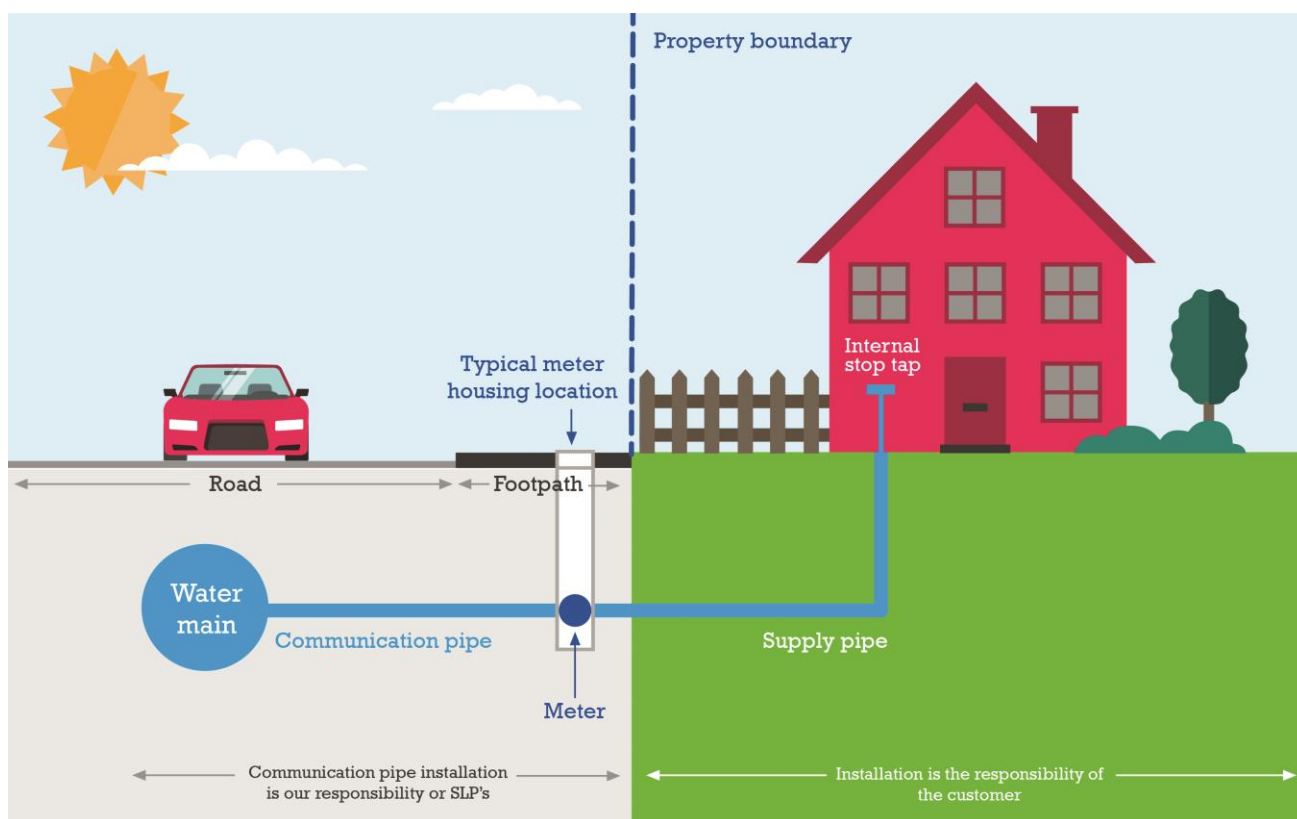
- The development sites have not been developed previously, such that no infrastructure charge credits apply
- No circumstances exist such that any of the connection services would be exempt from fixed upfront charges see Appendix C
- The fees and charges are exclusive of VAT

WORKED EXAMPLES SERVICE CONNECTIONS



In this example the developer is building a new house and they have asked us to provide a new polyethylene service connection to an existing water main in a nearby road. To carry out the connection, 3 way traffic lights for 2 days are necessary.

In this example we have used the rates that apply in the Northumbrian region.



Charge item	Length or Quantity	Rate	Charge NW
Application fee	1qty	£96	£96
Administration fee	1qty	£134	£134
25 mm diameter connection, 2 to 5m in length, in made up ground	1qty	£540	£540
Traffic management – 3 way traffic lights	2 days	£350	£350
Pre-occupancy charge	1qty	£42	£42
Water infrastructure charge	1qty	£185	£185
Wastewater infrastructure charge	1qty	£335	£335
Total			£1,682

WORKED EXAMPLES

SERVICE CONNECTIONS



In this example the developer is building a block of flats comprising of 25 dwellings and they have asked us to provide a new polyethylene service connection to an existing water main in a nearby road. To carry out the connection, 4-way traffic lights for 2 days are necessary. This is similar to the example of the house in the previous example but there are more dwellings.

In this example we have used the rates that apply in the Essex and Suffolk region.

Charge Item	Length or Quantity	Rate	Charge ESW
Application fee – for a connection greater than 32 mm in diameter	1 qty	£125	£125
Administration fee – for a connection greater than 32 mm diameter	1 qty	£440	£440
Administration fee for premises with internal meters	25qty	£21	£525
90 mm diameter connection, 2 to 5m in length, in made up ground	1 qty	£2,142	£2,142
Installation of internal meters	25qty	£116	£2,900
Chlorination and pressure testing	1 qty	£258	£258
Traffic management - 4 way traffic lights	2days	£436	£436
Pre-occupancy charge	25qty	£24	£600
Water infrastructure charge	25qty	£240	£6,000
Total			£13,426

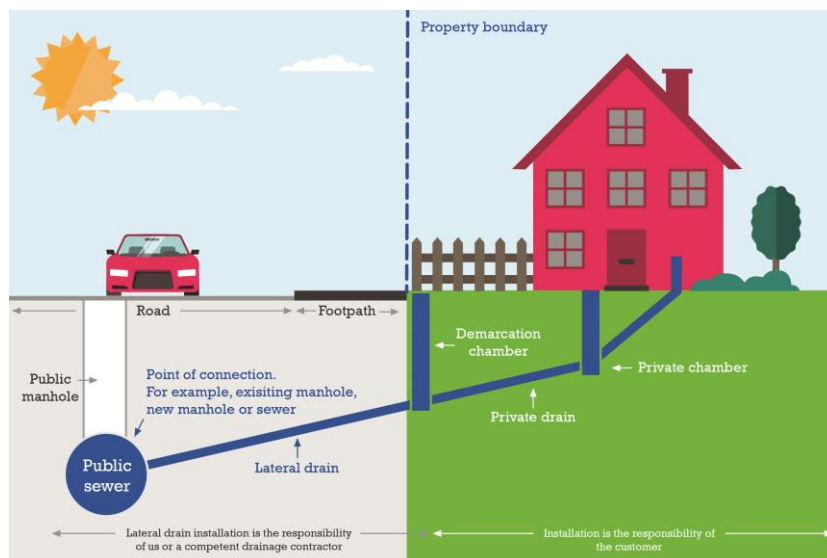
Wastewater infrastructure charge are payable to Anglian Water or Thames Water. Note: ESW collects wastewater infrastructure charges on behalf of Thames Water.

