



South Staffs Water

incorporating



Developer Services Charges 2018 - 2019

Cambridge Water



South Staffs Water



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1. Introduction

This document's purpose is to provide our customer's guidance information and our new charging arrangements from [1st April 2018 to 31st March 2019](#).

These are the charges that developers and other customers will pay the Water Company when requesting either new water mains or water connections.

In December 2016, Ofwat published [rules](#) requiring water companies to review their charging arrangements for developer customers.

As part of this document we will also describe our changes following public consultation to the way we will now calculate and transitional arrangements our new infrastructure charges.

We will also explain the alternative providers open to you for your water mains & connections by using [Self Lay Providers \(SLP\)](#) and [New Appointees Variations \(NAV\)](#).

Today water scarcity is becoming an issue for us all, we want to ensure that we are supporting developers whose priorities are aligned to ours in terms of ensuring that we develop sustainable homes for the future.

All of our customers will be entitled to our newly introduced water efficiency incentives when implementing sustainability competence for their new development.

Our new charging arrangements will come into effect on [1st April 2018](#) and will next be reviewed on [1st April 2019](#).

2. Background

2.1 Ofwat's charging rules

Ofwat published its [final charging rules](#) in December 2016. These rules are principles-based, with a strong focus on:

- fixed charges;
- clear methodologies to support predictability; and
- transparency to support development.

The rules state that water companies can levy charges for both off-site water and sewerage infrastructure. Also, while they do not require companies to illustrate environmental price signals in their charges, they do allow them to offer incentives for sustainable solutions.

We are supportive of the additional clarity and transparency that Ofwat are promoting and that we are committed to ensuring fairness for all customers, current and future in this area.

2.2 Ofwat's Connection Market

In 2008, Ofwat introduced guidance about [Connection market](#) to inform customers that competition could reduce the price of water mains and connections.

We are committed to supporting developer customers in making choices in relation to how Water Mains and Services are provided, and will, promote how to find Ofwat's Connections Market on every estimate issued.

Within this document we will explain how the Charges and Payments for the work for the options available to all our customer in this area

Local Water Company

If you require a new water main, water connection(s) or diversions, we are happy we to install these for your new development.

Self-Lay Provider (SLP)

As a developer, you have the option to employ an accredited Self-Lay Provider (SLP) to complete all main laying and service connections on your new development site.

New Appointee & Variation (NAV)

If you are not already served by a NAV, but wish to choose a NAV to provide your new connection for your new development, then that new appointee would have to engage with us to agree a point of connection to our network.

Open Water - Licensed Water Wholesale Retailers

With the recent changes to the water market, which came in to effect on 1 April 2017, most businesses and organisations in England can now choose which company they want to supply their retail water services.

We understand that some developers may wish to engage with their Licenced Water Retailers as an alternative approach to securing their new water main, water connection(s) or diversions.

This approach enables the Licenced Water Retailer to engage on behalf of developers and advise on the pricing and delivery methods that Water Companies, SLPs or NAVs offer.

3. Developer Services Consultation

We have consulted with our customers and provided them the opportunity for feedback on the changes to connections charging and infrastructure charges in our supply areas.

You can visit our [customer consultation forum website](#) to read previous publications from our tabled consultations with our customers and published feedback documents.

In summary, we invited the following customer groups that regularly engage with our developer services:

- Small Builders
- Large Developers
- Industrial & Commercial (I&C)
- Self-Lay Providers (SLP)
- New Appointees (NAV)

During the consultation process customers voiced the following areas of improvement:

- Disappointment with the variability of our costs (often due to reinforcement work required to supply the development)
- Small Builders voiced concern of how confusing our processes are when they generally build one or two properties per annum
- All customers requested greater transparency from us, so they can have a clearer detail within the existing calculations to allow them to estimate and make a more informed decisions on which provider may suit their development
- Feedback indicated a clear customer preference for our costs to promote aggregated and allow fixed [per plot](#) or per connection rates
- Desire for increased water efficiency in new developments being planned. Where we could assist efficiency with beneficial discounts/rebate to our customers

In 2018, we intend to continue our customer discussions on a regular basis, with discussions around:

- Further embedding and encouraging Water Efficiency
- Advances & Improvements in Water Metering
- Feedback on how our charges and processes are working

Register your interest to take part in these seminars at:

Developerforum@south-staffs-water.co.uk

4. Customer Charges – 1st April 2018 to 31st March 2019

After undertaking a review of the [consultation](#) feedback voiced by our customers, it was clear that they wanted a [cost per plot](#) pricing mechanism to assist them in being able to cost their projects.

Defra and Ofwat require that broadly a developer should not pay more for a development than they are currently. Therefore we will ensure our costs will reflect this.

We are now in a position to introduce our new charging arrangements with our motivation being [cost per plot](#), greater transparency in our processes and the alternative provider options.

Our Developer Services Teams will, irrespective of your chosen delivery method or scale of development, be happy to provide you advice on the design, pricing and construction of new water mains, connections, firefighting and other temporary supplies for your developments.

Please contact us if you wish to discuss any aspects of your new development to our team.

