

**Gladman Developments Limited**

# **UTILITY LAW SOLUTIONS**

---

**Development off South Newington Road,  
Bloxham**

**Foul Drainage Analysis**

**March 2019**

This page has been left blank intentionally

# Contents

<b>A. Executive Summary</b>	<b>5</b>
<b>B. Drainage Strategy for the Development</b>	<b>7</b>
<b>C. Development Timescales</b>	<b>9</b>
<b>D. Sewerage Undertaker Funding</b>	<b>11</b>
<b>E. Water Industry Legislative Framework and the Planning Regime</b>	<b>13</b>
<b>F. Summary</b>	<b>15</b>
<b>Utility Law Solutions – Company Overview</b>	<b>17</b>
<b>Appendix 1 - Correspondence with the Sewerage Undertaker</b>	<b>19</b>
<b>Appendix 2 - Sewer Connection Points</b>	<b>23</b>
<b>Appendix 3 – Indicative Extent of Development</b>	<b>27</b>
<b>Appendix 4 - Water Industry Legislation</b>	<b>31</b>
<b>Appendix 5 - Water Industry Legislation and the Planning Regime ULS Detailed Analysis</b>	<b>41</b>
<b>Appendix 6 – Sewerage Undertaker Charging Arrangements</b>	<b>53</b>

This page has been left blank intentionally

## **Proposed Development of Land off South Newington Road, Bloxham** **Foul Drainage Analysis**

### **A. Executive Summary**

Utility Law Solutions (ULS) specialises in water and sewerage law and how it relates to the housebuilding industry. Gladman Developments Ltd has appointed ULS to review foul drainage matters relevant to its proposed development of land off South Newington Road, Bloxham and provide this analysis.

This report outlines how the proposed development can be effectually drained and sets out the legal framework that governs foul drainage matters applicable to new development generally. Evaluating foul drainage requirements for new development involves:

- Identifying a point of connection on the public sewerage network to which foul water can be discharged.
- Establishing the technical requirements for conveying foul water to the identified point of connection.
- Liaison with the relevant sewerage undertaker to determine the impact of discharging foul water to its sewerage network.

A drainage system designed in accordance with industry standards and relevant statutory procedures will be constructed on this site to serve a proposed development of up to 95 residential dwellings. The development's waste water will be discharged to the public sewerage network owned and operated by Thames Water (the Sewerage Undertaker).

The Sewerage Undertaker has assessed development proposals for this site and the associated impact of discharging its foul water to the public sewerage network. It has identified a suitable point of connection and confirmed that capacity is available to accommodate foul water from at least half of this development. Network modelling will be required to evaluate whether public sewer improvements (network reinforcement) will be required to accommodate the remainder of the development. Timescales for the completion of network modelling and implementation of any network reinforcement found to be necessary have been provided. Once the Sewerage Undertaker is notified that planning consent for this development has been granted, it can complete these further investigations and if deemed necessary, implement a solution to provide additional capacity in the public sewerage network.

The Sewerage Undertaker is fully funded to complete network reinforcement and improvements to sewage treatment capacity as required to accommodate new development and must do so to comply with statutory duties prescribed by Section 94 of the Water Industry Act 1991. The Sewerage Undertaker has implemented

charging arrangements for the connection of new developments to public sewer networks. These arrangements follow statutory rules issued by Ofwat that amongst other matters, require network reinforcement to be funded solely by infrastructure charges. The Sewerage Undertaker will collect an infrastructure charge for every new dwelling connected to its sewerage network. The investment required for improving the public sewerage system to accommodate housing growth is therefore spread equally across all new development. Improvements to sewage treatment capacity is funded by the general sewerage charge levied on all properties.

In recent years, some sewerage undertakers have requested planning conditions that effectively forced developers to fund network reinforcement through sewer requisitions (section 98 of the Water Industry Act 1991). Network reinforcement charges can no longer be included in public sewer requisitions as the charging rules issued by Ofwat specifically preclude this.

Timescales for securing planning consents and the subsequent implementation of this development demonstrate that its foul water will not be discharged to the public sewerage network until 2021 at the earliest. This allows sufficient time for the Sewerage Undertaker to take any action it deems necessary to ensure its systems can accommodate this development.

In summary, this report clearly demonstrates how the proposed development can be drained by discharging its foul water to the public sewerage network. The Sewerage Undertaker has identified action it may need to take to ensure this development will not cause detriment to the performance of the receiving sewerage system. The Sewerage Undertaker has sufficient time to analyse and improve its systems if necessary and is funded to do so. Matters relating to foul drainage are comprehensively addressed in other primary legislation, meaning there is no impact which would make the development unacceptable in planning terms. Adopting the tests at paragraph 55 of the National Planning Policy Framework (NPPF), any condition related to foul drainage is unnecessary, irrelevant to planning and unreasonable.

## **B. Drainage Strategy for the Development**

- B.1 A foul drainage system will be constructed to serve this development and connected to the public foul sewerage network. All sewers and ancillaries will be built in accordance with the national industry guidance entitled “Sewers for Adoption” and will ultimately be adopted by the Sewerage Undertaker through an agreement pursuant to section 104 of the Water Industry Act 1991. This will ensure the long-term maintenance of the drainage system and is standard practice for new development.
- B.2 The village of Bloxham is situated to the north of this site and records received from the Sewerage Undertaker identify public foul sewers serving existing dwellings in a number of nearby public highways. The closest public sewer to this site is located at the junction of Hyde Grove and Brookside Way. Communication with the public sewerage network at this point would require crossing intervening third party land adjacent to the northern boundary of the site. Sewers can be constructed in third party land either by agreeing a private easement with the relevant landowner, or under a public sewer requisition with the Sewerage Undertaker. Third party land could be avoided by discharging development flows to a public sewer at the junction of South Newington Road and Cumberford Hill, but this connection is less preferable for technical reasons and due to the length of offsite sewer that would be required in public highway to facilitate it.
- B.3 A developer can connect to the public sewerage network at a point of its choosing by serving a notice on the Sewerage Undertaker pursuant to section 106 of the Water Industry Act 1991. This notice cannot be refused by the Sewerage Undertaker, but it can compel a developer to connect at an alternative location using its powers under section 112 of the Water Industry Act 1991. The Sewerage Undertaker can therefore dictate the point of connection on the public sewerage network to ensure there is no detriment to its existing performance. Section 112 also allows sewerage undertakers to instruct a developer to construct drainage systems in a specified manner to ensure any impact on the public sewerage network is minimised either on a permanent or temporary basis.
- B.4 Ground levels across the site fall naturally in a northerly direction decreasing from 116.0 metres AOD to 111.5 metres AOD. The public sewer to which connection is proposed has cover and invert levels of 111.89 and 109.73 metres AOD respectively. Potential routes to the public sewer in Hyde Grove have been analysed with reference to the Development Framework Plan and it would appear feasible to drain the entire development under gravity to Hyde Grove using standard on and offsite sewer depths and gradients. As detailed above, alternative points of connection exist, but in addition to requiring

extensive offsite works, development flows would also require pumping. As pumping of foul water is not preferred by developers or sewerage undertakers, this alternative strategy has not been considered further at this stage.

- B.5 Details of development proposals for this site and the drainage strategy outlined in this report were submitted to the Sewerage Undertaker for evaluation. An initial analysis has identified that foul water from at least 50 residential dwellings can be accommodated in the public sewerage network. The Sewerage Undertaker proposes to carry out hydraulic modelling of its network to establish whether the remainder of this development can be accommodated. This modelling will determine whether any network reinforcement will be required to accommodate foul water from the later stages of this development. The Sewerage Undertakers initial findings are included at Appendix 1.
  
- B.6 Prior to investing in further investigation and potentially designing and implementing a solution to improve network capacity, the Sewerage Undertaker understandably requires certainty that the proposed development will be proceeding. Timescales for the completion of each stage of this process have been set out by the Sewerage Undertaker as well as options to accelerate the investigation process if required. It is solely a matter for the Sewerage Undertaker to determine its preferred solution for accommodating foul water from this development in its sewerage system to comply with its duty under Section 94 of the Water Industry Act 1991.
  
- B.7 The site boundary is shown edged red on the plan at Appendix 3 and the proposed point of connection on the public sewerage network is indicated at Appendix 2. These can be referenced against the Development Framework Plan that forms part of the planning application
  
- B.8 In summary, it is proposed that this developments foul water will be discharged to the public sewerage network. The Sewerage Undertaker is required to take action as necessary to ensure existing network performance is not detrimentally affected.



## C. Development Timescales

C.1 Presuming this outline planning application is approved at committee, the following minimum timescales are envisaged for construction of the developments drainage system and the subsequent discharge of foul water to the public sewerage network:

- The site will be marketed for sale to a developer by mid to late 2019.
- Subsequent sale of the site anticipated by early 2020.
- The developer that purchases the site will complete detailed designs to facilitate submission of a reserved matters planning application by mid-2020.
- Determination of a reserved matters planning application may take approximately 3-6 months, i.e. Full planning permission granted by late 2020.
- The developments foul drainage system will be constructed as part of initial on-site groundworks commencing in early 2021, allowing a few months for enabling works etc.
- Foul water from the development will not be discharged to the public sewer network until initial occupations commence in late 2021.
- Development will continue over approximately a 3 year period with sales/occupations at around 30 dwellings per annum.
- Site completion estimated in 2024.

C.2 As demonstrated by this timeline, the discharge of foul water to the public sewerage network is anticipated to begin in late 2021. This allows more than two years between issuing an outline planning consent and the discharge of new flows to the public sewer network for the Sewerage Undertaker to complete further network evaluations and if required take any action it deems necessary to ensure it can meet the needs of this development.

C.3 The Sewerage Undertaker has set out timescales for further network evaluation and the subsequent design and construction of any network reinforcement found to be necessary. These are as follows:

- Modelling: 8 months
- Design: 6 months
- Construction: 6 months
- Total: 20 months

If the Sewerage Undertakers further investigation finds that network reinforcement will be required to accommodate development of this site after the initial 50 dwellings have been constructed and occupied, it will have at least 20 months following the grant of full planning permission. Initial

groundworks and construction of the first 50 dwellings on this site will take around 24 months to complete following the issue of a detailed planning consent.

- C.4 It would be inappropriate to prevent this development from proceeding on the grounds of sewerage capacity and unnecessary to apply any restrictive planning condition. For example, a condition that prevented the commencement of development or occupation of premises until network reinforcement was completed would be unreasonable given the timescales for its implementation and statutory powers available for use by the Sewerage Undertaker to protect its systems.

## **D. Sewerage Undertaker Funding**

- D.1 Ofwat (the water and sewerage industry regulator) has issued statutory rules that specify how sewerage undertakers must charge for activities associated with the connection of new developments to public sewerage networks. Each sewerage undertaker has published charging arrangements that implement these rules and apply to all new development. The relevant document for Thames Water is included at Appendix 6.
- D.2 As well as detailing charges for site specific activities, the charging arrangements specify how network reinforcement required to accommodate new development is funded. The Sewerage Undertaker collects an infrastructure charge for every new dwelling connected to its sewerage network to fund network reinforcement in its operating area. The Sewerage Undertaker receives infrastructure charge payments for connections that do not necessitate network reinforcement as well as for those that do. This ensures that the cost of providing additional capacity in the public sewerage network to accommodate housing growth is spread equally across all new development.
- D.3 In recent years, some sewerage undertakers have requested planning conditions that effectively forced developers to fund network reinforcement through sewer requisitions (section 98 of the Water Industry Act 1991). Network reinforcement charges can no longer be included in public sewer requisitions as the charging rules issued by Ofwat specifically preclude this. All new developments contribute towards network reinforcement through infrastructure charges, allowing sewerage undertakers to fully comply with statutory duties prescribed by Section 94 of the Water Industry Act 1991.
- D.4 As sewerage undertakers now have a properly defined funding stream for improving public sewer networks to accommodate new development, it would be unreasonable to impose planning conditions relating to foul drainage where it can be demonstrated that development timescales allow any necessary action to be taken. Sewerage undertakers have a statutory duty to improve networks and must do so within a reasonable timeframe to ensure much needed new housing is not delayed.
- D.5 Any improvements necessary to the operation of sewage treatment facilities, including works required to accommodate new development, are funded through the general sewerage charge levied on all premises within a sewerage undertakers operating area.
- D.6 All costs relating to onsite foul drainage networks, the construction of new sewers and ancillaries as well as connection to the public sewer network are

borne in full by developers. Charges associated with these activities are detailed in the Sewerage Undertakers published charging arrangements.

- D.7 The charging arrangements for new development allow sewerage undertakers to take a more holistic approach to improving the capacity of public sewerage networks. Rather than catering for the needs of individual developments on a piecemeal basis, sewerage undertakers can now consider all potential development in a particular area and devise solutions to accommodate the cumulative impact. It may also allow sewerage undertakers to better address existing capacity constraints alongside network reinforcement that caters for growth. Previously, this was rarely the case where funding was provided by a specific development as it is not permitted to charge developers to address existing issues.
- D.8 Construction of the onsite sewerage system for this development and its connection to the public sewer network will be funded by the developer. Its design will be vetted by the Sewerage Undertaker following payment of the appropriate fees set out in the charging arrangements.
- D.9 Infrastructure Charges for the 95 dwellings proposed will be paid to the Sewerage Undertaker at a rate of £210.00 per property (fixed until 31<sup>st</sup> March 2019 and then reviewed annually). This will provide the Sewerage Undertaker with £19,950.00 towards the general costs of improving the public sewerage network where it is necessary to accommodate foul water flows from new development.
- D.10 The addition of 95 new customer households will provide additional annual income to the Sewerage Undertaker. The current average sewerage charge in the Sewerage Undertaker's area is £180.00 per property, providing £17,100.00 (rising in line with future price increases) annually on completion of the development.

## **E. Water Industry Legislative Framework, Duties and the Planning Regime**

- E.1 ULS has consistently maintained that planning conditions relating to foul drainage are unnecessary for new residential development and the planning appeal decisions detailed at Appendix 5 and summarised below support this view. The actual impact on the environment of a proposed development must always be evaluated with due regard to the statutory provisions set out in the Water Industry Act 1991 (WIA1991).
- E.2 A summary of the relevant sections of the WIA1991 is set out at Appendix 4 together with the full wording of those sections.
- E.3 A detailed analysis of the interaction between the water industry statutory framework and the planning regime is set out at Appendix 5.
- E.4 When evaluating foul drainage during a planning application, the correct approach in law should be as follows:
- To have regard to a developer's absolute right to connect to the public sewerage system, while taking into account the general duty that section 94 of the WIA1991 imposes on sewerage undertakers.
  - To consider whether there is any impact on the environment that would justify refusing permission and if so whether this could be mitigated by a planning condition.
  - To determine whether any planning condition would meet the policy tests detailed in the NPPF and Planning Practice Guidance (PPG).
- E.5 Conditions relating to sewerage and sewage treatment must be justified against the tests set out in the NPPF and the PPG. In particular, given the rights and duties in the WIA1991, careful consideration is required as to the timescales involved in implementing a permission for residential development. It is reasonable to expect the Sewerage Undertaker to provide the necessary infrastructure to avoid adverse effects, and it is funded to do so through charges it collects specifically for this purpose.
- E.6 The principles set out in this report that demonstrate planning conditions relating to foul drainage are unnecessary have been considered at a number of planning appeals. The reference numbers for these appeal decisions are listed in Appendix 5 along with extracts relevant to foul drainage. It was determined by the Planning Inspectors presiding over these cases that the imposition of a planning condition relating to foul drainage was either unnecessary or unreasonable. The reasons given by the Planning Inspectors for this decision were similar in each case and can be summarised as follows:

- Sewerage undertakers have a statutory duty prescribed by the Water Industry Act 1991 to provide sewer connections. There is no need for planning conditions to duplicate powers available under other legislation.
- Sewerage Undertakers have a statutory duty prescribed by the Water Industry Act 1991 to improve existing systems if necessary. A condition relating to foul drainage is unnecessary as it is the subject of other legislation.
- In general conditions relating to foul water drainage are unnecessary, given the requirements of legislative provisions separate to the land use planning regime.
- A condition relating to the completion of off-site network reinforcement would be unreasonable where development timescales provide the sewerage undertaker adequate time to implement any necessary improvement measures to the public sewerage network.

Case law has set a precedent relating to the consistency of decision making by planning authorities or inspectors, confirming that whilst a decision maker can depart from a previous decision which considered the same or similar facts, they must fully justify the reasons for doing so. (Fox Vs SoS [2012] EWCA Civ 1198).

E.7 Although it has been established that the Sewerage Undertaker may need to improve its sewer network to accommodate the later stages of this development, it can be demonstrated that it would be unreasonable to impose a planning condition relating to foul drainage for the following reasons:

- It is solely a matter for the Sewerage Undertaker to complete any network reinforcement necessary to accommodate this developments foul water. Developers have no control over the design, planning and implementation of network reinforcement. A planning condition requiring submission of such details by the applicant would be unenforceable.
- The Sewerage Undertaker has a duty to take any action it deems necessary to ensure its systems are properly managed to accommodate new development. It is funded to do so and has sufficient time to undertake any works required. A condition requiring restriction of the commencement and/or occupation of this development is therefore unnecessary.
- All matters relating to the design and construction of sewerage systems for new development as well as connection to existing networks are covered by the provisions of primary legislation (WIA1991). A planning condition requiring submission to the planning authority of details relating to such matters would be an unnecessary duplication and therefore unreasonable.

## **F. Summary**

- F.1 It is clear from the above analysis of both legal and technical aspects relating to foul drainage, that this development can be effectually drained without causing detriment to the public sewerage network.
- F.2 Section B of this report demonstrates how this development can be drained, with an onsite sewerage system constructed and connected to the public sewerage network.
- F.3 Section C of this report sets out the timescales for implementation of this development and how this affords sufficient time for the Sewerage Undertaker to ensure it can make appropriate provision for accepting and treating its foul water flows.
- F.4 Section D of this report explains how the Sewerage Undertaker is funded to make any necessary alterations to its sewer and sewage treatment network to accommodate this development.
- F.5 Section E of this report highlights the separate legislative regimes that operate within the planning system and the water industry and demonstrates that a foul drainage planning condition is not required. Matters pertaining to foul drainage and sewage treatment for this development are fully addressed by water industry legislation.
- F.6 The developer has a right to connect to the public sewerage network at a point of its choosing and the Sewerage Undertaker has a duty to carry out any works necessary to accommodate associated foul water flows (s106 and s94 of the WIA1991).
- F.7 If the Sewerage Undertaker requires construction of foul drainage works for this site to be carried out in an alternative manner or connection at a different location to that proposed by the developer, it can compel the developer (through s112 of the WIA1991) to carry out the additional works to achieve this.
- F.8 Planning appeal decisions have confirmed that conditions relating to foul drainage are unnecessary and/or unreasonable. Case law has set precedent relating to the consistency of decision making by planning authorities or inspectors, confirming that whilst a decision maker can depart from a previous decision which considered the same or similar facts, they must fully justify the reasons for doing so. (Fox Vs SoS [2012] EWCA Civ 1198).
- F.9 Applying the tests at NPPF paragraph 55 and following the approaches taken in the planning appeal decisions detailed in E.6 above, any condition relating to foul drainage is unnecessary and/or unreasonable. Despite this, a

sewerage undertaker will often suggest that a development may cause detriment to the public sewerage system unless a condition is imposed. It is understandable that this would be of concern to a planning authority and is no doubt the reason that planning conditions put forward by sewerage undertakers have tended to be routinely applied. In reality, the “risk” is not created by the development and would only occur if a sewerage undertaker failed to undertake its fully funded statutory obligations to carry network reinforcement, if required, in a timely manner. The request by a sewerage undertaker for development to be delayed until it is prepared to make the necessary investment, is in effect a private company seeking to dictate when homes required to meet housing need, can be delivered.

- F10 The casual imposition of unnecessary/unreasonable foul drainage conditions on planning permissions requiring prior approval of drainage schemes or hydraulic modelling, can add considerable delay to the implementation of permissions and the delivery of new homes. This is not a practice that should be perpetuated within the planning system.
  
- F.11 The grant of outline planning permission for this development will give the Sewerage Undertaker sufficient certainty that it will go ahead. This will allow it to ensure that its systems can meet the demands of all existing and proposed developments in this area.
  
- F.12 In summary, this report clearly demonstrates how the proposed development can be effectually drained without causing any detriment to the public sewerage system. Matters relating to foul drainage have been properly assessed and are comprehensively addressed in other primary legislation, meaning there is no impact which would make the development unacceptable in planning terms in the absence of a condition. Adopting the tests at NPPF paragraph 55, any condition related to foul drainage is unnecessary, irrelevant to planning and unreasonable.



## Utility Law Solutions – Company Overview

ULS is owned and operated by Philip Day and Alex Day and was incorporated in 2007. Since its inception, ULS has provided advice and assistance to developers, landowners and other bodies operating in the house building sector on issues relating to foul drainage, sewage treatment and associated infrastructure matters.

Prior to the formation of ULS Philip Day and Alex Day were both employed in the Water & Sewerage Industry by Severn Trent Water, being one of the largest sewerage undertakers in the UK. Philip and Alex therefore have first-hand knowledge of the operation of sewerage undertakers and how they interact with developers and others in the house building industry.

Before leaving Severn Trent Water to set up Utility Law Solutions, Philip was their Principal Legal Advisor for Asset Management matters. In this role Philip's responsibilities were wide ranging and included the provision of legal advice and support to the business in relation to all asset management issues arising out of the company activities in sewage treatment, water supply and networks (water main and sewerage systems). During his time with Severn Trent Water, Philip was *inter alia* directly responsible for all legal aspects relating to:–

- Advice on the effects of the Water Industry Act 1991 and related legislation
- Obligations of sewerage undertakers in relation to the section 94 duty
- Formulation of policies and procedures in relation to the connection of infrastructure to new developments including resolution of development related problems/disputes
- Sustainable Drainage Systems (SuDS) - Member of the National SuDS Working Group providing legal support which culminated in the Interim Code of Practice for Sustainable Drainage Systems
- Sewers for Adoption – Provision of legal support for Sewers for Adoption 5 and 6, including creating a new national agreement
- Development through Water UK involvement, of water company positions in relation to Private Sewers legislation, New Roads and Street Works and Traffic Management Acts, Environmental Liability Directive, Section 101A (rural sewers) applications and processes and Environmental Information Regulations

Alex was employed by Severn Trent Water in its Developer Services and New Connections department with duties including assessing and communicating the impact of new developments on existing sewerage networks and evaluating sewer designs proposed by developers in accordance with industry standards. Alex worked in close collaboration with the Asset Protection and the Legal departments in Severn Trent providing an important link for his own team to ensure that all activities relating to new development complied with both statutory provisions and protected the technical requirements of the company. Alex also spent 4 years prior to joining ULS working as a consultant to developers providing advice on matters including the impact of proposed developments on sewerage networks and acting as an agent in communicating with sewerage undertakers.

[www.utilitylawsolutions.co.uk](http://www.utilitylawsolutions.co.uk)

Utility Law Solutions Ltd – Registered in England No. 6072562  
Registered Office: 12 Payton Street, Stratford upon Avon, Warwickshire, CV37 6UA

This page has been left blank intentionally

# Appendix 1

This page has been left blank intentionally



**Mr Alex Day**

Utility Law Solutions



**Our ref: DS6046677**



**0800 009 3921**

Monday to Friday, 8am to 5pm

23.04.2018

## **Pre-planning enquiry: Insufficient Capacity**

Dear Mr Day,

Thank you for providing information on your development.

**Site: Land South of Newington Road, Bloxham, Banbury – OX15 4HJ**

**Details: Existing Site: Greenfield.**

**Proposed development - Houses (95 No's).**

**Proposed foul discharge by gravity into MH4402.**

**No surface water proposal.**

We've assessed your proposals and concluded from our initial review, that our supply network may not have sufficient capacity to meet your requirements. We've no objection to you building the first **50 properties**, but we're unable to meet the needs of your **full** development at this time.

In order to ensure we make the appropriate upgrades – or 'off-site reinforcement' – to serve the remainder of your development, we'll need to carry out modelling work and, if required, design a solution and build the necessary improvements. Typical timescales for a development of your size are

Modelling: **8 months**

Design: **6 months**

Construction: **6 months**

**Total: 20 months**

We'll only carry out modelling at our cost once we're confident that your development will proceed. In order to have this confidence, we'll need to know that:

- You own the land, it's in the local plan and you have outline planning permission, **or**
- You have full planning permission or reserved matters granted and a Section 106 payment made under the Town & Country Planning Act

If you'd like us to start modelling work ahead of these points, we'll need you to underwrite the cost.

Before we start reinforcing work, we'd need you to supply us with

- Notification that you've confirmed your 'nominated competent person' (NCP) submission to the Health and Safety Executive.

### What do I need to do next?

If you've satisfied the points above, then you should compare your own timeline with the typical timescales we've suggested for our activities. If the time you're likely to take from planning and construction through to first occupancy is **more** than the total time we're likely to take, we'll be able to carry out the necessary upgrades in time for your development.

If it's **less** than this, you might want to ask us to start modelling earlier – in which case we'll require you to underwrite the cost.

If we haven't heard from you by **15/06/2018** we'll contact you so you can confirm whether you can provide the confidence we need. If so, we'll be able to schedule the modelling if you still need it – but we won't do so until you've confirmed that you need it.

### How do I underwrite modelling?

To request an agreement please call me on the number below.

### What happens if my timeline from planning to first occupancy is shorter and I don't want to underwrite the modelling?

The developer is the only party who knows which of their developments is more likely to go ahead. Our underwriting agreement therefore gives us the confidence we need to start this work early.

If your timeline is shorter than ours, we will only support construction of the number of properties indicated above and your development may be delayed until the required reinforcement is in place.