WORKED EXAMPLES

LATERAL DRAIN CONNECTIONS



In this example the developer is building a new house and requires the construction of a lateral drain and a connection onto the existing public sewer in a nearby road. We have shown two different scenarios using rates that apply in the Northumbrian region.



a) The developer has chosen to requisition

Charge Item	Length or Quantity	Rate	Charge NW
Lateral drain application fee	1qty	£0	£0
Lateral drain Administration fee	1qty	£299	£299
Design fee	1qty	£103	£103
Break into existing manhole	1qty	£1,504	£1,504
Gravity lateral drain - road	3 m	£1,386	£4,158
Gravity lateral drain - footpath	2 m	£1,386	£2,772
Gravity lateral drain - unmade	1 m	£1,386	£1,386
New manhole 1.5m deep (demarcation)	1qty	£5,560	£5,560
Traffic management – 3 way traffic lights	5 days	£350	£350
Total			£16,132

b) The developer constructs and asks us to adopt

Charge Item	Length or Quantity	Rate	Charge NW
Sewer connection application fee	1qty	£103	£103
Sewer connection administration fee	1qty	£196	£196
Adoption application fee	1qty	£103	£103
Adoption technical fee*	1qty	£403	£403
Total			£805

***Adoption technical fee calculated as:**
2.5% of the estimated construction charge
i.e. 2.5% of £16,132 = £403

*infrastructure charges normally payable at the time where a property is connected with a new water supply

WORKED EXAMPLES

NEW WATER MAINS AND SERVICE CONNECTIONS



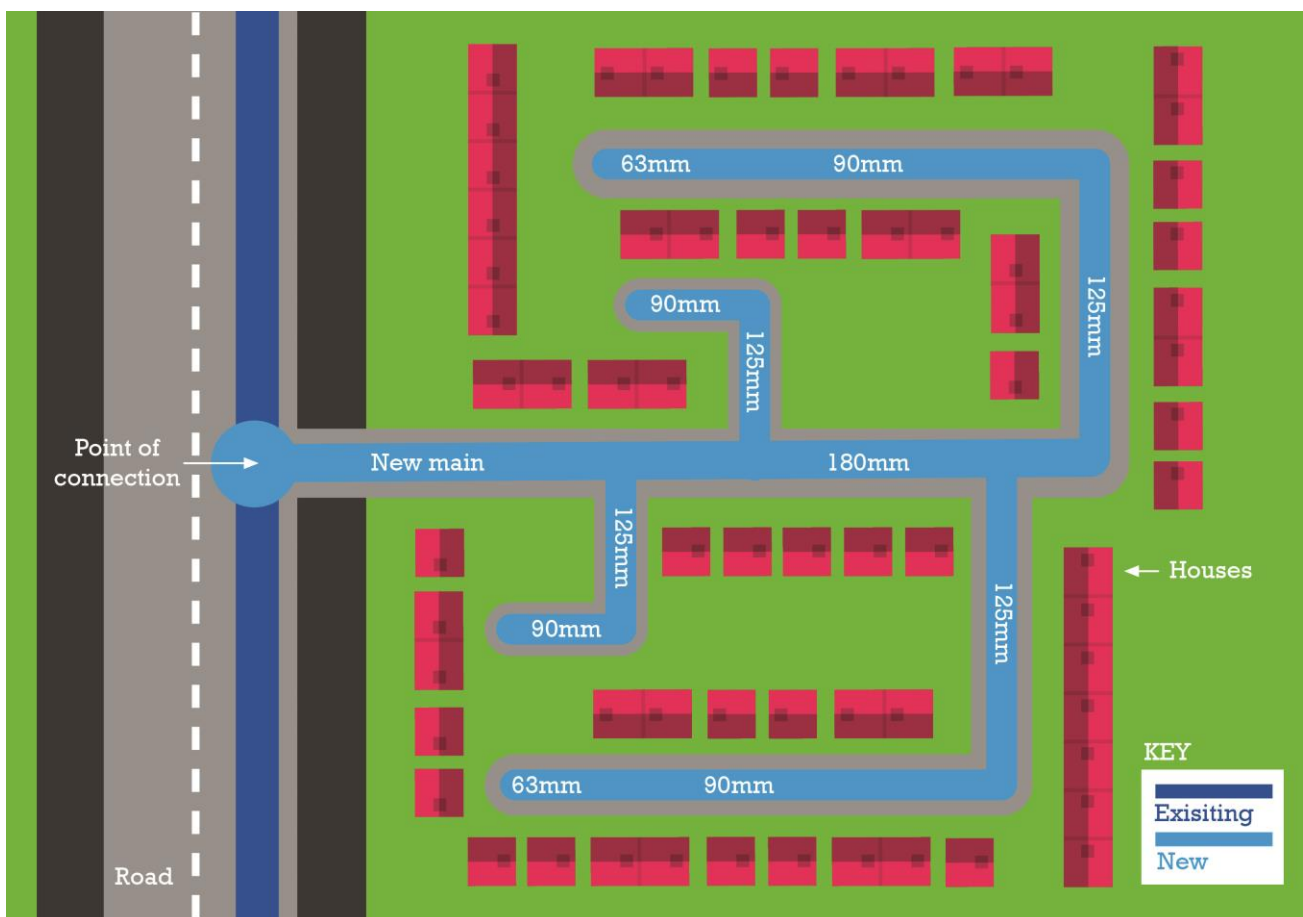
In this example the developer is building 110 new houses. The site requires new water mains to be connected to our existing network and each of the houses requires an individual service connection. Five of the service connections are to existing mains

Here we have demonstrated which charges would apply if the developer chooses:

- To employ an SLP to carry out the work on their behalf (the “self-lay scheme”)
- Us to carry out the work (the “requisitioned scheme”)

In the self-lay scheme example, we have calculated the costs on the basis that an SLP carries out all elements of contestable work and that Water Regulations compliance is self-certified. In the requisitioned scheme example, we have calculated the costs on the basis that we are asked to carry out all of the contestable work and the developer has asked us to certify Water Regulations compliance.