Administration application fees

As a water company we operate an administration application fees for new developer services requests within both of our supply areas.

The application fee covers for 4 hours administration resource; if it takes longer we will not request any additional fees in processing your new development request so that we can provide you our offer.

Household Development	Non household Development	Mixed Development	Diversion
£70.00	£70.00 + VAT	£70.00 + VAT	£70.00 + VAT

If you require alteration to your already issued offer within its validity period we will undertake the changes at no charge.

In the event that your issued offer has expired you will need to re-apply with the appropriate application fee once more.

4.1 Infrastructure Charges

Depending on the location and scale of your new development, our network may need upgrading to meet the supply requirements of new customers.

Infrastructure charges contribute towards the expenditure in providing enhancements to the local distribution system, which were necessary to meet the increased demands imposed by new or additional connections to our water supply system.

These are payable for all types of connections, whether they be household or non-household, irrespective of who delivered the connection.

Annually we will recalculate the aggregation of the anticipated reinforcement costs divided by the total number of anticipated connections over a 5 year period.

Water Company

From 1st April 2018, under our new framework infrastructure charges will fund offsite reinforcement works, a rate of **£325.00 per plot** will apply across both our operating regions.

This will ensure that we only recover our costs; any changes to these charges will be published well ahead of them coming into force on **1st April 2019**.

Water and sewerage infrastructure charges will be payable whether you decide to use Water Company, SLP or NAV.

SLP

We recognise that SLPs offer customers an important alternative for providing water infrastructure to serve their developments.

For SLPs, we will provide an asset value (AV) contribution based on the future revenue income we anticipate to receive from water consumption at the new development.

We have calculated this AV contribution on a **per plot** basis and this is **£612.00**.

From April we will publish our SLP application service level performance using Water UK's service level agreement (SLA) criteria.

At the same time we have also introduced a specific application form for SLPs, which can be found in the [SLP portal](#)

If a SLP requests, we are pleased to complete work for them. For example, where the existing water main is located on the opposite side of a dual carriageway, the SLP can engage us to complete the works on their behalf if they choose to.

NAV

As with SLPs, we recognise NAVs as an important customer group, and will provide service package that is equivalent to those we would provide to any other customer.

For NAV's we will charge the full cost of providing the connection onto our network.

As stated above a NAV will also be liable for infrastructure charges however, the company will apply the same income offset to the water element as offered to developer and SLP customers.

Again, we have calculated this AV contribution on a cost [per plot](#) basis and this is [£612.00](#)

This will also include those costs relating to any feasibility studies carried out, and will be applied consistently regardless of the type of application.

We also intend to introduce a specific application form for NAVs after April 2018.

Ofwat has recently concluded a [study](#) of the NAV market. Any action that Ofwat takes as a result of this study or its work on applying income offsets could affect our charging proposals for NAVs.

We will monitor these developments to ensure we continue to offer our NAV customers an equivalent service to that offered to developers and SLP

Open Water - Licensed Water Retailers

Licensed Water Retailers can engage on behalf of developers and advise on proposals for developments including assisting in the choice between Water Company, SLP or NAV propositions.

The infrastructure charge will be determined by the developer's decision to use the Water Company, SLP or NAV.

4.2 Charges for Site-Specific, Network Reinforcement and Other Work (Water Supply)

Service Connection Charges (Non-contestable)

WIA ref	Charge Item	Charge Unit	Charge	
S45	Application fee - Company Laid Connection (for first connection)	per application	£70.00	
S45	Application fee - Company Laid Connection - (each subsequent connection)	per application	Inclusive in application fee	
S45	Application fee - Self- Laid Connection (for first connection)	per application	£70.00	
S45	Application fee - Self- Laid Connection (each subsequent connection)	per application	Inclusive in application fee	
S45	Administration fee - Company Laid Connection (for first connection)	per application	Inclusive in application fee	
S45	Administration fee - Company Laid Connection - (each subsequent connection)	per application	Inclusive in application fee	
S45	Administration fee - Self- Laid Connection (for first connection)	per application	Inclusive in application fee	
S45	Administration fee - Self- Laid Connection (each subsequent connection)	per application	Inclusive in application fee	
S45	>63mm Connection - via ferrule to main & 2 linear metres of service pipe (except where the connection is to be constructed as part of the agreed main laying Works)	per connection	POA	
S45	Extra metres	per m	POA	
S45	Service connections less than 63mm on existing mains where the Water Company assess that the condition of the main or the material heightens the risks to existing assets or could affect supplies to existing customers.	20mm NbPE connection incl. first 2m	£385.00	Verge/Site
			£615.00	Footpath
			£720.00	Type 3/4
			£760.00	Type 1/2