**Please note that you must keep us informed of any changes to your design – for example, an increase in the number or density of homes. Such changes could mean there is no longer sufficient supply capacity.**

If you've any further questions, please contact me on 0203 5777 608

Yours sincerely

Zaid Kazi

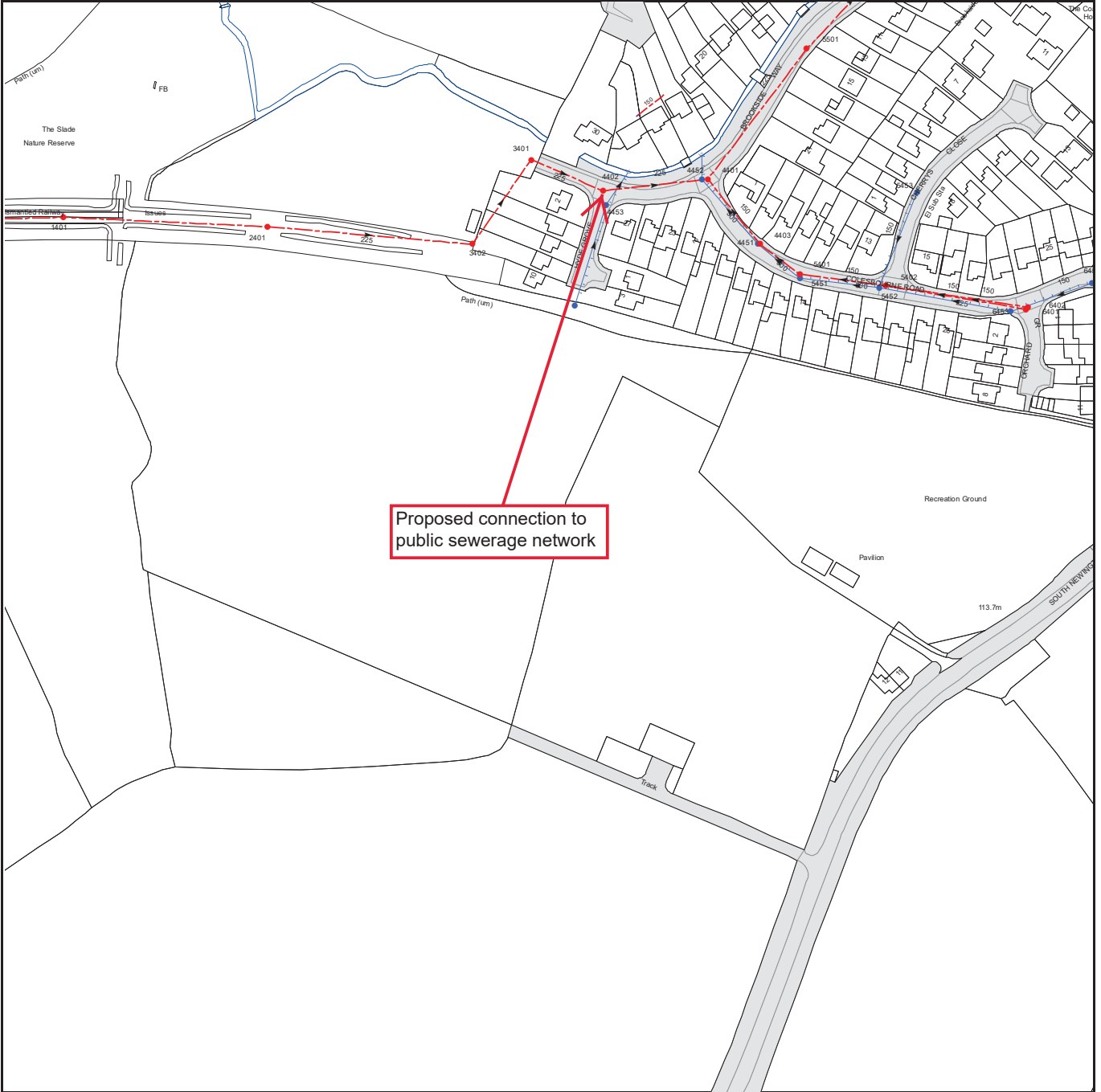
Thames Water

**Please note: changes to your design e.g. an increase in the number or density of dwellings, could add time delays to your programme if we are not kept informed, as this may exceed the capacity requirement we have calculated for your development.**

## Appendix 2

This page has been left blank intentionally





Proposed connection to public sewerage network

The width of the displayed area is 500m

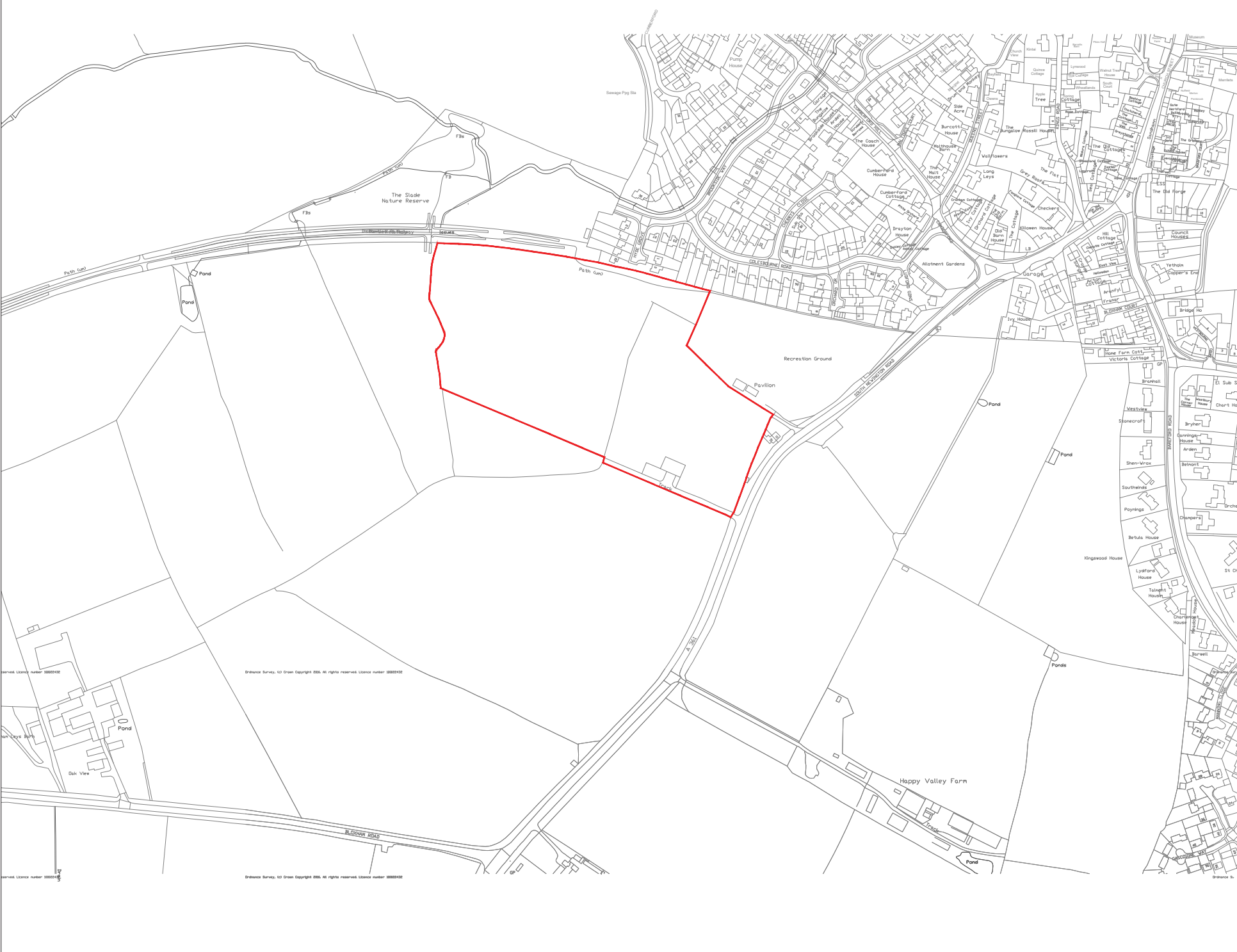
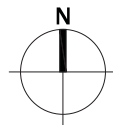
The position of the apparatus shown on this plan is given without obligation and warranty, and the accuracy cannot be guaranteed. Service pipes are not shown but their presence should be anticipated. No liability of any kind whatsoever is accepted by Thames Water for any error or omission. The actual position of mains and services must be verified and established on site before any works are undertaken.

Based on the Ordnance Survey Map with the Sanction of the controller of H.M. Stationery Office, License no. 100019345 Crown Copyright Reserved.

This page has been left blank intentionally

## Appendix 3

This page has been left blank intentionally



South Newington Road,  
Bloxham

Location Plan

Scale(s) 1:2500@A2

This page has been left blank intentionally

# Appendix 4

This page has been left blank intentionally



## **Water Industry Legislation**

### **Summary**

The Water Industry Act 1991 (WIA1991) provides a full legislative framework, incorporating provisions that ensure new developments can be effectually drained with onsite sewers being connected to the public sewerage network and subsequently adopted. The WIA1991 also contains safeguards to ensure that foul water flows resulting from new development do not cause detriment to the existing public sewerage network. A duty is imposed on sewerage undertakers by the WIA1991 to improve/upgrade public sewer networks to ensure the needs of new development can be met. Where it is perceived that new flows may cause detriment to public sewer networks, in addition to its duty to improve/upgrade, a sewerage undertaker also has the ability to compel a developer to connect at a point of adequacy on its system or otherwise alter the proposed drainage arrangements.

It should also be noted that the WIA1991 provides for the water industry regulator to arbitrate on disputes between developers and sewerage undertakers on sewer connections and the provision of sewerage infrastructure in the event that such a dispute cannot be resolved between the parties. Involving the planning system in such matters is both unnecessary and has the potential to cause conflicts between the two legislative regimes.

The relevant sections of the WIA1991 which confirm the above statements are set out in full below but for convenience can be summarised as follows:

### **Section 104 – Sewer Adoption Agreements**

Section 104 of the WIA1991 provides for developers to enter into a section 104 sewer adoption agreement in conjunction with exercising rights to connect to the public sewerage network under section 106(1) WIA1991.

### **Section 106 – Right to Communicate with Public Sewers.**

Developers enjoy a statutory right to connect new sewers to existing public sewers under section 106 (1) of the WIA1991 and sewerage undertakers do not have the ability to refuse a connection on the grounds of capacity in the local sewerage network and/or sewage treatment works.

Section 107 entitles the sewerage undertaker to give notice within 14 days of receipt of a notice under section 106(3) that it intends to make the communication itself. In that event the developer has to pay the reasonable cost of the work.

The Supreme Court in its judgment against a sewerage undertaker upheld this long-standing absolute right of connection to available public sewers (Barratt Homes Limited (Respondents) v Dwr Cymru Cyfyngedig (Welsh Water) (Appellants) – paragraphs 23-26, 41, 55).

The following extract from the judgment highlights some of the issues that were considered (with the key parts underlined):

*41. The real problem that is demonstrated by the facts of this case arises out of the “absolute right” conferred by section 106 of the 1991 Act on the owner or occupier of premises to connect those premises to a public sewer without any requirement to give more than 21 days notice. While this might create no problem in the case of an individual dwelling house, it is manifestly unsatisfactory in relation to a development that may, as in the present case, add 25% or more to the load on the public sewer. The public sewer may well not have surplus capacity capable of accommodating the increased load without the risk of flooding unless the undertaker has received sufficient advance notice of the increase and has been able to take the necessary measures to increase its capacity.*

*57. As OFWAT has pointed out, although the 1991 Act affords no such right, there is a case for deferring the right to connect to a public sewer in order to give a sewerage undertaker a reasonable opportunity to make sure that the public sewer will be able to accommodate the increased loading that the connection will bring. The only way of achieving such a deferral would appear to be through the planning process. Some difficult issues of principle arise however:*

*□ Is it reasonable to expect the sewerage undertaker to upgrade a public sewerage system to accommodate linkage with a proposed development regardless of the expenditure that this will involve?*

*□ How long is it reasonable to allow a sewerage undertaker to upgrade the public sewerage system?*

*□ Is it reasonable to allow the sewerage undertaker to delay planned upgrading of a public sewer in the hope or expectation that this will put pressure on the developer himself to fund the upgrading?*

A 21 day notice is only exercisable when the sewer that is required to connect flows from a new development has actually been constructed (as confirmed by Ofwat in a formal Determination). The development timescales set out in Section C above demonstrate that in reality sewerage undertakers always have significant periods of notice before new flows need to be accommodated in the public system.

## **Section 94 – A Sewerage Undertaker’s General Duty to Provide a Sewerage and Sewage Disposal System**

Under section 94 (1) of the WIA1991, sewerage undertakers have a duty to provide, improve, extend and make provision for the emptying of their sewerage systems by effectually dealing, by means of sewage disposal works or otherwise, with the contents of those sewers that comprise the public sewerage system. The provisions of this section relate not only to long term capital works to improve the sewerage

system generally, but also place a duty on the sewerage undertaker to react to changes in the level of discharges into its networks.

Section 94(1) places a duty on sewerage undertakers to plan and implement any works necessary to ensure their network of sewers (and sewage treatment facilities) continues to operate satisfactorily once they have received notification that a developer intends to exercise the right to connect under section 106(1). In reality, a sewerage undertaker has sufficient certainty (and time as a result of the advance notice they receive) that a development will be proceeding on the grant of planning permission (outline or full) and should consider any necessary actions to comply with its section 94 duty at that stage. Conversely, until a sewerage undertaker has certainty that sufficient development will take place in a particular area, it is unlikely that any investment in sewerage or sewage treatment will be allocated. It is therefore illogical to refuse to grant planning permission for developments on the grounds that no improvement works are planned for a particular area.

### **Section 112 – An Alternative to Works under the Section 94 Duty**

Whilst all developers and landowners have an absolute right to connect to the public sewer nearest to their premises, in some circumstances it may be the case that the sewerage undertaker requires drainage systems to be constructed in a manner which better protects the existing public sewerage and/or sewage treatment systems. It may for example be beneficial for a sewerage undertaker to require that a developer connects at an alternative location which constitutes a point of adequacy or provide onsite attenuation to ensure that new flows are only discharged at a specific rate or during certain times until any deficiencies in its systems have been resolved. Given the rights and duties under section 106 and 94 of the WIA1991, it would not however be appropriate to expect a developer to pay for any additional works. Section 112 of the WIA1991 provides a mechanism for sewerage undertakers to compel a developer to carry out alternative works (s112 (1)), but with the difference of cost being met by the sewerage undertaker (s112 (6)).

Clearly if compelling alternative works would be more cost effective for a sewerage undertaker than implementing sewer or sewage treatment improvement works under its section 94 duty or would allow extra time to carry out such works, this option is both viable and useful to ensure that a development can be effectually drained.

## **Section 104 - Agreements to adopt sewer, drain or sewage disposal works, at future date**

- (1) Subject to subsection (7) and section 146(3) below, a sewerage undertaker may agree with—
- (a) any person constructing or proposing to construct -
    - (i) any sewer;
    - (ii) any drain which is intended to communicate with a public sewer vested in that undertaker; or
    - (iii) any sewage disposal works; or
  - (b) any person at whose expense the undertaker is, by virtue of an agreement under section 160 below, to carry out work in connection with the construction of such a drain or sewer,

that, if the sewer, drain or sewage disposal works is or are constructed in accordance with the terms of the agreement, the undertaker will, upon completion of the work, at some specified date or on the happening of some future event, declare the sewer or such part of the drain as constitutes the lateral drain or the works (as the case may be) to be vested in that undertaker.

- (2) A person mentioned in paragraph (a) or (b) of subsection (1) above may make an application to a sewerage undertaker requesting the undertaker to make an agreement under this section.

## **Section 106 – Right to Communicate with Public Sewers**

(1) Subject to the provisions of this section -

- (a) the owner or occupier of any premises, or
- (b) the owner of any private sewer which drains premises,

shall be entitled to have his drains or sewer communicate with the public sewer of any sewerage undertaker and thereby to discharge foul water and surface water from those premises or that private sewer.

(1A) In this section, and in sections 107 to 109, 111, 113 to 116, 118, 119, 124, 127, 139 and 146 below -

- (a) references (however expressed) to a public sewer include a public lateral drain which satisfies sewer standards; and
- (b) for the purposes of paragraph (a) above

- (i) a “public lateral drain” is a lateral drain which either belongs to the sewerage undertaker or is vested in the sewerage undertaker by virtue of a declaration made under section 102 above or under an agreement made under section 104 above; and

- (ii) “sewer standards” means such standards of construction and repair as the undertaker would require if the public lateral drain or part of it were to become a public sewer.

(2) Subject to the provisions of Chapter III of this Part, nothing in subsection (1) above shall entitle any person -

- (a) to discharge directly or indirectly into any public sewer -

- (i) any liquid from a factory, other than domestic sewage or surface or storm water, or any liquid from a manufacturing process; or

- (ii) any liquid or other matter the discharge of which into public sewers is prohibited by or under any enactment; or

- (b) where separate public sewers are provided for foul water and for surface water, to discharge directly or indirectly -

- (i) foul water into a sewer provided for surface water; or

- (ii) except with the approval of the undertaker, surface water into a sewer provided for foul water; or

- (c) to have his drains or sewer made to communicate directly with a storm-water overflow sewer.

(3) A person desirous of availing himself of his entitlement under this section shall give notice of his proposals to the sewerage undertaker in question.

(4) At any time within twenty-one days after a sewerage undertaker receives a notice under subsection (3) above, the undertaker may by notice to the person who gave the notice refuse to permit the communication to be made, if it appears to the undertaker that the mode of construction or condition of the drain or sewer –

- (a) does not satisfy the standards reasonably required by the undertaker; or
- (b) is such that the making of the communication would be prejudicial to the undertaker's sewerage system.

(5) For the purpose of examining the mode of construction and condition of a drain or sewer to which a notice under subsection (3) above relates a sewerage undertaker may, if necessary, require it to be laid open for inspection.

(5A) Where the sewer or drain satisfies the standards reasonably required by it, a sewerage undertaker may, as a condition of permitting the communication to be made, require that the sewer or that part of the drain forming the lateral drain be vested in it by virtue of a declaration under section 102 above.

(6) Any question arising under subsections (3) to (5A) above between a sewerage undertaker and a person proposing to make a communication as to -

- (a) the reasonableness of the undertaker's refusal to permit a communication to be made; or
- (b) as to the reasonableness of any requirement under subsection (5) [or (5A) above, may, on the application of that person, be determined by the Authority under section 30A above (and, accordingly, section 105 above shall not apply to any requirement under subsection (5A) above).

(7) .....

(8) Where a person proposes under this section to make a communication between a drain or sewer and such a public sewer in Greater London as is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains -

- (a) the grounds on which a sewerage undertaker may refuse to permit the communication shall be such grounds as the undertaker thinks fit; and
- (b) no application to the Authority may be made under subsection (6) above in respect of any refusal under this subsection.

(9) In this section "factory" has the same meaning as in the Factories Act 1961.

## **Section 94 - General Duty to Provide Sewerage System**

(1) It shall be the duty of every sewerage undertaker -

(a) to provide, improve and extend such a system of public sewers (whether inside its area or elsewhere) and so to cleanse and maintain those sewers and any lateral drains which belong to or vest in the undertaker as to ensure that that area is and continues to be effectually drained; and

(b) to make provision for the emptying of those sewers and such further provision (whether inside its area or elsewhere) as is necessary from time to time for effectually dealing, by means of sewage disposal works or otherwise, with the contents of those sewers.

(2) It shall be the duty of a sewerage undertaker in performing its duty under subsection (1) above to have regard -

(a) to its existing and likely future obligations to allow for the discharge of trade effluent into its public sewers; and

(b) to the need to provide for the disposal of trade effluent which is so discharged.

(3) The duty of a sewerage undertaker under subsection (1) above shall be enforceable under section 18 above -

(a) by the Secretary of State; or

(b) with the consent of or in accordance with a general authorisation given by the Secretary of State, by the Authority.

(4) The obligations imposed on a sewerage undertaker by the following Chapters of this Part, and the remedies available in respect of contraventions of those obligations, shall be in addition to any duty imposed or remedy available by virtue of any provision of this section or section 95 below and shall not be in any way qualified by any such provision.

(5) In this section "trade effluent" has the same meaning as in Chapter III of this Part; and, accordingly, section 139 below shall have effect for the purposes of this section as it has effect for the purposes of Chapter 3 of this Part.

**Section 112 – Requirement that Proposed Drain or Sewer be Constructed so as to Form Part of General System.**

(1) Where -

(a) a person proposes to construct a drain or sewer; and

(b) a sewerage undertaker considers that the proposed drain or sewer is, or is likely to be, needed to form part of a general sewerage system which that undertaker provides or proposes to provide, the undertaker may require that person to construct the drain or sewer in a manner differing, as regards material or size of pipes, depth, fall, direction or outfall or otherwise, from the manner in which that person proposes, or could otherwise be required by the undertaker, to construct it.

(2) If any person on whom requirements are imposed under this section by a sewerage undertaker is aggrieved by the requirements, he may within twenty-eight days appeal to the Authority.

(3) On an appeal under subsection (2) above with respect to any requirements, the Authority may either disallow the requirements or allow them with or without modification.

(4) It shall be the duty of a person on whom requirements are imposed by a sewerage undertaker under this section to comply with those requirements.

(5) The duty of any person by virtue of subsection (4) above to comply with the requirements of a sewerage undertaker shall be owed to the undertaker; and any breach of that duty which causes the undertaker to sustain loss or damage shall be actionable at the suit of the undertaker.

(6) A sewerage undertaker which exercises the powers conferred on it by this section shall -

(a) repay to the person constructing the drain or sewer the extra expenses reasonably incurred by that person in complying with the undertaker's requirements; and

(b) until the drain or sewer becomes a public sewer, from time to time repay to that person so much of any expenses reasonably incurred by him in repairing or maintaining the drain or sewer as may be attributable to the undertaker's requirements having been imposed and complied with.

(7) Nothing in this section shall apply in relation to so much of any drain or sewer as is proposed to be constructed by any railway undertakers or dock undertakers in or on land which -

(a) belongs to them; and

(b) is held or used by them for the purposes of their undertaking.



# Appendix 5

This page has been left blank intentionally

## **Water Industry Legislation and the Planning Regime – ULS Analysis**

### **The Planning Tests**

The following statements are pertinent and should be applied by planning authorities when considering proposed development in conjunction with the six tests set out in the National Planning Policy Framework (NPPF) and expanded on in the Planning Practice Guidance (PPG):-

1. The actual impact on the environment of foul and wastewater drainage from a proposed development must always be evaluated with due regard to statutory provisions set out in the Water Industry Act 1991 and the duties of sewerage undertakers contained therein.
2. In considering any foul and wastewater drainage matters, the planning authority must take into consideration the fact that the developer has an absolute right to connect to the public sewerage system under section 106 of the Water Industry Act 1991 (the WIA1991), whether or not this would give rise to adverse effects e.g. increased flooding or environmental harm due to a restricted capacity in the sewerage and sewage treatment system.
3. Planning authorities must also consider the following matters:
  - a) Section 94 of the WIA1991 imposes a continuing duty on all sewerage undertakers to provide, maintain and where necessary improve its systems for collecting and treating foul and wastewater drainage so as to effectually drain its area and effectually deal with the contents of its sewers;
  - b) a sewerage undertaker is provided with the means of funding the cost of fulfilling the above duty within the WIA1991 through sewerage charges and infrastructure charges; and
  - c) the WIA1991 and the charging arrangements included at Appendix 6 clearly sets out that the costs of meeting the above duty are required to be borne by the sewerage undertaker, not the developer.
4. ULS does not believe that planning conditions relating to foul drainage are necessary for new residential development. In order for any such condition to be justified in terms of the guidance in the NPPF and PPG, the condition would also have to be shown to be necessary and reasonable. In theory a negative “Grampian” style condition could as a matter of law be imposed to restrain the occupation of development until satisfactory arrangements are made to deal with the sewage and wastewater generated. However, in practice it is clear that such a condition would fail when set against the tests in para. 55 of the NPPF and explained in the PPG on the basis that there is normally sufficient time for

the sewerage undertaker to fulfil its statutory duties as set out below or there is manifestly negligible impact on the sewerage and sewage treatment system.

5. When considered properly in the light of the structure and intentions of the WIA1991, current deficiencies in sewerage and sewage treatment provision would not in themselves justify refusal of permission or a Grampian condition. A planning authority must take into account the reasonable timescale when foul water flows from a development would start to discharge into the public sewerage and sewage treatment system, the undertaker's duties and whether such deficiencies would reasonably be expected to be addressed by the time the development imposes an additional burden on the system.
6. A condition which has the effect of compelling the developer to undertake attenuation works on site or elsewhere to alleviate the impact of foul water flows from the development on the sewerage and sewage treatment system would also be unreasonable. This is because section 112 of the WIA1991 provides a means for the sewerage undertaker to require such works as part of the private sewerage system serving the development, but on condition that the additional cost is borne by the undertaker, not the developer.
7. Finally, it is important to consider the differences between the provision of sewerage and sewage treatment and other infrastructure such as roads, schools, GP surgeries etc. It is clear that a development may need to be phased to ensure that such infrastructure is available with the necessary contributions made by developers to the cost of its provision. This is not the case with sewerage and sewage treatment provision as there is a statutory duty and statutory mechanism for financing it. Conversely no person has a statutory duty to provide roads, schools, GP surgeries etc. to serve developments and there is no means of covering its cost by charging users.

Given this analysis, planning authorities should not be refusing planning permission or imposing foul drainage conditions on developers as a matter of course, without addressing the above.

It is possible to interpret some passages in the PPG as if they were suggesting that foul drainage conditions should be imposed routinely. This is misleading as conditions relating to sewerage and sewage treatment must be considered and justified against the tests in para. 55 of the NPPF and explained in the PPG. In particular, given the provisions laid down by Parliament in the WIA1991, careful consideration will be required as to whether such a condition is necessary and whether it is reasonable. Having regard to the nature of the plan-led system and the time-scales involved in implementing a permission for residential development, it is entirely reasonable to expect a sewerage undertaker to make provision for the necessary sewerage and sewage treatment infrastructure so as to avoid the adverse

effects that may or may not be caused by new development and to fund this through the normal means of charges.

The necessity or otherwise of foul drainage planning conditions has been tested in planning appeals in which ULS has been involved. Decisions from five of these cases are outlined below:

#### **Appeal Decision APP/F1610/A/14/2228762**

The Planning Inspector made the following comment at paragraph 56:-

*The foul sewage and the water supply systems involve infrastructure elements that are inadequate. The consultation response from Thames Water suggests that conditions should be imposed to require an assessment of the additional capacity that might be required and to indicate suitable connection points. However, there is a statutory duty to provide such connections under the requirements of the Water Industry Act 1991. Hence, there would be no need for planning conditions to duplicate powers available under other legislation, as the submitted notes confirm.*

#### **Appeal Decision APP/F2605/W/15/3137812**

The Planning Inspector included the following comments at paragraphs 26 and 31:-

*26. Many thought that the infrastructure in Watton would be unable to cope. Anglian Water has a duty to deal with foul sewage, through improvements to the system if necessary; the broad principle is that the situation should be no worse than before the development was constructed, not that development should resolve any existing problems.*

*31. A condition on foul sewerage (18) is unnecessary because it is the subject of other legislation.*

#### **Appeal Decision APP/D3125/W/15/3136376)**

The Planning Inspector made the following comments at paragraphs 72 and 99:-

*72. Turning to sewerage, it is not disputed that at present there is insufficient capacity in the existing foul network to take the predicted flows from the proposed development. However, Thames Water's Developer Services commissioned report<sup>11</sup> concludes that there is an indicative option available to address this lack of capacity. My attention was drawn to email correspondence from what appeared to be a different department of Thames Water<sup>12</sup>,*

<sup>11</sup> Sewer Impact Study X4503 -1010 SMG 1876 Proposed Connection at New Yatt Road North Leigh Foul System January 2016

<sup>12</sup> See Inquiry Document 22

99. *On the basis of evidence presented to me, I am not persuaded that conditions relating to fire hydrant provision and foul water drainage are necessary, given the requirements of legislative provisions outwith the land use planning regime.*

### **Appeal Decision APP/ APP/D3125/W/15/3005737**

The Secretary of State and Planning Inspector made the following comments at paragraphs 20 and 231:-

*20. The Secretary of State has given consideration to the Inspector's analysis at IR214-231, the recommended conditions set out at the end of the IR and the reasons for them, and to national policy in paragraph 206 of the Framework and the relevant Guidance. He is satisfied that the conditions recommended by the Inspector and set out at Annex A to this letter, including the limitation to 260 dwellings, comply with the policy test set out at paragraph 206 of the Framework.*

*231. The Council did suggest a condition relating to the submission of a drainage strategy for on and off-site works. A condition relating to surface water drainage has already been proffered for imposition. The matter at issues here is foul water drainage. This would be dealt with directly with Thames Water under other legislation outside of the planning remit. It does not seem necessary or reasonable to require the appellant company to seek approval for a scheme of foul water connection essentially from the same regulatory body twice.*

### **Appeal Decision APP/Y2810/A/14/2228921**

The Planning Inspector received an analysis from ULS based on the same principles detailed in this report and also representations from a sewerage undertaker requesting that a foul drainage planning condition was imposed. The Inspector stated that a condition relating to the completion of off-site public sewer improvement works would be unreasonable as it would be at least 2 years before any houses would be occupied and discharging foul water flows to the public sewerage network. The Inspector determined that these timescales gave the sewerage undertaker adequate time to implement any necessary improvement measures to the public sewerage network pursuant to the statutory framework that applies to the water and sewerage industry. The Inspector's full comments are set out below.

77. Anglian Water sought a condition requiring on- and off-site mains foul sewage infrastructure works prior to occupation. This would prevent any new connection overloading the sewer. However, the appellant has argued that this would be unreasonable, citing case law that: *a sewerage undertaker has no right to ... refuse a developer the right to connect with a public sewer ...*<sup>8</sup>. I acknowledge that if only 21 days' notice was given (being all that is required under the Water Industries Act 1991) then there would be the potential for a serious problem. However, as Anglian Water replied to statutory consultation in July 2014, and as it is likely to be at least 2 more years before any houses would be occupied, it would have adequate time to take the necessary measures. The proposed condition would therefore be unreasonable.

<sup>8</sup> *Barratt Homes Limited v Dwr Cymru* [2010] Env. L. R. 14, 253, paragraph 59

Although this appeal decision has now been quashed, it was not on a matter relating to the foul drainage condition.

These decisions are clearly a material consideration in a planning authority's determination of planning applications, due to the potential requirement for the Sewerage Undertaker to provide additional sewerage and/or sewage treatment capacity to accommodate foul water flows from developments. Case law has set a precedent relating to the consistency of decision making by planning authorities or inspectors, confirming that whilst a decision maker can depart from a previous decision which considered the same or similar facts, they must fully justify the reasons for doing so. (*Fox Vs SoS* [2012] EWCA Civ 1198).