In this example we have used the rates that apply in the Northumbrian region.



WORKED EXAMPLES

NEW WATER MAINS AND SERVICE CONNECTIONS



The self-lay scheme

Self-laid mains

Charge Item	Length or Quantity	Rate	Charge NW
Water mains application fee (valid POC)	1qty	£104	£104
Mains design approval fee	1qty	£178	£178
Self-lay legal fee (provision of a self-lay agreement)	1qty	£59	£59
Self-lay main administration fee	1qty	£413	£413
Connection to 180 mm PE diameter main existing main ^{NC}	1qty	£2,355	£2,355
Total			£3,163

Charge Item	Length or Quantity	Rate	Charge NW
Income offset	110qty	-£422	-£46,420

Self-laid service connections

Charge Item	Length or Quantity	Rate	Charge NW
Administration fees	110qty	£28	£2,800

Infrastructure charges

Charge Item	Length or Quantity	Rate	Charge NW
Water infrastructure charge	110qty	£185	£20,350
Wastewater infrastructure charge	110qty	£335	£36,850
Amount payable for infrastructure charges			£57,200

Pre occupancy charges

Charge Item	Length or Quantity	Rate	Charge NW
Total amount payable in respect of pre-occupancy charges	110qty	£42	£4,620

WORKED EXAMPLES

NEW WATER MAINS AND SERVICE CONNECTIONS



The requisitioned scheme

Requisitioned mains

In this example it has been assumed that the developer will excavate and reinstate the ground

Charge Item	Length or Quantity	Rate	Charge NW
Water mains application fee (valid POC)	1qty	£104	£104
Mains design fee for up to 20 properties	1qty	£364	£364
Mains design fee for additional multiples of 20 properties	5qty	£66	£330
Mains administration fee	1qty	£463	£463
Total			£1,261

Charge Item	Length or Quantity	Rate	Charge NW
Supply and construct 63 mm diameter PE water main	150 m	£32	£4,800
Supply and construct 90 mm diameter PE water main	300 m	£40	£12,000
Supply and construct 125 mm diameter PE water main	200 m	£43	£8,600
Supply and construct 180 mm diameter PE water main	300 m	£58	£17,400
Total construction cost of new mains			£42,800

Charge Item	Length or Quantity	Rate	Charge NW
Income offset	110	-£422	-£46,420

Net amount payable towards the cost of the requisitioned mains = £0

WORKED EXAMPLES

NEW WATER MAINS AND SERVICE CONNECTIONS



Service connections associated with requisitioned water mains

Charge Item	Length or Quantity	Rate	Charge NW
Administration fee - connection to newly laid mains	105qty	£67	£7,035
Administration fee - connection to existing mains	5qty	£134	£670
Supply and install 25 mm service connection (pre-excavated)	105qty	£274	£28,770
Supply and install 25 mm service connection (excavation required)	5qty	£406	£2,030
Road closure fee	1qty	£2,181	£2,181
Amount payable for service connections			£40,686

Infrastructure Charges

Charge Item	Length or Quantity	Rate	Charge NW
Water Infrastructure charge	110qty	£185	£20,350
Wastewater infrastructure charge	110qty	£335	£36,850
Amount payable for infrastructure charges			£57,200

Pre occupancy charges

Charge Item	Length or Quantity	Rate	Charge NW
Total amount payable in respect of pre-occupancy charges	110qty	£42	£4,620



Northumbrian region

Post	By cheque or postal order sent to: Northumbrian Water Limited, Business Income Group, PO Box 400, Durham DH1 9WF
	Cheques should be crossed and made payable to “Northumbrian Water Limited”
	Please write your address and quotation reference on the back
	Postdated cheques are not acceptable
	Please do not send cash through the post
Debit/Credit Card	We accept debit card and credit card (Visa and MasterCard only) payments
	Please have your card details to hand to make payment
	For the payment of application fees by credit /debit card in the NW region please contact the Developer Services Team on 0345 6094639. For the payment of all other fees and charges in the NW region please call 0845 8500514.
BACS	For the payment of fees and charges by BACS please use the following bank details: National Westminster Bank, PO Box 1PY, Grey Street, Newcastle upon Tyne NE99 1PY Name of Account: Northumbrian Water Sort Code: 62-17-28 Account Number: 00000000 (Head Office Collection Account) Payment Ref: Your quotation reference



Essex & Suffolk region

Post	By cheque or postal order sent to: Essex & Suffolk Water, PO Box 969, Chelmsford, Essex CM2 0XL
	Cheques should be crossed and made payable to "Essex & Suffolk Water"
	Please write your address and quotation reference on the back and return with the quotation counterfoil
	Postdated cheques are not acceptable
	Please do not send cash through the post
Debit/Credit Card	We accept debit card and credit card (Visa and MasterCard only) payments
	Please have your card details to hand to make payment
	For the payment of fees and charges by credit /debit card in the ESW region please contact the Developer Services Team on 0345 6094638.
BACS	For the payment of fees and charges by BACS please use the following bank details: National Westminster Bank, PO Box 1PY, Grey Street, Newcastle upon Tyne NE99 1PY Name of Account: Northumbrian Water Sort Code: 62-17-28 Account Number: 00000000 (Head Office Collection Account) Payment Ref: Your quotation reference
	To help us to locate your payment please contact us with the amount paid, date of payment, sort code, account number. Email address: developerservicessouth@eswater.co.uk Fax: 01268 664802 Post: PO Box 969, Chelmsford CM2 0XL

FINANCIAL

PAYMENT OF CHARGES AND OFFICE OPENING HOURS



Payment of fees and charges

- (1) For payments made by debit or credit card there will be no additional charge.
- (2) We reserve the right to recover bank charges and administrative costs resulting from invalid or dishonoured cheques, standing orders, credit cards or direct debits.
- (3) When payment is made in foreign currency, the exchange rate applicable will be that on the day of receipt of payment. Any shortfall or benefit will be debited or credited to the customer's account accordingly. Commission charges will be deducted from the amount paid.
- (4) Interest on late payment – we reserve the right to claim interest pursuant to the "Late Payment of Commercial Debts Act 1998" in respect of its non-household customers.

Administration fees are non-refundable in the event that service connections do not proceed to the construction phase.

Opening hours for making payments

Northumbrian - Monday to Friday 8.00 am to 5.00 pm.

Essex & Suffolk – Monday to Thursday 8.00 am to 5.00 pm, Friday 8.00 am to 4.45 pm.