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		>20mm NbPE <63mm NbPE connection incl first 2m	POA	
S45	Extra metres	20mm NbPE per m	£25.00	Verge/Site
			£50.00	Footpath
			£70.00	Type 3/4
			£85.00	Type 1/2
		>20mm NbPE <63mm NbPE connection incl first 2m	POA	
S45	Install 15mm meter and / or meter box (only for meter types that necessitate that meter installation be carried out by the water company) flats only	per meter (based on size or type)	£90.00	
S45	Commission 15mm meter (only for meter types that necessitate that meter commissioning be carried out by the water company)	per meter (based on size or type)	Incl. in above install cost	
S45	Design of service connection (where contestable)	Fixed Fee, %, or Deposit	Inclusive in application fee	
S45	Connection charge for Building Water (where a company's approach to charging for building supply connections differs from their other charges).	eg per connection	No difference from standard application	
S51A	Water Regs Inspection (External) (where company inspects service connections laid by others)	eg. Per inspection, % fee etc	Inclusive in application fee	
S51A	Water Regs Inspection (Internal) (where company inspects service connections laid by others)	eg. Per inspection, % fee etc	Inclusive in application fee	
S51A	Approving Site-Specific water distribution systems designs (except where self-certification arrangements are in place)	eg. Per connection or per block or units	Inclusive in application fee	

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Service Connections (Contestable) i.e. service connections on low risk existing or new mains

WIA ref	Charge Item	Charge Unit	Charge	
S51A / S45	Point of connection enquiry (customer has not selected the POC, or wants confirmation of their chosen POC)	Fixed Fee, %, or Deposit	£70.00	
S51A / S45	Design of service connection (where contestable)	Fixed Fee, %, or Deposit	Inclusive in application fee	
S45	<63mm Connection via ferrule to main & 2 linear metres of service pipe	20mm NbPE connection incl. first 2m	£385.00	Verge/Site
			£615.00	Footpath
			£720.00	Type 3/4
			£760.00	Type 1/2
	>20mm NbPE <63mm NbPE connection incl first 2m	POA		
S45	Extra metres	20mm NbPE per m	£25.00	Verge/Site
			£50.00	Footpath
			£70.00	Type 3/4
			£85.00	Type 1/2
	>20mm NbPE <63mm NbPE connection incl first 2m	POA		
S45	>63mm Connection via ferrule to main & 2 linear metres of service pipe	eg. per connection	POA	
S45	Excavate, supply and lay additional pipe in verge/ unmade ground and reinstate	eg. per m	POA	
S45	Excavate, supply and lay additional pipe in footpath and reinstate	eg. per m	POA	
S45	Excavate, supply and lay additional pipe in road and reinstate	eg. per m	POA	
S45	Supply and fit domestic fire sprinkler connection	eg. Per connection or uplift on standard connection	POA	
S45	Traffic management	eg Fixed fee, rates, or %	POA	
S45	Road closure fees	Fixed fee	POA	

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S45	Cycle lane closure	Fixed fee	POA
S45	Parking bay suspension	Fixed fee/day	POA
S51A / S45	Pressure testing	eg Fixed fee	£105.00
S51A / S45	Chlorination	eg Fixed fee, rates, or %	Inclusive in charge for pressure testing
S51A / S45	Sampling	eg. per sample	Inclusive in Overhead
S51A / S45	Connection charge for Building Water (where a company's approach to charging for building supply connections differs from their other charges).	eg per connection	As per standard connection

Adopting Self-laid mains (Non-Contestable Works)

WIA ref	Charge Item	Charge Unit	Charge	
S51A	Pre-commencement Fee (this is charged to cover the cost of responding to a SLPs request for an adoption agreement)	eg. % of value of works	Inclusive in Overhead	
N/A	Service Connections Admin fees (where an SLP is providing these. Use appropriate parts of the service connections tables).	eg. per connection	Inclusive in Overhead	
S51A	Work that the company will provide as part of an adoption agreement such as mains connections where the Water Company assesses that the condition of the main or the material heightens the risks to existing assets or could affect supplies to existing customers - SOW	Bespoke arrangement. Detail provided in a separate schedule	£4,195.00	Up to and including 300mm
S51A	Work that the company will provide as part of an adoption agreement such as mains connections where the Water Company assesses that the condition of the main or the material heightens the risks to existing assets or could affect supplies to existing customers -In Line	Bespoke arrangement. Detail provided in a separate schedule	£1,820.00	Up to and including 300mm
S51A	Providing and / or commissioning company specific telemetry for assets offered for adoption	eg. per installation	POA	
S51A	Mains Design Approval Fee (design provided by others)	eg. per requisition or per m2 of development	Inclusive in Overhead	

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S51A	Contribution by Company towards the cost of upsizing, or enhancement work to be funded by the Company (will show as a credit in the quotation)	Bespoke arrangement. Detail provided in a separate schedule	POA
S51C	Income Offset offered to Developer - Asset Value	AMOUNT in £	£612/plot

Providing New Mains Assets under an Adoption Agreement (Contestable Works)

WIA ref	Charge Item	Charge Unit	Charge
S51A	Site Specific Work that the company will provide as part of an adoption agreement	Bespoke arrangement. Detail provided in a separate schedule	POA
S51A	Mains Design Fee	eg. per connection, or per m2 of development	Inclusive in Overhead

