

CHARGING ARRANGEMENTS 2018/19

DOCUMENT CONTROL

Version No	Date of Issue	Modifications
1	1 Feb 2018	First issue
2	6 Mar 2018	<p>Minor typographical and formatting errors have been rectified. Improvements have been made to wording to give greater clarity. In addition, some charges have been amended where errors were made in version 1</p> <p>The significant changes to wording and charges are indicated below:</p> <p>Where we originally specified fees that were in addition to other fees, we have altered several so that they are now a fee inclusive of the additional fee e.g. tables on page 14</p> <p>Page 3 – amended to explain that income offsets also apply to requisitioned sewers</p> <p>Page 10 – further explanation given to make it clear that the upsizing of assets to serve future development is funded by infrastructure charges</p> <p>Page 14 – corrected errors in the tables. “32 mm or greater” changed to “greater than 32 mm”</p> <p>Pages 14 and 15 – clarified that the assessment of network capacity is included in the application fee rather than the administration fee</p> <p>Pages 17 – corrected errors in the table b) ii). Service connection administration fee is “per connection” rather than “per application”</p> <p>Page 21 – removed some duplicate rows in the table</p> <p>Pages 25 and 44 – made it clear that the fee is payable before the connection is installed</p> <p>Page 57 – corrected an error in the NW fee in the first line of the table</p> <p>Page 59 – amended fees associated with traffic management</p> <p>Pages 60 & 61 – “48 hours” changed to “two working days”. Clarity given to when an abortive fee applies to a service connection visit and a water main visit</p> <p>Page 63 – corrected an error. Pre-occupancy fee is “per house” rather than “per connection”</p> <p>Pages 66 to 71 inclusive – amended worked examples to reflect any changes to charges or errors in charges that have been indicated above</p> <p>Page 81 – in the table relating to design fees, the reference to preparation of a self-lay agreement has been removed</p>
3	13 Mar 2018	<p>Page 14 – in section b) corrected an error in the first line of the table. “greater than 32 mm in diameter” changed to “up to and including 32 mm in diameter”</p> <p>Page 54 – corrected an error in the value of the wastewater infrastructure charge in the table</p> <p>Page 58 – indicated that the charge applies to abortive visits and additional visits, over and above the number of agreed visits</p>

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Version No	Date of Issue	Modifications
4	1 Jun 2018	Page 3 – to satisfy a requirement of Ofwat’s Wholesale Charging Rules (16 March 2018), we have included a statement advising that the Charging Arrangements apply to connection services for both non-household and household premises.

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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 their existing **properties** to our networks.

It 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 detail 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** has published new **charging rules** 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**.

OUR CHARGING ARRANGEMENTS

GENERAL CHARGING PRINCIPLES



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 affected parties. 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/



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 is installed 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. The way that charges apply to this upsizing work 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. 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.

Contestable and non-contestable work

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.

For water networks, contestable work and non-contestable work are 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>

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 identified where our charges relate to contestable (C) and non-contestable (NC) work throughout this document so that it is clear where customers have a choice of who may provide a service to them.

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.