Adopting the tests at NPPF para. 55 and following the approach taken these appeals, conditions relating to foul drainage would be unnecessary and/or unreasonable. A sewerage undertaker (and occasionally the Environment Agency) will often suggest that detriment may be caused to the public sewerage system by the foul water flows from a development unless a condition is imposed. It is understandable that this would be of concern to a planning authority and this is no doubt the reason that planning authorities have tended to routinely apply planning conditions put forward by sewerage undertakers. However, in reality, the "risk" is not created by the development itself and would only occur if a sewerage undertaker failed to undertake its statutory obligations as detailed in this report to fund and carry out improvements to the sewer and/or sewage treatment systems if any are required, in a timely manner. The fact that a sewerage undertaker requests development to be delayed until it is prepared to make the necessary investment (for which it is already funded), means that a private company is in effect seeking to dictate when homes which are required to meet housing need, can be delivered. This is not a practice that should be perpetuated within the planning system.

The imposition of unnecessary/unreasonable foul drainage conditions on planning permissions requiring prior approval of drainage schemes or hydraulic modelling, can add considerable expense and delay to the implementation of permissions and the delivery of new homes.

### **The Sewerage Undertaker's Duties**

Sewerage (the piped network) or waste water treatment capacity for a development should be provided by the incumbent sewerage undertaker on the basis that reasonable notice of a proposed development has been provided by a developer or landowner. Indeed, a sewerage undertaker has a statutory duty to do so. Where the impact on the sewerage system is negligible no additional capacity will be required and no action by the sewerage undertaker would be necessary. As such, foul drainage does not generally represent a constraint in planning terms to development. There is a separate statutory regime in place which adequately addresses foul drainage matters. Should a development be granted outline planning permission, the Sewerage Undertaker has sufficient time and has the knowledge and expertise to fully assess the potential impact on its sewerage network and implement any necessary improvement works that may be required to accommodate new foul water flows.

If following evaluation the Sewerage Undertaker considers that improvement works are required to its sewerage network or sewage treatment works, it is funded to ensure that such improvements are made in order to comply with its statutory duty to "provide, improve and extend" its network. It would therefore be unreasonable to delay the start or progress of a development once planning permission has been granted.

With regard to sewage treatment, each Waste Water Treatment Works (WWTW) in a sewerage undertakers operating area has a consent to discharge treated effluent to a body of water (typically a watercourse/river). Such consents are issued by the Environment Agency (EA) and incorporate a number of parameters in relation to both biological load (quality of effluent discharge) and dry weather flow (quantity of discharge). A WWTW is required by the EA to operate within these consent parameters.

The quality and quantity of effluent discharged from a WWTW is measured by the sewerage undertaker responsible against its consent parameters, typically on a monthly basis giving 12 reports per year to the EA confirming whether or not the WWTW is operating within its consent. Clearly as a particular works approaches the limits of its consent parameters, a sewerage undertaker must give regard to the likely level of growth in the catchment area of the WWTW and look at what investment may be required, either by installing new plant or altering the operation of existing plant, to ensure any new flows can be accommodated without exceeding the limits



imposed by the EA. Any sewerage undertaker which does not take such action for works approaching capacity is failing in its statutory duty under section 94 as outlined above. How the quality and quantity of discharge from a WWTW is measured varies from specific monitoring devices within a works to estimates based on the size of the population for the contributing catchment area.

Should a particular WWTW fail to meet its consent parameters on two or more occasions within a twelve month period, discussions will be held between the EA and the sewerage undertaker as to what improvements can be made to bring discharges back within the set limits. During such discussions, the consent parameters may be tightened or amended to suit the facts of the case and to ensure water quality in the receiving body is protected. In reality, because of the gradual nature of growth in any particular area, even where a works is deemed to have failed against its consent parameters, this is only likely to be by a very small amount and provided appropriate action is taken by the sewerage undertaker, an agreement can be made with the EA as to how the WWTW can be managed to ensure it operates within its consent (whether or not this is amended).

Where a WWTW is close to or has failed to meet its consent parameters, it is often possible to implement temporary measures (in operational procedures or provision of additional storage/treatment apparatus) to mitigate against the immediate small exceedance in quality or quantity while funding is allocated and feasibility studies carried out to allow a long-term solution to be implemented to ensure that future additional growth can be catered for.

It is a matter for any sewerage undertaker to manage its consents with the EA and ensure that its WWTW's stay within their consent parameters. This is an ongoing process and it is unreasonable to suggest that a specific development, particularly one which is modestly sized in comparison to overall catchment population, will have a significant and unmanageable influence on a WWTW and its ability to operate within limits set by the EA. This is not a matter which can be influenced by a developer and as such to prevent or delay a development from proceeding because a sewerage undertaker may be forced to take action and fund improvement works to comply with its statutory duties is unreasonable.

## **Summary**

Unless sewerage undertakers have certainty that sufficient development will take place in a particular area, it is unlikely that any investment in sewerage or sewage treatment will be allocated. In the event that the Sewerage Undertaker considers that it has hydraulic or capacity issues with its sewerage and sewage treatment systems for this and other development in the area, it would be unreasonable and illogical to refuse planning permission on the grounds that no sewerage or sewage treatment improvement works are planned for the network to which this development will

discharge foul water flows. Only granting planning permission for developments without foul drainage planning conditions will ensure that the Sewerage Undertaker fully considers the current drainage network and systems in line with its statutory duties. This will provide a benefit not only to new development, but also potentially the existing settlement.

Because of the rights and duties outlined above, where a sewerage undertaker perceives there to be a potential inadequacy in its sewerage or sewage treatment systems to accommodate new foul water flows, it will often make representations to planning authorities recommending that planning conditions relating to foul drainage are imposed.

The point of principle is that as a matter of law, the WIA1991 expressly places a duty on sewerage undertakers to provide, improve, extend and maintain a system of sewers and sewage treatment facilities so as to ensure that their area is and continues to be effectually drained. Sewerage undertakers are fully funded to carry out any necessary improvement works through the statutory based charges they levy. The WIA1991 then gives domestic owners and occupiers an absolute right to connect into the public system (subject only to their private drains being of proper construction and condition). To apply planning policy so as to relieve the undertakers of that duty and negate the rights of owners and occupiers conflicts with primary legislation which already protects both new developments and existing property owners. This is unreasonable where matters relating to foul drainage can be suitably addressed through the appropriate statutory regime which governs the water and sewerage industry.

In our experience, planning authorities often impose a planning condition in relation to foul drainage on the advice of sewerage undertakers without proper consideration of not only how this impacts on effective and economic development, but also whether it conflicts with statutory rights and duties imposed by water and sewerage industry primary legislation.

When considering the drainage related aspects of a planning application, the correct approach in law should be as follows:

- To have regard to the absolute right to connect to the public sewerage system, while taking into account the general duty that section 94 of the WIA1991 imposes on sewerage undertakers.
- To consider whether there is any impact on the environment that would justify refusing permission and if so whether this could be mitigated by a planning condition.
- To determine whether any planning condition would meet the policy tests detailed in the NPPF and PPG.

It is clear that any planning condition relating to foul drainage is unnecessary and unreasonable as it would duplicate matters which are already satisfactorily dealt with under a separate statutory regime. Unless there is clear evidence that to fail to impose a condition would have a detrimental effect which cannot be avoided through appropriate action by a sewerage undertaker in a reasonable timeframe, connections to the local public sewerage system should be dealt with via the legislative framework contained in the WIA1991 rather than planning legislation. Imposing a condition without proof that detriment would be caused which cannot be mitigated against through action by the sewerage undertaker in pursuance of its statutory duties is unreasonable and would fail some or all of the 6 tests in the NPPF. The corresponding advice in the PPG explains in more detail these six tests. The detail included in paragraph 55 of the NPPF and explained in the PPG verifies that most foul drainage planning conditions fail the following tests:

- Necessity – There is no definite planning reason for such drainage conditions to make for acceptability in planning terms. All relevant matters are suitably addressed by water and sewerage industry legislation.
- Relevance to planning – Again all foul drainage matters are already addressed by separate primary legislation
- Enforceability – The upgrade of a sewerage undertaker’s sewerage network or sewage treatment works is a matter over which the applicant has no control.
- Reasonability – A foul drainage condition could place an unjustifiable and disproportionate burden on the applicant, by delaying the development due to a lack of action by a sewerage undertaker (by failing to comply with its statutory duties).

Conditions relating to sewerage and sewage treatment must be considered and justified against the tests set out in the NPPF and the PPG. In particular, given the rights and duties in the Water Industry Act 1991, careful consideration is required as to the time-scales involved in implementing a permission for residential development. It is reasonable to expect the sewerage undertaker to make provision for the necessary infrastructure so as to avoid adverse effects, and to fund this through the normal means of charges. A foul drainage condition for developments would therefore fail the test of reasonableness laid out in the NPPF, given the timescales for the ultimate discharge of foul water flows from the development to the public sewerage and sewage treatment system.

This page has been left blank intentionally

# Appendix 6

This page has been left blank intentionally

# Charging arrangements for new connection services.



1 April 2018 to 31 March 2019



# Index.

<b>Charging arrangements</b>	
1. Introduction .....	3
2. You have a choice .....	3
<b>Water charging arrangements</b> .....	<b>5</b>
3. Service connections .....	6
4. New water mains (requisitions) .....	12
5. Water main diversions .....	18
6. Adoptions and self-lay .....	20
<b>Wastewater charging arrangements</b> .....	<b>23</b>
7. Waste connections and new lateral drains .....	24
8. New sewers (sewer requisitions) .....	28
9. Sewer diversions .....	33
10. Adoptions .....	35
<b>General charging arrangements</b> .....	<b>36</b>
11. Payment terms and security .....	37
12. Transition arrangements .....	39
13. Maintaining the broad balance of charges .....	41
14. Special circumstances .....	42
<b>Appendices</b> .....	<b>43</b>
Appendix A - Worked examples .....	44
Appendix B - Traffic management .....	57
Appendix C - Definitions and abbreviations .....	58
<b>Infrastructure Charges 2018-19</b>	<b>61</b>
<b>Other services we offer</b>	<b>64</b>



# 1. Introduction



## Scope

- 1.1 These Charging Arrangements are made in accordance with the Charging Rules for New Connection Services (English Undertakers) published by Ofwat. We describe our charges and methods for calculating charges and our methods for calculating any Income Offsets and Asset Payments that might apply during the period from 1 April 2018 to 31 March 2019 in relation to:
  - 1.1.1 the provision of New Water Mains and New Sewers
  - 1.1.2 the provision of Service Connections, Lateral Drains and Waste Connections
  - 1.1.3 Adoption Agreements and Self-Lay Agreements and
  - 1.1.4 Diversions
- 1.2 These Charging Arrangements do not cover Infrastructure Charges that are payable when a property is connected to the water and / or wastewater networks for the first time. Details of these charges are contained in our Charges Scheme, which is published separately at [thameswater.co.uk/Help-and-Advice/Customer-Commitment/Helpful-literature](https://thameswater.co.uk/Help-and-Advice/Customer-Commitment/Helpful-literature). For information purposes only, we have included at the end of this document our Infrastructure Charges 2018-19.
- 1.3 These Charging Arrangements explain our requirements for security in relation to our charges and the times and methods of payment that you can use to pay our charges. These Charging Arrangements explain our Transitional Arrangements.
- 1.4 These Charging Arrangements are applicable for work carried out between 1 April 2018 and 31 March 2019 and will be updated and published annually.
- 1.5 All charges are stated excluding VAT.
- 1.6 Under the Charging Rules we are not required to publish charges in these Charging Arrangements relating to:
  - 1.6.1 services not listed above, such as consents to connect to a public sewer under section 106 of the Water Industry Act 1991. We have listed some of these additional services on page 64. You can find more details including how much we charge for these other services on our website at [developers.thameswater.co.uk](https://developers.thameswater.co.uk)
  - 1.6.2 requests for a supply of water for non-domestic purposes. However, as the cost of providing the connection is not affected materially by the end use, the charges set out in this document will be applied to any agreement relating to water supplies for non-domestic purposes under section 55 of the Act
  - 1.6.3 charges relating to work carried out in accordance with the New Roads and Street Works Act 1991 or other legislation. This is where we are required to move our apparatus as a result of transport, bridge, highway or other infrastructure projects. For more information about these changes see [developers.thameswater.co.uk/Working-in-the-street](https://developers.thameswater.co.uk/Working-in-the-street)
  - 1.6.4 charges relating to consents to discharge Trade Effluent from any trade premises, which are covered in our Charges Scheme at [thameswater.co.uk/Help-and-Advice/Customer-Commitment/Helpful-literature](https://thameswater.co.uk/Help-and-Advice/Customer-Commitment/Helpful-literature)
  - 1.6.5 charges relating to requests made by water supply and sewerage licensees under sections 66A and 117A of the Water Industry Act 1991. These are retailers providing water and / or wastewater services to non-household customers
  - 1.6.6 charges that may be imposed in relation to bulk supply or bulk discharge agreements with other water and sewerage undertakers. Details of the services we can provide and the charges payable are set out in our Wholesale Tariff Document at [wholesale.thameswater.co.uk](https://wholesale.thameswater.co.uk)
  - 1.6.7 You can view our assurance statement on our website at [developers.thameswater.co.uk](https://developers.thameswater.co.uk)

# 2. You have a choice



- 2.1.1 When getting new pipes or diverting existing ones, we want you to choose the installer that best suits your site needs and timescales. This might not be us.
- 2.1.2 Self-lay providers (SLPs) might be able to offer cost-effective terms and fit in better with construction programmes, and might also offer the installation of multiple utilities. Self-lay schemes receive equivalent service from us as all other jobs, and SLPs are accredited to all the standards required for us to adopt the pipework at completion. You can find SLPs to contact for competitive quotes on the Lloyd's Register at [lr.org/wirs](https://lr.org/wirs).

- 2.1.3 Self-lay providers can carry out the majority of the work involved in laying new water pipes or diverting existing ones – known as ‘Contestable’ work. ‘Non-Contestable’ work – representing a small portion of water services – remains our responsibility even if you choose to use an SLP, and we will work in partnership with them to carry this out. Our approach to the self-lay of water infrastructure follows the Code of Practice for the Self-Laying of Water Mains and Services England and Wales Edition 3.1 May 2017, which can be found at [water.org.uk/developer-services/self-lay-code-practice](http://water.org.uk/developer-services/self-lay-code-practice). You can read more about our approach to self-lay water projects at [thameswater.co.uk/selflay](http://thameswater.co.uk/selflay).
- 2.1.4 As we publish fixed rates for most of the work, you will be able to make a direct comparison between a quote from a self-lay provider and what we are likely to charge you without having to get a quote from us.
- 2.1.5 We do not normally lay or divert new drains or sewers as you are generally able to do this yourself, subject to meeting the requirements for consent and adoption that are detailed on our website. In certain circumstances we may exercise our right to carry out some of the work, such as when a connection is being made to a strategic or trunk sewer. You can find more details on our website at [developers.thameswater.co.uk](http://developers.thameswater.co.uk).
- 2.1.6 Remember that you must tell us before making a connection to our water or wastewater networks, and that Infrastructure Charges will be payable to us in addition to the cost of the works, even if you arrange the works yourself.
- 2.1.7 In addition to the option of self-lay, if you are (or you represent) a non-household customer you have the option of asking your chosen retailer to arrange the connection on your behalf. Developers and large users have the option of entering into an agreement with other water and / or sewerage undertakers (sometimes known as NAVs) to serve a specific geographical area (sometimes known as an inset) within our supply area, in which case they will arrange new connections.

# Water charging arrangements.



## 3. Service connections



### 3.1 Introduction

- 3.1.1 A Service Connection includes the provision of a connection to a water main, laying a pipe to the boundary of your property, connecting to your supply pipe and usually the installation of a boundary box, an outside stop valve and a meter.
- 3.1.2 The extent of our works in relation to a Service Connection is shown in orange in diagram 1.

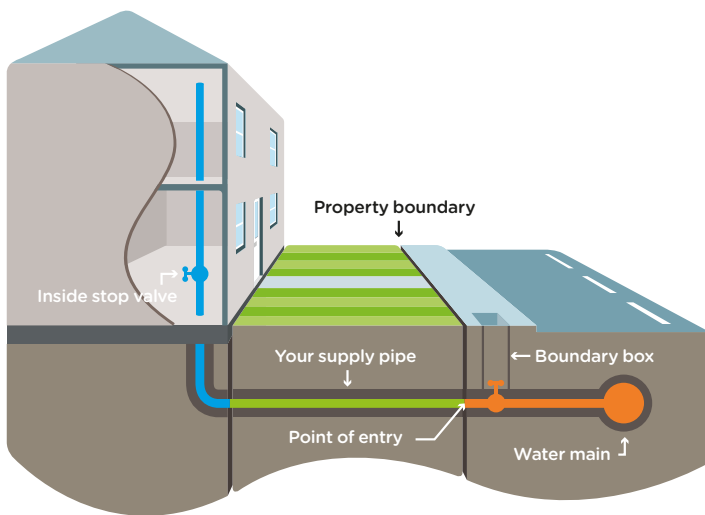


Diagram 1

- 3.1.3 A typical home will be supplied by a pipe with an external diameter of either 25mm or 32mm, depending on the number of fittings (such as toilets and washing machines). Properties with higher usage will require larger supply pipes.
- 3.1.4 If you require multiple standard connections with a pipe diameter of 25mm, we may be able to install a manifold. This can provide up to six metered supplies for a lower overall charge than if each was individually connected to the main. However, this is subject to there being sufficient space for the installation of the manifold chamber. Four- and six-port manifolds can only be used for supplies to flats within the same building.

### 3.2 Who can carry out the works?

- 3.2.1 Service Connections with an external diameter up to 63mm are Contestable. This means self-lay providers (SLPs) can carry out these works for you, unless we assess that the condition of the main or the material heightens the risks to existing assets or could affect supplies to existing customers. We are likely to assess the following circumstances as inappropriate for self-lay:
- (a) The external diameter of the main you are connecting to is larger than 250mm (polyethylene or ductile iron) or eight inches (cast iron).
  - (b) The main you are connecting to is a trunk main.
  - (c) The main you are connecting to is made of asbestos cement, glass reinforced plastic (GRP), polyvinyl chloride (PVC) or molecular-oriented polyvinyl chloride (MoPVC).
- 3.2.2 Service Connections with a diameter above 63mm are Non-Contestable, which means they remain our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case by case basis, and the decision is entirely at our discretion.
- 3.2.3 For more information about our approach to the self-lay of Service Connections and our charges please see section 6.

### 3.3 How we calculate our charges

- 3.3.1 Our charges for Service Connections are broken down into four elements:
- (a) A **fixed charge for the connections** to the main and to your pipework, including the first metre of pipework from the water main, the installation of a boundary box, installation of the outside stop valve and meter and carrying out the Water Regulations inspection. This is shown as a single charge calculated with reference to the diameter of the connecting pipe (for example, 25mm), where we connect to the main (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works (see table at 3.7.1)
  - (b) A **fixed charge for laying additional pipe** between the connection pipework and the boundary box. This is a per metre charge (rounded up to whole metres) calculated with reference to the size of the connecting pipe, where we lay our pipe and whether or not you carry out the excavation, backfill and reinstatement works (see table at 3.7.1)
  - (c) If there is potential contamination in the ground, you will need barrier pipe. In this case we will charge you based on our **fixed charge for barrier pipe connections and pipe laying**

## Service connections

(d) Ancillary charges (see table at 3.7.2)

### 3.4 Costs included in our fixed charges

3.4.1 Our fixed charges include the cost of:

(a) A percentage uplift for **Traffic Management** and highway authority charges. We have applied different percentages to the rates for working in the road, footpath and unmade ground to reflect the differing Traffic Management requirements. There is no percentage uplift for work that does not require us to carry out excavation. We will charge for works in a private road using the rate for works in a footpath. We have set the percentages at a level that aims to recover the overall cost that we incur. We will make no further credits or charges in respect of Traffic Management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes Traffic Management please see Appendix B.

(b) **Site visits:** Our fixed charges include one Water Regulations inspection visit, an enabling site visit and one additional field engineer visit. We will charge you for any additional visits you require, including if your Water Regulations inspection fails.

3.4.2 Our fixed charges for Service Connections are:

(a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated them based on analysis of the cost of recent Service Connection work and will review and update them annually. Each year we will also review the percentage uplifts for Traffic Management and adjust as required to make sure our charges are cost reflective

(b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the existing water main is at least the same diameter as your Service Connection, in order to provide the capacity for your development. We will make no additional connection charge in the event that we change the point of connection for capacity reasons or if we need to carry out additional works beyond the point of connection in order to provide capacity for your development

3.4.3 As shown in our table of ancillary charges, from October 2018 we are introducing fees for processing Service Connection applications, producing designs and issuing quotes. These fees are non-refundable, however if you ask us to construct your Service Connection(s), we will deduct the fees from the quoted charge(s). This is because our published fixed charges include administration and design costs.

### 3.5 Ancillary charges

3.5.1 Our ancillary charges include any **abortive costs** caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

(a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge **plus**

(b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision

3.5.2 If you choose to carry out the excavation, backfilling and reinstatement work for a Service Connection you must provide sufficient space for us to install our pipe and fittings and make sure that on completion of your works all chambers are dry and clear of debris and that all valves are operable. If you do not ensure all chambers are dry and clear of debris and that all valves are operable, we reserve the right to take action to clear any water and debris and to repair any damage done to our apparatus and we will recover from you any costs we incur in relation to this.

3.5.3 There will be a charge for internal fit meters where we provide a bulk supply to a building which serves individually metered properties within that building. The charge is on a supply basis.

### 3.6 Estimating the charges for your scheme

3.6.1 In order to estimate your charge you will need to know the parameters of your development, in particular:

(a) the **size of Service Connection** you require (based on pipe diameter) – please see 3.7.3

(b) the **length of Service Connection** you require, i.e. the distance from the end of your supply pipe to the existing main to connect to. If you need help in identifying the existing mains, you can view our maps for free at the office specified in the link below or you can get this information from a property search provider. For more information see [developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are](https://www.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are)

(c) the **likely route of the Service Connection** from the point of connection to the boundary of your development site

## Service connections

- (d) **whether there is contamination** present in the land in which the Service Connection is to be installed. If you are certain there is no risk of contamination you do not need to use the barrier pipe inclusive rates in your estimate; if not, you should do so

### 3.7 Our charges for Service Connections

#### 3.7.1 Tables of fixed connection and pipe laying charges

Water connection rates (where barrier pipe is needed)				
Connection charge (per connection)				
Internal/external diameter (for PE pipes)	Connection in a road	Connection in a private road or a footpath	Connection in unmade ground	Connection in part made ground or with no excavation
20/25mm <sup>C</sup>	Single £1,440 4-port (1 capped) £1,970 4-port £2,170 6-port (1 capped) £2,540 6-port £2,750	Single £1,140 4-port (1 capped) £1,560 4-port £1,700 6-port (1 capped) £2,210 6-port £2,460	Single £600 4-port (1 capped) £910 4-port £980 6-port (1 capped) £1,460 6-port £1,550	Single £430 4-port (1 capped) £650 4-port £740 6-port (1 capped) £1,120 6-port £1,370
25/32mm <sup>C</sup>	£1,440	£1,140	£600	£430
50/63mm <sup>C</sup>	£2,290	£1,780	£1,050	£760
80/90mm <sup>NC</sup>	£3,850	£3,050	£1,670	£1,200
100/125mm <sup>NC</sup>	£4,900	£3,890	£2,000	£1,640
150/180mm <sup>NC</sup>	£6,190	£4,400	£2,610	£2,130
200/250mm <sup>NC</sup>	£6,560	£4,790	£2,820	£2,430
300/355mm <sup>NC</sup>	£7,860	£5,240	£3,490	£2,740
Pipe-laying charge (per linear metre)				
Internal/external diameter (for PE pipes)	Laying in a road	Laying in a private road or a footpath	Laying in unmade ground	Laying in part made ground or with no excavation
20/25mm <sup>C</sup>	£280 /m	£220 /m	£90 /m	£40 /m
25/32mm <sup>C</sup>	£280 /m	£220 /m	£90 /m	£40 /m
50/63mm <sup>C</sup>	£320 /m	£250 /m	£110 /m	£60 /m
80/90mm <sup>NC</sup>	£490 /m	£450 /m	£220 /m	£170 /m
100/125mm <sup>NC</sup>	£620 /m	£570 /m	£260 /m	£210 /m
150/180mm <sup>NC</sup>	£730 /m	£670 /m	£400 /m	£320 /m
200/250mm <sup>NC</sup>	£880 /m	£780 /m	£500 /m	£400 /m
300/355mm <sup>NC</sup>	£1030 /m	£950 /m	£660 /m	£500 /m

C = Contestable, NC = Non-Contestable

## Service connections

Water connection rates (where barrier pipe is not needed)				
Connection charge (per connection)				
Internal/external diameter (for PE pipes)	Connection in a road	Connection in a private road or a footpath	Connection in unmade ground	Connection in part made ground or with no excavation
20/25mm <sup>C</sup>	Single £1,250 2-port £1,410 4-port (1 capped) £1,750 4-port £1,950 6-port (1 capped) £2,300 6-port £2,510	Single £950 2-port £1,070 4-port (1 capped) £1,340 4-port £1,480 6-port (1 capped) £1,970 6-port £2,220	Single £410 2-port £560 4-port (1 capped) £690 4-port £760 6-port (1 capped) £1,220 6-port £1,310	Single £240 2-port £330 4-port (1 capped) £430 4-port £520 6-port (1 capped) £880 6-port £1,130
25/32mm <sup>C</sup>	£1250	£950	£410	£240
40/50mm <sup>C</sup>	£2070	£1560	£830	£540
50/63mm <sup>C</sup>	£2,070	£1,560	£830	£540
80/90mm <sup>NC</sup>	£3,570	£2,770	£1,390	£920
100/125mm <sup>NC</sup>	£4,600	£3,590	£1,700	£1,340
150/180mm <sup>NC</sup>	£5,860	£4,070	£2,280	£1,800
200/250mm <sup>NC</sup>	£6,210	£4,440	£2,470	£2,080
300/355mm <sup>NC</sup>	£7,480	£4,860	£3,110	£2,360
Pipe-laying charge (per linear metre)				
Internal/external diameter (for PE pipes)	Laying in a road	Laying in a private road or a footpath	Laying in unmade ground	Laying in part made ground or with no excavation
20/25mm <sup>C</sup>	£270 /m	£210 /m	£80 /m	£30 /m
25/32mm <sup>C</sup>	£270 /m	£210 /m	£80 /m	£30 /m
40/50mm <sup>C</sup>	£300 /m	£230 /m	£90 /m	£40 /m
50/63mm <sup>C</sup>	£300 /m	£230 /m	£90 /m	£40 /m
80/90mm <sup>NC</sup>	£460 /m	£420 /m	£190 /m	£140 /m
100/125mm <sup>NC</sup>	£560 /m	£510 /m	£200 /m	£150 /m
150/180mm <sup>NC</sup>	£630 /m	£570 /m	£300 /m	£220 /m
200/250mm <sup>NC</sup>	£730 /m	£630 /m	£350 /m	£250 /m
300/355mm <sup>NC</sup>	£810 /m	£730 /m	£440 /m	£280 /m

C = Contestable, NC = Non-Contestable

Please note that the pipe laying charge where a manifold is used is based on the following external pipe diameters (for PE pipes):

**2 port manifold** - 32mm

**4 port manifold** - 63mm if barrier pipe is required, otherwise 50mm

**6 port manifold** - 63mm

The above charges are subject to VAT at the applicable rate.

## Service connections

### 3.7.2 Table of ancillary charges

Item	Charge
Application fee <sup>NC*</sup> (from October 2018)	£80 + VAT per application
Design fee <sup>C*</sup> (from October 2018)	£90 + VAT for the first connection
	£60 + VAT for each additional connection

Application and design fees are non-refundable. However as the fixed charges for works are inclusive of design and administration costs, we deduct fees already paid from the quoted charge for the works in order to calculate the balance due when you accept the quote.

Item	Charge
Re-quote fee <sup>NC</sup> (from April 2018)	£90 + VAT per quote
Re-quote fee <sup>NC*</sup> (from October 2018)	£80 + VAT per quote
Re-design fee <sup>C*</sup> (from October 2018)	£90 + VAT for the first connection
	£60 + VAT for each additional connection

\*Please see 3.8.1

Re-quote and re-design fees are non-refundable and are not deducted from the quoted charge in the same way as first-time fees above.