Providing a Public Main (s41 Requisition) - Non-Contestable Work

WIA ref	Charge Item	Charge Unit	Charge
S41	Mains Application fee	Fixed Fee	£70.00
S41	Mains Administration fee	Fixed Fee	Inclusive in application fee
S41	Mains Design Fee	eg. per requisition or per m2 of development	Inclusive in Overhead
S41	Mains connection that involves heightened risk to existing assets or could affect supplies to existing customers	eg. per connection	POA
S41	Charges associated with installing DMA Metering (only Site Specific for larger developments)	eg. per meter	POA
S41	Traffic management	eg Fixed fee, rates, or %	POA

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S41	Road closure fees	eg Fixed fee, rates, or %	POA
S41	Land entry, compensation, and other third party charges where not included above	eg Fixed fee, rates, or %	POA
S41	Charges for elements of work affected by "Exceptional Circumstances"	Bespoke arrangement. Detail provided in a separate schedule	POA
S41	Contribution by Company towards the cost of upsizing, or enhancement work to be funded by the Company (will show as a credit in the quotation)	Bespoke arrangement. Detail provided in a separate schedule	POA
S42	Income Offset offered to Developer (if the company offers an Income Offset) (will show as a credit in the quotation)	AMOUNT in £	£612/plot

Providing a Public Main as a s41 Requisition (Contestable)

WIA ref	Charge Item	Charge Unit	Charge	
S41	Point of connection enquiry fee (customer has not selected the POC, or wants confirmation of their chosen POC)	Fixed Fee, %	£70.00	
S41	Mains Design Fee	eg. per requisition or per m2 of development	Inclusive in Overhead	
S41	Re-design fee where layout subsequently amended	eg Fixed fee, rates, or %	Inclusive in Overhead	
S41	Supply pipe where developer digs and reinstates the trench	eg. per m	£58.74	
S41	Excavate, supply and lay additional pipe in verge/ unmade ground and reinstate	eg. per m	N/A	Costed on a per plot basis
S41	Excavate, supply and lay additional pipe in footpath and reinstate	eg. per m	N/A	Costed on a per plot basis
S41	Excavate, supply and lay additional pipe in road and reinstate	eg. per m	N/A	Costed on a per plot basis
S41	Supply and fit district meter / leakage meter	per meter	POA	
S41	Providing a booster where a developer desires guaranteed pressure greater than 0.7bar at areas of the site.	eg. per booster	POA	

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S41	Mains construction up to and including 300mm diameter	Per Plot	£779/plot	
S41	Mains construction exceeding 300mm diameter	Per Plot	POA	
S41	Traffic management	eg Fixed fee, rates, or %	POA	
S41	Road closure fees	eg Fixed fee, rates, or %	POA	
S41	Land entry, compensation, and other third party charges where not included above	eg Fixed fee, rates, or %	POA	
S41	Environmental charges where not included above	eg Fixed fee, rates, or %	POA	
S41	Pressure testing	eg Fixed fee, rates, or %	£365.00	
S41	Routine in-line mains connections	eg. per connection	£1,250.00	Up to and including 300mm
S41	Chlorination	eg Fixed fee, rates, or %	£345.00	
S41	Sampling	eg. per sample	Inclusive in Overhead	
S41	Charges for elements of work affected by "Exceptional Circumstances"	Bespoke arrangement. Detail provided in a separate schedule	POA	

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Diverting a Public Asset (S185 Diversion) - Major or Minor Diversion

Note: The New Connections Rules confirm that the water company is only entitled to recover costs reasonably incurred as a result of providing the Diversion

WIA ref	Charge Item	Charge Unit	Charge
S185	Application fee	eg Fixed fee, rates, or %	£70.00
S185	Legal fee (letter of agreement)	eg Fixed fee, rates, or %	Inclusive in Overhead
S185	Appraisal fee (where a critical main is to be diverted) (determining whether a diversion is viable, or whether the asset should be protected rather than diverted)	eg Fixed fee, rates, or %	Inclusive in Overhead
S185	Diversion Design Fee (Note, mains design work may be a contestable activity in some circumstances, such as where the proposed Diversion route is an intrinsic part of any new onsite mains)	eg Fixed fee, rates, or %	Inclusive in Overhead
S185	Technical assessment fee (would apply where Diversion design work is contestable and is provided by the SLP or Developer)	eg Fixed fee, rates, or %	Inclusive in Overhead
S185	Inspection fees (where some of the Diversion work is provided by the SLP or Developer)	eg Fixed fee, rates, or %	Inclusive in Overhead
S185	Security (if appropriate)	eg Fixed fee, rates, or %	Inclusive in Overhead
S185	Excavate supply and lay 150mm pipe (per linear metre) (and reinstate where required) - in highway	eg. Fixed rate per m, or budget estimate per m	£155.00
S185	Decommissioning redundant mains following a diversion (eg capping off)	eg Fixed fee, rates, or %	£1,040.00

Disconnection Charges (Non-contestable)

Payable when an existing supply is to be removed permanently i.e. when premises are demolished

WIA ref	Charge Item	Charge Unit	Charge
S62	Permanent disconnection (noting also the requirements of S62 (2) with regard to the potential restriction on charges for disconnection)	eg Fixed fee, rates	£0.00