EXPLANATION OF KEY TERMS

SITE SPECIFIC WORK & NETWORK REINFORCEMENT



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

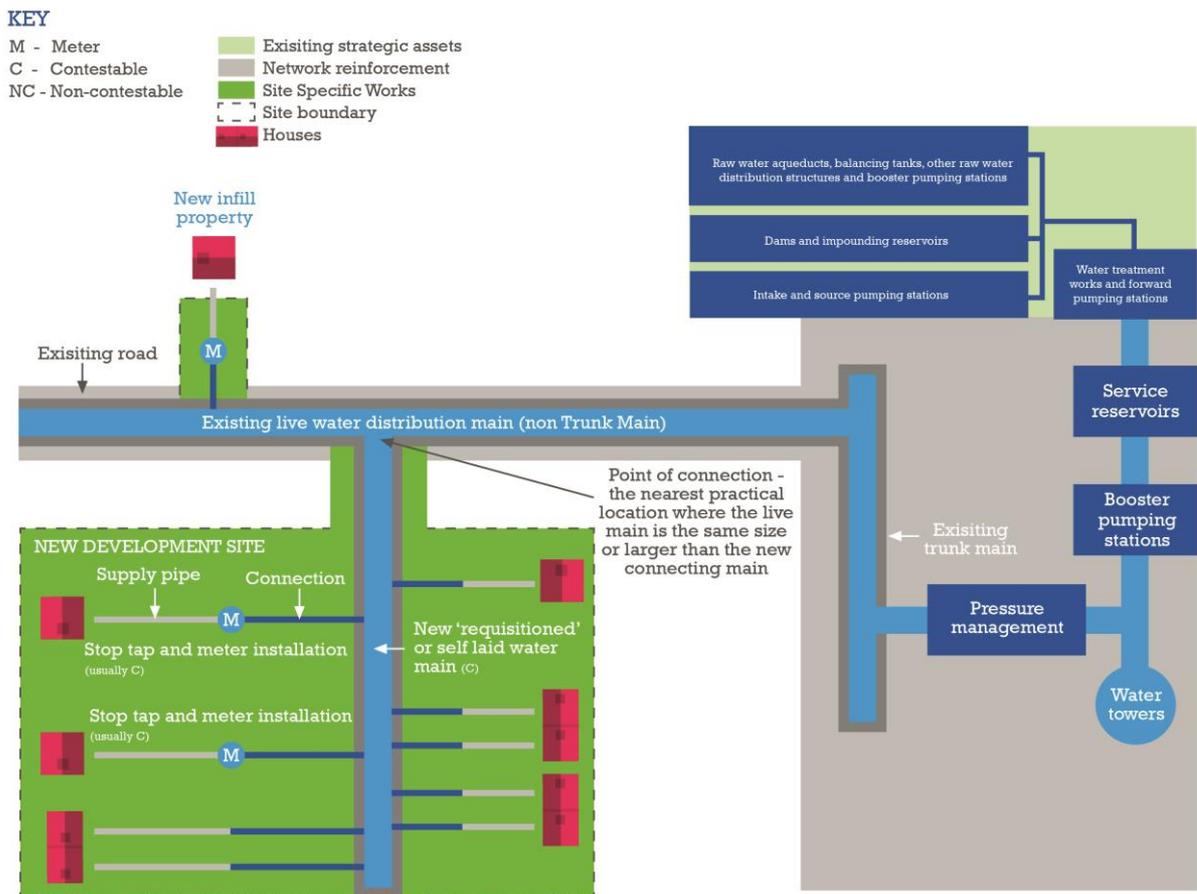
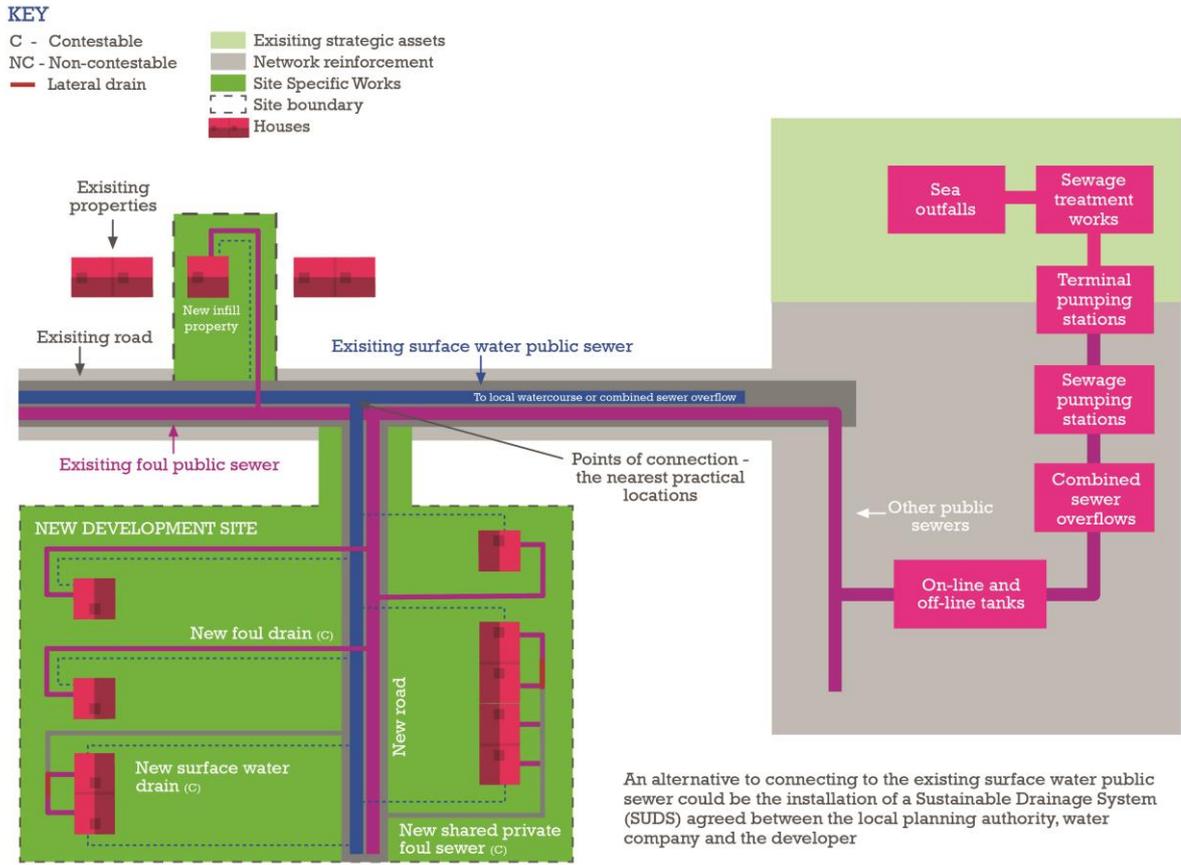




Figure 2 - Wastewater Network





Income offsets

a) Water

Where new water mains are provided for developments, we take into account the future revenue from connected properties associated with the new mains. We discount the amount payable by developers for the site specific mains that they ask us to provide (“requisitioned mains”) by way of an income offset. We also make an asset payment to developers/SLPs for self-laid mains that are adopted by us. The gross payment for self-laid mains is the equivalent of the income offset we would apply had the main been requisitioned. This is subject to the maximum amount being equivalent to the overall cost of the water mains had they been requisitioned.

The cost of providing the site specific works is avoided by us when a NAV becomes the supplier of water services. We will pay a NAV income offsets for each occupied property that becomes connected to our water infrastructure through the NAV’s network during this charging year. The income offsets will only be paid in respect of NAV bulk supply agreements made after 31 March 2018 and they will be offset against the wholesale charges made as part of the bulk supply agreements.

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



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 network. The cost associated with upsizing the asset to cater for future development 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:

- Water 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 POINT OF CONNECTION ENQUIRY CHARGES



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 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 POC enquiry will also include:

- For non-household developments we will provide details and indicative costs of any network reinforcement works
- A plan of our existing water network

	Charge Item	Charge Unit	NW	ESW
c	Water point of connection enquiry	Per application	£131	£131



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 highway 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 are connected 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 - WATER SERVICE CONNECTION CHARGES



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
C	Self-lay service connection application fee for all contestable and non-contestable connections that are up to and including 32 mm in diameter	Per application	£34	£34
C	Self-lay service connection application fee for connections that are greater than 32 mm in diameter	Per application	£61	£61

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

Charge Item		Charge Unit	NW	ESW
C	Service connection application fee for connections that are up to and including 32 mm in diameter	Per application	£94	£94
C	Service connection application fee for connections that are greater than 32 mm in diameter	Per application	£121	£121
C	Fee for revision of a valid quotation	Per revision	£35	£35

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 main and self-laid water main schemes.