FINANCIAL PAYMENT AND RECOVERY OF INFRASTRUCTURE CHARGES



Payment of infrastructure charges

Subject to the paragraph below, water and wastewater infrastructure charges are due and immediately payable to us at the time the relevant connection is made.

In the case of the water connection or wastewater connection of a building or part of a building which is occupied as a house immediately before the connection is made, the relevant charge shall be paid in full, within 30 days after the connection is made; and a supply is available.

The person liable to pay the water infrastructure charge or the wastewater infrastructure charge shall be:

- a) The person requesting the relevant connection to be made, the person making the relevant connection (other than on behalf of us) or the person on whose behalf the relevant connection was requested or made, or;
- b) If the relevant connection is made without our prior agreement, the person making such connection, the person on whose behalf the relevant connection was made or the person using the services provided thereby.

Recovery of Infrastructure Charges

We may demand and recover from that person, or from the occupier of each house subject to the agreement, water and/or wastewater infrastructure charges in respect of each house , where:

- a) a person who has received a demand, or undertaken to pay water and/or wastewater infrastructure charges in respect of two or more houses subject to a **common billing agreement** fails to pay them, or any part of them, within 14 days of the date of connection, or;
- b) A common billing agreement is terminated otherwise than in accordance with its terms by the person who has undertaken to pay charges under it;



- (1) These Charging Arrangements are made by Northumbrian Water Limited (NWL) under the provisions of the Water Industry Act 1991.
- (2) They set out the charges made by NWL for services relating to new connections to the water and wastewater network, in the course of carrying out its functions as a water and sewage disposal undertaker under its Instrument of Appointment made by the Secretary of State for the Environment.
- (3) These Charging Arrangements set out NWL's charges, terms and conditions applicable for the charging year 2019/20.
- (4) This Scheme shall come into effect on 1 April 2019 and shall remain in force until revoked, amended or modified by NWL.
- (5) For similar information relating to previous years, reference should be made to the Charges Schemes of the year concerned.
- (6) NWL acts as a water and sewerage undertaker in two separate regions of England. The areas served and the services provided are:
 - (a) The "Northumbrian Water" (NW) region in North East England
 - (i) Water and sewerage services are provided across the region, except for a) an area around Hartlepool where water services are provided by Hartlepool Water b) small areas to the west of the region where United Utilities is the water and/or sewerage undertaker c) small areas to the south of the region where Yorkshire Water Services is the water undertaker
 - (ii) For water charges for customers served by Hartlepool Water, reference should be made to their Charging Arrangements.
 - (iii) For water and sewerage charges for customers served by United Utilities, reference should be made to their Charging Arrangements.
 - (iv) For water charges for customers served by Yorkshire Water Services, reference should be made to their Charging Arrangements.
 - (b) The "Essex & Suffolk Water" (ESW) region in South East England
 - (i) ESW provides water services only in areas of Essex, Suffolk, Norfolk and Greater London.
 - (ii) Sewerage services in these areas are provided by either Anglian Water Services Limited or Thames Water Utilities Limited. For charges related to these sewerage services reference should be made to respective Charging Arrangements.
 - (iii) ESW collects sewerage service charges including wastewater infrastructure charges on behalf of and as agents for Thames Water Utilities Limited within parts of ESW.
- (7) The provisions of this document apply to both operating regions, unless specifically stated otherwise, for example in relation to the level of charge.
- (8) These Charging Arrangements as well as other leaflets and information are published on our websites, at the addresses given below, or on request by contacting us.
 - Northumbrian Water - www.nwl.co.uk
 - Essex & Suffolk Water - www.eswater.co.uk

DERIVATION OF CHARGES & PAYMENTS GENERAL



Most of our fixed charges can be put into one of four broad categories, these are:

- Application fees
- Design fees
- Construction fees
- Administration fees

Every fixed charge includes for a number of tasks. These tasks are set out in the various sections of the Charging Arrangements document and are made up of a number of cost components which together total the fixed charge.

There are 4 costs components:

Labour – this is calculated based on the average labour costs we incur in respect of the tasks described and includes travel time where applicable

Contractor - this is calculated based on the contractor's schedule of rates and the average time taken to complete the tasks described.

Materials – this is the average cost of job specific materials and consumables required to complete the described tasks.

Plant and equipment – this is the average cost of non-consumables such as vehicles, tools and machinery required to complete the described tasks.

DERIVATION OF CHARGES & PAYMENTS

GENERAL



Application fees

Tasks	Cost Component			
	Labour	Contractors	Materials	Plant/ Equipment
Processing and recording application and fees	✓		✓	
Acknowledging receipt of application	✓		✓	
Visits to site where required	✓		✓	✓
Preparing a quotation for a requisition	✓		✓	
Providing an estimated cost for a diversion	✓		✓	
Network capacity assessment	✓		✓	
Issue of a decision letter	✓		✓	
Operational risk assessment	✓		✓	

Design fees

Tasks	Cost Component			
	Labour	Contractors	Materials	Plant/ Equipment
Processing and recording application and fees	✓		✓	
Assessing of an SLP or developer's design	✓		✓	
Acknowledging receipt of application	✓		✓	
Visits to site where required	✓		✓	✓
Preparing a quotation	✓		✓	
Providing a design where we are asked to do so	✓		✓	
Revision of designs where developers' proposals change	✓		✓	
Network capacity assessment	✓		✓	
Issue of a decision letter	✓		✓	
Operational risk assessment	✓		✓	



Construction charges

Tasks	Cost Component			
	Labour	Contractors	Materials	Plant/ Equipment
Construction of the new assets	✓	✓	✓	✓
Connection of the new assets we have constructed to our existing network	✓	✓	✓	✓
Connection of new assets that have been self-laid by the customer	✓	✓	✓	✓
Excavation, backfill and reinstatement of the ground where we have carried out construction	✓	✓	✓	✓
Removal and disposal of any spoil from our excavation	✓	✓	✓	✓
Inspection and testing of assets constructed by us	✓	✓	✓	✓

Construction costs account for around 91% of the overall cost of requisitioned water mains in the Northumbrian region and 92% in Essex & Suffolk. The majority of construction works we carry out for customers in relation to new development is delivered by our framework partners. The framework partners were successful, via a competitive tendering process in the open marketplace that was conducted in full compliance with The Utilities Contract Regulations.