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Infrastructure charges

WIA ref	Charge Item	Charge Unit	Charge
Licence	Infrastructure credits to account for relevant use within the last 5 years	number of credits (see separate schedule)	£325.00
S146	Standard Infrastructure charges due for the development (ie. single or zonal)	Charge per dwelling	£325.00
S146	Infrastructure Charges for domestic use in premises other than houses or flats with their own discrete water supplies (using the relevant multiplier or other appropriate means)	Charge based on fittings. See separate schedule	£325/24 loading units
S146	Water Efficiency Multiplier (if applicable)	-25%	£243.75
S146	Water Efficiency Multiplier (if applicable)	-10%	£292.50
S146	Water Efficiency Multiplier (if applicable)	-25%	£243.75
S146	Water Efficiency Multiplier (if applicable)	-40%	£195.00

Other Charges (Do not include in a quotation for Site-specific Works)

Note: Customers would access these services outside of statutory services, so are neither Site Specific Work, nor Network Reinforcement

WIA ref	Charge Item	Charge Unit	Charge
N/A	Extract of Companies Network Map (ie. Map of Sewers or Mains)	eg. per site, or per m2	£40.00
N/A	Viability Letter to confirm whether capacity can be provided by the company in line the proposed development programme (Note: companies may offer this service to reduce the need for LPAs to apply a phasing condition, particularly where the water company can already confirm that it is able to deliver any necessary Network Reinforcement in line with the developers proposed programme)	eg. per site, or per m2	£70.00

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Memo Items (Do not include in the quotation Total)

Note: These charges are stated at the quotation stage for clarity

WIA ref	Charge Item	Charge Unit	Charge
N/A	Abortive Charges	Refer to separate schedule	£500.00
N/A	Re-inspection Fee	eg. per site visit	£70.00

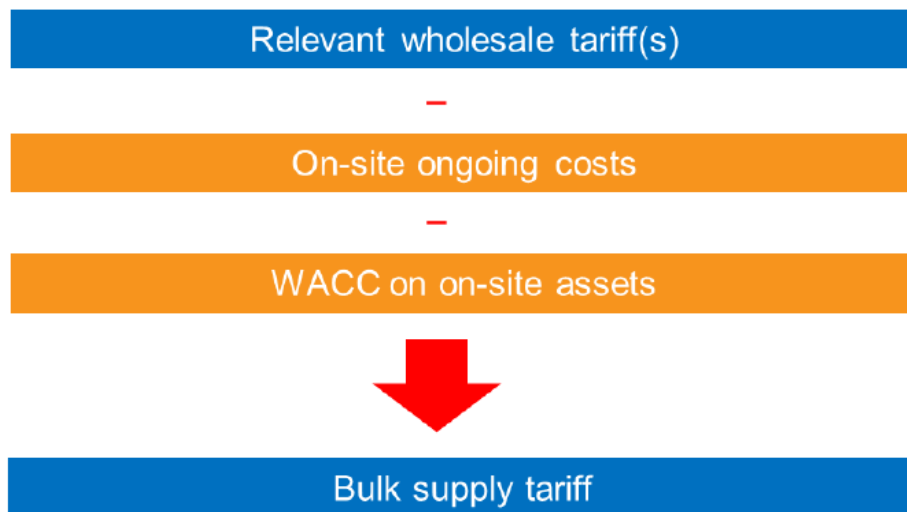
All of the above charges are exclusive of VAT

5. Bulk charges for NAVs

When a NAV is appointed a water company for a development, it may have its own supply of water which it could use to supply its customers. Alternatively, it may wish to purchase a supply of water from us. This supply is known as a bulk supply.

In November 2017, [Ofwat published a consultation](#) setting out draft guidance on how bulk charges should be set by water companies when providing this service to NAVs.

Although the outcome of this consultation has not been published, we will adopt its principles in arriving at a bulk supply charge. This is set out below and taken from Ofwat’s consultation document.



The starting position in deriving the bulk charge is the standard volumetric wholesale charge published in our 2018-19 wholesale charges scheme.

This charge is the same for both business and residential customers. Our standing charges only represent the cost of the meter and any associated maintenance at the customer’s property. This is provided by the NAV and so should not be part of the bulk charge.

We then deduct the costs included in our wholesale charge which relate to on-site costs that we avoid as this is the responsibility of the NAV.

This has been calculated by taking the proportion of distribution costs that relate to

the local network of infrastructure and dividing this by the total volume of water supplied to give a £/m3.

Finally, the return earned by the incumbent for any on-site assets should not be included in the bulk charge as these assets are owned and paid for by the NAV.

This return has been calculated by taking the value of local mains as a percentage of our total asset base and using this to work out the proportion of our Regulatory Capital Value (RCV) which would relate to local mains.

The allowed return on this proportion has been calculated using the wholesale return allowed by Ofwat at the last Price Review of 3.6%. This has then been divided by the total volume of water supplied to give a £/m3.

Ofwat’s consultation also highlights that NAVs face a different cost of capital to that of incumbent water companies and asks whether there should be a further adjustment to ensure a level playing field. In our consultation response, we supported this proposal but as yet, there is no guidance as to how this should be derived.