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



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 (for non self-lay connections only)
- 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
- 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
- Dealing with customer queries and correspondence

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

i) Connections to an existing water main

Charge Item		Charge Unit	NW	ESW
C	Self-lay service connection administration fee	Per connection	£20	£20
C	Self-lay service connection - provision of 15 mm diameter meter for SLP to collect	Per meter	£21	£21
C	Self-lay service connection - water meter installation and water regulations inspection by us on a self-laid service connection to existing mains	Per connection	£58	£58

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



ii) Connections to newly laid water mains

Charge Item		Charge Unit	NW	ESW
C	Self-lay service connection administration fee	Per connection	£20	£20
C	Self-lay service connection - provision of 15 mm diameter meter for SLP to collect	Per meter	£21	£21
C	Self-lay service connection - water meter installation and water regulations inspection by us	Per connection	£38	£38

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
C	Service connection administration fee - for a connection that is up to and including 32 mm in diameter	Per application	£126	£126
C	Service connection administration fee – for a connection that is greater than 32 mm in diameter	Per application	£223	£223
C	Service connection administration fee - additional fee for applications requiring more than one premise to be connected	Per premise	£21	£21
C	Water Regulations – additional charge for re-inspection (first inspection included in service connection administration fee)	Per inspection	£68	£68

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



ii) Connections to a newly laid water main

Charge Item		Charge Unit	NW	ESW
c	Service connection administration fee - for a connection that is up to and including 32 mm in diameter	Per connection	£73	£73
c	Service connection administration fee – for a connection that is greater than 32 mm or greater in diameter	Per connection	£148	£148
c	Service connection administration fee for a connection that is greater than 32 mm in diameter - additional fee for applications requiring more than one premise to be connected	Per premise	£21	£21
c	Water Regulations – additional charge for re-inspection (first inspection included in service connection administration fee)	Per inspection	£68	£68



Service connection construction charges

Our service connection construction charges include for the following:

- 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
- Installation and provision 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
- Branch connections
- 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.

Our bands in unmade surfaces are as follows:

- 0 - 5 metres in length
- 5 - 10 metres in length

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



Our bands in made up ground and surfaces requiring permanent reinstatement are as follows:

- 0 - 2 metres in length
- 2 - 5 metres in length
- 5 - 10 metres in length

IMPORTANT NOTES

1. As of 1 February 2018 we are currently in the process of evaluating tenders for the provision of service connections within our Essex and Suffolk area of supply. We have included an estimated assessment of the likely scale of charges once the contracts are awarded. We are expecting to publish the new charges by 1 April 2018.
2. Our current contract within our Northumbrian area does not include standard charges for larger diameter service connections. In the past we have calculated these individually. We have included an estimated assessment of the likely scale of charges and are in contract negotiation to agree new rates for the extended range of connection diameters. We expect to publish the new charges by 1 April 2018.

Connections to new water mains – within a development site

Charge Item		Surface	NW	ESW
C	Polyethylene pipe up to and including 32 mm in diameter	Pre excavated	£243	£220
C	Barrier pipe up to and including 32 mm in diameter	Pre excavated	£315	£315

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



Connections to existing water mains up to and including 32 mm in diameter

Charge Item			Surface	NW	ESW
C	Polyethylene pipe	0-5 metres in length	Unmade	£299	£579
		5-10 metres in length		£355	£846
		Over 10 metres per metre		£35	£84
C	Polyethylene pipe	0-2 metres in length	Made up	£376	£697
		2-5 metres in length		£507	£1,122
		5-10 metres in length		£853	£1,321
		Over 10 metres per metre		£96	£184
C	Polyethylene pipe branch connections	0-2 metres in length	Pre-excavated	£243	£220
		0-2 metres in length (no meter)		£228	£205
C	Barrier pipe	0-5 metres in length	Unmade	£362	£636
		5-10 metres in length		£427	£918
		Over 10 metres per metre		£51	£87
C	Barrier pipe	0-2 metres in length	Made up	£441	£745
		2-5 metres in length		£581	£1,179
		5-10 metres in length		£942	£1,393
		Over 10 metres per metre		£112	£187
C	Barrier pipe branch connections	0-2 metres in length	Pre-excavated	£315	£276
		0-2 metres in length (no meter)		£300	£261

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, the relevant meter installation charge (from page 23); and for connections of 63 mm and above, the charge for chlorination and pressure testing (from page 24). Some connections may also require traffic management.

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



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

Charge Item			Surface	NW	ESW
C	Polyethylene pipe 50 mm in diameter	0-5 metres in length	Unmade	£688	£688
		5-10 metres in length		£1,043	£1,043
		Over 10 metres per metre		£110	£110
C	Polyethylene pipe 50 mm in diameter	0-2 metres in length	Made up	£970	£970
		2-5 metres in length		£1,369	£1,369
		5-10 metres in length		£2,159	£2,159
		Over 10 metres per metre		£198	£198
C	Polyethylene pipe 63 mm in diameter	0-5 metres in length	Unmade	£706	£706
		5-10 metres in length		£1,066	£1,066
		Over 10 metres per metre		£111	£111
C	Polyethylene pipe 63 mm in diameter	0-2 metres in length	Made up	£986	£986
		2-5 metres in length		£1,387	£1,387
		5-10 metres in length		£2,181	£2,181
		Over 10 metres per metre		£199	£199
NC	Polyethylene pipe 90 mm in diameter	0-5 metres in length	Unmade	£1,420	£1,420
		5-10 metres in length		£1,836	£1,836
		Over 10 metres per metre		£104	£104
NC	Polyethylene pipe 90 mm in diameter	0-2 metres in length	Made up	£1,661	£1,661
		2-5 metres in length		£1,887	£1,887
		5-10 metres in length		£3,003	£3,003
		Over 10 metres per metre		£224	£224
NC	Polyethylene pipe 125 mm in diameter	0-5 metres in length	Unmade	£1,543	£1,543
		5-10 metres in length		£2,021	£2,021
		Over 10 metres per metre		£114	£114
NC	Polyethylene pipe 125 mm in diameter	0-2 metres in length	Made up	£1,776	£1,776
		2-5 metres in length		£2,251	£2,251
		5-10 metres in length		£3,210	£3,210
		Over 10 metres per metre		£235	£235