Item	Charge
Abortive visit fee <sup>NC</sup>	£130 + VAT per visit plus any additional costs we incur from the highway authority plus an administration fee of 30% as detailed in 3.5.1
Permanent disconnection charge	Free for household properties (for non-household disconnections contact your supplier)

### Water meters

Meter size and type	Charge
15mm concentric <sup>C</sup>	£60
15mm in line <sup>C</sup>	£70
20mm in line <sup>C</sup>	£90
25mm in line <sup>C</sup>	£130
30mm in line <sup>C</sup>	£150
40mm in line <sup>C</sup>	£180
50mm in line <sup>C</sup>	£240
80mm in line <sup>C</sup>	£300
100mm in line <sup>C</sup>	£340
150mm in line <sup>C</sup>	£500

The above ancillary charges are subject to VAT at the standard rate

Item	Charge
Additional visit charge <sup>NC</sup>	£120 + VAT per visit

Additional visit charges are subject to VAT at the same rate as the works

C = Contestable, NC = Non-Contestable

### 3.7.3 Sizing your connection

You can estimate the pipe size for your Service Connection or ask us to do this as part of a quote. As a general guide for indicative purposes only, the typical pipe sizing for a Service Connection for residential developments will be (stated as the external diameter of a PE pipe):

**25mm or 32mm:** up to 1 typical house or flat

**50mm:** up to 16 flats or one large house

**63mm:** up to 40 flats

**90mm:** up to 100 flats

**125mm:** up to 230 flats

**180mm:** up to 700 flats

## 3.8 Applications and quotes for Service Connections

3.8.1 If you would like us to construct a Service Connection for you or modify an existing one, you need to submit a completed application form. You can do this online or by downloading and sending us a form by email or post. From October 2018 you must pay an application fee and a design fee for us to process your application, design the Service Connection and provide you with a quote. If you arrange your own design through an accredited designer and we accept the design, you do not need to pay the design fee.

3.8.2 We calculate our quote based on the information available to us at the time. There are factors that may result in the works being different to our original design. If you believe our quote was different to what we delivered, you can request a review of the charges for your connection.

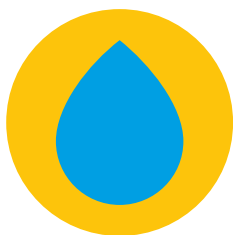
3.8.3 If when we review the charges for your connection we calculate that the charge for the actual works – based on our published charges – works out different to the quote we gave you, we will make an adjustment for the difference. Please note that we round up all pipe laying charges to the nearest whole metre and our review may result in an increase in the amount you have to pay. Abortive charges and charges for additional site visits are not included in our quote and will increase the charge for your Service Connection where applicable.



## Service connections

- 3.8.4 Our quote will be valid for 180 days. If you require a re-quote you must pay a re-quote fee at the time of application.
- 3.8.5 If you are arranging for an SLP to construct your service connection, you do not need to make an application for a Service Connection to us but you and your self-lay provider must enter into a self-lay agreement with us and notify us before any connection is made. Please refer to section 6.
- 3.8.6 For payment terms and security requirements, see section 11.

# 4 New water mains (requisitions)



## 4.1 Introduction

4.1.1 If there is no public water main near your premises for us to connect you to, you will need a New Water Main in addition to Service Connections. The process of asking us to provide a New Water Main is known as a Requisition.

4.1.2 The New Water Main includes providing a connection to our existing supply network, typically including a valve and a washout. Further meterage of new main is then laid up to the agreed point(s) within your development site. You can choose to carry out the excavation, backfill and reinstatement for the new main or ask us to do it. Note that we only backfill and reinstate sites we have excavated ourselves.

## 4.2 Who can carry out the works?

4.2.1 Water main laying is Contestable. This means self-lay providers (SLPs) can carry out this work for you, unless we assess that it involves heightened risk to existing assets or could affect supplies to existing customers.

4.2.2 Making the connection to the existing water main is Non-Contestable, which means it remains our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case by case basis, and the decision is entirely at our discretion.

4.2.3 For more information about our approach to self-laying of water mains and our charges please see section 6.

## 4.3 How we calculate our charges

4.3.1 The charge for your New Water Main is:

- (a) the charge for our works (based on our fixed charges unless Special Circumstances exist) **minus**
- (b) a credit in the form of an 'Income Offset' representing our contribution to the cost of the New Water Main

4.3.2 The method for calculating the charges for New Water Mains will depend on whether **Special Circumstances** exist.

## 4.4 Schemes involving Special Circumstances

4.4.1 We categorise Special Circumstances as works including one or more of the following:

- (a) where the technical complexity of the work is high or

the type of work required is bespoke or carried out infrequently

- (b) where third parties can legitimately recover their costs and there is not a reasonable level of certainty of those costs in advance of connection work being undertaken

- (c) where third parties have rights to protect their assets or interests in a way that affects the construction method and the third parties' requirements are unknown up front

- (d) where the work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics

4.4.2 We also include within Special Circumstances the laying of New Water Mains with an **external diameter above 355mm**, as jobs of this sort are carried out infrequently.

4.4.3 Full details of what we classify as Special Circumstances are contained in section 14.

4.4.4 If no Special Circumstances exist, we will calculate our charges for New Water Mains as set out in 4.5 and on the basis of our fixed charges detailed in 4.12.

4.4.5 If Special Circumstances exist, we will price our charges for New Water Mains on application as set out in 4.9 and you will pay the actual costs we incur in carrying out the work. The price on application is based on our detailed design, which identifies the connection point into the existing network, the sizes, lengths and route of the New Water Main, the required fittings and any potential Traffic Management requirements. We will base the quote we issue to you on the estimated cost of these plus the required plant, labour and materials. We will base the final charge on the actual cost of all these items plus any additional costs we may have incurred due to working in or near Third Party Land.

## 4.5 Calculating our charges where no Special Circumstances exist

4.5.1 Where no Special Circumstances exist, our charges for providing a New Water Main are broken down into the following elements:

- (a) A **fixed charge for the connection** to the existing water main including the installation of a valve and washout. This is shown as a single charge calculated with reference to the diameter of the New Water Main (for example, 125mm), where we connect to the existing water main (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works (please see 4.12.1).

- (b) A **fixed charge for laying pipe** from the existing water main to the required end point(s). This is shown as a

## New water mains (requisitions)

per metre composite charge (rounded up to whole metres) calculated with reference to the diameter of the New Water Main (for example, 125mm), where we lay our pipe (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works (please see 4.12.1). The composite rate includes all required fittings and materials, and different rates apply according to whether or not barrier pipe is needed.

- (c) If the New Water Main is to be delivered in phases, we will incur additional costs associated with multiple visits to your site, extra works and extra fittings. To reflect this we add a **phasing charge** for the start of each new phase (please see 4.12.1).
- (d) Ancillary charges (please see 4.12.2).

### 4.6 Costs included in our fixed charges

4.6.1 Our fixed charges include the cost of:

- (a) A percentage uplift for **Traffic Management** and highway authority charges. We have applied different percentages to the rates for working in the road, footpath and unmade ground to reflect the differing Traffic Management requirements. There is no percentage uplift for work that does not require us to carry out excavation. We will charge for works in a private road using the rate for works in a footpath. We have set the percentages at a level that aims to recover the overall cost we incur. We will make no further credits or charges in respect of Traffic Management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes Traffic Management please see Appendix B.
- (b) Your New Water Main may require us to cross or access **Third Party Land**, in which case we will have to agree compensation with the owner to cover any damage or disruption that may result. We may incur additional costs in dealing with the third party and may have to plan our works differently, including revising our timescales. We have set our fixed charges at a level that recovers the overall cost of working in Third Party Land, so we will make no further credits or charges in respect of this.
- (c) **Site Visits:** Our fixed charges include one site survey, an enabling site visit, a pre-commencement meeting and a completion meeting. We will charge you for any additional visits you require in accordance with our table of charges.

4.6.2 Our fixed charges for New Water Mains are:

- (a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated them based on analysis of the cost of recent New Water Mains work and will review and update them annually. Each year we will also review the percentage uplifts for Traffic Management and adjust as required to make sure our charges are cost reflective
- (b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the existing water main is at least the same diameter as the New Water Main you require to provide the capacity for your development. Please see 4.11 for further information about the charging point of connection

### 4.7 Ancillary charges

4.7.1 Our ancillary charges include any **abortive costs** caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

- (a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge **plus**
- (b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision.

4.7.2 If you choose to carry out the excavation, backfilling and reinstatement work for a New Water Main you must provide sufficient space for us to install our pipe and fittings and make sure that on completion of your works all chambers are dry and clear of debris and that all valves are operable. If you do not ensure all chambers are dry and clear of debris and that all valves are operable, we reserve the right to take action to clear any water and debris and to repair any damage done to our apparatus and we will recover from you any costs we incur in relation to this.

### 4.8 Estimating the charges for your scheme

4.8.1 In order to estimate your charge you will need to know the parameters of your development, in particular:

- (a) the **size of New Water Main** you require (based on pipe diameter)

## New water mains (requisitions)

- (b) the **length of New Water Main** you require, for example the distance to the existing main you are connecting to, and in how many phases the pipework will be laid. If you need help in identifying the existing mains we can help you with this. You can view our maps for free at our specified office or you can get this information from a property search provider. For more information see [developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are](https://developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are)
- (c) the **likely route of the New Water Main** from the point of connection into your development site
- (d) **whether there is contamination** present in the land in which the New Water Main is to be installed. If you are certain there is no risk of contamination you do not need to use the barrier pipe inclusive rates in your estimate; if not, you should do so

### 4.9 Calculating our charges where Special Circumstances exist

- 4.9.1 Where Special Circumstances exist, we will calculate our charges using a combination of fixed charges and actual cost:
  - (a) The charge for the element of New Water Main where Special Circumstances do not exist will be based on our fixed charges.
  - (b) For the element of New Water Mains work where Special Circumstances exist, we will charge you our actual costs incurred. These could include – but are not limited to – the cost of the works, Traffic Management, highway authority charges, other third party charges and ancillary charges. For example, for a New Water Main which crossed a railway we would therefore charge based on actual cost for the portion in or affected by the railway.
- 4.9.2 We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme we will provide an account of the costs incurred and credit or invoice you for the difference compared to the design fee you paid.
- 4.9.3 Our indicative quote is not a fixed price quote and will be valid for 180 days. It is subject to change in the event that the requirements of the scheme change. If you require a re-quote as a result of changes you have made to your development, a re-quote fee will be payable.
- 4.9.4 On completion of the New Water Main, we will provide an account of the actual costs incurred and meterage delivered (if relevant) and either credit or invoice you for the difference.

- 4.9.5 For details about how you can get an estimate of the charges payable where Special Circumstances exist and how we will charge you the actual costs incurred for the works, please see 4.13.

### 4.10 Our financial contribution to the cost

- 4.10.1 We make a financial contribution towards the charges for the New Water Main, called the 'Income Offset'. This recognises that we will earn additional income from the new customer accounts that will arise from connections to the New Water Main.
  - 4.10.2 We calculate the Income Offset using a financial model which is available to download from our website [developers.thameswater.co.uk/New-connection-charging](https://developers.thameswater.co.uk/New-connection-charging). The required inputs to the model include the charge for the New Water Main calculated as above (excluding ancillary charges) and the number of properties served by the New Water Main in each of the first 12 years after the New Water Main is installed.
  - 4.10.3 The model compares the cost of us financing the New Water Main and the additional income we can expect from each connection to the New Water Main for each of the first 12 years after construction of the New Water Main. The deficits arising in any year are discounted to current value and added up to give a discounted aggregate deficit ('DAD'). The DAD value is the amount you contribute to the New Water Main, while we contribute the balance. Our contribution is called the Income Offset.
  - 4.10.4 Our quote to you will show the charge for the New Water Main and the Income Offset. The amount of the Income Offset will only change if the charge for the New Water Main is revised, in which case we will recalculate the Income Offset.
  - 4.10.5 If you choose a self-lay provider to carry out some or all of the works required to provide your development with a water main, we will still contribute to the cost of the scheme. Our contribution will be an Asset Payment, which will be equal to the Income Offset less the cost of any works you ask us to carry out. For more details on the Asset Payment see section 6.2.3.
- ### 4.11 Network Reinforcement
- 4.11.1 We will limit the charge for a New Water Main to the cost of connecting to the nearest reasonably practicable point on our supply network where the existing main is at least the same diameter as the New Water Main you require to provide the capacity required for your development. (Please note that this is a significant change in our basis of charging.)
  - 4.11.2 We may sometimes change the point of connection

## New water mains (requisitions)

for capacity reasons, resulting in a longer length of New Water Main. If so, we will not charge you for the additional length, although the cost will be considered to be Network Reinforcement and we will recover this through Infrastructure Charges.

- 4.11.3 We may also sometimes increase the size of the New Water Main in order to provide future capacity for other developments in the area. If so, we will not charge you in full for the upsized New Water Main. Instead, we will charge you based on the proportion of the capacity of the New Water Main that is actually required for your development. We will calculate this based on anticipated flows for your development compared to the design capacity of the New Water Main.
- 4.11.4 Sometimes the installation of a New Water Main results in a requirement to install additional capacity in our network upstream from the point of connection to make sure there is sufficient flow and pressure for your development. For example, we may need to provide additional mains or pumps. We consider this to be Network Reinforcement and will exclude it from the charge for your New Water Main, but will recover it through our Infrastructure Charges.

## New water mains (requisitions)

### 4.12 Our fixed charges for New Water Mains

4.12.1 Tables of connection and pipe laying charges (where no Special Circumstances exist)

New mains rates					
Connection charge (per connection)					
Internal/external diameter (for PE pipes)	Connection in a road	Connection in a private road or a footpath	Connection in unmade ground	Connection in part made ground	Connection with no excavation by Thames Water
80/90mm <sup>NC</sup>	£3,710	£2,910	£1,530	£1,060	n/a
100/125mm <sup>NC</sup>	£4,750	£3,740	£1,850	£1,490	n/a
150/180mm <sup>NC</sup>	£6,020	£4,230	£2,450	£1,960	n/a
200/250mm <sup>NC</sup>	£6,380	£4,620	£2,650	£2,250	n/a
300/355mm <sup>NC</sup>	£7,670	£5,050	£3,300	£2,550	n/a
Pipe-laying charge (per linear metre) (where barrier pipe is needed)					
Internal/external diameter (for PE pipes)	Laying in a road	Laying in a private road or a footpath	Laying in unmade ground	Laying in part made ground	Laying with no excavation by Thames Water
80/90mm <sup>C</sup>	£490 /m	£450 /m	£220 /m	£230 /m	£110 /m
100/125mm <sup>C</sup>	£620 /m	£570 /m	£260 /m	£280 /m	£150 /m
150/180mm <sup>C</sup>	£730 /m	£670 /m	£400 /m	£430 /m	£220 /m
200/250mm <sup>C</sup>	£880 /m	£780 /m	£500 /m	£520 /m	£280 /m
300/355mm <sup>C</sup>	£1,040 /m	£960 /m	£670 /m	£640 /m	£370 /m
Pipe-laying charge (per linear metre) (where barrier pipe is not needed)					
Internal/external diameter (for PE pipes)	Laying in a road	Laying in a private road or a footpath	Laying in unmade ground	Laying in part made ground	Laying with no excavation by Thames Water
80/90mm <sup>C</sup>	£460 /m	£420 /m	£190 /m	£200 /m	£80 /m
100/125mm <sup>C</sup>	£560 /m	£510 /m	£200 /m	£220 /m	£90 /m
150/180mm <sup>C</sup>	£630 /m	£570 /m	£300 /m	£330 /m	£120 /m
200/250mm <sup>C</sup>	£730 /m	£630 /m	£350 /m	£370 /m	£130 /m
300/355mm <sup>C</sup>	£810 /m	£730 /m	£440 /m	£410 /m	£140 /m

C = Contestable, NC = Non-Contestable

Our rates for 'part made ground' apply for works within a development site where the ground has been worked (i.e. the 'unmade ground' rate is not applicable), but the road / footpath has not been surfaced.

We will use the rates for 'footpath' for works carried out in private roads, including surfaced but not yet adopted roads within a development.

If the new main is to be delivered in phases, we will add a **phasing charge** of £1,100 for the start of each new phase. This is a contestable charge.

The above charges are subject to VAT at the applicable rate.

## New water mains (requisitions)

### 4.12.2 Ancillary charges

Item	Charge
Re-quote fee <sup>NC</sup>	£350 + VAT
Abortive visit fees <sup>NC</sup>	£130 + VAT per visit plus
	£820 remobilisation charge without welfare facilities
	£990 remobilisation charge with welfare facilities
	plus any additional costs we incur from the highway authority plus an administration fee of 30% as detailed in 4.7.1
The above ancillary charges are subject to VAT at the standard rate.	
Additional visit charge <sup>NC</sup>	£120 + VAT per visit
The above charge for additional services is subject to VAT at the same rate as the works.	

4.12.3 Any work involving Special Circumstances will be charged in accordance with 4.9 above. The following ancillary charges apply for New Water Mains featuring Special Circumstances:

Item	Charge
Application fee <sup>NC</sup>	£2,000 + VAT for a budget estimate
Design fee <sup>C</sup>	15% of the estimated scheme value on account of the actual cost
Re-quote fee <sup>NC</sup>	£350 + VAT
The above ancillary charges are subject to VAT at the standard rate.	

C = Contestable, NC = Non-Contestable

### 4.12.4 Sizing the pipework for your New Water Main

(a) You can estimate the sizing of the pipework for your New Water Main or ask us to do this as part of a budget estimate. The table below is a general guide for the typical sizing of New Water Main required for household properties. Please note it is for indicative purposes – once detailed design is carried out, the size required may be different.

Internal / external diameter (for PE pipes)	Typical number of properties supplied
80/90mm	up to 60 houses or 100 flats
100/125mm	up to 130 houses or 230 flats
150/180mm	up to 400 houses or 700 flats
200/250mm	up to 900 houses or 1,500 flats
300/355mm	up to 2,600 houses or 4,500 flats

(b) Developments containing both houses and flats will need to be considered on a case by case basis.

## 4.13 Applications and quotes for New Water Mains

4.13.1 If you would like an estimate of the charges for a New Water Main you can apply for a budget estimate. We provide a budget estimate for indicative purposes only and it is not capable of acceptance. We provide it without carrying out a site visit, preparing a detailed design or discussing the scheme with the relevant highway authority. If your scheme features Special Circumstances, a non-refundable fixed fee is payable.

4.13.2 In order to obtain a New Water Main you will need to submit an application form to us. Please read this section in conjunction with section 11 on payment terms and security.

4.13.3 Our quotes are valid for 180 days.

4.13.4 Where no Special Circumstances exist:

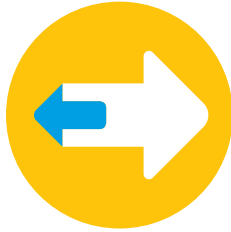
(a) We will carry out a site survey, design the New Water Main and liaise with third parties in order to provide you with a quote for the New Water Main. The quote will be based on our fixed charges and is subject to change if the scheme changes. If you require a requote as a result of changes you have made to your scheme, a re-quote fee will be payable.

(b) We will review each scheme on completion to assess whether the size(s) and length(s) of New Water Main laid were the same as in the quote. If the diameter of the pipework was different, the surface type was different or the length of the pipework was at least three metres more or less than in the quote, we will recalculate the charge for the scheme using our fixed charges and invoice or credit you for the difference. Please note that the rates we use to recalculate the final charges will be the fixed charges applicable on the date we issue the quote if you pay in advance, or the fixed charges applicable at the date of completion of the New Water Main if you decide to pay in arrears. We charge for abortive and additional visits at published rates applying on the date the charges are incurred.

4.13.5 As detailed in 4.9, where Special Circumstances exist we will carry out the design on payment of a percentage-based fee. We will carry out a site survey, design the New Water Main and liaise with third parties in order to provide you with an indicative quote for the New Water Main. The quote will not be a fixed price quote. On completion of the New Water Main, we will provide an account of the actual costs incurred and either credit or invoice you for the difference.

4.13.6 Payment terms and security requirements can be found in section 11.

# 5 Water main diversions



## 5.1 Introduction

5.1.1 Developers with an interest in land that contains a public water main can request its alteration or removal to allow development work to progress. This process of altering or removing a water main is known as a Diversion and the work is carried out in accordance with section 185 of the Water Industry Act 1991.

5.1.2 Please note that we are under no obligation under the Act to divert any water main or infrastructure which is in, under or over any street or to carry out a diversion where it is unreasonable to require us to do so.

5.1.3 If you are planning significant work near our water mains and other assets as part of your development, it is important that you minimise the risk of damage. We will need to check that your development does not reduce capacity, limit repair or maintenance activities or inhibit the services we provide in any other way. No development or structure should be built within five metres of trunk mains or within three metres of distribution mains.

5.1.4 If you are planning work in London and intend developing above any section of the Thames Water Ring Main you will need to discuss this with us. Please note that we will not divert any section of this structure. If a water main to be diverted has a diameter above 355mm, you may also require an impact study, because not all mains can be diverted.

5.1.5 If your new infrastructure (for example, a gas pipe) will cross a water main, please contact us to discuss your plans. If there is insufficient distance between the two, we may require that an impact study is carried out and that you redesign your infrastructure or else divert our main.

## 5.2 Who can carry out the works?

5.2.1 Water main laying is Contestable. This means self-lay providers (SLPs) can carry out this work for you, unless we assess that it involves heightened risk to existing assets or could affect supplies to existing customers.

5.2.2 Making connections to the existing water main is Non-Contestable, which means it remains our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case by case basis, and the decision is entirely at our discretion.

5.2.3 The decommissioning of the redundant water main is also Non-Contestable and remains our responsibility. We may

allow a suitably accredited SLP to carry this work out. We will assess this on a case by case basis, and the decision is entirely at our discretion.

5.2.4 If you want an SLP to carry out the Diversion for you, you will have to enter into a Diversion Agreement with us to enable you to carry out the work on our behalf (see section 6.2.4).

## 5.3 How we calculate our charges

5.3.1 The charge for a Diversion for the purposes of your development is equal to the reasonable cost we incur in complying with our duty to carry out the Diversion. The charges we raise will exclude any cost we incur in making good existing deficiencies in our network or in creating additional capacity.

5.3.2 In order to arrange a Diversion you will need to submit an application form to us. We will design the Diversion and provide you our indicative quote based on our estimated costs, including the cost of works, management and administration costs, Traffic Management costs, highway authority charges and costs associated with working in Third Party Land. The works typically involve design work, laying a new main, providing connections at each end into existing mains and decommissioning the redundant main. If you provide your own design produced by an accredited designer, we will charge you for reviewing that design.

5.3.3 For complex schemes, we charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. For ease of reference, any scheme involving any of the circumstances set out in section 14 below are considered complex. If you do not proceed with the scheme we will provide an account of our reasonable costs incurred and credit or invoice you for the difference compared to the application and design fee you paid.

5.3.4 The indicative quote is not a fixed price quote and will be valid for 180 days. It is subject to change in the event that the requirements of the Diversion change. If a re-quote is required as a result of changes you have made to your development, a re-quote fee will be payable.

5.3.5 We will review each Diversion on completion to assess the actual costs we have incurred in carrying it out. The difference between our indicative quote and our reasonable actual costs incurred will be credited or invoiced to you as appropriate.

5.3.6 If you choose to carry out the excavation, backfilling and reinstatement work for a Diversion you must provide sufficient space for us to install our pipe and fittings and make sure that on completion of your works all chambers are dry and clear of debris and that all valves are



## Water main diversions

operable. If you do not ensure all chambers are dry and clear of debris and that all valves are operable, we reserve the right to take action to clear any water and debris and to repair any damage done to our apparatus and we will recover any costs we incur in relation to this.

- 5.3.7 Your diversion works may require existing service connections to be diverted or re-laid and we will include this in your quote.
- 5.3.8 Payment terms and security requirements can be found in section 11.

### 5.4 Indicative rates for estimating purposes only

5.4.1 We are not required to publish fixed charges for Diversion work. However, we are required to enable developers to calculate a reasonable estimate of the charge of the Diversion work. We have published indicative rates so that you can estimate the charges for a Diversion. These rates are for estimating only and will not be used for charging. The indicative rates are based on the average costs of straightforward diversions. They do not take account of issues that may arise on complex schemes. We will calculate the actual cost of your Diversion on a scheme by scheme basis, and this will vary from the indicative charges published here.

5.4.2 Our indicative charges for diverting mains are broken down into three elements:

(a) The **charge for each connection** to the existing water main including the installation of a valve and washout. This is shown as a single charge calculated with reference to the diameter of the new main (for example, 125mm), where we connect to the existing main (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works.

(b) A **charge for laying pipe** between the two connection points. This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to the size of the new main (for example, 125mm), where we lay our pipe (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works.

(c) The **cost for decommissioning** the redundant main, shown as a rate per metre (rounded up to whole metres).

5.4.3 Our indicative charges represent the typical cost for a straightforward scheme and should be used as an estimating tool only. We will not use them to calculate actual charges for Diversion work.

5.4.4 For re-laying or diverting service connections, you can use the published service connection charges section 3.7.1 on an indicative basis.

5.4.5 Indicative pipe laying and connection charges for a water main are the same as the rates for new mains in section 4.12.1 above and details of our ancillary charges are included in the table below.

5.4.6 The indicative charges for decommissioning water mains are £20 per metre for pipes with an internal diameter of up to and including 300mm and £90 per metre for larger diameter pipes.

### 5.5 Estimating the charges for your scheme

5.5.1 In order to estimate your charge you will need to know the parameters of your development, in particular:

- the size of water main** you are diverting
- where the new main will connect** into the existing network
- the likely route of the new main** between the two new connection points
- whether there is contamination** present in the land in which the Diversion is to be built. If you are certain there is no risk of contamination you do not need to use the barrier pipe inclusive rates in your estimate; if not, you should do so
- the nature of service connections** to be diverted or re-laid
- the length of water main** to be decommissioned

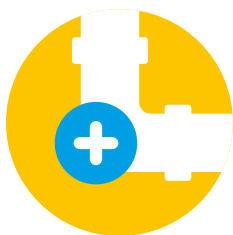
### 5.6 Table of ancillary charges

5.6.1 Please note that these charges are fixed and will be payable at the rate below even if your scheme does not progress and the Diversion is not required.

Item	Charge
Application fee for schemes not considered complex (see section 5.3.2)	No charge
Application fee for schemes considered complex <sup>NC</sup> (see section 5.3.3)	£2,000 + VAT for a budget estimate
Design fee for schemes considered complex <sup>C</sup> (see section 5.3.3)	15% of the estimated scheme value on account of the actual cost
Re-quote fee <sup>NC</sup>	£350 + VAT
The above ancillary charges are subject to VAT at the standard rate.	

C = Contestable, NC = Non-Contestable

# 6 Adoptions and self-lay



## 6.1 Introduction

- 6.1.1 An accredited self-lay provider (SLP) can carry out at least the Contestable work to connect your development to the water network, construct new service connections and water mains or carry out a diversion. You may find it more convenient to use an accredited SLP rather than to ask us to carry out the work for you.
- 6.1.2 Our approach to the self-lay of water infrastructure follows the Code of Practice for the Self-Laying of Water Mains and Services England and Wales Edition 3.1 - May 2017 ('the Code'), which you can find at [water.org.uk/developer-services/self-lay-code-practice](http://water.org.uk/developer-services/self-lay-code-practice). For more information on our approach to self-lay water projects see [thameswater.co.uk/selflay](http://thameswater.co.uk/selflay).
- 6.1.3 If you want an SLP to carry out any of the work described in 6.1.1 you and your SLP will need to enter into a Self-Lay Agreement for new connections and new mains work or a Diversion Agreement for Diversion works with us before any work is carried out.
- 6.1.4 SLPs can carry out at least the Contestable element of the works, which is everything except the following works identified in the Code as Non-Contestable:
- (a) Design work for Network Reinforcement
  - (b) Sizing pipes: we retain responsibility for this part of the design work
  - (c) Approving on-site water distribution systems designs (except where self-certification arrangements are in place)
  - (d) Network Reinforcement works (i.e. to secure an adequate supply to the site) the construction of which heightens the risk of damage to existing water distribution systems or interrupting supplies to existing customers
  - (e) Mains connections that involve heightened risk to existing assets or could affect supplies to existing customers
  - (f) Source of water connections to our existing asset
  - (g) Service connections above 63mm in diameter
  - (h) Service connections up to 63mm in diameter on existing mains where we assess that the condition of the main or the material heightens the risk to existing assets or could affect supplies to existing customers
  - (i) Decommissioning redundant mains following a diversion

6.1.5 Non-Contestable works are our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case by case basis, and the decision is entirely at our discretion.