We will therefore discuss this with potential NAVs when agreeing any bulk charge. When final guidance is available, we will update our charges accordingly.

Below are our NAV charges for [1st April 2018](#) to [31st March 2019](#)

	South Staffs Region (£/m3)	Cambridge Region (£/m3)
Standard wholesale tariff	£0.9783	£0.7892
LESS On-Site ongoing costs	(£0.327)	(£0.327)
LESS Incumbent WACC on on-site assets	(£0.044)	(£0.044)
LESS Adjustment to reflect the WACC of a NAV	TBD	TBD
NAV bulk charge	£0.6073	£0.4182

Note: As our wholesale tariffs differ across regions due to different treatment and distribution costs, there is a NAV bulk tariff for each region.

6. Non-Standard Works

Due to the nature of connections work, there are circumstances where the cost incurred by water companies is affected by external factors.

These external factors may be outside of the immediate knowledge or control of the water company and, in a limited set of exceptional circumstances, could lead to significant cost variance.

For this reason, Ofwat has supported water companies that they required to provide fixed upfront charges in respect of the following:

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

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

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

7. Diversion of water mains

If an existing water main is in the vicinity of planned works, we can, if practical, divert the main. This process of altering or removing those assets is known as a **diversion**.

In cases where we carry out some or all of the diversion work, we will provide a quote based on our best estimate; we are only entitled to recover our reasonable costs which could be more or less.

We promote that all or part of the diversion works may be constructed by a suitably qualified third party contractor (SLP) to undertake any contestable elements, but only with prior agreement.

Ofwat's rules require us to set out our method for charging for diversion charges.

Water Company

If you require the water company to undertake the diversion works, this is known as a C4 enquiry.

With a C4 we will design and estimate the costs of this work and has a validity of six-month period from this date issued.

The estimated cost refers to the scope of works detailed within the diversion required.

Should the scope of works change in anyway then the estimate will no longer represent an estimate of the expected outturn costs and variations will apply.

SLP

You are welcome to request an accredited SLP to undertake the water main diversion on our behalf.

In many instances diversions by SLP can be agreed but, please keep in mind where we have existing connected customers this may not be possible.

Highway Diversions

Major Diversionary Works required by Highway/Transport Authorities, will be in accordance with New Road and Street Works Act section 85 statutory.

Payment will comply in accordance with regulation 8(1). In all other cases, the allowable costs of the diversionary works will be paid in full.

8. Water Efficiency Incentives – 1st April 2018 to 31st March 2019

We are committed to supporting construction development in our operation regions and believe developers can play their part when designing and building more water-efficient properties now and in the future.

To demonstrate our commitment, we are introducing water efficiency incentives to all NEW build BRE accredited properties; [Home Quality Mark](#) (HQM) for housing and the [Environmental Assessment Method](#) (BREEAM) for high-rise residential developments.

8.1 Developer Rebates

When new homes are built in the UK, developers must comply with Part G of the Building Regulations 2010. This states that any new homes must be built to provide no more than 125 litres of water per person per day (l/p/d).

If a developer, SLP or NAV commits to water efficiency levels of 100 l/p/d in each new-build development, for example, we would provide the following rebates:

- A **25%** reduction in the applicable infrastructure charge for HQM-accredited properties.
- A **10%** reduction in the applicable infrastructure charge for BREEAM-accredited properties with a 'Very Good' rating.
- A **25%** reduction in the applicable infrastructure charge for BREEAM-accredited properties with an 'Excellent' rating.
- A **40%** reduction in the applicable infrastructure charge for BREEAM-accredited properties with an 'Outstanding' rating.

The customer will be obliged to make 100% of the infrastructure charge in the first instance.

On presentation of the HQM/BREEAM assessors report (providing evidence that the building meets the 100 l/p/d) we will issue a rebate payment within 30days based on the buildings accredited status level.

It's our intention to review the water efficiency incentives next on [1st April 2019](#).

8.2 Water Metering

With your development it's an important consideration that you allow for water metering. This is mandatory no matter which provider (Water Company, SLP or NAV) you engage with for your new supplies.

As with connections, water meters are a chargeable for household and non-household development, this charge is dependent on meter size and configuration.

8.3 Social Housing

With many developments there is a customer responsibility to provide social housing properties to meet local planning conditions.

So we can support your social housing, we have introduced [AssureTariff](#) which could be advantageous for the end customer once they have moved into their new property.

8.4 Consumption monitoring of major new sites

For developments exceeding 300 properties, the Company reserves the right to charge for the installation of a new meter chamber, a meter and associated logging equipment for the new development site.

This equipment is required to monitor the consumption data in the new development area to ensure that adequate provision is made to monitor and identify any subsequent leakage levels in the area.

The charge will be at cost, plus the overhead allowance.

9. Payments

Dependant on your water provider approach for the delivery of water mains and connections for your new development, you will need to be aware of the payment requirements and methods below.

Water Company

If after we have undertaken our surveys and provided to you our offer you will need to provide the following payments with your acceptance

- Payment for water mains (on-site) will be required 100% in advance
- Payment for water connections will be required 100% in advance

The water & sewage Infrastructure Charges will be invoiced to you after the connection(s) has been completed on your development.