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



Barrier pipe connections to existing water mains that are 50 mm in diameter and above

Charge Item			Surface	NW	ESW
C	Barrier pipe 63 mm in diameter	0-5 metres in length	Unmade	£782	£782
		5-10 metres in length		£1,236	£1,236
		Over 10 metres per metre		£118	£118
C	Barrier pipe 63 mm in diameter	0-2 metres in length	Made up	£1,036	£1,036
		2-5 metres in length		£1,477	£1,477
		5-10 metres in length		£2,351	£2,351
		Over 10 metres per metre		£207	£207
NC	Barrier pipe 90 mm in diameter	0-5 metres in length	Unmade	£1,462	£1,462
		5-10 metres in length		£1,920	£1,920
		Over 10 metres per metre		£113	£113
NC	Barrier pipe 90 mm in diameter	0-2 metres in length	Made up	£1,682	£1,682
		2-5 metres in length		£1,929	£1,929
		5-10 metres in length		£3,086	£3,086
		Over 10 metres per metre		£233	£233
NC	Barrier pipe 125 mm in diameter	0-5 metres in length	Unmade	£1,645	£1,645
		5-10 metres in length		£2,168	£2,168
		Over 10 metres per metre		£125	£125
NC	Barrier pipe 125 mm in diameter	0-2 metres in length	Made up	£1,842	£1,842
		2-5 metres in length		£2,373	£2,373
		5-10 metres in length		£3,356	£3,356
		Over 10 metres per metre		£245	£245

Water meter installation charges

Where the installation of a meter and chamber is being carried out by us, 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 - WATER SERVICE CONNECTION CHARGES



Charge Item		Surface	NW	ESW
C	Internal Meter		£114	£114
C	15mm	Unmade	£318	£318
		Footpath	£561	£561
		Road	£666	£666
C	25mm	Unmade	£451	£451
		Footpath	£694	£694
		Road	£799	£799
C	40 mm	Unmade	£1,425	£1,425
		Footpath	£1,754	£1,754
		Road	£1,940	£1,940
C	50 mm	Unmade	£1,499	£1,499
		Footpath	£1,828	£1,828
		Road	£2,014	£2,014
NC	100 mm	Unmade	£1,604	£1,604
		Footpath	£1,942	£1,942
		Road	£2,132	£2,132
NC	50/20 combination meter	Unmade	£1,690	£1,690
		Footpath	£1,981	£1,981
		Road	£2,343	£2,343
NC	50/20 combination meter with flow straightener	Unmade	£2,097	£2,097
		Footpath	£2,417	£2,417
		Road	£2,688	£2,668
NC	80/20 combination meter	Unmade	£2,062	£2,062
		Footpath	£2,353	£2,353
		Road	£2,575	£2,575
NC	80/20 combination meter with flow straightener	Unmade	£2,640	£2,640
		Footpath	£2,960	£2,960
		Road	£3,204	£3,204
NC	100/25 combination meter	Unmade	£2,579	£2,579
		Footpath	£2,901	£2,901
		Road	£3,135	£3,135
NC	100/25 combination meter with flow straightener	Unmade	£3,133	£3,133
		Footpath	£3,491	£3,491
		Road	£3,3733	£3,733
NC	100/25 combination meter with bypass arrangement	Unmade	£5,227	£5,227
		Footpath	£6,075	£6,075
		Road	£6,309	£6,309

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



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
C	Chlorination and pressure test	Per test	£250	£250

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



Alternative to the payment of upfront fixed charges for service connections construction

Customers may, rather than accepting our quotation based upon upfront fixed charges, ask us to calculate the actual costs.

We will calculate the amount payable by accounting for the reasonable costs we have actually incurred in installing the service connection. There is a non-refundable administration fee payable for us to do this and customers will be liable to pay the actual costs whether they are less than or more than the amount in the quotation based on fixed charges. This additional administration fee is payable in advance of us installing the service connection.

Charge Item		Charge Unit	NW	ESW
c	Additional administration fee – for the calculation of service connection construction costs based on actual costs	Per application	£72	£72

SITE SPECIFIC CHARGES - WATER SERVICE CONNECTION CHARGES



Charges for the abandonment of service connections

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

The fees and charges include for the following:

- Excavation, where applicable
- Disconnection of the communication pipe from the main
- Removal of any chambers and meters
- Backfilling and reinstatement of the ground, where applicable
- Removal and disposal of any spoil associated with our excavation

a) Abandonment of service connections in the same excavation

Charge Item	Surface	NW	ESW
25 mm up to and including 63 mm	Pre excavated	£99	£99
	Unmade	£180	£180
	Made Up	£180	£180
Greater than 63 mm and up to and including 90 mm	Pre excavated	£176	£176
	Unmade	£314	£314
	Made Up	£314	£314
Greater than 90 mm and up to and including 125 mm	Pre excavated	£238	£238
	Unmade	£449	£449
	Made Up	£449	£449

b) Abandonment of service connections in a separate excavation

Charge Item	Surface	NW	ESW
25 mm up to and including 63 mm	Unmade	£343	£375
	Made Up	£753	£785
Greater than 63 mm and up to and including 90 mm	Unmade	£788	£820
	Made Up	£1,151	£1,183
Greater than 90mm and up to and including 125 mm	Unmade	£805	£837
	Made Up	£1,183	£1,215

SITE SPECIFIC CHARGES - WATER INCOME OFFSETS



Where new water mains are provided, we take into account the future revenue of new properties connected to the new mains.

a) Requisitioned water mains

We reduce the amount payable by developers for the requisitioned mains that they ask us to provide by way of an income offset.

b) Mains constructed by SLPs

In the case of self-laid mains we make an asset payment to the developer/SLP when the mains are adopted by us. The gross asset payment is equivalent to the number of new build houses multiplied by the offset amount. The maximum amount that we will pay will be no more than the estimate of the cost of providing the mains had they been requisitioned.

c) Mains constructed by NAVs

The cost of providing the site specific works including new water mains is avoided by us when a NAV becomes the supplier of water services. We will apply income offset to NAV sites in this charging year for NAV bulk supply agreements made after 31 March 2018. The income offset will be applied against the NAV wholesale charges made as part of the agreements.