## 6.2 Our financial arrangements for self-lay schemes

6.2.1 The financial arrangements for self-lay schemes vary according to the type of work being undertaken.

### 6.2.2 Service connections

- (a) If you are arranging for an SLP to construct your connection, there is no need to make an application, but you and your SLP must enter into a Self-Lay Agreement. We will not charge for this, although you will need to pay for the purchase of a water meter as detailed in 6.3.1.
- (b) If you want us to provide a comparative quote for your Service Connection, you may apply to obtain a design and quote from us, for which application and design fees are payable.
- (c) We do not make Asset Payments for self-laid Service Connections.

### 6.2.3 Water mains

- (a) You may be arranging for an SLP to construct some or all of the new main, including the source of water connection to our existing assets if we have agreed to this. When we adopt the self-laid water main we will pay you (or your SLP if you choose) a net Asset Payment. For phased development we will agree a phased payment with you (or with your SLP).
- (b) The gross Asset Payment is the same amount as the Income Offset amount we would contribute to the scheme if we were constructing it ourselves (please refer to the Income Offset explanation in 4.10). We will deduct from this the charges for any works that we are carrying out, to give a net Asset Payment due to you (or to your SLP).
- (c) The works we carry out typically include the source of water connection to our water main and main laying outside of your development site (off-site works). Our charges for these works will be the same as those that apply for New Water Mains as detailed in section 4.
- (d) We will include the amount of the net Asset Payment in the Self-Lay Agreement. This is a fixed sum unless you change the works required under the scheme, in which case we will vary the Self-Lay Agreement to update the value of the net Asset Payment.
- (e) There will be circumstances where the charges for our works exceed the gross Asset Payment on a

scheme, i.e. the net Asset Payment is negative. In such a situation, you (or your SLP) will need to make a payment to us equal to the charges for our works less the gross Asset Payment before we schedule any works.

### 6.2.4 Water main diversions

- (a) You may want to arrange for an SLP to construct some or all of the new water main, including the source of water connections and decommissioning of the redundant main. If we have agreed to this, you and your SLP must enter into a Diversion Agreement with us.
- (b) Please note that there is no Asset Payment for a water diversion, as we do not contribute to the cost of the scheme.
- (c) If we carry out any works, such as the source of water connection, main laying outside of your development site (off-site works) and decommissioning of the redundant main, we will calculate our charges in the same way as we calculate those for Diversions. As detailed in section 5.3, we will provide an indicative quote for our works, which will be an estimate of the cost of the works that need to be carried out. You (or your SLP) will need to pay the charges to us in advance or else provide security in accordance with section 11 before we schedule the works. On completion of our works we will review our actual costs as set out in 5.3.5.
- (d) For complex schemes, fees for budget estimates and for design will be payable as detailed in 5.3.3.

### 6.2.5 Additional services

- (a) As part of a self-lay scheme, we are sometimes asked to carry out additional services such as sampling. Although these are not services we are obliged to provide, we have published charges for the services that we offer below.

### 6.2.6 Terms of payment and security

- (a) If you carry out Non-Contestable works by agreement with us, you will need to provide an unlimited indemnity to us for any potential losses, damages and claims that may occur as a result of your works. As an alternative, we will consider any reasonable request to provide security to cover these risks.
- (b) We do not require security in respect of Contestable works you carry out.
- (c) We will send you an invoice for any charges associated with Self-Lay Agreements and Diversion Agreements. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

## 6.3 Our charges for self-lay water schemes

### 6.3.1 Service connections

- (a) From October 2018, if you choose to obtain a comparative quote for your service connection an application fee of £80 + VAT is payable plus a design fee of £90 + VAT for the first connection and £60 + VAT for each additional connection.
- (b) If you require us to carry out Water Regulations inspections we will charge £120 + VAT per visit.
- (c) Water meters

Meter size and type	Charge
15mm concentric <sup>C</sup>	£60
15mm in line <sup>C</sup>	£70
20mm in line <sup>C</sup>	£90
25mm in line <sup>C</sup>	£130
30mm in line <sup>C</sup>	£150
40mm in line <sup>C</sup>	£180
50mm in line <sup>C</sup>	£240
80mm in line <sup>C</sup>	£300
100mm in line <sup>C</sup>	£340
150mm in line <sup>C</sup>	£500

C = Contestable, NC = Non-Contestable

Application fees, design fees and charges for meters are subject to VAT at the standard rate.

### 6.3.2 Water mains

- (a) We will charge for our works on the same basis as set out in section 4. We will use fixed charges where no Special Circumstances exist or price the works on a combination of fixed charges and actual costs incurred if Special Circumstances exist. Please refer to our methods for calculating charges and our charging tables in sections 4.5, 4.9 and 4.12 for details about our charges for water mains work.
- (b) If you require us to make the connection between your new main and our new main (also known as the piece through or the back to back) we will charge you £1,100 to cover the cost of attending the site and making the connection.
- (c) Application fees will be payable for water mains scheme featuring Special Circumstances, as detailed in section 4.9.2.
- (d) Sampling £120 + VAT per visit plus £70 + VAT per sample analysis

### 6.3.3 Diversions

- (a) We will charge for our works using the same method as set out in 5.3 and 5.6.1.
- (b) You will also need to pay a legal fee for negotiating the Diversion Agreement, which could be up to £5,000.
- (c) Sampling £120 + VAT per visit plus £70 + VAT per sample analysis

6.3.4 If you arrange for a water main to be designed by an accredited designer, we will charge you for reviewing and agreeing the design based on the cost we incur. We will agree this with you in advance and will charge you based on hourly rates for the type of person required.

6.3.5 If you require project management or technical support for your self-lay scheme, we will charge you based on hourly rates for the type of person required. This is an optional service we may be able to provide subject to agreement.

# Wastewater charging arrangements.



## 7 Waste connections and new lateral drains



### 7.1 Introduction

7.1.1 A lateral drain (shown in yellow in Diagram 2) is the part of a drain located outside the boundary of a single building or buildings within the same boundary that connects the private drain to the public sewer.

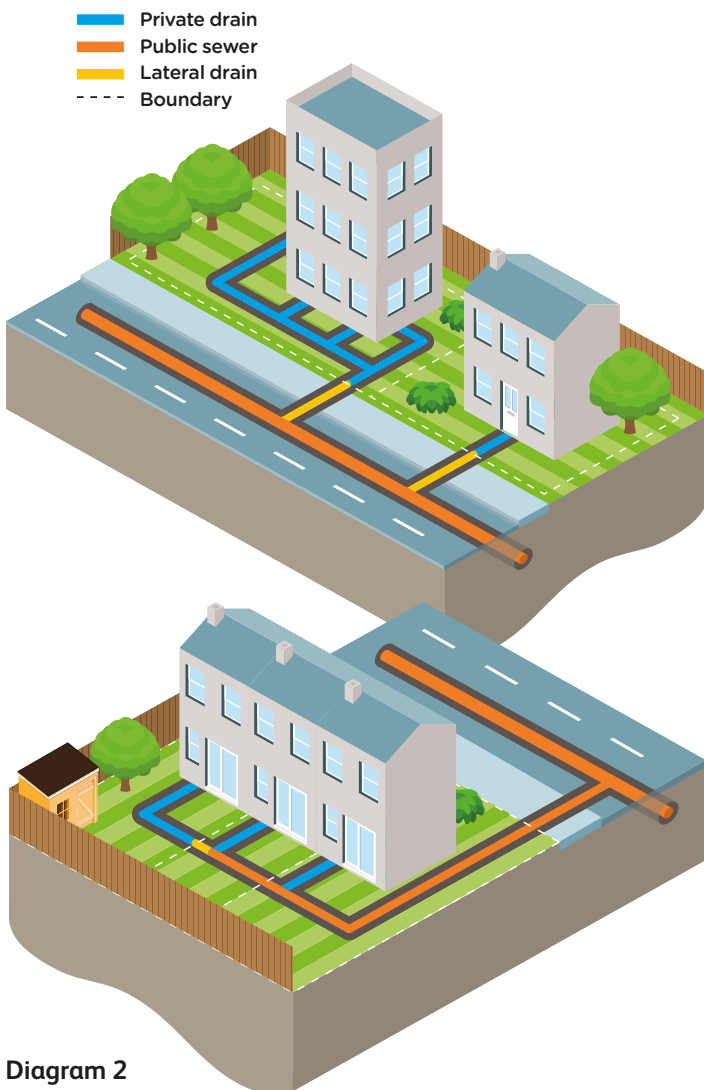


Diagram 2

7.1.2 Pipework that connects the public sewer to multiple properties (shown in orange in Diagram 2) is classed as a sewer. For information on our charges for constructing New Sewers, please see section 8.

- 7.1.3 We do not construct pipework on your land that serves only your building(s) (shown in blue). This is your responsibility.
- 7.1.4 Under section 107 of the Water Industry Act 1991 we also have the right to make the connection from your lateral drain or sewer to the public sewer instead of you. We call this a Waste Connection.

### 7.2 Who can carry out the works?

- 7.2.1 We expect you to construct your own lateral drains for your development or engage a competent contractor to carry this out on your behalf. A lateral drain includes the connection to the sewer.
- 7.2.2 If you arrange the construction of your lateral drain, you must apply for consent to connect under section 106 of the Water Industry Act 1991 before making any communication with the public sewer. For details on how to do this, see [developers.thameswater.co.uk/Developing-a-large-site/Apply-and-pay-for-services/Wastewater-services/Connecting-to-a-sewer](https://developers.thameswater.co.uk/Developing-a-large-site/Apply-and-pay-for-services/Wastewater-services/Connecting-to-a-sewer).
- 7.2.3 Under section 106(8) of the Water Industry Act 1991 we have an absolute right to refuse connections in Greater London to any public sewer that is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains. We call these trunk sewers.
- 7.2.4 If we elect to make the Waste Connection we will notify you of our intention to do so within 14 days of receiving your application for a consent to connect. In practice we only exercise this right when your connection is to a trunk or strategic sewer or the connection works have health and safety implications for our workforce. We only exercise this power after we have exhausted all alternative and low-risk options for connecting.
- 7.2.5 In order for us to proceed with any New Lateral Drain or Waste Connection, we will charge you an application fee covering our administration costs, a topographical survey, utility searches and manhole surveys. This will enable us to confirm the point of connection to the public sewer and the route from your boundary to that point of connection, which in turn confirms what we will charge you for making the connection. Please note that the application fee is higher for a connection to a trunk sewer due to the increased cost of carrying out manhole surveys.
- 7.2.6 Where we exercise the right to make a Waste Connection between your lateral drain and the public sewer, you may carry out the associated lateral drain laying or ask us to do this on your behalf. Where we exercise the right to make a Waste Connection between your sewer and the public sewer, we will only make the connection and will not carry out any associated sewer laying. If you want us to provide the whole of the new sewer you should apply, and we will charge you in accordance with section 8.

## Waste connections and new lateral drains

7.2.7 If you want us to adopt any lateral drain that you build it must be constructed to a standard that we accept. For more information on adoptions please refer to section 10.

### 7.3 How we calculate our charges if we provide the New Lateral Drain or Waste Connection

7.3.1 Our charges for the provision of a New Lateral Drain are broken down into four elements:

- (a) A non-refundable application fee in line with section 7.2.5 above and as set out in the table at 7.7.2
- (b) A fixed charge for the connection to the public sewer. This is shown as a single charge calculated with reference to the depth (for example, up to five metres) of the connection (see table in 7.7.1)
- (c) A fixed charge for laying additional pipe from the end of the connection to the sewer up to your property boundary. This is shown as a per metre charge (rounded up to whole metres) calculated with reference to the diameter of the connection (for example, 150mm) (see table at 7.7.1)
- (d) Any other ancillary charges (see table at 7.7.2)

7.3.2 Our charges for Waste Connections are broken down into three elements:

- (a) A non-refundable application fee in line with section 7.2.5 above and as set out in the table at 7.7.2
- (b) A fixed charge for the connection to the public sewer. This is shown as a single charge calculated with reference to the depth (for example, up to five metres) of the connection (see table at 7.7.1)
- (c) Ancillary charges (see table at 7.7.2)

### 7.4 Costs included in our fixed charges

7.4.1 Our fixed charges include the cost of:

- (a) A percentage uplift for **Traffic Management** and highway authority charges. We have set the percentages at a level that aims to recover the overall cost that we incur. We will make no further credits or charges in respect of Traffic Management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes Traffic Management please see Appendix B;
- (b) Your New Lateral Drain or Waste Connection may require us to cross or access **Third Party Land**, in which case we will have to agree compensation with the third party to cover any damage or disruption that may result. We may incur additional costs in dealing with the third party and may have to plan our works differently, including revising our timescales. We

have set our fixed charges at a level that recovers the overall cost of working in Third Party Land, so we will make no further credits or charges in respect of this.

- (c) **Site Visits:** Our quote includes one enabling site visit and one additional field engineer visit. We will charge you for any additional visits you require.

7.4.2 Our fixed charges for Lateral Drains and Waste Connections are:

- (a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated them based on analysis of the cost of recent work where possible, otherwise we have estimated them based on what we think the typical cost might be. We will review the charges and update the charges annually.
- (b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the sewer is at least the same diameter as your connection. There will be no additional charge if we change the point of connection for capacity reasons or if we need to carry out additional works beyond the point of connection in order to provide capacity for your development.

### 7.5 Ancillary charges

7.5.1 Our ancillary charges include any **abortive costs** caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

- (a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge **plus**
- (b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision

7.5.2 If you require a re-quote which can be prepared using the survey information we obtained for your original application, we will charge you a re-quote fee. If we have to carry out new surveys, you must submit a new application and pay the application fee.

### 7.6 Estimating the charges for your scheme

7.6.1 In order to estimate your charge you will need to know the parameters of your development, in particular:

- the **size of Waste Connection or New Lateral Drain** you require (based on pipe diameter)
- the **depth of the public sewer** you are connecting to
- the **length of pipework** you require for your New Lateral Drain, for example the distance to the existing public sewer you are connecting to. If you need help in identifying the existing sewers are located we can help you with this. You can view our maps for free at the office specified in the link below or you can get this information from a property search provider. For more information see [developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are](https://developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are)
- the **likely route of the New Lateral Drain** from the point of connection into your development site

### 7.7 Our charges for Waste Connections and New Lateral Drains

7.7.1 Table of fixed connection and pipe laying charges

Lateral Drains – Connection charges		Depth		
		Up to 5m	Up to 10m	>10m
Connection charge	Per connection	£25,500	£65,660	£127,310

Lateral Drains – Pipe laying charges		Internal pipe diameter			
		100mm	150mm	225mm	300mm
Pipelaying charge	Per metre	£230	£240	£270	£370

The above charges are subject to VAT at the applicable rate

7.7.2 Table of ancillary charges

Item	Charge
Application fee	
Connection to trunk sewer	£11,500 + VAT
Connection to other public sewer	£8,500 + VAT
Re-quote fee	
Original surveys remain valid	£350 + VAT per quote
New surveys needed	Application fee as above
Abortive visit fee	£130 + VAT per visit plus any additional costs we incur from the highway authority in respect of Traffic Management, plus an administration fee as detailed in 7.5.1
The above ancillary charges are subject to VAT at the standard rate.	
Additional visit charge	£120 + VAT per visit
Additional visit charges are subject to VAT at the same rate as the works	

### 7.8 Applications and quotes for Waste Connections and New Lateral Drains

7.8.1 As we only construct Waste Connections and New Lateral Drains in response to applications for consent to connect, there is no specific application process. We will discuss your requirements with you and quote for the works that you require.

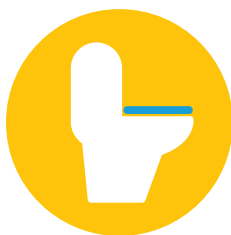
7.8.2 We will carry out a site survey and liaise with third parties in order to provide you with a quote for the works. We will base the quote on our fixed charges. The quote is subject to change in the event that the scheme changes. If a re-quote is required as a result of changes you have made to your scheme, a re-quote or new application fee will be payable.



## Waste connections and new lateral drains

- 7.8.3 We will review each scheme on completion to assess whether the works were the same as in the quote. If the excavation depth, diameter or length of pipework were different, we will recalculate the charge for the scheme using our fixed charges and invoice or credit you for the difference. Please note that the rates we use to recalculate the final charges will be the fixed charges applicable on the date we issue the quote if you pay in advance or the fixed charges applicable at the date of completion of the works if you decide to pay in arrears. We will charge for abortive and additional visits at the published rates applying on the date the charges are incurred.
- 7.8.4 We calculate our quote based on the information available to us at the time. There are factors that may result in the works being different to our original design. If you believe that there was a difference you can request a review of the charges for your connection. If we calculate that the charge for the actual works – based on our published charges – works out different to the quote we gave you, we will make an adjustment for the difference. Please note that we round up all pipe laying charges to the nearest whole metre, and our review may result in an increase in the amount you have to pay. Abortive charges and charges for additional site visits are not included in our quote and will increase the charge for your New Lateral Drain where applicable.
- 7.8.5 Our quote will be valid for 180 days. In the event that you require a re-quote, a re-quote or new application fee will be payable.
- 7.8.6 If you or your contractor are making a connection to the public sewer, you must apply to us for consent to connect under section 106 of the Water Industry Act 1991.
- 7.8.7 Payment terms and security requirements can be found in section 11.

# 8 New sewers (sewer requisitions)



## 8.1 Introduction

8.1.1 A public sewer (shown in orange in Diagram 2 in 7.1) carries wastewater from multiple properties and can be on private or public land. If there is no public sewer near your property for you to connect your premises to, you will need a New Sewer as well as lateral drains.

## 8.2 Who can carry out the works?

8.2.1 We expect you to construct sewers for your own development or engage a competent contractor to carry out the works on your behalf. In principle, all sewer works can be carried out by you or your contractor subject to meeting required standards.

8.2.2 You will also make your own connections to the public sewer network unless we exercise our right to make the connection under section 107 of the Water Industry Act 1991 (please see section 7). If you arrange to construct your own sewers, you must apply for consent to connect under section 106 of the Act before making any communication with the public sewer. For details on how to do this, see [developers.thameswater.co.uk/Developing-a-large-site/Apply-and-pay-for-services/Wastewater-services/Connecting-to-a-sewer](https://developers.thameswater.co.uk/Developing-a-large-site/Apply-and-pay-for-services/Wastewater-services/Connecting-to-a-sewer).

8.2.3 Under section 106(8) of the Water Industry Act 1991 we have an absolute right to refuse connections in Greater London to any public sewer that is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains. We call these trunk sewers.

8.2.4 The construction of your sewers must be to a standard we accept if you want us to adopt them. For more information about adoptions please see section 10.

## 8.3 How we calculate our charges

8.3.1 The charge for your New Sewer is:

- (a) the charge for our works (based on our fixed charges unless Special Circumstances exist) **minus**
- (b) a credit in the form of an 'Income Offset' representing our contribution to the cost of the New Sewer

8.3.2 The method for calculating the charges for New Sewers will depend on whether Special Circumstances exist.

## 8.4 Schemes involving Special Circumstances

8.4.1 We categorise Special Circumstances as works including one or more of the following:

- (a) where the technical complexity of the work is high or the type of work required is bespoke or carried out infrequently
- (b) where third parties can legitimately recover their costs and there is not a reasonable level of certainty of those costs in advance of connection work being undertaken
- (c) where third parties have rights to protect their assets or interests in a way that affects the construction method and the third parties' requirements are unknown upfront
- (d) where the work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics

8.4.2 We also include within Special Circumstances the construction of any New Sewer with an internal diameter over 300mm, as jobs of this sort are carried out infrequently.

8.4.3 Full details of what we classify as Special Circumstances are contained in section 14.

8.4.4 If no Special Circumstances exist, we will calculate our charges for New Sewers as set out in 8.5 and on the basis of our fixed charges detailed in 8.12.

8.4.5 If Special Circumstances exist, we will price our charges for New Sewers on application as set out in 8.10 and you will pay the actual costs incurred by us in carrying out the work. The price on application is based on our detailed design, which identifies the connection point into the existing network, the sizes, lengths and route of the new sewer, the required fittings and any potential Traffic Management requirements. We will base the quote we issue you on the estimated cost of these plus the required plant, labour and materials. We will base the final charge to you on the actual cost of all these items plus any additional costs we may have incurred due to working in or near Third Party Land.

## 8.5 Calculating our charges where no Special Circumstances exist

8.5.1 Where no Special Circumstances exist, our charges for providing a New Sewer are broken down into the following elements:

- (a) An **application fee to obtain a quote**, including confirming the point of connection and route of the pipework

## New sewers (sewer requisitions)

- (b) A **fixed charge for the connection** to the existing public sewer. This is shown as a single charge calculated with reference to where we connect to the existing sewer (for example, in the road) – please see 8.12.1
- (c) A **fixed charge for laying pipe** from the existing sewer to the required end point(s). This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to where we lay our pipe (for example, in the road) – please see 8.12.1
- (d) If the New Sewer is to be delivered in phases, we will incur additional costs associated with multiple visits to your site, extra works and extra fittings. To reflect this we add a **phasing charge** for the start of each new phase – please see 8.12.1
- (e) Ancillary charges (please see 8.12.2)

### 8.6 Costs included in our fixed charges

8.6.1 Our fixed charges include the cost of:

- (a) A percentage uplift for **Traffic Management** and highway authority charges. We have applied different percentages to the rates for working in the road, footpath and unmade ground to reflect the differing Traffic Management requirements. There is no percentage uplift for work that does not require us to carry out excavation. We will charge for works in a private road using the rate for works in a footpath. We have set the percentages at a level that aims to recover the overall cost that we incur. We will make no further credits or charges in respect of Traffic Management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes Traffic Management please see Appendix B.
- (b) Your New Sewer may require us to cross or access **Third Party Land**, in which case we will have to agree compensation with the third party to cover any damage or disruption that may result. We may incur additional costs in dealing with the third party and we may have to plan our works differently, including revising our timescales. We have set our fixed charges at a level that recovers the overall cost of working in Third Party Land, so we will make no further credits or charges in respect of this.
- (c) **Site Visits:** Our fixed charges include one site survey, an enabling site visit, a pre-commencement meeting and a completion meeting. Any additional visits you require will be charged to you in accordance with our fixed charges.

Our fixed charges for New Sewers are:

- (a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated them based on analysis of the cost of recent sewer work and will update them annually. Each year we will also review the percentage uplifts for Traffic Management and highway authority charges and adjust as required to make sure our charges are cost reflective
- (b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the existing sewer is at least the same diameter as the New Sewer you require to provide the capacity for your development. Please see 8.11 for further information about the charging point of connection.

### 8.7 Ancillary charges

8.7.1 Our ancillary charges include any **abortive costs** caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

- (a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge **plus**
- (b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision

### 8.8 Estimating the charges for your scheme

8.8.1 In order to estimate your charge you will need to know the parameters of your development, in particular:

- (a) the **size of New Sewer** you require (based on pipe diameter)
- (b) the **length of New Sewer** you require, for example the distance to the existing public sewer to connect to and in how many phases the pipework will be laid. If you need help in identifying where the existing sewers are located we can help you with this, you can view our maps for free at our specified office or you can get information from a property search provider. For more information see [developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are](https://developers.thameswater.co.uk/Developing-a-large-site/Planning-your-development/Where-our-pipes-are)

## New sewers (sewer requisitions)

- (c) the **likely route of the New Sewer** from the point of connection into your development site

### 8.9 Calculating our charges where Special Circumstances exist

- 8.9.1 Where Special Circumstances exist, we will calculate our charges using a combination of fixed charges and actual cost:
  - (a) The charge for the element of New Sewer work where Special Circumstances do not exist will be based on our fixed charges.
  - (b) For the element of New Sewer work where Special Circumstances exist, we will charge you our actual costs incurred. These could include – but are not limited to – the cost of the works, Traffic Management, highway authority charges, other third party charges and ancillary charges. For example, for a New Sewer which crossed a railway we would therefore charge based on actual cost for the portion in or affected by the railway.
- 8.9.2 We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme we will provide an account of the costs incurred and credit or invoice you for the difference compared to the design fee you paid.
- 8.9.3 Our indicative quote is not a fixed price quote and will be valid for 180 days. It is subject to change in the event that the requirements of the scheme change. If you require a re-quote as a result of changes you have made to your development, a re-quote fee will be payable.
- 8.9.4 On completion of the New Sewer, we will provide an account of the actual costs incurred and meterage delivered (if relevant) and either credit or invoice you for the difference.
- 8.9.5 For details about how you can get an estimate of the charges payable where Special Circumstances exist and how we will charge you the actual costs incurred for the works please see 8.13.

### 8.10 Our financial contribution to the cost

- 8.10.1 We make a financial contribution towards the charges for the New Sewer, called the 'Income Offset'. This recognises that we will earn additional income from the new customer accounts that will arise from connections to the New Sewer.
- 8.10.2 We calculate the Income Offset using a financial model which is available to download from our website at

[developers.thameswater.co.uk/New-connection-charging](https://developers.thameswater.co.uk/New-connection-charging). The required inputs to the model include the charge for the New Sewer calculated as above (excluding ancillary charges) and the number of properties served by the New Sewer in each of the first 12 years after provision of the New Sewer.

- 8.10.3 The model compares the cost of us financing the New Sewer and the additional income we can expect from each connection to the New Sewer for each of the first 12 years after construction of the New Sewer. The deficits arising in any year are discounted to current value and added up to give a discounted aggregate deficit ('DAD'). The DAD value is the amount you contribute to the new main, while we contribute the balance. Our contribution is called the Income Offset.
- 8.10.4 Our quote to you will show the charge for the New Sewer and the Income Offset. The amount of the Income Offset will only change if the charge for the works is revised, in which case we will recalculate the Income Offset.

### 8.11 Network Reinforcement

- 8.11.1 We will limit the charge for a New Sewer to the cost of connecting to the nearest reasonably practicable point on the network where the existing sewer is at least the same diameter as the New Sewer you require to provide the capacity for your development. (Please note that this is a significant change in our basis of charging.)
- 8.11.2 We may sometimes change the point of connection for capacity reasons, resulting in a longer length of New Sewer. If so, we will not charge you for the additional length of New Sewer although the cost will be considered to be Network Reinforcement and we recover this cost through Infrastructure Charges.
- 8.11.3 We may also sometimes increase the size of the New Sewer in order to provide future capacity for other developments in the area. If so, we will not charge you in full for the upsized New Sewer. Instead, we will charge you based on the proportion of the capacity of the New Sewer that is actually required for your development. We will calculate this based on anticipated flows for your development compared to the design capacity of the New Sewer.
- 8.11.4 Sometimes the installation of a New Sewer results in a requirement to install additional capacity in our network upstream from the point of connection to make sure there is sufficient flow and pressure for your development. For example, we may need to provide additional sewers or pumps. This is considered to be Network Reinforcement and is excluded from the charge for your New Sewer, but we will recover it through our Infrastructure Charges.

## New sewers (sewer requisitions)

### 8.12 Our fixed charges for New Sewers

#### 8.12.1 Tables of connection and pipe laying charges (where no Special Circumstances exist)

Sewer Requisitions and Diversions Internal pipe diameter	Road			Private road or footpath			Unmade ground		
	150mm	225mm	300mm	150mm	225mm	300mm	150mm	225mm	300mm
Connection charge per connection	£17,210			£16,800			£13,680		
Pipelaying charge per metre	£750	£780	£1070	£650	£690	£930	£370	£420	£580

In the event that the pipework is to be laid in phases, we apply a **phasing charge** of £1,100 for each new phase.

The above charges are subject to VAT at the applicable rate.

#### 8.12.2 Ancillary charges for works not featuring Special Circumstances

Item	Charge
Re-quote fee	£350 + VAT
Abortive visit fee	£130 + VAT per visit plus
	£820 remobilisation charge without welfare facilities
	£990 remobilisation charge with welfare facilities
	plus any additional costs we incur from the highway authority plus an administration fee of 30% as detailed in 8.9.1
The above ancillary charges are subject to VAT at the standard rate.	
Additional visit charge	£120 + VAT per visit

#### 8.12.3 We will charge for any work involving Special Circumstances in accordance with 8.6. The following ancillary charges apply for New Sewers featuring Special Circumstances.

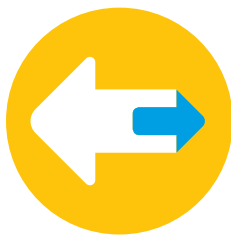
Item	Charge
Application fee	£2,000 + VAT for a budget estimate
Design fee	15% of the estimated scheme value on account of the actual cost
Re-quote fee	£350 + VAT
The above ancillary charges are subject to VAT at the standard rate.	