Administration fees

Tasks	Cost Component			
	Labour	Contractors	Materials	Plant/ Equipment
Processing and recording of payments	✓		✓	
Dealing with customer queries and correspondence	✓		✓	
Network Capacity Assessment (service connections)	✓		✓	
Visits to site (for non self-lay connections or requisitioned mains)	✓		✓	✓
Preparing a self-ay agreement or draft sewer adoption agreement	✓		✓	
Planning and scheduling the construction of the connections (for non-self-lay connections only)	✓		✓	
Where necessary the serving of notices on third parties and local authorities	✓		✓	
Quantity Surveying	✓	✓	✓	
Recording of asset information on completion of the construction	✓		✓	
Operational risk assessment	✓		✓	
Calculation of service connection construction costs based on actual costs	✓		✓	

DERIVATION OF CHARGES & PAYMENTS INCOME OFFSETS



Our income offset amounts have been derived as follows:

We carried out a study to consider the costs associated with providing new mains to development sites over a period of three consecutive years ending 31 March 2017. In the same period we calculated the amount of the contributions developers made towards the cost of those mains.

The data related to nearly 300 developments in Essex & Suffolk and over 600 developments in the Northumbrian region.

To derive income offsets for the 2018/19 charging year, we calculated the average income that we had offset per property from our data for each operating area. We excluded those developments where network reinforcement was required in relation to non-site specific work as this work will be funded by infrastructure charges in future.

For this charging year, 2019/20, we have increased our income offset amounts. The percentage increase in offset amount is equivalent to the average increase in water and sewerage bills for household customers in both of our operating areas.

DERIVATION OF CHARGES & PAYMENTS

WATER INFRASTRUCTURE CHARGES



Our charges have been derived based upon a forward looking assessment of our water network reinforcement needs to support new development. This includes providing additional capacity to ensure that we are able to provide water to new homes in terms of sufficient volume and pressure. We must also ensure that there is no adverse impact upon these levels of service experienced by our existing customers as a consequence of development.

Network reinforcement includes for increasing the capacity of pipes, booster stations and service reservoirs. It specifically excludes investment to improve water resources, reservoirs, boreholes and water treatment works.

Accurately predicting the actual timing, location and build out rates for new development can be difficult so we have taken a balanced risk-based approach using our experience of the development market. Importantly our assessment uses data regarding actual sites within the development pipeline and the results of detailed network analysis using our library of models.

We have calculated our infrastructure charge based upon the average annual network reinforcement needs for the period from 1 April 2018 to 31 March 2023. We have also assumed the following in terms of housing delivery:

- 7800 new properties will be connected each year within the north east
- 5400 new properties will be connected each year to the Essex and Suffolk network of which around 200 will be via bulk supply connections in NAV areas.

Water infrastructure charges will include for network reinforcement to provide additional capacity for all sites requiring water for domestic purposes.

We have used a wide range of data sources on future development to identify areas where network reinforcement schemes will be required. We have then estimated the total cost of the provision of new infrastructure. Where we are replacing existing water networks or carrying out refurbishment of water pumping stations in areas of high growth we have included a percentage allowance for growth to future proof them. That calculation is based upon the relevant percentage increase in future housing when compared to the existing number of connected houses.

In terms of housing delivery we have used a variety of data sources which include:

- Our Water Resources Management Plan
- Office of National Statistics data
- Pre-development enquiries
- Local Plan data
- Planning approvals
- NAV applications

DERIVATION OF CHARGES & PAYMENTS

WATER INFRASTRUCTURE CHARGES



We are confident that we have a good sense of the most likely location of development over the next five years and through our modelling an equally good understanding of those areas with network reinforcement requirements.

In terms of actual housing delivery, our current assumption is that annual build rates will be approximately 70% of that within the local plans and we will use this as our default where capacity is needed only after so many houses are completed rather than at the actual commencement of the development.

DERIVATION OF CHARGES & PAYMENTS

WASTEWATER INFRASTRUCTURE CHARGES



Our charges have been derived based upon a forward looking assessment of wastewater network reinforcement needs to support new development. This includes providing additional capacity to prevent flooding from our networks and ensuring continued compliance with permits for sewage pumping stations and combined sewer overflows to protect the natural environment. It specifically excludes investment to increase capacity at waste water treatment works.

Accurately predicting the actual timing, location and build out rates for new development can be difficult so we have taken a balanced risk-based approach using our experience of the development market in the north east. Importantly our assessment uses data regarding actual sites within the development pipeline and capacity factors from our library of drainage area models.

We have calculated our infrastructure charge based upon the average annual network reinforcement needs for the period from 1 April 2018 to 31 March 2023. We have also assumed that on average 8000 new direct or indirect wastewater connections will be made each year.

Wastewater infrastructure charges will include for network reinforcement to provide additional capacity for the connection of foul flows. It also includes for the connection of surface water from development sites providing that the developer has satisfied the Lead Local Flood Authority (LLFA) requirements relating to surface water management through the planning process. In particular we would expect as a minimum that there has been a full assessment of the hierarchy of preference for the connection of surface water contained with Part H of the Building Regulations. In addition requests for the provision of capacity for the connection of surface water into wastewater networks should be in strict accordance with both local and national planning policy.

In calculating our infrastructure charge we have assumed that:

- Developers will continue to work with planning authorities and lead local flood authorities to “separate, minimise and control” surface water and seek to achieve the most sustainable run-off destination.
- Where brownfield sites are to be redeveloped and there are no separation opportunities; surface water discharge rates shall be reduced to a minimum of 50% of the run-off in the site’s previously developed state. Where a LLFA imposes a greater reduction this will be the figure we use to increase capacity.
- Where a greenfield development site comes forward and it is demonstrated that connection to a sewer is the only surface water discharge option, flows shall be limited to the equivalent greenfield run-off figure agreed with the LLFA through the planning approval process.

DERIVATION OF CHARGES & PAYMENTS

WASTEWATER INFRASTRUCTURE CHARGES



- As the assessment of surface water from developments of ten or fewer houses is currently outside the remit of the surface water planning duties of the LLFAs we require developers of these smaller sites to consult with us prior to the submission of any planning application to agree the most appropriate run-off destination and discharge rates.

We have used these broad principles alongside a number of data sources on future development to identify a range of wastewater network reinforcement schemes. We have then estimated the total cost of the provision of new infrastructure. Where we are carrying out refurbishment of our sewage pumping stations in areas of high growth we have included a percentage allowance for growth to future proof the station. That calculation is based upon the relevant percentage increase in future housing when compared to the existing number of connected houses.

DERIVATION OF CHARGES & PAYMENTS

PRE-OCCUPANCY CHARGES



Our pre-occupancy charge is a fixed charge for the water and sewerage services we provide whilst properties are being developed. It covers the income that is due from developers and builders (“developers”) prior to the occupancy, by others, of any building developers have constructed or converted.