The income offset amounts are:

Item	Unit	NW	ESW
Income offset	Per house	£415	£480

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 - 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 POC)
- Preparing a quotation for a) requisition mains and service connections and b) an indicative asset payment value, and
- Where requested to do so, preparing draft self-lay agreements

Charge Item	Charge Unit	NW		ESW	
		Where a valid POC or PDE response exists	Where no valid POC or PDE response exists	Where a valid POC or PDE response exists	Where a valid POC or PDE response exists
C Self-lay pre-commencement fee	Per application	£158	£289	£158	£289
C Requisition mains application fee	Per application	£101	£232	£101	£232



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 where we are asked to do so
- Revision of designs where developers' proposals change

Charge Item		Charge Unit	NW	ESW
C	Mains design approval fee	Per application	£168	£168
C	Initial mains design fee	Per application including up to 20 properties	£353	£353
C	Additional mains design fees	Per additional 20 properties (or part thereof)	£64	£64
C	Request for design revision fee	Including up to 1 hour of design	£146	£146
C	Additional design revision fees	Per additional hour of design (or part thereof)	£48	£48

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 (for requisitioned mains only)
- 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
C	Requisition mains administration fee	Per application	£449	£449
C	Self-lay mains administration fee	Per application	£400	£400



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 or requisitioned main to an existing main
- Materials
- Pressure testing, chlorination and sampling of the water

The charges also include the following where applicable:

- 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 & 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 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 - WATER

WATER MAINS



Charge Item		NW		ESW		
		PE pipe per metre	Barrier pipe per metre	PE pipe per metre	Barrier pipe per metre	
C	63 mm diameter main	Pre-excavated	£38	£47	£41	£52
		Soft dig	£58	£67	£64	£75
		Unmade	£103	£112	£125	£136
		Made up	£144	£154	£178	£188
C	90 mm diameter main	Pre-excavated	£40	£51	£44	£59
		Soft dig	£61	£72	£68	£83
		Unmade	£109	£120	£133	£147
		Made up	£152	£163	£177	£202
C	125 mm diameter main	Pre-excavated	£40	£52	£48	£64
		Soft dig	£61	£73	£73	£88
		Unmade	£109	£121	£136	£153
		Made up	£152	£164	£191	£209
C	180 mm diameter main	Pre-excavated	£52	£65	£67	£87
		Soft dig	£78	£91	£97	£117
		Unmade	£131	£144	£169	£188
		Made up	£181	£194	£231	£256
C	225 mm diameter main	Pre-excavated	£52	£83	£67	£144
		Soft dig	£78	£109	£97	£179
		Unmade	£131	£162	£169	£265
		Made up	£181	£212	£231	£339
C	250 mm diameter main	Pre-excavated	£73	£102	£105	£144
		Soft dig	£104	£132	£139	£179
		Unmade	£167	£196	£226	£265
		Made up	£228	£256	£299	£339
C	280 mm diameter main	Pre-excavated	£73	£104	£105	£144
		Soft dig	£104	£135	£139	£179
		Unmade	£167	£198	£226	£265
		Made up	£228	£258	£299	£339
C	315 mm diameter main	Pre-excavated	£73	£114	£105	£153
		Soft dig	£104	£144	£139	£190
		Unmade	£167	£208	£226	£281
		Made up	£228	£268	£299	£360
C	355 mm diameter main	Pre-excavated	£104	£136	£164	£188
		Soft dig	£149	£181	£216	£233
		Unmade	£223	£255	£315	£346
		Made up	£293	£326	£403	£443

SITE SPECIFIC CHARGES - WATER WATER MAINS



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

Charge Item		Charge Unit	NW	ESW
NC	Connection up to and including 125 mm in diameter	Per connection	£1,875	£1,875
NC	Connection greater than 125 mm in diameter but less than 250 mm in diameter	Per connection	£1,995	£1,995
NC	Connections of 250 mm in diameter and above but less than 355 mm in diameter	Per connection	£2,980	£2,980
NC	Connection 355 mm in diameter	Per connection	£3,570	£3,570



Introduction

On occasions our existing water mains may 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 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 main designed by an SLP.

Where an SLP 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:

- An internal 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 - 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
NC	Water main diversion application fee	Per application	£157	£157
NC	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 proposed design in accordance with the criteria within our self-lay local arrangements document
- Consultation with the SLP where required
- Corresponding with the SLP to give approval or otherwise

Charge Item		Charge Unit	NW	ESW
NC	Water main diversion design fee	Per application	£614	£614
NC	Technical assessment fee (where we agree that the design work may be provided by an SLP)	Per application	£362	£362
NC	Technical assessment site survey fee (if required)	Per hour	£85	£85

SITE SPECIFIC CHARGES - WATER WATER MAINS DIVERSIONS



Water mains administration fees

For mains diverted by SLPs 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
NC	Water main diversion legal fee (provision of a standard water main diversion agreement)	Per application	£325	£325
NC	Water main diversion additional legal fees over and above the minimum fee	Per hour	£65	£65
NC	Inspection fee (where some of the diversion work can be provided by an SLP)	Per visit	£256	£256

NETWORK REINFORCEMENT CHARGES - WATER INTRODUCTION



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 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 reconnect 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 connected to our networks 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

We offer a discount to customers that design and build properties to promote a lower consumption of water. We will waive the water infrastructure charge in the event that evidence is provided to show a property 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:

- Point of connection 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.