## New sewers (sewer requisitions)

### 8.13 Applications and quotes for New Sewers

- 8.13.1 If you would like an estimate of the charges for a New Sewer you can apply for a budget estimate. A budget estimate is not capable of acceptance and is provided without carrying out a site visit, doing a detailed design or discussing the scheme with the relevant highway authority.
- 8.13.2 In order to obtain a New Sewer you will need to submit an application form to us. Please read this section in conjunction with section 11 (Payment Terms and Security).
- 8.13.3 Our quotes are valid for 180 days.
- 8.13.4 Where no Special Circumstances exist:
- (a) We will carry out a site survey, design the New Sewer and liaise with third parties in order to provide you with a quote for the New Sewer. The quote will be based on our fixed charges. The quote is subject to change in the event that the scheme changes. If you require a requote as a result of changes you have made to your scheme, a re-quote fee will be payable.
  - (b) We will review each scheme on completion to assess whether the size and length of New Sewer as laid is the same as in the quote. If the size of the New Sewer is different, the surface type is different or else the length of sewer is at least three metres more or less than in the quote, we will recalculate the charge for the scheme using our fixed charges and invoice or credit you for the difference. Please note that the rates we use to re-calculate the final charges will be the fixed charges applicable on the date we issue the quote if you pay in advance or the fixed charges applicable at the date of completion of the New Sewer if you decide to pay in arrears. We charge for abortive and additional visit charges at the published rate applying on the date the charges are incurred.
- 8.13.5 As detailed in 8.9.2, where Special Circumstances exist we will carry out the design on payment of a percentage-based fee. We will carry out a site survey, design the New Sewer work and liaise with third parties in order to provide you with an indicative quote for the New Sewer. The quote will not be a fixed price quote. On completion of the New Sewer, we will provide an account of the actual costs incurred and either credit or invoice you for the difference.
- 8.13.6 Payment terms and security requirements can be found in section 11.

# 9 Sewer diversions



## 9.1 Introduction

- 9.1.1 Developers with an interest in land that contains a public sewer can request the alteration or removal of the sewer to allow development work to progress. This process of altering or removing a sewer is known as a Diversion and the work is carried out in accordance with section 185 of the Water Industry Act 1991.
- 9.1.2 Please note that we are under no obligation under the Act to divert any sewers which are in, under or over any street or where it is unreasonable to do so.
- 9.1.3 If you are planning significant work near our sewers or other assets as part of your development, it is important that you minimise the risk of damage. We will need to check that your development does not reduce capacity, limit repair or maintenance activities or inhibit the services we provide in any other way.
- 9.1.4 If you are building within three metres of a public sewer, or within one metre of a public lateral drain, you need our approval before work begins. There are some cases in which we won't allow you to build over a sewer – these include rising mains, manholes and strategic sewers. In these cases you will need to modify your design or arrange for our sewer to be diverted.
- 9.1.5 If you are planning work in London and intend developing above any section of the Thames Lee Tunnel you will need to discuss this with us. Please note that we will not divert any section of these structures. If a sewer to be diverted has an internal diameter above 300mm, you may also require an impact study, because not all sewers can be diverted.
- 9.1.6 If your new infrastructure (for example, a gas pipe) will cross a sewer, please contact us to discuss your plans. If there is insufficient distance between the two, we may require that an impact study is carried out and that you redesign your infrastructure or else divert our sewer.

## 9.2 Who can carry out the works?

- 9.2.1 In principle all sewer diversion works and the decommissioning of redundant pipework can be carried out by you or your contractor subject to meeting required standards.
- 9.2.2 If you want to divert a public sewer with an internal diameter up to 160mm and which only serves domestic properties, we call this a minor diversion. You will need to apply to us and pay a fee of £690 + VAT and provide

security of £2,000 until the works are completed to our satisfaction.

- 9.2.3 If you want to divert a public sewer which has an internal diameter above 160mm or any sewer which does not serve domestic properties exclusively and the sewer is not a strategic sewer, you can apply to enter into a hybrid adoption and abandonment agreement under sections 104 and 116 of the Water Industry Act 1991. You will need to apply to us and pay a fee of £500 for each of the two elements of the agreement (£1,000 in total). The adoption element of your agreement with us will be subject to the charges set out in section 10. You will need to provide us with security equal to 100% of our estimate of the cost of the works until the works are completed to our satisfaction.
- 9.2.4 If you want to carry out other Diversions, you will have to pay an application fee of £2,000 + VAT for us to approve your proposals and provide you with an indicative quote for us to monitor your works. You will need to enter into a Diversion Agreement with us to enable you to carry out the work on our behalf. You will be liable to legal costs of up to £5,000 and will have to provide security equivalent to 100% of our estimate of the cost of the works until the works are completed to our satisfaction.
- 9.2.5 For any work that you ask us to carry out we will charge you in accordance with the following sections on Diversion charges. Any additional services you ask us for such as project management and technical support will be by agreement. We will invoice you for any charges payable. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

## 9.3 How we calculate our charges

- 9.3.1 The charge you will pay for us to carry out a Diversion for the purpose of your development is equal to the reasonable cost we incur in complying with our duty under section 185 of the Water Industry Act 1991. The charges we raise exclude any cost we incur in making good existing deficiencies or in creating additional capacity.
- 9.3.2 In order to arrange for us to carry out a Diversion you will need to submit an application form to us. We will design the Diversion and provide you our indicative quote based on our estimated costs, including the cost of works, management and administration costs, Traffic Management costs, highway authority charges and costs associated with working in Third Party Land. The works typically involve laying a new sewer, providing connections at each end into existing sewers and decommissioning the redundant sewer. For rising mains, we may also have to relocate pumps. If you provide your

## Sewer diversions

own design produced by an accredited designer, we will charge you for reviewing it.

- 9.3.3 We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme we will provide an account of our reasonable costs incurred and credit or invoice you for the difference compared to the application and design fee you paid.
- 9.3.4 The indicative quote is an estimate only and not a fixed price quote and will be valid for 180 days. The quote is subject to change if the requirements of the Diversion changes. If a re-quote is required as a result of changes you have made to your development, a re-quote fee will be payable.
- 9.3.5 We will review each Diversion when we have completed the works to assess the actual costs that we have incurred in carrying out the Diversion. The difference between our quote and our reasonable actual costs incurred will be credited or invoiced to you as appropriate.
- 9.3.6 Your diversion works may require existing connections to be diverted or re-laid, which we will include in your quote.
- 9.3.7 Payment terms and security requirements can be found in section 11.

### 9.4 Indicative rates for estimating

- 9.4.1 We are not required to publish fixed charges for Diversion work. However, we are required to enable developers to calculate a reasonable estimate of the charge of the Diversion work. We have published indicative rates so that you can estimate the charges for a Diversion. These rates are for estimating only and will not be used for charging. They are based on the average costs of straightforward diversions and do not take account of issues that may arise on complex schemes. We will calculate the actual cost of your Diversion on a scheme by scheme basis and these will vary from the indicative charges published here.
- 9.4.2 In order to estimate your charge you will need to know the parameters of your development, in particular:
- (a) **the size of sewer** you are diverting
  - (b) **where the new sewer will connect** in to the existing network
  - (c) **the likely route of the new sewer** between the two new connection points (which needs to be hydraulically viable)
  - (d) **the length of sewer** to be decommissioned

9.4.3 Our indicative charges for the diversion of a sewer are broken down into three elements:

- (a) The **charge for each connection** to the existing sewer, represented as a single charge calculated with reference to where we connect to the existing sewer (for example, in the road)
- (b) A **charge for laying pipe** between the two connection points. This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to where we lay our pipe (for example, in the road)
- (c) The **cost for decommissioning** the redundant sewer, shown as a rate per metre (rounded up to whole metres)

9.4.4 Our indicative charges represent the typical cost for a straightforward scheme and should be used as an estimating tool only, and will not be used to calculate actual charges for Diversion work.

9.4.5 For re-laying or diverting connections you can use the published lateral drain or new sewer charges (as appropriate) on an indicative basis.

9.4.6 The indicative rates for pipe laying and connection charges are the same as for new sewers in 8.12.1 above and details of our ancillary charges are included in the table below.

9.4.7 The indicative charges for decommissioning sewers are £20 per metre for pipes with an internal diameter of up to and including 300mm and £90 per metre for larger diameter pipes.

### 9.5 Table of ancillary charges

9.5.1 Please note that these charges are fixed and will be payable at the rate below even if your scheme does not progress and the Diversion is not required.

Item	Charge
Application fee	£2,000 + VAT for a budget estimate
Design fee	15% of the estimated scheme value on account of the actual cost
Modelling assessment (section 5.3.4)	£15,000 + VAT on account of the actual cost
Re-quote fee	£350 + VAT
The above ancillary charges are subject to VAT at the standard rate	
Legal agreement	Up to £5,000



## 10 Adoptions



### 10.1 Introduction

- 10.1.1 In principle you can carry out all sewer laying and connection work, except where we exercise our rights under section 107 of the Water Industry Act 1991 to make the connection (please see section 7).
- 10.1.2 Legislation covering the adoption of newly constructed sewers, drains and sewage disposal works is contained in section 104 of the Act, which refers to Adoption Agreements. If a newly constructed sewer or drain is constructed in accordance with an Adoption Agreement under section 104 it will, subject to the terms of the Adoption Agreement, become vested in us as a public sewer, and will be our responsibility to maintain.
- 10.1.3 We accept the standards that are described in the latest edition of 'Sewers for Adoption - a design and construction guide for developers'. This is published by the Water Research Centre (WRC) and representatives of both the House Builders Federation and Water UK have been involved in its preparation. Implicit in the guide is that public sewers should be located in highways or public open spaces. This guide is available from the WRC website at [wrcplc.co.uk/sfa](http://wrcplc.co.uk/sfa). Proposals submitted in conformity with 'Sewers for Adoption' can be checked rapidly and we limit our fees to those recommended in the guide.
- 10.1.4 This section does not apply to the adoption of existing infrastructure under section 102 of the Act.

### 10.2 Charges for a sewer, drain and sewage disposal work adoption

- 10.2.1 When you apply to have a sewer or drain adopted under section 104 of the Water Industry Act 1991 you must complete and submit the application form together with copies of all relevant plans and a non-refundable fee of £500 plus VAT for reviewing your application.
- 10.2.2 A separate application form for any connections to the public sewerage system (as required by section 106 of the Act) together with the appropriate consent fee should also be submitted following our consent process. For more information see [developers.thameswater.co.uk/Domestic-and-small-commercial/Wastewater](http://developers.thameswater.co.uk/Domestic-and-small-commercial/Wastewater).

- 10.2.3 Please note that Section 20 of the model agreement in 'Sewers for Adoption' (6th Edition) sets out our requirements relating to the transfer of land and maintenance arrangements.
- 10.2.4 Where a consent to discharge from the Environment Agency, the Canal & River Trust, Land Drainage Authority or Network Rail is required, you must not agree to any conditions without prior approval from us. If you agree any such conditions, we may not be able to adopt the sewer or drain or may have to ask you to pay an amount to us that covers the cost of meeting any commitments made.
- 10.2.5 Assuming your proposals are acceptable, we will write to you confirming this. We will set out our estimate of the cost of your scheme and our fee. Our fee will be the greater of £500 or 2.5% (plus VAT in either case) of our estimate of the construction cost, which covers the processing, assessment and inspection of the works. We deduct the application fee from this.
- 10.2.6 In order to progress the adoption, you must enter into an Adoption Agreement with us subject to providing a security deposit of 10% of the estimate of the construction cost, subject to a minimum of £5,000. This security is normally a cash deposit, although we will accept alternative forms of security by agreement.
- 10.2.7 The security is released on expiry of the 12-month maintenance period that follows the issue of the provisional certificate of completion of the sewer, assuming any remedial work has been carried out. We will deduct from the security deposit any reasonable costs we incur in making good any notified defects. If the costs exceed the deposit we will invoice you for the excess.
- 10.2.8 A legal fee of £850 is also payable on signing of the Adoption Agreement. If an easement is required an additional easement fee of £750 is payable.
- 10.2.9 As part of a self-lay waste scheme, we are sometimes asked to provide additional services such as project management or technical support. Assuming we agree to provide these services, we will assess them on a case by case basis and charge based on an hourly or daily rate to be agreed.
- 10.2.10 Where the Adoption Agreement relates to lateral drains you will need to install a chamber at the boundary of the property for maintenance purposes. The materials used for the connection must be to the standard set in 'Sewers for Adoption' as detailed in 10.1.3.
- 10.2.11 We will send you an invoice for any charges associated with Adoption Agreements. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

# General charging arrangements.



# 11 Payment terms and security



## 11.1 Introduction

- 11.1.1 We quote our charges for New Connections Services using the rates in effect on the date of the quote and on the basis of the information you provide to us in your application form or otherwise. You have the option of paying in advance or in arrears for our New Connections Services. However, the amount you pay may be different if you pay in arrears.
- 11.1.2 Application, design and re-quote fees are always payable with your application and cannot be deferred.
- 11.1.3 Payment terms and security requirements for Adoption Agreements, Self-Lay Agreements and Diversion Agreements are as detailed in sections 6, 9 and 10 above. The terms set out in this section do not apply to these schemes.

## 11.2 Payment in advance

- 11.2.1 If you choose to pay in advance for the New Connections Services charges, you need to select this option and provide full payment when you accept our quote and do so within the validity period of that quote. You will need to pay the full charge for the works as shown on the quote.
- 11.2.2 If there is a credit or additional charge due on completion of the works, we will calculate this using the rates in effect on the date of the quote and will send you an invoice. Any queries or disputes in relation to charges must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.
- 11.2.3 Please note that if you opt to pay in advance, we will only schedule works after we have received full payment for those works.
- 11.2.4 Payment terms for Infrastructure Charges are set out in our Charges Scheme and Charges Schedule. The relevant extract of the Charges Schedule appears on pages 61 to 63.
- 11.2.5 As you benefit from fixed rates for your New Connections Services, we do not pay interest on any advance payment.

## 11.3 Payment in arrears

- 11.3.1 You may choose to pay in arrears for your New Connections Services charges if you provide security equal to the expected charges for the works (including an inflation allowance). If you choose this option, you need to make this clear when you accept our quote and do so within the validity period of that quote. The security we accept is:
- (a) A bank guarantee in our favour issued by a bank or building society registered and operating in the United Kingdom, appearing in the list of banks or building societies as compiled by the Bank of England and having an investment grade credit rating
  - (b) A letter of credit in our favour issued by a bank or building society registered and operating in the United Kingdom, appearing in the list of banks or building societies as compiled by the Bank of England and having an investment grade credit rating
  - (c) An on demand bond or guarantee issued in our favour by a third party having an investment grade credit rating
  - (d) A cash deposit. We will pay interest on sums held for more than 30 days. We calculate this using the interest rate applying for any six-month period commencing 1 April or 1 October at 0.75% below the average of the published Yield from British Government Securities (10-year Nominal Par Yield or 'GIR') in the March or September immediately preceding the six-month period.
- 11.3.2 The expected value of the charges for New Connections Services works and therefore of the security includes an allowance for inflation of our charges calculated with reference to forecast RPI.
- 11.3.3 We will provide the required value and wording for each of the security documents on request. Please note that if the provider of the security specifies an expiry date you will need to make sure that you provide replacement security of a value and form acceptable to us at least 30 days before the expiry date. If you do not provide replacement security, we reserve the right to claim against the security you have provided in order to obtain payment for costs incurred to date and to suspend works until new security is provided.
- 11.3.4 We will not schedule any New Connection Services works until we have received acceptable security. You should allow a reasonable amount of time for the form of your security to be agreed in order to avoid any unnecessary delay to your works.

## Payment terms and security

- 11.3.5 It is possible that, having accepted our quote on the basis of providing security, you instead choose to pay in advance. If so, you will need to apply for a re-quote. There is no fee for cancelling your acceptance of our original quote, although you will pay a re-quote fee and we will only schedule your works once you have accepted the new quote and we have received full payment. Please note that the re-quote will be different to our original quote if our published charges have changed.
- 11.3.6 On completion of the New Connection Services works, we will send you an invoice. As you are paying in arrears, we will calculate charges using the rates published and in effect when the works are completed. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.
- 11.3.7 On receipt of full payment for your works, we will return the security to you.
- 11.3.8 You can pay any charges by credit card, debit card, bank transfer or cheque. We do not accept cash.

# 12 Transition arrangements



## 12.1 Introduction

- 12.1.1 Although these Charging Rules come into effect for work commencing on or after 1 April 2018, we recognise that some of that work will be covered by quotes issued under the Act before the Charging Rules come into force (the 'old rules'). It is our intention that no-one in this situation is adversely affected by the transition to the Charging Arrangements under the Charging Rules. In certain circumstances, we will be allowing you to choose which rules apply to your charges.
- 12.1.2 In assessing how transition arrangements affect your scheme, you must consider each element of work separately. For example, on a site requiring a diversion, a new water main and multiple water connections, each of these will be dealt with separately.
- 12.1.3 As charges for Diversions are based on the reasonable cost incurred under both the Charging Rules and the old rules, the amount you pay will be the same in both cases. Therefore transitional arrangements are not relevant to these works.
- 12.1.4 As our charges under Adoption Agreements are not changing, these transition arrangements are not relevant to these charges.
- 12.1.5 For the purposes of our transition arrangements, your works are considered to have commenced when:
- (a) For a Service Connection: you have accepted and paid for our quote and passed the water regulations inspection
  - (b) For a New Lateral Drain, New Water Main or New Sewer: you have accepted and paid for our quote and asked us to schedule the works
  - (c) For a Self-Lay Agreement: you have entered into a Self-Lay Agreement with us and asked us to schedule any works we are carrying out
- 12.1.6 We will not charge a re-quote fee for any new quote issued under these transition arrangements where this is to replace a valid quote or an accepted and paid for quote issued under the old rules, unless your scheme or your requirements have changed since you made your original application. New quotes will be valid for 180 calendar days from the date of issue.

## 12.2 Works that are both quoted for and commencing on or after 1 April 2018

- 12.2.1 The Charging Rules will apply to works that are both quoted for and commencing on or after 1 April 2018. Please note that the application date is not relevant.
- 12.2.2 The exception to this is where you have submitted your application to connect to a sewer under section 106 of the Water Industry Act 1991 before 1 April 2018 and we exercise our right under section 107 of the Act to carry out the connection to the sewer. In this case, even if we do not issue our quote until on or after 1 April 2018, you are entitled to choose which rules apply to your quote.

## 12.3 Works quoted for between 1 February 2018 and 31 March 2018 inclusive and not commencing until after 1 April 2018

- 12.3.1 During this transition period we will continue to issue quotes under the old rules with a 180-day validity period. You can choose to accept and pay for this quote as long as you do so within the validity period, even if this is on or after 1 April 2018.
- 12.3.2 We will also provide you with an illustration showing what you would be charged for the works (assuming there are no changes to the scheme) under the new Charging Rules. The illustration is not a quote and is only relevant to works that commence on or after 1 April 2018.
- 12.3.3 If your quote is within its validity period, you have not accepted or paid for the quote and you wish to be charged under the new Charging Rules, you must let us know in writing that you would like to receive a new quote. We will issue the new quote after 1 April 2018, which will replace and therefore invalidate our original quote.
- 12.3.4 If you have already accepted and paid for your works, you wish to be charged under the new Charging Rules and your works have not commenced, you must let us know in writing that you would like to receive a new quote. We will issue the new quote after 1 April 2018, which will replace and therefore invalidate the original quote that you accepted. You cannot choose to be charged under the new Charging Rules once your works have commenced."
- 12.3.5 If you have already entered into a Self-Lay Agreement, you wish the Asset Payment and our charges to be calculated under the new Charging Rules and your works have not commenced, you must let us know in writing that you would like to receive a new quote and that you would like to terminate your Self-Lay Agreement. We will confirm the cancellation of the

## Transition arrangements

Self-Lay Agreement and issue a new quote, which will replace and therefore invalidate the original quote that you accepted. You cannot choose for the Asset Payment and our charges to be calculated under the new Charging Rules once your works have commenced.

### 12.4 Works quoted for between 1 February 2018 and 31 March 2018 inclusive and commencing before 1 April 2018

12.4.1 During this transition period we will issue quotes in the same way as set out in 12.3 above. However, if you require the works to commence before 1 April 2018 you will have to accept the quote prepared under the old rules.

### 12.5 Works quoted for before 1 February 2018 and not commencing until after 1 April 2018

12.5.1 Until 1 February 2018 we only quote under the old rules. For quotes that are accepted within their original validity period we will honour that quote if you wish to proceed on that basis.

12.5.2 If we issued a quote to you on or after 9 October 2017, we plan to provide you with an illustration showing what you would be charged for the works (assuming there are no changes to the scheme) under the new Charging Rules. If we issued our quote before 9 October 2017 or we have not been able to contact you, you can ask us to provide you with an illustration.

12.5.3 If your quote is within its validity period, you have not accepted or paid for the quote and you wish to be charged under the new Charging Rules, you must let us know in writing that you would like to receive a new quote. We will issue the new quote after 1 April 2018, which will replace and therefore invalidate our original quote.

12.5.4 If you have already accepted and paid for your works, you wish to be charged under the new Charging Rules and your works have not commenced, you must let us know in writing that you would like to receive a new quote. We will issue the new quote after 1 April 2018, which will replace and therefore invalidate the original quote that you accepted. You cannot choose to be charged under the new Charging Rules once your works have commenced.

12.5.5 If you have already entered into a Self-Lay Agreement, you wish the Asset Payment and our charges to be calculated under the new Charging Rules and your works have not commenced, you must let us know in writing that you would like to receive a new quote and that you would like to terminate your Self-Lay

Agreement. We will confirm the cancellation of the Self-Lay Agreement and issue a new quote, which will replace and therefore invalidate the original quote that you accepted. You cannot choose for the Asset Payment and our charges to be calculated under the new Charging Rules once your works have commenced.

### 12.6 Works quoted for before 1 February 2018 and commencing before 1 April 2018

12.6.1 We will charge for works commencing before 1 April 2018 based on the old rules.

12.6.2 Where work has already started on site as at the date of publication of these Charging Arrangements, transition arrangements will not apply.

### 13 Maintaining the broad balance of charges



- 13.1 When setting the charges for new Service Connections, New Lateral Drains, New Water Mains, New Sewers, Diversions, Self-Lay Agreements and Adoption Agreements, we are required to take reasonable steps to ensure that the balance of charges between developers and other customers prior to the implementation of the Charging Rules is broadly maintained.
- 13.2 We may only depart from this requirement where this is rendered necessary by circumstances, providing clear objective justification for doing so. Any such justification must be clearly identified in these Charging Arrangements.
- 13.3 We will maintain the balance of charges as follows:
- 13.3.1 The provision of a Service Connection and New Lateral Drain continues to be fully chargeable. If you self-lay your connection, that also continues to be at your expense.
- 13.3.2 The provision of a Diversion continues to be fully chargeable. If you self-lay your diversion, that also continues to be at your expense.
- 13.3.3 For New Water Mains and New Sewers, you will still receive an Income Offset calculated on the basis of the Discounted Aggregate Deficit model. This establishes the contributions we and you make to each scheme based on the cost of the scheme and the expected income we will earn from new connections:
- (a) If you self-lay some or all of a New Water Main, we will continue to calculate our contribution using the Discounted Aggregate Deficit model, with the Asset Payment (before deduction of our costs) being equal to the contribution we would have made if we laid the new main.
- (b) If you self-lay a New Sewer, that will continue to be at your expense with no asset payment applying.
- 13.4 In addition to charges for New Connections Services, developers pay Infrastructure Charges.
- 13.4.1 Prior to the implementation of the new Charges Scheme Rules published by Ofwat in December 2016, Infrastructure Charges were fixed in real terms at a historical charge set out in Condition C of our Instrument of Appointment. It was expected that while developers would be charged for local reinforcement of the networks, wider reinforcement and strategic investment would be funded by Infrastructure Charges.
- 13.4.2 Under the new Charges Scheme Rules, we set our own level of Infrastructure Charges to cover the Network Reinforcement expenditure that we incur. The tighter definition of Network Reinforcement in the Charging Rules means that a proportion of the investment we make to provide capacity for development is excluded, including strategic schemes to provide future capacity.
- 13.4.3 Consequently, our Infrastructure Charges for 2018/19 are lower than in 2017/18 and we consider that in this area our implementation of the Charges Scheme Rules has resulted in a change in the balance of charges between developers and other customers.

# 14 Special circumstances



- 14.1 Under the Charging Rules we are not obliged to publish fixed charges for New Water Mains and New Sewers where and to the extent it would be unreasonable for us to do so. We must take into account the practicality of setting cost-reflective upfront fixed charges and the benefit to customers of doing so. This exemption does not apply to Service Connections, New Lateral Drains and Waste Connections, which are all charged for based on our fixed charges. It also does not apply to Diversions, which are all charged for based on the reasonable cost we incur.
- 14.2 We have determined that the following circumstances, which we describe collectively as Special Circumstances, fall within this exemption. If the following Special Circumstances affect your site, our published fixed charges will not apply to all of the construction of your New Water Main or New Sewer. We expect there to be very few schemes featuring Special Circumstances, which arise where the technical complexity of the work is high, the type of work required is bespoke or carried out infrequently or we are exposed to third party rights.
- 14.3 Special Circumstances have been defined by Water UK as including one or more of the following circumstances, where:
- (a) the technical complexity of the work is high or the type of work required is bespoke or carried out infrequently
  - (b) third parties can legitimately recover their costs and there is not a reasonable level of certainty of those costs in advance of work being undertaken
  - (c) third parties have rights to protect their assets or interests in a way that affects the construction method and the third parties' requirements are unknown up front
  - (d) the work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics. Specific examples are:
    - 14.3.1 Projects involving New Water Mains with an external diameter above 355mm
    - 14.3.2 Projects involving New Sewers with an internal diameter above 300mm
    - 14.3.3 Waste schemes featuring high ground or a high water table and waste schemes involving pipework that is deeper than 2,500mm to the invert (i.e. the distance from the surface to the bottom of the inside of the pipe)
    - 14.3.4 Projects requiring us to incur additional cost due to working in or in proximity to one or more of the following:
      - (a) Railway infrastructure
      - (b) Major roads (trunk roads, dual carriageways, motorways)
      - (c) Surface or buried waterways, ponds, reservoirs and water or wastewater storage
      - (d) Bridges
    - 14.3.5 Projects involving crossing or running adjacent to other utilities' infrastructure and where their consent is required (applies to strategic assets only), if this is expected to result in additional costs
    - 14.3.6 Projects involving accessing existing third party service tunnels (London area)
    - 14.3.7 Site-specific features for which additional charges may apply if one or more of the following are present:
      - (a) Special security or protection requirements
      - (b) Special requirements applying to the site (for example, Crown land, listed buildings or sites designated as a nature reserve)
      - (c) Requirement to remove from the site hedgerows (planning authority consent required), thick scrub / vegetation, Japanese knotweed or giant hogweed
      - (d) Distinctive surface type (for example, mosaic or Chinese granite setts) or where the highway authority imposes special reinstatement conditions (for example, Whitehall)
    - 14.3.8 Discovery or disturbance of archaeological remains
- 14.4 With the exception of archaeological remains, where any of these Special Circumstances apply we will price your New Water Main or New Sewer on application. Our quote will be an estimate only and you will be charged an amount equal to the costs we incur.
- 14.5 We expect you to address any potential for archaeological remains as part of your development and to carry out any excavations, surveys or other activities as may be required before we carry out our works. If archaeological remains are discovered during our works, we will agree with you how best to proceed and all reasonable costs incurred by us will be charged to you.