The pre-occupancy charge recovers the average costs of:

- the water used from connections, other than the temporary supply connections
- the labour for maintaining and reading the meter
- the labour for operating and maintaining the new mains and communication pipes
- collecting and disposing of rainfall falling on highways (NW only)

We have undertaken detailed analysis of the actual consumption from around 500 individual new service connections across a representative sample of ten development sites. During the exercise we also identified the average period of time between a meter being installed for each connection and the new occupier moving into each property.

We used the analysis to calculate the cost of the water that was used during the construction of each new **household property** in the sample. This was based upon the consumption reported for each new connection by either the developer or the new occupier at the time of occupation.

We also calculated an additional fixed charge for maintaining and reading meters, operating and maintaining the new mains and services network and a contribution towards the cost of draining highways. In all cases, the basis of our calculations has been from the date when a new water service connection is made until the date when the new occupier moves in.

APPENDICES

APPENDIX A - INCOME OFFSETS FOR SEWER REQUISITIONS



Where sewers are requisitioned we provide for an income offset.

The method that we use is based on the actual costs of delivering the requisitioned assets and offsets income for the equivalent number of houses that will be connected to it (as calculated by the relevant multiplier). In calculating the income offset, we take into account the net present value of five years of wastewater income we will receive from each property that directly benefits from the requisitioned assets.



Words in the singular shall include the plural and vice-versa except where the context otherwise requires.

“alternative point of connection” means a location on our water or sewerage network other than the **point of connection**.

“asset payment” means a payment made to a Developer or Self Lay Provider (SLP) for providing a self-laid water main under the terms of a self-lay agreement⁴. It contributes towards the cost of the self-laid main in a similar manner that the income offset contributes to the cost of a main we are asked to install.

“barrier pipe” is pipe used to construct water networks to prevent potable water quality being compromised by the ingress of chemicals from **contaminated land**

“bath” includes a whirlpool bath and a Jacuzzi;

“Charging Arrangements” means this document.

“charging rules” means Ofwat’s “Charging Rules for New Connection Services (English Undertakers)”, published in December 2017 and subsequently amended.

“Charges Scheme Rules” Ofwat’s “Charges Scheme Rules” published in December 2017 and subsequently amended.

“charging year” means a calendar year running from 1 April in a given year to 31 March in the following year.

“Code for Adoption Agreements” means the statutory code that Ofwat was required to issue as a consequence of the Water Act 2014, covering the adoption of water and sewerage infrastructure.

“common billing agreement” means an agreement between us and any other person under which that person has undertaken to pay, on terms agreed between them, charges for water supply or sewerage services, or both, in respect of two or more properties which have a common supply pipe and which, in any case where that agreement relates to one of those services only, are also subject to a similar agreement for common billing between that person and the undertaker providing the other service.

“communication pipe” means any part of a Service Pipe which we are legally required to construct or an SLP can construct. It consists of a pipe laid from an existing or newly laid Water Main to the boundary of a property, including a meter housing and stop valve.

“contaminated land” means any land that includes soil, rock and groundwater that may contain chemical contaminants that pose a risk to potable water quality.

“connected property” means any property which benefits from or is:

- (a) receiving a supply of water or;
- (b) occupied by a person having the use of or right to use or benefit of facilities (whether or not for the benefit of the property) in connection with our water supply function or;

⁴ under section 51A of the Water Industry Act 1991



- (c) drained by a sewer or drain connecting either directly or through an intermediate sewer or drain with a public sewer or sewage treatment works provided by us or;
- (d) occupied by persons having the use of or right to use or benefit of facilities (whether or not for the benefit of the property) which drain to a sewer or drain so connecting.

“connection charges” means charges that will be imposed by that undertaker for work carried out by it in accordance with the duties (or rights) created by the following provisions of the Water Industry Act 1991: section 45(1) (connection with water main); section 46(1) (ancillary works for purposes of making a domestic connection); section 98(1A) (provision of lateral drains); section 101B (construction of lateral drains following construction of a public sewer) or section 107(1) (right of undertakers to make communication with public sewer)

“contestable work” means work or services that either we or persons other than us may do or provide. In the case of new water assets, contestable work is usually carried out by SLPs and for new wastewater assets by competent drainage contractors working on behalf of Developers

“developer” means any person or business which is responsible for a Development, or the developing of a property or properties.

“development” means premises on which there are buildings, or where there are proposals to construct buildings, and which require connection with, and/or modification of, existing water or sewerage infrastructure.

“diversion charges” means the charges imposed by an undertaker pursuant to section 185(5) of the Water Industry Act 1991

“domestic purposes” in relation to a supply of water to any premises or in relation to the drainage of premises has the same meaning as in Sections 218 and 98 of the Water Industry Act 1991 respectively.

“existing main” means a main that was in operation before development commenced

“fixed charges” mean charges set for a given charging year which are fixed in amount or which are calculated by reference to a predetermined methodology set out our Charging Arrangements, the application of which allows calculation at the outset of the total amount owing in that charging year in respect of the charges in question. Such charges are to be fixed for a charging year.

“house” means any building or part of a building that is occupied as a private dwelling house or which, if unoccupied, is likely to be so occupied and, accordingly, includes a flat.

“household appliance” means an appliance (including a dishwasher, a washing machine and waste disposal unit) in a house and **“communal or commercial appliance”** means an appliance (including a dishwasher, a washing machine and a waste disposal unit) elsewhere than in a house (including in communal facilities);

“household premises” and **“household property”** means premises in which, or in any part of which, a person has his home and the principal use of the premises is as a home.

For mixed-use premises where the principal use of the premises is in question; the premises will be defined as non-household where both the household part of the premises is dependent in some way upon the non-household part and the premises are liable for business rates or exempt from business rates.



“**income offset**” means a sum of money offset against the charges that would otherwise be applied for the provision of a Sewer or Water Main in recognition of revenue likely to be received by us in future years for the provision of:

- (a) supplies of water to premises connected to the new Water Main; or
- (b) sewerage services to premises connected to the new Sewer and “**income offsetting**” shall be construed accordingly.

“**infrastructure charges**” means the charge applicable for first time connection of premises, or for the redevelopment of premises previously connected, to a public water supply or to a public sewer for domestic purposes. When such premises are connected, costs are incurred in extending the local network. These costs are met by developers and by customers in such premises.

“**lateral drain**” means

- (a) the part of a drain which runs from the curtilage of a building (or buildings or yards within the same curtilage) to the sewer with which the drain communicates or is to communicate; or
- (b) the part of a drain being considered for adoption by us⁵

“**made-up**” is a term used to describe the surface of the ground that has a hard surface and requires permanent reinstatement such as a road or a footpath

“**network reinforcement**” refers to work other than site specific work, as defined below to provide or modify such other:

- i. Water mains and such tanks, service reservoirs and pumping stations, or
- ii. Sewers and such pumping stations as is necessary in consequence of the site specific installation or connection of water mains, service pipes, public sewers and lateral drains. It also includes the additional capacity in any earlier water main or sewer that is required as a consequence of the provision or connection of a new main or sewer.