Where we 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. 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 POINT OF CONNECTION ENQUIRY CHARGES



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 POC enquiry will also include:-

- For non-household developments we will provide details of any required off-site works; and 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.

For a combined service POC enquiry we will provide a water and wastewater POC

Point of connection enquiry		Charge Unit	NW	ESW
C	Wastewater only (includes viability letter)	Per application	£934	n/a
C	Combined – water and wastewater (includes viability letter)	Per application	£1,065	n/a



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 drain 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
- Processing the appropriate application fee
- An operational risk assessment (where applicable)
- Issue of decision letter (indirect connection only)

	Charge Item	Charge Unit	NW
c	Sewer connection application fee – direct connection	Per application	£100
c	Sewer connection application fee – indirect connection (i.e. via an existing private drain/sewer)	Per application	£82

Sewer connection administration fees

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

The fees includes 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

**SITE SPECIFIC CHARGES - WASTEWATER
COMMUNICATING WITH A PUBLIC SEWER**



Charge Item		Charge Unit	NW
c	Direct sewer connection administration fee (includes an inspection)	Per application	£190
c	Sewer connection additional administration over and above that which is included in the fixed fee above.	Per hour (or part thereof)	£43
c	Charge for additional sewer connection inspections	Per visit	£148



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
c	Connection into existing sewer pipe up to and including 200 mm in diameter (assumes pre-excavated)	Per connection	£411
c	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
c	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
c	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
c	New manhole up to and including 1.5 m deep	Per connection	£5,560
c	New manhole greater than 1.5 m deep and up to and including 3 m deep	Per connection	£14,313
c	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)
c	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
c	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
c	Pumped Sewer	Up to and including 3 m	80 mm	Road	£1,398
				Footpath	£894
				Unmade	£345

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

Customers may, rather than accepting our quotation based upon upfront fixed charges, ask us to calculate the actual costs.

We will calculate the amount payable by accounting for the reasonable costs we have actually incurred in installing the wastewater connection and lateral drains. There is a non-refundable administration fee payable for us to do this and customers will be liable to pay the actual costs whether they are less than or more than the amount in the quotation based on fixed charges. This additional administration fee is payable in advance of us installing the connection.

Charge Item		Charge Unit	NW
c	Additional administration fee – for the calculation of wastewater connection and lateral drain construction costs based on actual costs	Per application	£72

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
c	Sewer adoption application fee (includes initial administration)	Per application	£500
c	Sewer adoption technical/inspection fee (including administration)	% of value of works	2.5% or £500 minimum
c	Sewer adoption legal fee (provision of a standard sewer adoption agreement)	Fixed fee	£212
c	Sewer adoption legal fee for amendment of sewer adoption agreement wording above standard and/or providing additional copies	Per hour (or part thereof)	£65
c	Sewer adoption – security (if applicable)	% of value of works	10% or £5000 minimum
c	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
c	Lateral drain adoption application fee (including initial administration)	Per application	£100
c	Lateral drain adoption technical / inspection fee (including final administration)	Per application	2.5% or £200 minimum
c	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)	£49

SITE SPECIFIC CHARGES - WASTEWATER SEWER AND LATERAL DRAIN REQUISITIONS



Introduction

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
c	Sewer and lateral drain requisition application fee	Per application	No charge
c	Sewer requisition administration deposit	Per application	£5,000
c	Lateral drain requisition administration fee	Per application	£290
c	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)
c	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
c	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
c	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
c	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



Introduction

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 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.

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)	Fixed fee	£325 minimum

SITE SPECIFIC CHARGES - WASTEWATER SEWER DIVERSIONS



Charge Item	Charge Unit	NW
Sewer diversion additional legal fees over and above the minimum fee	Per hour	£65
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	£100
Decommissioning legal fees	Fixed fee	£195 minimum
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.

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	£100
Sewer diversion technical assessment/inspection fee for minor alteration	% of value of our estimate for the works	10% or minimum of £245



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 reconnect 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 connected to our networks in the five years prior us receiving a valid “connection” application. We will subtract an “infrastructure charge credit” for each of the houses (or the equivalent number of houses for non-household properties) that were connected within the previous five years.

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



Initial plan enquiries

Where customers are proposing a development and require a copy of our asset records, we will provide plans showing water and wastewater networks at no charge (A3 and A4 size only). Where a larger size plan is required, please contact our Property Solutions team either by email at plans@nwl.co.uk or by telephone on **0870 241 7408**. A fee is charged dependent on the size of plan requested and whether the plan is water and/or wastewater infrastructure.

Charge Item	Charge Unit	NW	ESW
Extract of water and/or wastewater network map (A4 and A3 size)	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 & 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
Application fee payable to highway authority to obtain permission to work in the highway	Per application	£230	£230
2 - way temporary traffic lights	Per day	£140	£394
3 or 4 - way temporary traffic lights	Per day	£160	£574
Traffic light suspension	Per day	£155	£475
Footpath closure	Per closure	£245	£480
Lane closure	Per closure	£400	£643
Full road closure	Per closure	£2,245	£2,245
Bus stop suspension	Per day	£110	£110
Pedestrian crossing set up (2 head)	Charge per day	£155	£475

OTHER CHARGES

ABORTIVE WORK & ADDITIONAL VISITS



Introduction

Site 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.

Abortive fees for 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 to newly laid mains	Per abortive visit	£139	£139
Abortive service connection charge to existing mains	Per abortive visit	£184	£184

OTHER CHARGES

ABORTIVE WORK & ADDITIONAL VISITS



Abortive fees and additional visit fees for 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
Mains abortive/additional visit fee	Per visit	£700	£800

OTHER CHARGES

OUT OF HOURS WORK



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.