SLP

The water company will prepare an asset value offer; in preparing this it will be necessary to make certain assumptions, the main one being the non-contestable costs.

Upon completion of the works, the non-contestable costs will be reviewed and the asset value payable will be accordingly adjusted to take into account of the actual non-constable cost incurred.

During construction phase we will advise of any potential non-contestable variances.

The SLP will need to provide the Water Company an invoice so payment can be made.

Traditionally the AV is paid by the Water Company to the SLP when the new water mains are commissioned to their network.

If the development has phased construction plan the water company will need to be advised so that AV payments can be apportioned.

When the connections are made to the Water Company network, we will invoice SLP or developer (as agreed) for water meters and infrastructure charges.

NAV

When a NAV engages with the Water Company the following payment terms will apply

Advance payment of non-contestable costs advised to the NAV by us.

Infrastructure Charges will be payable to us as the development will be connected to our water network.

Open Water - Licensed Water Retailers

The payment method will be determined by the developer's decision to use the Water Company, SLP or NAV.

9.1 Categories of payment

The category of payment types we are willing to accept include:

- Debit & Credit Card
- Banks Transfer (BACS & CHAPS)
- Cheque

9.2 Value Added Tax (VAT)

Where water mains and water connection services are being requested solely for domestic purposes, VAT will be zero rated (0%)

- For developments intended to be non-household, VAT will be charged at the current rate at the time of estimate and invoice.
- Further details can be obtained from Developer Service Team, alternatively you can visit HM Revenue & Customs website

10. Transitional Arrangements

Moving to new charging arrangements presents uncertainty for some customers, particularly where they may have already committed to a development based on previous charging arrangements.

We are committed to providing the following transitional arrangements with our customers in relation to infrastructure charges:

- Quotations for some Site Specific work provided under the old rules, and accepted before 1st April 2018 are to continue to apply until 1st April 2023 unless the customer and the company agree to vary the quotation.
- Where a legal agreement is already in place in relation to charges for Site Specific work carried out as part of an adoption, then the charges defined within that agreement remain valid for the life of the agreement unless the customer and the company agree to vary those charges.
- Charges relating to the old charging rules will be adjusted by inflation if the quotation or legal agreement includes an appropriate provision for adjusting the charges.
- Applications received between 1st February 2018, and the 31st March 2018 for Site Specific work that will be carried out after 1st April 2018, will be quoted on either the old rules, or the New Charging Rules.

Developers and SLPs will be invited to choose their preferred method.

- Developers or SLPs that have received a quotation or draft adoption agreement under the old rules, but have not formally accepted can re-apply after the 1st February 2018 for a quotation in accordance with the New Charging Rules.

11. Contacting us

11.1 Developer Services

If you have any questions or queries relating to your current and future water requirements for development(s), you have the following methods to communicate with our dedicated Developer Service Teams:

	Cambridge Water	South Staffs Water
Address	Developer Services 90, Fulbourn Road, Cambridge CB1 9JN	Developer Services Green Lane, Walsall WS2 7PD
Telephone	01223 403115	0845 34 51 399
email	networkdevelopment@cambridge-water.co.uk	developerservices@south-staffs-water.co.uk
website	http://www.cambridge-water.co.uk/developers	https://www.south-staffs-water.co.uk/developer

11.2 Disputes, Complaints & Voluntary Redress Scheme

Disputes

We aim to provide you with an excellent service experience, but sometimes things can go wrong.

In the first instance you should make contact with the Developer Services team and raise your concerns directly. Please use the contact details above.

Complaints

If within Developer Services we are unable to provide you a satisfactory response to your initial query you have the option to report your concerns to the water company directly.

Your complaint will be taken very seriously and will be reviewed in 3 step approach with appropriate escalation to each step in the complaints process.

To start your complaint you can call **0345 60 70 456** or write to

Customer Relations
South Staffs Water
Green Lane
Walsall
WS2 7PD

Named contact

If you have any questions or queries relating to your current and future water requirements for development(s), you have the following methods to communicate with our dedicated Developer Service Teams.

In the event you require further information or have queries for your projects which cannot be answered by our website or contacting the Developer Services Teams, then please speak to Suzanne Birch who will be able to register your request.

	Suzanne E Birch
Telephone	(01922) 638282 Ext. 4667
email	suebirch@south-staffs-water.co.uk
Title	Developer Services Team Leader

Voluntary Redress Scheme

In line with the water industry we currently report customer service statistics in accordance with WaterUK requirements.

Our WaterUK performance can be located within the developers 'Get Connected' section of our website, the direct web link is <https://www.south-staffs-water.co.uk/developer/performance>

From April 2018 we will report on specific performance for the Self Lay Provider (SLP) community; this will be on our website and will follow the WaterUK matrix.