“**New Appointee**” means a company holding an appointment as a relevant undertaker where the conditions of that appointment limit the charges that can be fixed under a charges scheme by reference to the charges fixed by one or more other relevant undertakers.

“**newly laid main**” means, in respect of a development site, a main that did not exist prior to the development commencing and has been constructed specifically to provide water supplies to building within the development site

“**non-contestable work**” means work or services that only we (or an agent acting on our behalf) can do or provide.

“**non-household premises**” and “**non-household property**” means all premises which are not household premises.

“**Ofwat**” is the body responsible for economic regulation of the water and sewerage industry in England and Wales.

⁵ under section 102 or section 104 of the Water Industry Act 1991



“**point of connection**” (POC) means the nearest practical location where the existing water main or sewer is the same size or larger than the new connecting main or sewer.

“**PPE**” means a pre-planning enquiry response

“**pre-excavated**” means where the developer or its agents carries out work excavate the ground prior to us carrying out our work, such as installing e.g. water main, service connection, lateral drain etc.

“**premises**” includes any part of a building that is intended to be occupied as a separate unit

“**property**” means the hereditament or if there is no hereditament it is land, any interest in land or any easement or right in, on, under or over land;

“**public sewer**” means a sewer vested in us.

“**relevant multiplier**” means a number (which may be one or more or less than one) calculated in the manner set out within Appendix D of these Charging Arrangements.

“**requisition**” is a term used when a person or persons request that we lay a new water main, sewer or lateral drain for them under the terms of the Water Industry Act 1991.

“**requisition charges**” means work carried out by an undertaker in accordance with the duties imposed by section 41(1) (provision of requisitioned water main) and section 98(1) (provision of requisitioned public sewer) of the Water Industry Act 1991.

“**self-laid water main**” means a water main that is provided by another party other than us under the terms of a Self Lay Agreement.

“**self lay agreement**” means a legal agreement that is entered into between us, Developers, SLPs and affected landowners in relation to water mains that are constructed or being constructed, usually by a Self Lay Provider, and offered for adoption to us⁶

“**Self Lay Provider**” (SLP) means an organisation that can carry out work to install water network assets, with the prior approval of a water undertaker. Most SLPs are accredited under the Water Industry Registration Scheme (WIRS) which is recognised by all water undertakers.

“**service pipe**” means the part of a pipe which is, or is to be, connected with a Water Main for supplying water from that main to any premises

“**sewer**” includes all sewers and drains⁷ that are used for the drainage of buildings and yards appurtenant to buildings.

“**sewerage connection**” has the same meaning as **wastewater connection**

“**sewerage infrastructure charge**” means the same as wastewater infrastructure charge;

“**site specific**” refers to work on, or the provision of, water or sewerage structures or facilities located on a Development as well as work to provide and connect a requested water main, sewer, communication pipe or lateral drain on, to or in the immediate vicinity of, the development and “**site specific work**” shall be construed accordingly.

⁶ Made in accordance with section 51A of Water Industry Act 1991

⁷ not being drains within the meaning given by section 219(1) of the Water Industry Act 1991



“**soft dig**” is a term used to describe the surface of the ground that does not have a hard surface and does not require permanent reinstatement such as a verge, grassed area or a field.

“**supply pipe**” means the part of the **service pipe** that is not the **communication pipe**.

“**undertaker**” means a water undertaker or sewerage undertaker.

“**unmade**” is a term used to describe the ground where there is no hard surface to reinstate such as footpaths and road.

“**viability letter**” is a letter to confirm whether wastewater network and wastewater treatment capacity can be provided by us in line with the customer's proposed development programme. This is intended to reduce the need for Local Planning Authorities to put a phasing condition on developments where we are able to support the development or able to deliver any necessary network reinforcement in line with the customer's programme.

“**wastewater connection**” means connection, either directly or through an intermediate sewer or drain, to a public sewer of premises, which term shall include any premise or any newly formed premise even if that premise is part of a previous premise that was connected to a sewer, which have never at any previous time been connected to a sewer or the drainage for household purposes of those premises by NWL or its appointed agents or by any other authority or body which at that time provided sewerage services in the course of carrying out functions under any enactment; and has the same meaning as **sewerage connection**

“**wastewater infrastructure charge**” means the charge for first time sewerage connection or for the redevelopment of premises previously having a sewerage connection and has the same meaning as **sewerage infrastructure charge**

“**water connection**” means connection, either directly or through an intermediate pipe, to a water supply of premises, which term shall include any premise or any newly-formed premise even if that premise is part of a previous premise that was supplied with water, which have never at any previous time been connected to a supply of water provided for household purposes by NWL or by any other authority or body which at that time provided supplies of water in the course of carrying out functions under any enactment;

“**Water Industry Registration Scheme**” (WIRS) is a scheme recognised by water undertakers that provides accreditation for Self Lay Providers. The scheme is administered by Lloyds Register.

“**water infrastructure charge**” means the charge for first time water connection or for the redevelopment of premises previously having a water connection

“**water main**” means any pipe, not being a pipe for the time being vested in a person other than the undertaker, which is used or to be used by a water undertaker or licensed water supplier for the purpose of making a general supply of water available to customers or potential customers of the undertaker or water supply licensee, as distinct from for the purpose of providing a supply to particular customers. This definition includes tunnels or conduits which serve as a pipe and any accessories for the pipe.



Ofwat's charging rules require water companies *“to provide for the option of upfront fixed charges in respect of any work carried out by the undertaker”*.

So for many of our connections services we have published upfront fixed charges for work that we will carry out. The following water industry guidance on exceptions to upfront fixed charges has been written by WaterUK, the trade body representing water companies:

WaterUK Guidance

Due to the nature of connections work, there are circumstances where the cost incurred by water companies is affected by external factors. These external factors may be outside of the immediate knowledge or control of the water company and, in a limited set of exceptional circumstances, could lead to significant cost variance. For this reason, Ofwat has agreed that companies are not required to provide fixed upfront charges in respect of the following:

- Diversion works (see s185 of the Water Industry Act), and;
- Water and sewerage infrastructure work requested by the developer (see s41 and s98 of the Water Industry Act) where “it would be unreasonable to expect an undertaker (i.e. water company) to do so”.

For standard water and sewage connections no such exception applies and these must therefore be subject to fixed charges.