Charge Item	Charge Unit	NW	ESW
Out of hours working for service connections	Per hour	£126	£131

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	£41	£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:

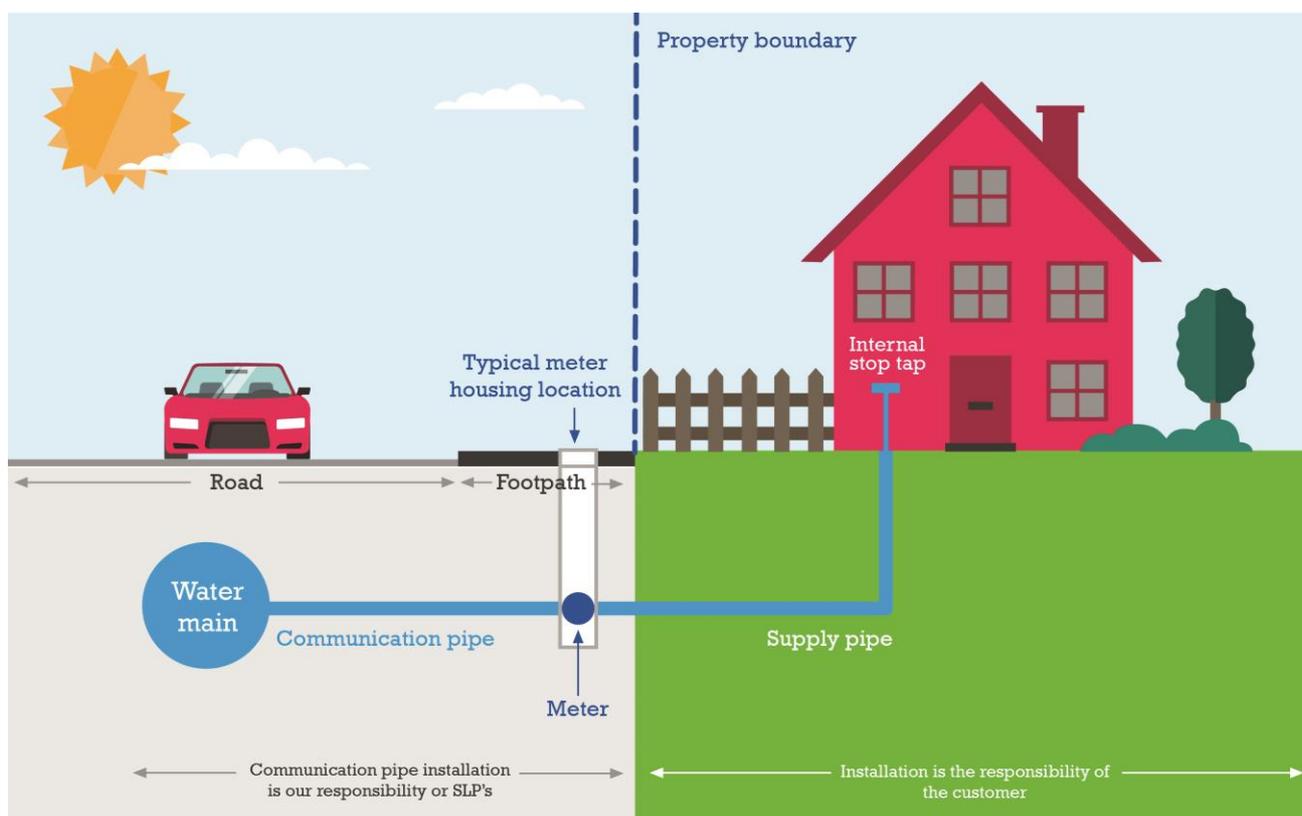
- The development sites have not been developed previously, such that no infrastructure charge credits apply
- No circumstances exist such that any of the connection services would be exempt from fixed upfront charges see Appendix C
- The fees and charges are exclusive of VAT

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	£94	£94
Administration fee	1qty	£126	£126
25 mm diameter connection, 2 to 5m in length, in made up ground	1qty	£507	£507
Highway Authority application fee	1qty	£230	£230
Traffic management – 3 way traffic lights	2 days	£160	£320
Pre-occupancy charge	1qty	£41	£41
Water infrastructure charge	1qty	£185	£185
Wastewater infrastructure charge	1qty	£335	£335
Total			£1,838

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	1qty	£121	£121
Administration fee – for a connection greater than 32 mm diameter	1qty	£223	£223
Administration fee for additional properties to be connected	24qty	£21	£504
90 mm diameter connection, 2 to 5m in length, in made up ground	1qty	£1,887	£1,887
Installation of internal meters	25qty	£114	£2,850
Chlorination and pressure testing	1qty	£250	£250
Highway Authority application fee	1qty	£230	£230
Traffic management - 4 way traffic lights	2qty	£574	£1,148
Pre-occupancy charge	25qty	£24	£600
Water infrastructure charge	25qty	£240	£6,000
Total			£13,813

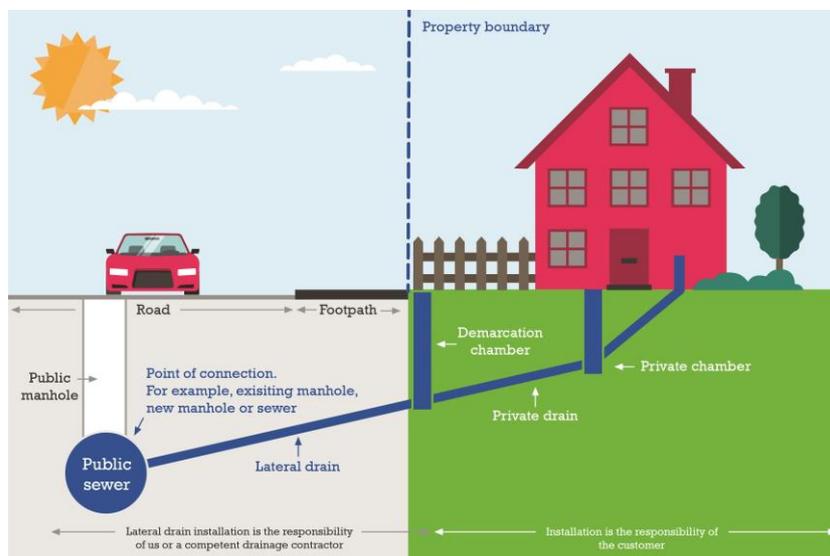
Wastewater infrastructure charge are payable to Anglian Water or Thames Water. Note: ESW collects wastewater infrastructure charges on behalf of Thames Water.