You are able to visit our SLP performance section at <https://www.south-staffs-water.co.uk/developer/performance>

From April 2018, where we have not been able to deliver to our normal service level, we will offer an interim voluntary redress scheme covering the following metrics:

SLA measure	Ref no	Service Target days	Voluntary Redress (in addition to target days)			
			1-7days	8-14days	14-30days	30days +
Pre development enquiry	W1.1	21	£15.00	£35.00	£70.00	£150.00
S45 quote acknowledgement	W2.1	5				
S45 prepare quote	W3.1	28	£15.00	£35.00	£70.00	£150.00
S45 connection	W4.1	21	£15.00	£35.00	£70.00	£150.00
Mains design < 500 plots acknowledgement	W5.1	5				
Mains design < 500 plots design and offer	W6.1	28	£15.00	£35.00	£70.00	£150.00
Mains design > 500 plots design and offer	W7.1	90				
S185 main diversion application acknowledgement	W16.1	5				
S185 main diversion quote (without constraints)	W17.1	42	£15.00	£35.00	£70.00	£150.00
S185 main diversion quote (with constraints)	W17.2	By agreement				
S185 main diversion construction/commissioning	W18.1	90	£15.00	£35.00	£70.00	£150.00
SLPOC application acknowledgement	W19.1	5				
Self-lay POC report for < 500	W20.1	21	£15.00	£35.00	£70.00	£150.00
Self-lay POC report for > 500	W21.1	28				
Self-lay design and terms request application acknowledgement	W22.1	5				
Self-lay design and terms request application for <500 plots no off site reinforcement or engineering difficulties	W23.1	14	£15.00	£35.00	£70.00	£150.00
Self-lay design and terms request application for >500 plots no off site reinforcement or engineering difficulties	W24.1	28				
Self-lay signed agreement acknowledgement	W25.1	5				
Self-lay source of water for pressure/bacteriological testing	W26.1	28	£15.00	£35.00	£70.00	£150.00
Self-lay provision of permanent supply of water	W27.1	14	£15.00	£35.00	£70.00	£150.00
Self-lay issue of vesting certificate	W28.1	7				
Self-lay asset payment	W29.1	35				£150.00
Self-lay provision of plot reference and costing details	W30.1	14				

The water industry intends to publish a common redress scheme later in 2018; our voluntary scheme will apply until an industry wide replacement is launched.

12. Definitions

Explanation of charges	
Ofwat	The Water Services Regulation Authority (Ofwat) is a non-ministerial government department
Local Water Company	Your local monopoly water company which has duty to operate the network to provide clean and sustainable water
Small Builder	individual or organisation which normally builds less than 10 properties per annum
Developers	individual or organisation which normally builds more than 10 properties per annum
SLP	A provider, other than the Water Company, who is appropriately Accredited to undertake Contestable Works in relation to the provision of new water connections, i.e. mains, services and associated works
NAV	A new appointment is made where a limited company is appointed by Ofwat to provide water and/or sewerage services for a specific (existing) geographic water area
I&C	Industrial & Commercial type building (e.g. Fire Station, Factory and Commercial Shop)
Household	deemed to be a residential type of accommodation
Non-household	deemed to be a non residential type of accommodation
POC	Point of Connection - the point on the water network where the connection of mains/connections can be accommodated
Requisitioning of water mains	The process to request a new main to serve a development is known as mains requisitioning.
Connection charges	Includes the cost of connection to the water main, a meter and the first two metres of pipe
Infrastructure charges	Must also be paid in addition to the cost of new service connections. These charges are regulated by Ofwat
Diversion	the act or an instance of diverting or straying from a course, activity, or use
VAT	The current rate of VAT may be applicable in certain circumstances and will be added, as appropriate, to the prices shown. New household properties are zero-rated.
AV	Asset Value - allowance offered by water company for revenue against new water mains construction
Payment Profile	Your record of a recurring transaction for a single buyer
Surety Bonds	performance bond and other third-party guarantees to ensure contractual obligations are met
Transitional	belonging or relating to a change, or the process of change, from one form or type to another
BRE	Building Research Establishment is a leading centre of building science owned by charitable organisation the BRE Trust
BREEAM	World's leading sustainability assessment method for masterplanning of projects, infrastructure and buildings
Housing Quality Mark	HQM demonstrate high quality of houses in design, build and cost effective to run
Rebate	Return of a portion of a purchase price by a seller to a buyer, usually on purchase of a specified quantity, or value, of goods within a specified period
Water Metering	Water metering is the process of measuring water consumption
WaterSure	Watersure is a scheme which helps some people with their water bills
Non-Standard	not average or usual
Disputes	If the customer remains unhappy with the charge levied by water company, Ofwat may be asked to determine the costs. Its decision is final and binding on both parties. The address is shown on the inside back cover of this scheme.
Made-up ground	A maintained road or footpath where a permanent reinstatement will be required. The charge includes any fee for inspection by the highways authority
Pipe-laying charge per metre	This covers the materials, excavation and back-fill required per linear metre of pipe laid. Lengths of less than a whole metre will be rounded to the nearest whole metre.
Visits by Water staff or a company representative	The charges for a connection include the cost of the pre-connection survey, the underground compliance inspection and the above ground compliance inspection. Where additional visits are required (whether though non-compliance or failure to keep an appointment on your part) these will be charged as extras.
New connections with pipe larger than 25mm bore	Estimates will be provided, but charges for larger new connections are based on the actual cost of the work.