In principle, having consulted stakeholders, water companies consider that in the following circumstances, it may not be reasonable for them to provide an upfront fixed charge for the work:

- a) The technical complexity of the work is high or the type of work required is bespoke or carried out infrequently, or;
- b) Third parties can legitimately recover their costs from companies and there is not a reasonable level of certainty of those costs in advance of connection work being undertaken, or;
- c) Third parties have rights to protect their assets or interests in a way that affects the construction method. The third parties' requirements are unknown upfront, or;
- d) The work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics. These characteristics mean that specific measures are required during construction or reinstatement. The details of these measures may not be fully defined in advance of construction.

APPENDICES

APPENDIX C – EXCEPTIONS TO UPFRONT FIXED CHARGES



Where the above circumstances occur, companies will be unable to provide a fixed upfront charge for the entire works, and should provide a budget estimate comprising a mixture of:

- Indicative or estimated charges for the elements of works affected by the circumstances above, and;
- Fixed upfront charges for the elements of the work where there is sufficient certainty and it is reasonable to do so.

Water companies anticipate that there will be occasions where providing an indicative estimate is not possible or where the estimate will not meet the degree of confidence desired by the customer. In such cases, the parties will need to decide how to proceed.

Further information

On occasions we mention in our Charging Arrangements that there are some activities where we are unable to provide are upfront fixed charges for all or some of the elements of the work.

In circumstances such as b, c and d in WaterUK's guidance, the requirements and rights of third parties can have a significant influence on the cost of the work. Our "Code of Practice on Pipe laying" is available on our website and provides customers with information about, amongst other things, the rights that third parties have when we propose to lay pipes in or close to land they have an interest in.

https://www.nwl.co.uk/assets/documents/LF0449_Pipelaying_Codes_of_Practice_A5_EF_NW_V16_CM_-_for_web.pdf

APPENDICES

APPENDIX D – CALCULATING INFRASTRUCTURE CHARGES AND THE RELEVANT MULTIPLIER



Subject to the following paragraphs, the maximum water infrastructure charge payable for a house shall be the standard water infrastructure and the maximum wastewater infrastructure charge payable for a house shall be the standard wastewater infrastructure charge.

As described earlier in this document, the standard water infrastructure charges can be reduced where the water efficiency incentive discount applies and the standard wastewater infrastructure charges can be reduced where the sustainable drainage incentive discount applies.

The standard water and wastewater infrastructure charges shall be multiplied by the relevant multiplier for premises that consist of a house or houses subject to a common billing agreement or premises that do not consist of a house or houses and to which water is provided by a supply pipe with a diameter larger than the standard size adopted by NWL for a house. Our standard supply pipe size is currently 25 mm outside diameter.

Calculating Infrastructure Charges

- a) For development sites that were previously undeveloped:

The total amount of water infrastructure charges that will apply is

$X = (A \times W) + B$, where

- A. Equal to the number of new houses
- B. The number of non-household premises multiplied by the aggregate of the relevant multipliers for all those premises
- W. The discount factor for any water efficiency solutions (as applicable)

The total amount of wastewater infrastructure charges that will apply is

$X = (A + B) \times S$, where

- A. Equal to the number of new houses
- B. The number of non-household premises multiplied by the aggregate of the relevant multipliers for all those premises
- S. The discount factor for any sustainable drainage solutions (as applicable)

- b) For development sites that are redeveloped

Where a site is developed or redeveloped, we apply infrastructure charge credits against X above.

APPENDICES

APPENDIX D – CALCULATING INFRASTRUCTURE CHARGES AND THE RELEVANT MULTIPLIER



On sites formerly occupied by non-household buildings, we will take into consideration the previous water demand and sewage discharged from the site in the five years prior to the new development to calculate the credit. The previous demand will be assessed from historical consumption records where they exist. In instances where there is no consumption history, we may consider the number of water fittings that were previously installed in the properties that existed prior to the redevelopment.

The amount of infrastructure charges credit given will be no less than the total number of household and non-household premises benefiting from a direct or indirect connection to our networks on the site at any time in the period of five years before the development or redevelopment began.

The Relevant Multiplier

To calculate the relevant multiplier, the total number of water fittings in all the categories specified in column 1 below is calculated by reference to the loading units in column 2 for the total aggregate loading units. This figure is divided by 24 and the resulting number will be the relevant multiplier, provided that where the resulting number is less than 1, the relevant multiplier will be 1.

Column 1 Water Fittings – see a) below	Column 2 Loading Units
WC flushing cistern	2
Wash basin - in a house	1.5
Wash basin - elsewhere	3
Bath	
tap nominal size 3/4in/20mm	10
tap nominal size larger than 3/4in/20mm	22
Shower	3
Sink	
tap nominal size 1/2in/15mm	3
tap nominal size larger than 1/2in/15mm	5
Spray tap	0.5
Bidet	1.5
Household appliances subject to a minimum of 6 loading units per house - see b) below	3
Communal or commercial appliance	10
Any other water fitting or outlet (including a tap but excluding a urinal or water softener)	3

APPENDICES

APPENDIX D – CALCULATING INFRASTRUCTURE CHARGES AND THE RELEVANT MULTIPLIER



Notes to be read with the table on previous page:

- a) Reference to any fitting includes reference to any plumbing, outlet, dedicated space or planning or other provision for that fitting.
- b) In any calculation under the paragraph a) a minimum of six loading units shall be included, in respect of each house, for household appliances (whether or not the House has any such appliances) except, in the case of any house, where neither a washing machine nor a dishwasher can be provided (and there is no plumbing, outlet, dedicated space or planning or other provision for either appliance) in the house.

In the case of premises with a sewerage only connection and no water fittings, the relevant multiplier will be one.

The Relevant Multiplier for Caravans

In the case of caravans, infrastructure charges will be based on the net increase in the number of caravans on the site and the use of a relevant multiplier based on loading units set out below:

	Standard House	Caravan
WC Flushing Cistern	2	1.5 (small)
Wash basin	1.5	1.5
Bath	10	0
Shower	0	3
Sink	3	3
Bidet	1.5	0
Household appliances	6	3
Site facility	0	3
Total	24	15

The relevant multiplier on the infrastructure charge applicable for each caravan is therefore calculated as $15/24 = 62.5\%$ of the standard charge.



Number of individual dwellings	Typical Pipe Outside Diameter (PE Pipes)	Nominal Bore (Other Materials)
2-20	63 mm	50 mm
20-40	90 mm	80 mm
40-95	110/125 mm	100 mm
95-300	160/180 mm	150 mm
300-700	250 mm	225 mm