WORKED EXAMPLES

LATERAL DRAIN CONNECTION



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

b) The developer constructs and asks us to adopt

Charge Item	Length or Quantity	Rate	Charge NW
Lateral drain application fee	1qty	£0	£0
Lateral drain Administration fee	1qty	£290	£290
Design fee	1qty	£100	£100
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
Highway Authority application fee	1qty	£230	£230
Traffic management – 3 way traffic lights	5 days	£160	£800
Total			£16,800

Charge Item	Length or Quantity	Rate	Charge NW
Sewer connection application fee	1qty	£100	£100
Sewer connection administration fee	1qty	£190	£190
Adoption application fee	1qty	£100	£100
Adoption technical fee*	1qty	£420	£420
Total			£810

***Adoption technical fee calculated as:**
2.5% of the estimated construction charge
i.e. 2.5% of £16,800 = £420

*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:

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

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	NC or C	Length or Quantity	Rate	Charge NWL
Income offset	n/a	110qty	£415	-£45,650

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Pre-commencement fee (Valid POC)	C	1qty	£158	£158
Mains Design Approval fee	C	1qty	£168	£168
Connection of new 125 mm PE diameter main to existing main	NC	1qty	£1,995	£1,995
Self-lay main administration fee	C	1qty	£400	£400
Total of non-contestable charges				£2,721

Self-laid service connections

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Administration fees	C	110qty	£20	£2,200

Infrastructure charges

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Water Infrastructure charge	n/a	110qty	£185	£20,350
Wastewater infrastructure charge	n/a	110qty	£335	£36,850
Amount payable for infrastructure charges				£57,200

Pre occupancy charges

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Total amount payable in respect of pre-occupancy charges	n/a	110qty	£41	£4,510

WORKED EXAMPLES

NEW WATER MAINS AND SERVICE CONNECTIONS



The requisitioned scheme

Requisitioned mains

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Application fee (valid POC)	C	1qty	£101	£101
Mains design fee for up to 20 properties	C	1qty	£353	£353
Mains design fee for additional multiples of 20 properties	C	5qty	£64	£320
Mains administration fee	C	1qty	£449	£449
Supply and construct 63 mm diameter PE water main	C	150 m	£41	£6,150
Supply and construct 90 mm diameter PE water main	C	300 m	£44	£13,200
Supply and construct 125 mm diameter PE water main	C	200 m	£48	£9,600
Supply and construct 180 mm diameter PE water main	C	300 m	£67	£20,100
Total cost of new mains				£50,273

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Income offset	n/a	110	-£415	-£45,650

Net amount payable towards the cost of the requisitioned mains = **£4,623**

WORKED EXAMPLES

NEW WATER MAINS AND SERVICE CONNECTIONS



Service connections associated with requisitioned water mains

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Administration fee - connection to newly laid mains	C	105qty	£73	£7,665
Administration fee - connection to existing mains	C	1qty	£126	£126
Administration fee - additional fee for applications requiring more than one premise to be connected to existing mains	C	4qty	£21	£84
Supply and install 25 mm service connection (pre-excavated)	C	105qty	£243	£25,515
Supply and install 25 mm service connection (excavation required)	C	5qty	£376	£1,880
Highway Authority application fee	C	1qty	£230	£230
Road closure fee	C	1qty	£2,245	£2,245
Amount payable for service connections				£37,745

Infrastructure Charges

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Water Infrastructure charge	n/a	110qty	£185	£20,350
Wastewater infrastructure charge	n/a	110qty	£335	£36,850
Amount payable for infrastructure charges				£57,200

Pre occupancy charges

Charge Item	NC or C	Length or Quantity	Rate	Charge NWL
Total amount payable in respect of pre-occupancy charges	n/a	110qty	£41	£4,510



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 Service 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 Service 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



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 NWL 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 2018/19.
- (4) This Scheme shall come into effect on 1 April 2018 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	✓		✓	
Preparing a Self-Lay agreement or draft agreement	✓		✓	
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'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	✓		✓	

DERIVATION OF CHARGES & PAYMENTS GENERAL



Construction charges

Tasks	Cost Component			
	Labour	Contractors	Materials	Plant/ Equipment
Completion of the service connection	✓	✓	✓	✓
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 the customer	✓	✓	✓	✓
Excavation, backfill 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	✓	✓	✓	✓

DERIVATION OF CHARGES & PAYMENTS GENERAL



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)	✓		✓	✓
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, 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.

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.

“**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 August 2017.

“**Charges Scheme Rules**” Ofwat’s “Charges Scheme Rules” published in December 2016.

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

“**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;
- (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.

⁴ under section 51A of the Water Industry Act 1991



“**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.

“**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.

“**PDE**” means a pre-development enquiry response

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



“**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.

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

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

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



“**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 customers 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 customers’ 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 Pipelaying" 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 & 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 and or wastewater infrastructure charges that will apply is

$X = (A + B) \times C$, 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
- C. The discount factor for any water efficiency or 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.

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.

APPENDICES

APPENDIX D – CALCULATING INFRASTRUCTURE CHARGES & THE RELEVANT MULTIPLIER



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

Notes to be read with the table above:

- 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.

APPENDICES

APPENDIX D – CALCULATING INFRASTRUCTURE CHARGES & THE RELEVANT MULTIPLIER



The Relevant Multiplier for Caravans

In the case of caravans, infrastructure charges will be based on the net increase in the number of vans 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.

APPENDICES

APPENDIX E - WATER MAINS DESIGN CRITERIA



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