# Appendices.



# Appendix A: Worked examples



We have put together some worked examples to illustrate how our new charges are built up. As you look at them, please be aware:

- These are **not real schemes, just illustrations** to help you understand our charges
- All stated figures **exclude VAT**
- In the water examples we have labelled the different aspects of the connection work as **Contestable** and **Non-Contestable** to make it clear which parts of the work can be done by self-lay providers

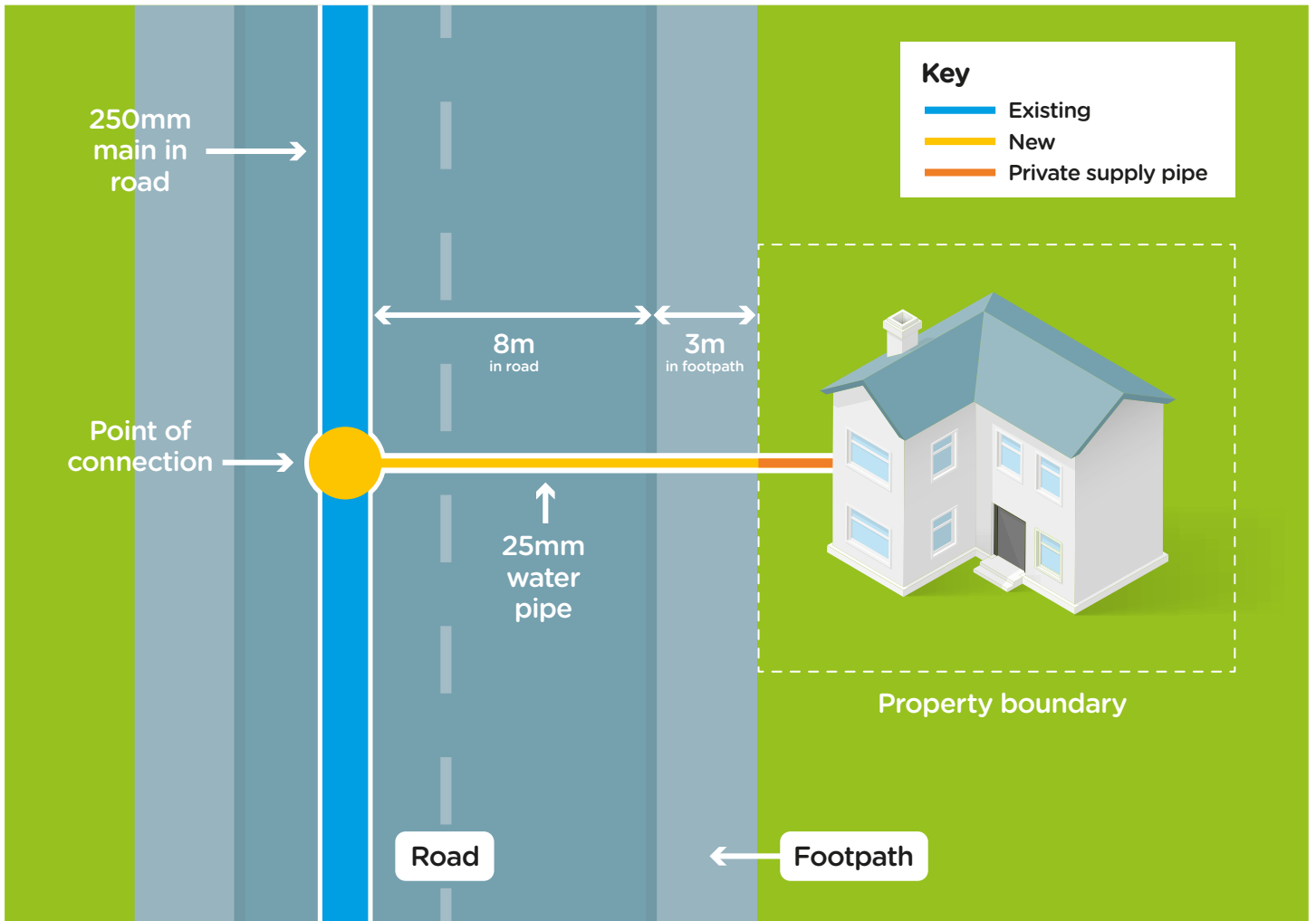
For the purpose of these examples:

- they are all on **greenfield** (previously undeveloped) land, and so no infrastructure charge credits are due in respect of previous connections
- **no special circumstances** (as defined earlier) apply in the new main and sewer examples
- **application and design fees** have not been shown separately
- **we have not labelled** the wastewater examples, as these are not Contestable except to the extent that we exercise our rights under section 107 of the Water Industry Act 1991 to make connections ourselves

## Appendix A: Worked examples

### Example 1: New water connection to a single home.

In this example we consider a single Service Connection to a property. Barrier pipe is not required.



Under our 2018/19 Charging Arrangements:

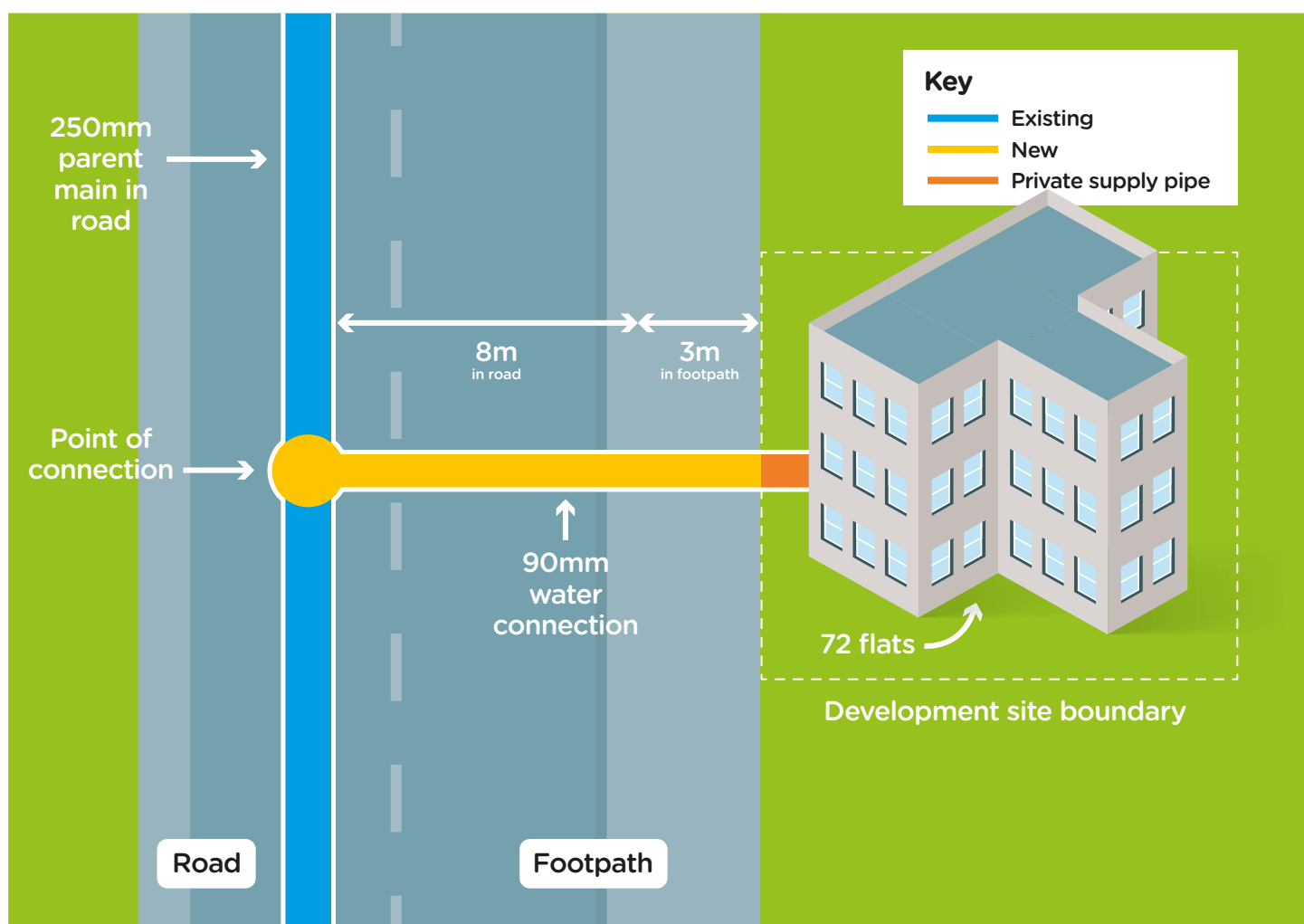
Item	Surface type	Length or quantity	Rate	Charge
Connection <sup>c</sup> 25mm	Road	1 qty	£1,250	£1,250
Pipe <sup>c</sup> 25mm	Road	8 metres	£270	£2,160
Pipe <sup>c</sup> 25mm	Footpath	3 metres	£210	£630
<b>Subtotal</b>				<b>£4,040</b>
Infrastructure Charge (water)		1 qty	£140	£140
Infrastructure Charge (wastewater)		1 qty	£210	£210
<b>Total</b>				<b>£4,390</b>

C = Contestable, NC = Non-Contestable

## Appendix A: Worked examples

### Example 2: New water connection to a block of flats.

This example shows 72 flats being connected to an existing water main. Barrier pipe is required.



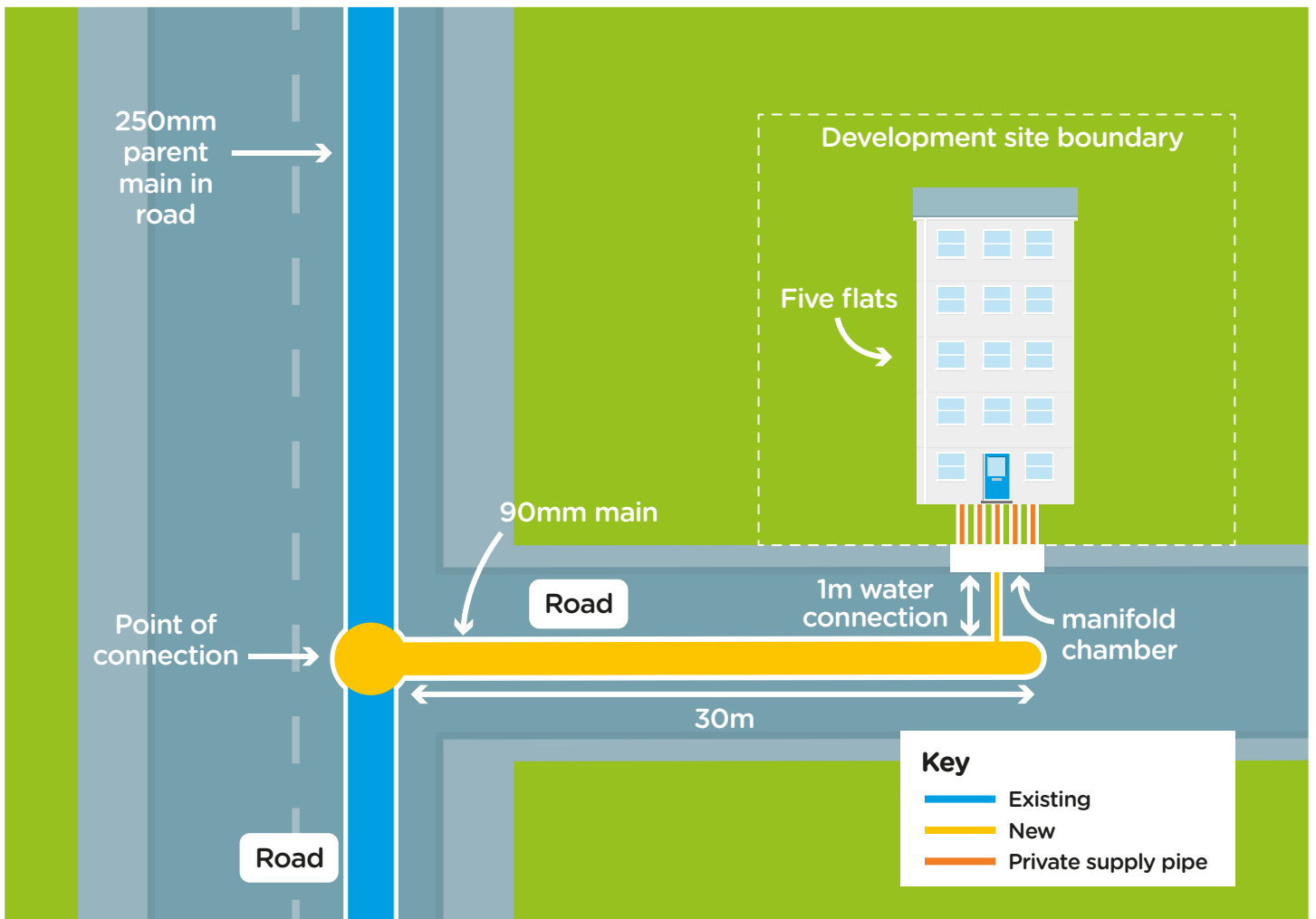
#### Under our 2018/19 Charging Arrangements:

Item	Surface type	Length or quantity	Rate	Charge
Barrier connection <sup>NC</sup> 90mm	Road	1 qty	£3,850	£3,850
Barrier pipe <sup>NC</sup> 90mm	Road	8 metres	£490	£3,920
Barrier pipe <sup>NC</sup> 90mm	Footpath	3 metres	£450	£1,350
<b>Subtotal</b>				<b>£9,120</b>
Internal meters <sup>C</sup> 20mm	Supply only	72 qty	£90	£6,480
Infrastructure Charge (water)	n/a	72 qty	£140	£10,080
Infrastructure Charge (wastewater)	n/a	72 qty	£210	£15,120
<b>Total</b>				<b>£40,800</b>

C = Contestable, NC = Non-Contestable

**Example 3: Self-lay of New Water Main and water connections to five flats.**

In this example we consider a development of five flats which requires a New Water Main and water connections. A manifold is used to make the water connections and barrier pipe is required in this case. There are no network capacity issues. A self-lay provider completes the contestable work.



**Under our 2018/19 Charging Arrangements:**

New main:

Item	Surface type	Length or quantity	Rate	Charge
Barrier connection <sup>NC</sup> 90mm	Road	1 qty	£3,710	£3,710
Barrier pipe <sup>C</sup> 90mm	Road	30 metres	£490	£14,700
<b>Charge for scheme</b>				<b>£18,410</b>

C = Contestable, NC = Non-Contestable

## Appendix A: Worked examples

Item	Charge
Gross asset payment based on charge for scheme	(£9,174)
Charge for Thames Water works	£3,710
<b>Net asset payment</b>	<b>(£5,464)</b>

Water connections:

- Because the water connection charges are paid directly by the developer to the self-lay provider, and this amount is not payable to us or within our control, we will not outline them for the purpose of this example.

Infrastructure Charges:

Item	Quantity	Rate	Charge
Infrastructure Charge (water)	5 qty	£140	£700
Infrastructure Charge (wastewater)	5 qty	£210	£1,050
<b>Total</b>			<b>£1,750</b>

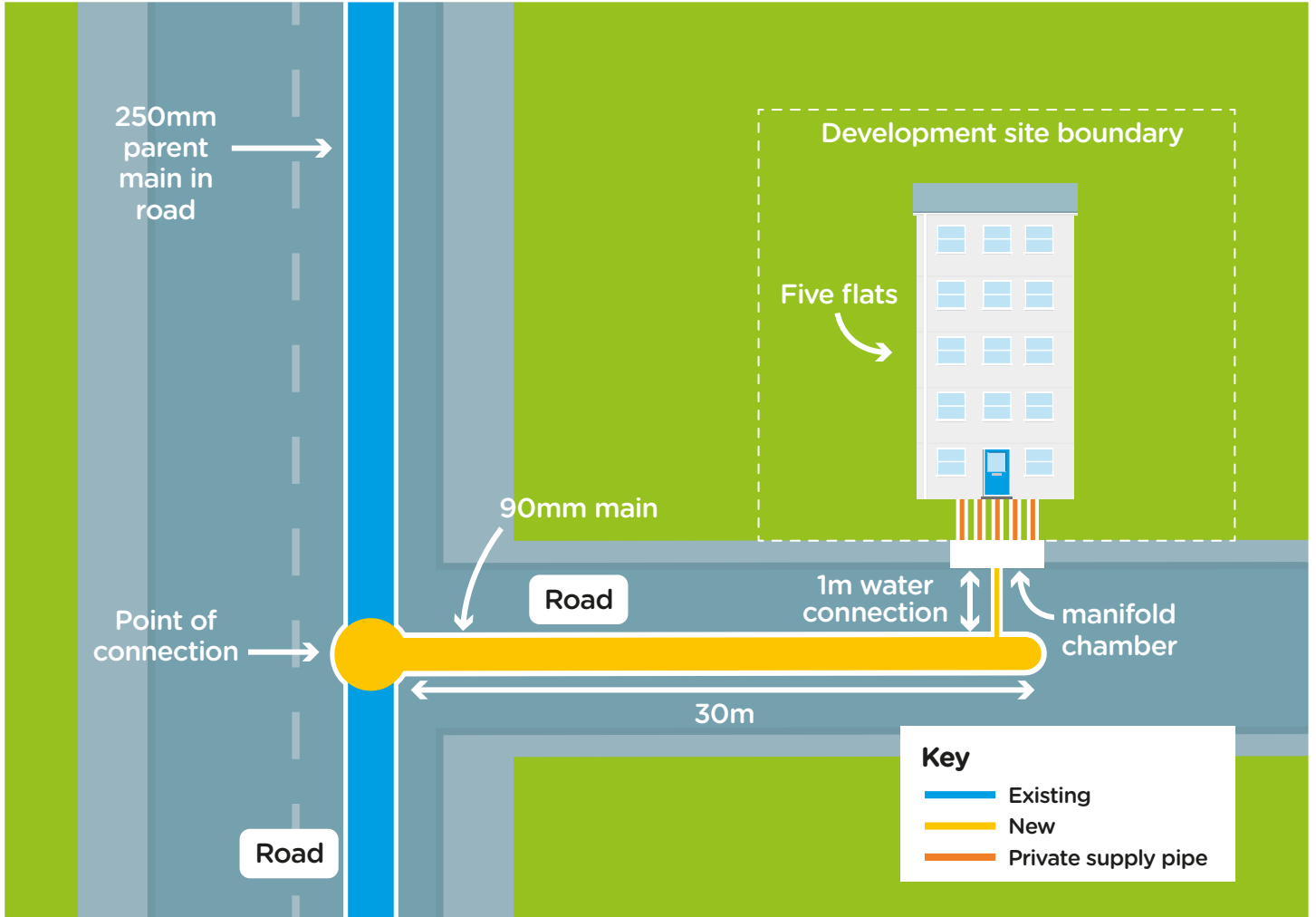
Total charge for new main and Infrastructure Charges:

Item	Charge
Net asset payment	(£5,464)
Total Infrastructure Charges	£1,750
<b>Total</b>	<b>(£3,714)</b>

C = Contestable, NC = Non-Contestable

**Example 4: New Water Main and water connections to five flats.**

This example uses the same five-flat development as Example 3, with Thames Water now completing all the work.



**Under our 2018/19 Charging Arrangements:**

New main:

Item	Surface type	Length or quantity	Rate	Charge
Barrier connection <sup>NC</sup> 90mm	Road	1 qty	£3,710	£3,710
Barrier pipe <sup>C</sup> 90mm	Road	30 metres	£490	£14,700
<b>Gross charge</b>				<b>£18,410</b>
Income Offset				(£9,174)
<b>Net charge</b>				<b>£9,236</b>

C = Contestable, NC = Non-Contestable

## Appendix A: Worked examples

### Service Connections:

Item	Surface type	Length or quantity	Rate	Charge
Barrier connection <sup>c</sup> 25mm, (manifold, 6-port, 1 capped)	Road	1 qty	£2,540	£2,540
Barrier pipe <sup>c</sup> 63mm	Road	1 metre	£320	£320
<b>Subtotal</b>				<b>£2,860</b>
Infrastructure Charges (water)		5 qty	£140	£700
Infrastructure Charges (wastewater)		5 qty	£210	£1,050
<b>Total</b>				<b>£4,610</b>

### In total:

Item	Charge
New Water Main net charge	£9,236
Service Connections charge	£2,860
Infrastructure Charges	£1,750
<b>Total</b>	<b>£13,846</b>

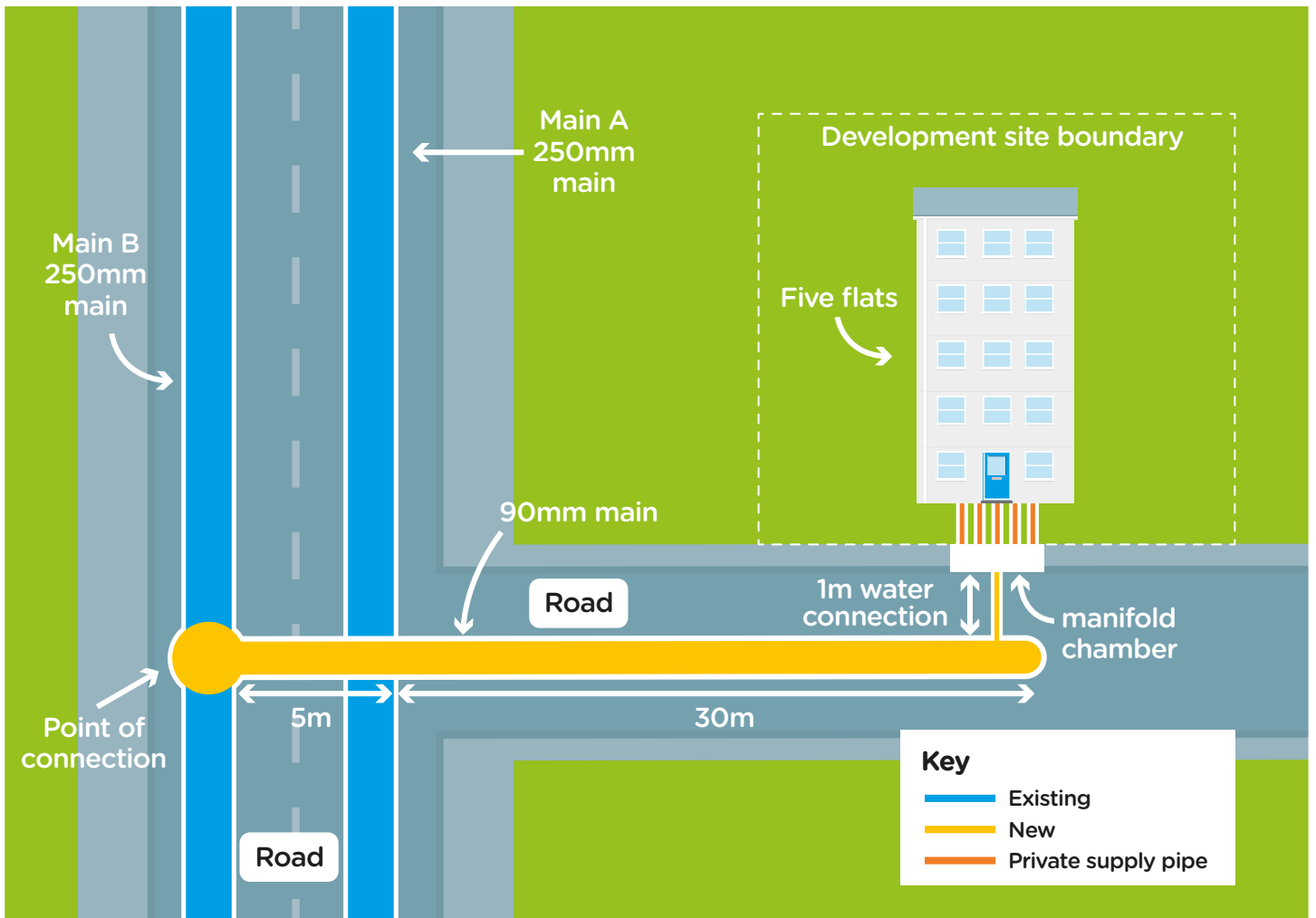
C = Contestable, NC = Non-Contestable



## Appendix A: Worked examples

### Example 5: New Water Main and water connections where the connection is not to the nearest practicable point.

This example uses a similar five-flat development to Example 4, but for capacity reasons we connect into Main B instead of the nearer Main A. This results in an additional five metres of pipe-laying being required in the road.



#### Under our 2018/19 Charging Arrangements:

New main:

Item	Surface type	Length or quantity	Rate	Charge
Barrier connection <sup>NC</sup> 90mm	Road	1 qty	£3,710	£3,710
Barrier pipe <sup>C</sup> 90mm	Road	30 metres	£490	£14,700
<b>Gross charge</b>				<b>£18,410</b>
Income Offset				(£9,174)
<b>Net charge</b>				<b>£9,236</b>

C = Contestable, NC = Non-Contestable

## Appendix A: Worked examples

### Service Connections:

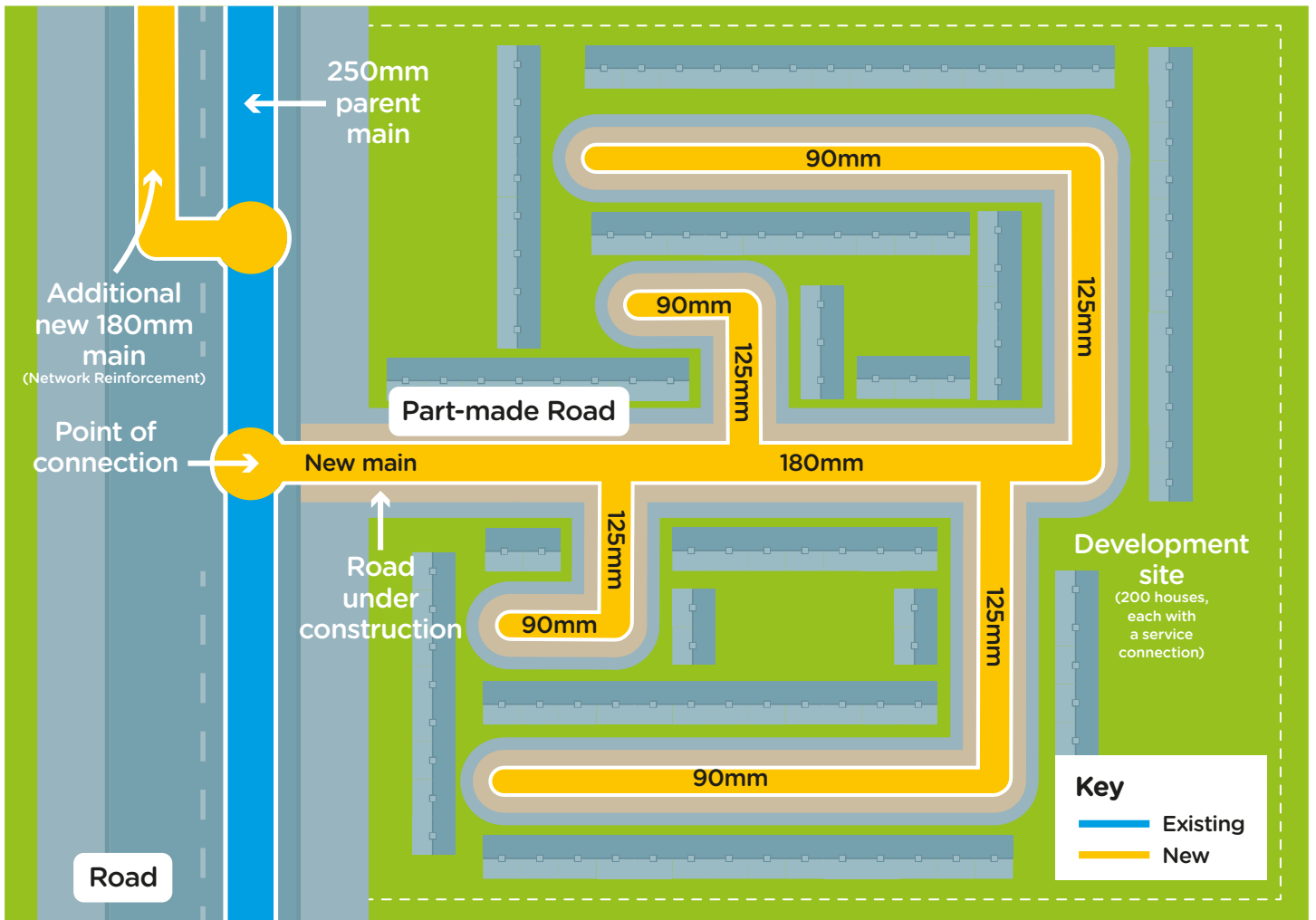
Item	Surface type	Length or quantity	Rate	Charge
Barrier connection <sup>c</sup> 25mm, (manifold, 6-port, 1 capped)	Road	1 qty	£2,540	£2,540
Barrier pipe <sup>c</sup> 63mm	Road	1 metre	£320	£320
<b>Subtotal</b>				<b>£2,860</b>
Infrastructure Charge (water)		5 qty	£140	£700
Infrastructure Charge (wastewater)		5 qty	£210	£1,050
<b>Total</b>				<b>£4,610</b>

### In total:

Item	Charge
New Water Main net charge	£9,236
Service Connections charge	£2,860
Infrastructure Charges	£1,750
<b>Total</b>	<b>£13,846</b>

**Example 6: New Water Main and water connections with Network Reinforcement needed.**

This example uses a 200-house development, and there is a capacity issue in the existing network, meaning an additional new main is needed for Network Reinforcement. Barrier pipe is not required.



## Appendix A: Worked examples

### Under our 2018/19 Charging Arrangements:

#### New Water Main:

Item	Surface type	Length or quantity	Rate	Charge
Connection <sup>NC</sup> 180mm	Road	1 qty	£6,020	£6,020
Pipe <sup>C</sup> 180mm	Road	3 metres	£630	£1,890
Pipe <sup>C</sup> 180mm	Part made	446 metres	£330	£147,180
Pipe <sup>C</sup> 125mm	Part made	678 metres	£220	£149,160
Pipe <sup>C</sup> 90mm	Part made	740 metres	£200	£148,000
<b>Gross charge</b>				<b>£452,250</b>
Income Offset				(£336,965)
<b>Net charge</b>				<b>£115,285</b>

Please note there is no charge for the additional 180mm water main, as this is Network Reinforcement.

#### Service Connections:

Item	Surface type	Length or quantity	Rate	Charge
Connection <sup>C</sup> 25mm	Part made	200 qty	£240	£48,000
Pipe <sup>C</sup> 25mm	Part made	400 metres	£30	£12,000
Pipe <sup>C</sup> 25mm	No excavation by Thames Water	500 metres	£30	£15,000
<b>Subtotal</b>				<b>£75,000</b>
Infrastructure Charges (water)		200 qty	£140	£28,000
Infrastructure Charges (wastewater)		200 qty	£210	£42,000
<b>Total</b>				<b>£145,000</b>

#### In total:

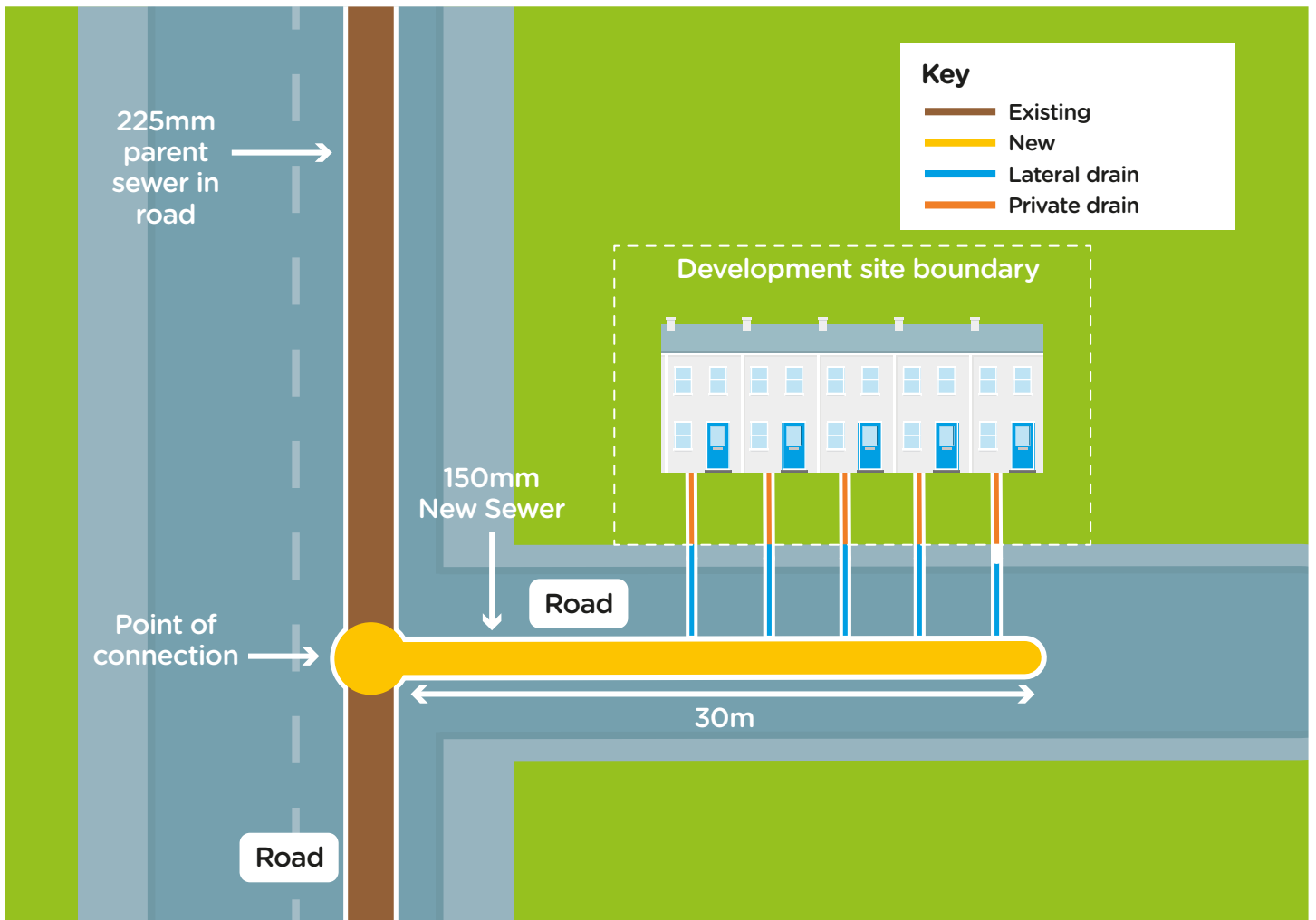
Item	Charge
New Main net charge	£115,285
Service Connections charge	£75,000
Infrastructure Charges	£70,000
<b>Total</b>	<b>£260,285</b>

C = Contestable, NC = Non-Contestable

**Example 7: Gravity-fed New Sewer to serve five homes.**

This example considers a five-house development where a new gravity-fed sewer is needed. We assume that:

- the developer builds their own connections into the New Sewer for the five houses, so there are no charges outlined for these works.
- Infrastructure Charges are being paid as part of the provision of new water connections, so these are not covered here.



**Under our 2018/19 Charging Arrangements:**

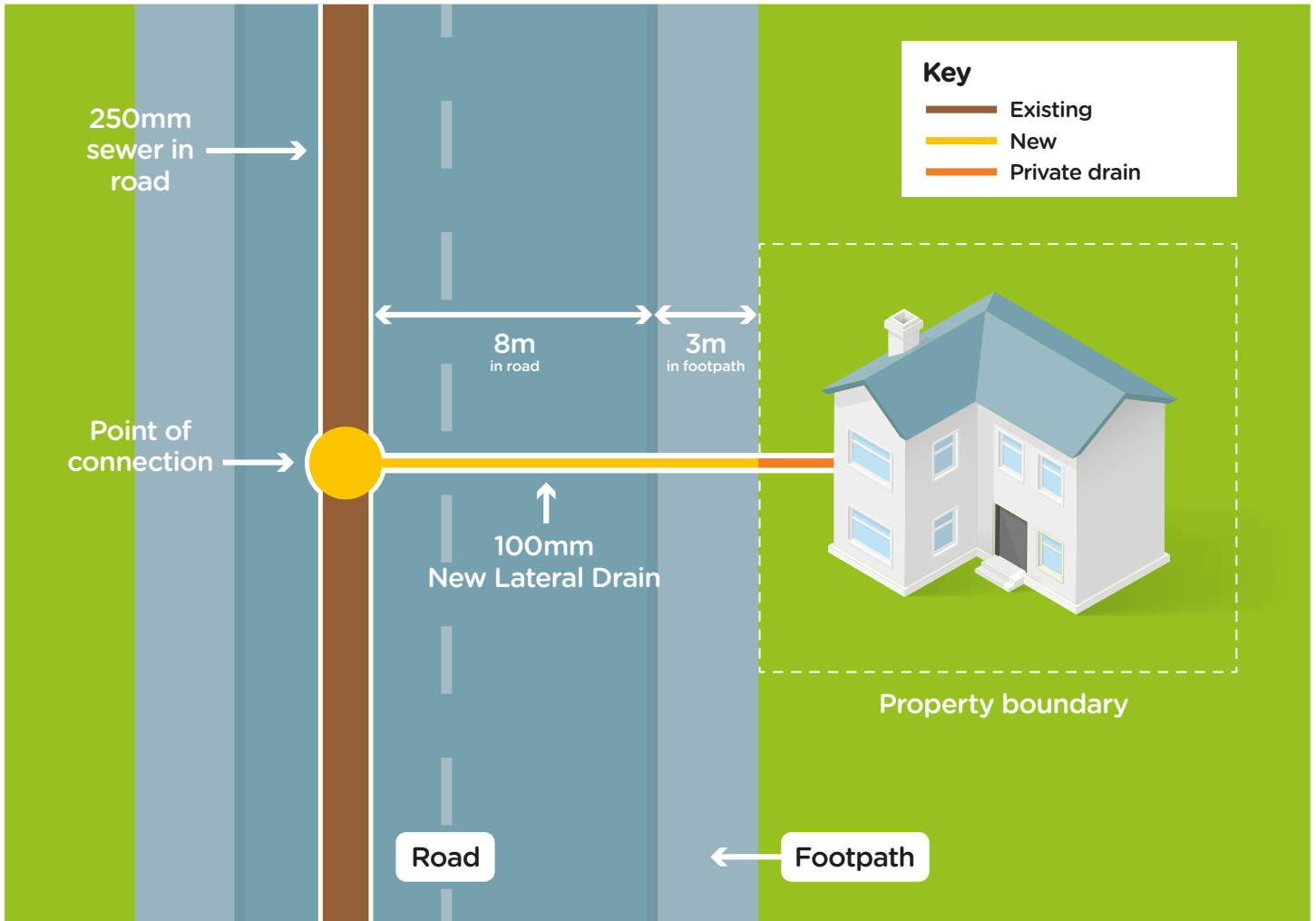
New Sewer:

Item	Surface type	Length or quantity	Rate	Final charge
Connection 150mm	Road	1 qty	£17,210	£17,210
Pipe 150mm	Road	30 metres	£750	£22,500
<b>Gross charge</b>				<b>£39,710</b>
Income Offset				(£7,024)
<b>Net charge</b>				<b>£32,686</b>

C = Contestable, NC = Non-Contestable

**Example 8: New Lateral Drain to a single home.**

In this example we consider a single wastewater connection to a property. Please note that Infrastructure Charges are not outlined in this example as they are included alongside the water connection charges.



Under our 2018/19 Charging Arrangements:

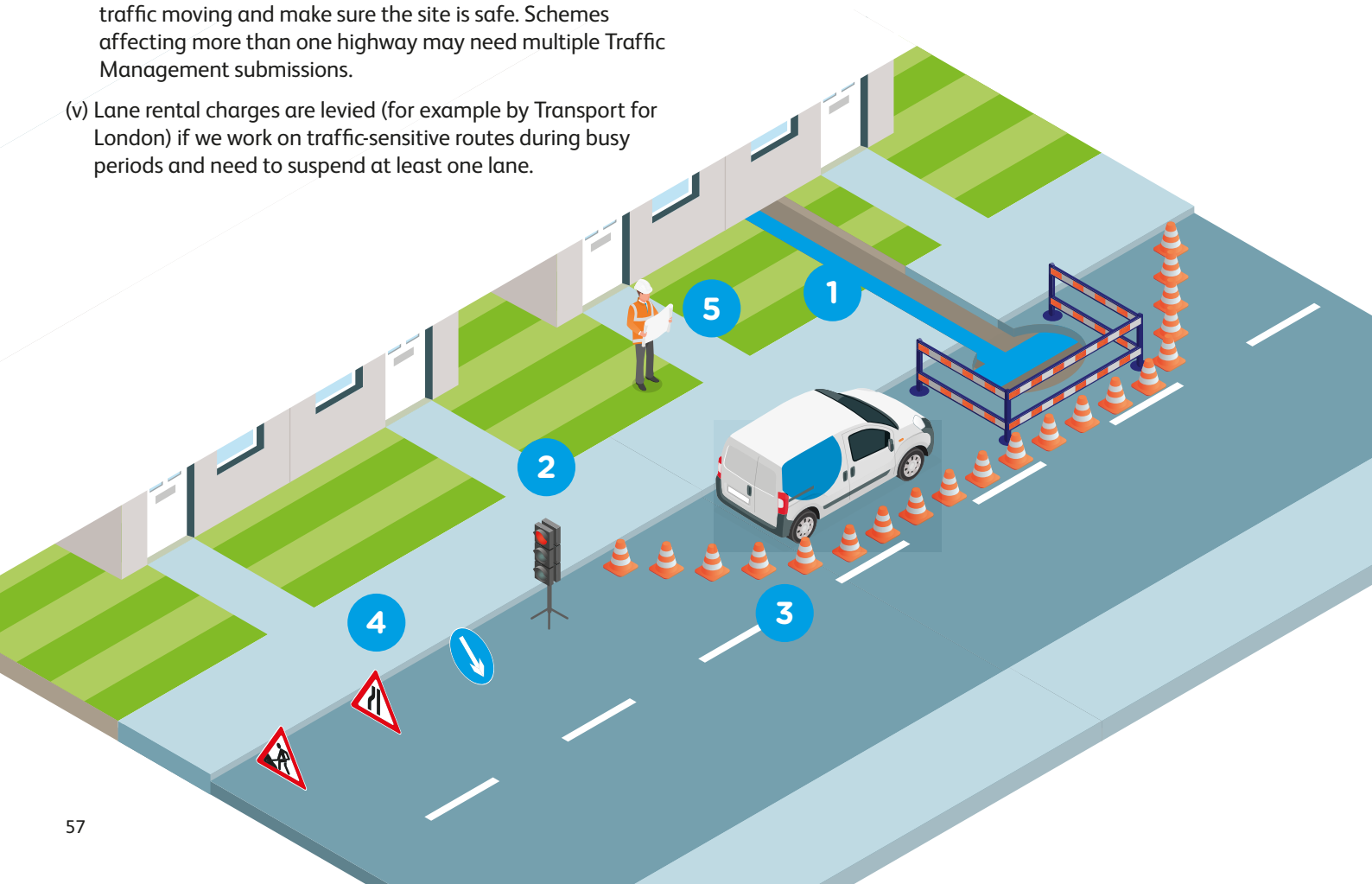
Item	Surface type	Length or quantity	Rate	Charge
Connection up to 5m depth	n/a	1 qty	£25,500	£25,500
Pipe 100mm	n/a	11 metres	£230	£2,530
<b>Total</b>				<b>£28,030</b>

C = Contestable, NC = Non-Contestable

## Appendix B: Traffic management



- (i) We will usually need to work in a street, footpath and / or unmade ground (up to point 1 in the drawing) in order to provide you with a service connection. Traffic Management (2) is needed to ensure safe working and minimise inconvenience for drivers and pedestrians. We may incur charges made by Transport for London and / or the highway authority. Examples can include traffic lights and bus stop suspensions. Certain highway authorities require a permit fee to work in the street.
- (ii) Parking bay suspensions (3) are often needed so we can work safely. The highway authority can also request suspensions opposite our work to allow room for traffic.
- (iii) Road or lane closures (4) are sometimes necessary if we or the highway authority decide parking bay suspensions are not sufficient. In these cases, the highway authority charges us a fee.
- (iv) Traffic Management drawings (5) are often requested by the highway authority. These show how we will keep traffic moving and make sure the site is safe. Schemes affecting more than one highway may need multiple Traffic Management submissions.
- (v) Lane rental charges are levied (for example by Transport for London) if we work on traffic-sensitive routes during busy periods and need to suspend at least one lane.



# Appendix C: Definitions and abbreviations



Subject to sub-clause (2), the Interpretation Act 1978 shall have effect for the interpretation of this scheme as it has effect for the interpretation of an Act of Parliament

In this scheme, unless the context otherwise requires:

**‘the Act’** means the Water Industry Act 1991 as amended from time to time.

**‘Adoption Agreement’** means an agreement made under section 104 of the Act.

**‘Asset Payment’** means in relation to a section 51A Self-Lay Agreement the amount described in section 51CD (3) of the Act, net of any charges we make.

**‘Charging Rules’** means the Charging Rules for New Connection Services (English Undertakers) issued under sections 51CD, 105ZF and 144ZA of the Act

**‘Charges Scheme’** means our charges scheme made under section 143 of the Act.

**‘Charging Arrangements’** means our document setting out the charges, Income Offsets and Asset Payments, and / or the methodologies for calculating those, applied by us in accordance with the Charging Rules.

**‘Contestable’** means work or services that either the relevant undertaker or persons other than the relevant undertaker may do or provide.

**‘DAD’** means the discounted aggregate deficit calculated as described in section 4.6 and 8.6 above.

**‘Diversions’** means the alteration or removal of a public water main or sewer in accordance with section 185 of the Act only.

**‘Diversion Agreement’** means an agreement for you to carry out diversion works on our behalf.

**‘Income Offset’** means a sum of money offset against the charges that would otherwise be applied for the provision of a New Sewer or New Water Main in recognition of the revenue likely to be received by the relevant undertaker in future years for the provision of sewerage services to premises connected to the New Sewer or supplies of water to premises connected to New Water Mains.

**‘Infrastructure Charge’** means a charge made under section 146(2) of the Act in respect of each first-time connection to the water or wastewater network.

**‘New Lateral Drain’** means that part of a drain which runs from the curtilage of a building (or buildings or yards within the same curtilage) to a sewer with which the drain communicates or is to communicate which is provided in accordance with sections 98(1A) and 101B of the Act.

**‘Licensees’** means Water and Sewerage supply Licensees.

**‘Network Reinforcement’** has the meaning given in rule 5(m) of the Charging Rules.

**‘New Connections Services’** is the collective term for New Water Mains, New Sewers, Service Connections, Lateral Drains, Waste Connections and Diversions.

**‘New Sewers’** means a sewer provided by us in accordance with our duties under section 98(1) of the Act.

**‘New Water Mains’** means a water main provided by us in accordance with our duties under section 41(1) of the Act.

**‘Non-Contestable’** means

1. work or services on the water network which are the responsibility of the water company but which it may at its discretion contract out to an SLP
2. work on the wastewater network which the water company exercises its right to carry out under section 107 of the Act

**‘non-domestic purposes’** means

1. for a service connection or new water main:
  - a. the premises being connected to the water network do not consist in the whole or any part of a building; or
  - b. the supply is for purposes other than domestic purposes
2. for a lateral drain or new sewer, the discharge of trade effluent

**‘our’** and **‘we’** means Thames Water.

**‘part made ground’** means land within a development site where the ground has been worked but the road / footpath has not been surfaced.

**‘Requisition’** is the collective term for New Water Mains and New Sewers.

**‘Service Connection’** means the construction of the pipe between your supply pipe and the public water main which is provided under sections 45 and 46 of the Act.

**‘Self-Lay Agreement’** means an agreement made under section 51A of the Act.

**‘SLP’** means self-lay provider.

**‘Special Circumstances’** means circumstances defined in sections 4.4.1, 8.4.1 and section 14;



## Appendix C: Definitions and abbreviations

**'Thames Water'** means Thames Water Utilities Limited.

**'Third Party Land'** means any land which is not a public highway and is not in the ownership of the customer.

**'Trade Effluent'** has the meaning given in section 141 of the Act.

**'Traffic Management'** means any arrangements as may be required to ensure the safety of operatives and the public and to facilitate or divert traffic and pedestrian movements (see Appendix B for more information).

**'trunk main'** has the meaning given by section 219 of the Act.

**'trunk sewer'** means a public sewer as is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains.

**'unmade ground'** means topsoil, grass and naturally occurring ground.

**'Waste Connection'** means a connection between your sewer or drain and the public sewer, which is made in accordance with our right under section 107 of the Act.

# Further documentation



# Infrastructure Charges 2018-19

## 1. Introduction

This booklet forms part of the Charges Schemes made by Thames Water Utilities Limited under the powers conferred by Section 143 of the Water Industry Act 1991 (as amended). It contains the infrastructure charges for 2018-19.

This Charges Scheme has been prepared in accordance with the Charges Scheme Rules for 2018-19.

## 2. Infrastructure charges

You have to pay infrastructure charges when a property is connected to the water and / or wastewater networks for the first time. This is in addition to the charges for making the actual physical connection to the water main and / or public sewer. In the event that you ask us to make the connection, we are entitled to charge you in accordance with our published Charging Arrangements for the connection works in addition to raising infrastructure charges.

Infrastructure charges apply for premises where the supply of water or provision of sewerage services is intended for domestic purposes.

Water for domestic purposes refers to usage for drinking, washing, cooking, central heating and sanitary purposes for which water is supplied to premises. All other purposes (including supplies for a laundry business or for a food or drink take away business), are regarded as non-domestic purposes. The definition is about the usage of the water and not the type of property being supplied.

Domestic sewerage purposes refers to the removal of the contents of lavatories, water which has been used for cooking or washing or surface water from the premises and associated land, with the exception of laundries and take away restaurants. As for water, the definition is not about the type of property.

Please note that a single development may include a combination of supplies for domestic and non-domestic purposes. For example, a development may include a number of flats (expected to be for domestic purposes), retail units (expected to be for domestic purposes), a fire-fighting supply (non-domestic purposes) and landlord supplies (non-domestic purposes). Similarly a separate supply requested for a swimming pool or a garden tap is considered to be for non-domestic purposes even if within a residential property.

Supplies for non-domestic purposes are subject to the payment of network charges (see Section 3) instead of infrastructure charges to reflect the different demands on our networks.

Infrastructure charges and network charges are outside the scope of VAT.

## 2.1 Infrastructure charges payable

The published charges are for a single property supplied via a standard sized (25mm or 32 mm external diameter pipe) water connection. For other properties, such as student housing, offices or care homes, we apply a multiplier (the Relevant Multiplier as detailed below) to the published charge to reflect the increased impact on our networks.

The wastewater infrastructure charge is calculated on the same basis as the water infrastructure charge unless you are able to show that waste and surface water flows are not being discharged to the public sewer.

**Table 1 Infrastructure charges**

Infrastructure charges	Charge
Water	£140
Wastewater	£210

The Relevant Multiplier (RM) is a way of working out infrastructure charges for the following types of property:

- Residential properties with a single, shared supply pipe and which are subject to a 'common billing agreement'; this includes sheltered housing, student accommodation and high-rise flats
- Non-residential properties where the supply pipe is larger than the standard size, such as office blocks

### How the Relevant Multiplier is calculated

Each water fitting (wash basin, bath, shower, etc) is given a 'loading unit' based on the amount of water it uses. The average number of units per property is taken as 24, equal to an RM of 1.00. We use this as the basis for calculating the RM for each property on a development where the RM applies.

We do this by adding up the loading units for all the water fittings on a development. We divide this by the number of properties to give the average loading units per property. We divide this again by 24 (the average loading units) to give the RM for each property.

Details of the number of loading units assigned to each water fitting are shown below.

For properties subject to a common billing agreement, the RM can be more or less than 1.00. For other properties the minimum is 1.00.

### Using the Relevant Multiplier to calculate infrastructure charge

We use the RM multiplied by the standard charge to give us the infrastructure charge for that property.

#### Example of a residential development

- The development consists of 20 flats with a common billing agreement and the total loading units are 460.
- We divide the total loading units (460) by the number of properties (20) and again by the average (24). This gives an RM for each flat of 0.96 ( $460 \div 20 \div 24 = 0.96$ )
- The infrastructure charge for each flat is the RM of 0.96 multiplied by the standard charges.
- The infrastructure charge for the whole development is the RM multiplied by the standard charge multiplied by the number of properties.

The water infrastructure charge for the development is therefore

RM 0.96 x 20 properties x £140 standard charge = £2,688.00

The wastewater infrastructure charge for the development is therefore

RM 0.96 x 20 properties x £210 standard charge = £4,032.00

Network charges may also be payable in respect of supplies for non-domestic purposes within the development such as the irrigation supply and bin store.

#### Example of a commercial development

- The development consists of one office and the total loading units are 340.
- We divide the total loading units (340) by the number of properties (1) and again by the average (24). This gives an RM for the office of 14.17 ( $340 \div 1 \div 24 = 14.17$ )
- The infrastructure charge for the office is the RM of 14.17 multiplied by the standard charges.

The water infrastructure charge for the development is therefore

RM 14.17 x £140 standard charge = £1,983.80

The wastewater infrastructure charge for the development is therefore

RM 14.17 x £210 standard charge = £2,975.70

Network charges may also be payable in respect of supplies for non-domestic purposes within the development such as the irrigation supply and bin store.

**Table 2 Loading units for calculating the Relevant Multiplier**

Water fitting	Loading units
WC flushing cistern	2
Wash basin in house	1.5
Wash basin elsewhere	3
Bath (tap nominal size $\frac{3}{4}$ " / 20mm)	10
Bath (tap nominal size larger than $\frac{3}{4}$ " / 20mm)	22
Shower	3
Sink (tap nominal size $\frac{1}{2}$ " / 15mm)	3
Sink (tap nominal size greater than $\frac{1}{2}$ " / 15mm)	5
Spray tap	0.5
Bidet	1.5
Domestic appliance (subject to a minimum of 6 L.U.s per house / flat)	3
Commercial or communal appliance	10
Internal or external tap	3
Any other water fitting or outlet but excluding a urinal or water softener	3
Urinal	3

## 2.2 Paying the infrastructure charge

The developer pays the charges for any new properties connected to our water or wastewater networks.

- Only for premises which are already occupied as private dwellings immediately before the connection is made, you have the option to pay in 12 annual instalments (including interest) following the property becoming connected, in which case your payments will be due within 14 days of each invoice.
- For connections we made or for connections you arranged and notified us of prior to making the connection, you must pay within 14 days of us invoicing you.
- Infrastructure charges are payable at the rates published and in effect on the date of connection. This may be different to the rate on a quote we issue or the rate applying when you begin your development. In order to provide you with the opportunity of price certainty, we invite you to pay infrastructure charges as set out in the quote within the validity period of such quote, in which case the rate will become fixed at that point. No additional infrastructure charges will become payable unless the information you provided is found to be incorrect or you change your development.

### 2.3 Redevelopments

We will reduce the total infrastructure charge for a redeveloped site, if there were any properties connected to the water main or wastewater system during the five years before the development began. For example, if a block of 15 flats is replaced by a block of 20 flats, the developer only pays infrastructure charges for the extra five flats.

If the previous connection was not a house or flat, we will calculate a credit based on the average annual consumption of the previously connected property compared to the average annual consumption for a dwelling. This gives us a count of infrastructure charges (subject to a minimum of one) to credit against the infrastructure charges payable for the new development.

### 3 Network charges

Network charges help pay for developing our network to meet the increased demands of connections for non-domestic purposes. You have to pay network charges on top of the cost of connecting a property to the water main and / or wastewater system. The developer pays the charges for any new properties. Due to the requirement of increasing the size of the supply pipe, existing customers will have to pay the charges for an increase in demand at their property. The charge is payable before the property is connected. The charge is based on meter size.

If a new property needs an additional supply or treatment facilities by special arrangement, the charges may be more than shown in the table.

Most developments with non-domestic use connections also need a water and wastewater service for domestic use. They will have to pay infrastructure charges as in Section 1 above.

**Table 3 Network charges**

Meter size (mm)	Meter size (inches)	Water	Wastewater
15	0.50	£140	£210
20	0.75	£310	£470
25	1.00	£560	£840
30	1.25	£870	£1,310
40	1.50	£1,260	£1,890
50	2.00	£2,240	£3,360
65	2.50	£3,500	£5,250
80	3.00	£5,040	£7,560
100	4.00	£8,960	£13,440
125	5.00	£14,000	£21,000
150	6.00	£20,160	£30,240
200	8.00	£35,840	£53,760
250	10.00	£56,000	£84,000
300	12.00	£80,640	£120,960

## Other services we offer

Our Charging Arrangements sets out the charges payable in respect of

- the provision of New Water Mains and New Sewers
- the provision of Service Connections, Lateral Drains and Wastewater Connections
- Adoption Agreements and Self-Lay Agreements and
- Diversions

Our Charging Arrangements do not cover all of the charges you may incur in relation to your development.

For example, the Infrastructure Charges Schedule sets out Infrastructure Charges and Network Charges that are payable in respect of first time connections to the water and wastewater networks.

Other charges that you may need to pay us are found on our website and include but are not limited to:

- Consent to connect to a public sewer (direct or indirect connection, separate arrangement for trade effluent)
- Consent to build over or near our water or wastewater assets and any protection works if required
- Adoption of existing wastewater assets
- Building water (temporary supply of water for construction purposes)
- Standpipe licence
- Lead pipe replacement
- Metering an existing supply
- Odour impact assessment
- Diversions related to transport schemes (i.e. not developments)
- Property searches (where our water and wastewater assets are)
- Pre-development and capacity enquiries
- Consultancy, project management and technical support