

# **NEW CONNECTIONS AND DEVELOPER SERVICES – CHARGING ARRANGEMENTS 2021-22**



## **STATEMENT OF SIGNIFICANT CHANGES**

As required under Ofwat Information Notice IN 20/07 – Expectations, assurance and information requirements for water company charges for 2021-22, South West Water must publish any significant changes to bills for typical developments when publishing its charging arrangements for 2021-22.

In particular, where bill increases are expected to be greater than 10% from the previous year companies must set out the handling strategies that have been developed to manage the impact such price increases would have on customers.

South West Water has analysed the effect of the 2021-22 Charging Arrangements on a range of typical developments, and considered bill impacts for developer customers that engage directly with the company or use a Self-Lay Provider.

South West Water's Board has reviewed the effects of 2021/22 charges on developer customers and confirms there will be no significant changes greater than 10% to bills for 2021/22.

### **Directors Statement**

South West Water Board can confirm that it has carefully considered the effects of the new charges on customers' bills for a range of typical developments, and as there are no instances where bill increases for developer customers exceed 10%, SWW Board recognises there is no requirement to develop impact assessments and handling strategies.

The summary of this analysis is found in [SECTION THIRTEEN – EXAMPLES](#)

## INTRODUCTION

Ofwat, the economic regulator of the water industry for England and Wales, sets out charging rules for new connections charges that all water and wastewater companies must follow.

The charges in this document have been developed in accordance with these rules, including specific additional requirements that will come in to effect on 1 April 2020.<sup>1</sup> Details of these changes are set out in the next section.

This document is also applicable to Self-Lay Providers (SLPs), New Appointees (NAVs), developers including builders and retailers requesting new connection services on behalf of non-household customers. Unless otherwise stated, where this document refers to a “customer” this read as a reference to the applicant, SLP, NAV or developer as the case may be.

The waste water charges contained in this document are only relevant for connections in the South West Water area of supply. Customers with developments in the Bournemouth Water<sup>2</sup> area of supply should refer to the relevant waste water company charging arrangement. This will either be Wessex Water or Southern Water depending on the location.

Customers can find detailed explanations and flow charts describing South West Water’s application processes on the relevant websites:

[www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices) or [www.bournemouthwater.co.uk/developer](http://www.bournemouthwater.co.uk/developer)

A glossary providing customers with definitions and descriptions of the terms used in this document is provided in [SECTION FOURTEEN – Glossary](#).

### Wholesale connection charges

All charges in this document are wholesale charges for activities carried out by South West Water and will apply to any customer for the services shown in this document. For the avoidance of doubt, no retail elements are included in any of the charges, therefore there is no distinction between charges for Retailers and for any other customer.

### Further information

This document should be read in conjunction with the following documents:

- Charging Rules for New Connections Services (English Undertakers) (Ofwat)

<https://www.ofwat.gov.uk/wp-content/uploads/2018/07/19-07-22-Charging-Rules-for-New-Connection-Services-English-Undertakers-from-April-2020.pdf>

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<sup>1</sup> <https://www.ofwat.gov.uk/publication/charging-rules-for-new-connection-services-english-undertakers-from-april-2020/>

<sup>2</sup> Following its acquisition by Pennon Group Plc in 2015, on 1 April 2016 Bournemouth Water transferred into South West Water. The merged company operates under a single licence with the Bournemouth Water name retained. For the avoidance of doubt, this document is relevant to the activities in the supply areas of both South West Water and Bournemouth Water.

## **Our approach to the 2021/22 charges process**

We are committed to developing and presenting our Charging Arrangements in a transparent and inclusive way that meets the expectations of Ofwat, our customers and other stakeholders.

In developing our 2021/22 charges we have conducted our most extensive customer engagement to date, and we thank the customers and stakeholders who engaged with us for their time and valuable feedback and views which we have sought, wherever possible, to incorporate.

The following sections provide further information on the engagement process, and other information underpinning these charges.

### **Engagement with customers**

Meaningful engagement with customers and stakeholders is a key element when developing charges. Responding to Ofwat feedback, following its Review of Incumbent Support for Effective Markets, we have undertaken our most extensive Developer Services stakeholder engagement to date.

Due primarily to the need to maintain safe distancing during the Covid-19 pandemic the customer engagement sessions were undertaken virtually via both group sessions and one-to-one meetings with key developer customers. Ofwat and the Consumer Council for Water observed the process.

To ensure an appropriate level and context for all stakeholders, engagement sessions were tailored to the customer class in attendance.

To create an effective feedback loop, a programme of three consultations with each customer group was designed.

#### Engagement session 1

These Initial sessions asked customers and stakeholders to provide their views on the structure of charges, SWW's documentation and customer support mechanisms.

#### Engagement session 2

These sessions provided for us to tell customers what actions we had taken in response to the initial sessions, and for them to provide further comment on their views on our proposals.

#### Engagement session 3

Following publication of this document a third round of customer engagement will reach out to customers to offer the opportunity for further dialogue to explain final charges.

Throughout 2021/22 we will continue to actively engage with developer customers and stakeholders offering regular opportunities for them to give us their views, and to support them to fully understand the transition from the current charging year to 2021/22.

### **Scrutinising our contractor rates**

Water mains and new connections are delivered for South West Water by our term service contractor which was selected following a market procurement exercise that met the requirements of EU procurement law and The Utilities Contracts Regulations 2016.

Selection process criteria incorporated key aspects that impact our charges to customers and customers' experience when dealing with us, including price, service quality, contractor capability and sustainability and innovation.

To ensure that South West Water's developer customers receive the highest level of customer service each contractor within the process was also assessed to ensure that their delivery plans focussed upon the needs of the Company and our customers. The capability of the provider to bring efficient working practices and continuous improvement for the duration of the contract was also tested through the selection process.

We insist that our term service contractor is accredited with Water Industry Registration Scheme (WIRS) standards thus ensuring that our expectations of our term contractor mirror those that we have of Self Lay Providers.

We have structured this document to provide transparency to the overall breakdown of sub-activities our term contractor undertakes.

To provide assurance to ourselves and to our customers on the rates charged in this document we have conducted bottom-up and comparative assessments of our 2021/22 charges.

The services delivered by our term contractor are provided through a standalone delivery contract linked to an overarching alliancing arrangement. This is to ensure cost separation between those services for developers and those undertaken for operational needs.

Bottom-up scrutiny and challenge to rates charged, and allocated, to developer customers is conducted on a business as usual basis to provide confidence that they are fairly administered.

Furthermore, SWW engaged an independent cost management review of our Developer Services charges to assess a series of notional sites against other providers' costs to provide confidence that the charges that are rendered to developer customers are a fair reflection of the services being offered.

### **Balance of charges**

The balance of charges rule is consistent with prior year and states "*in setting charges in accordance with the present rules, undertakers should take reasonable steps to ensure that*

*the balance between contributions to costs by developers and other customers prior to 1 April 2018 is broadly maintained.”*

Ofwat have not prescribed a method as to how to determine the balance of charges rule.

In practice SWW have made three different assessments and taken a view in the round as to whether the balance of charges test has been met. The 3 tests were:

- The proportion of developer services costs over total SWW total expenditure
- The proportion of income from developers over total developer services costs
- The value of the income offset as a proportion of requisition costs.

The test results confirm that the balance of charges remain broadly consistent with 2017/18 levels and therefore SWW believes that it has taken reasonable steps to ensure the balance of charges are consistent and the test has been met.

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## SECTION ONE - OPTIONS FOR DEVELOPERS IN THE PROVISION OF NEW CONNECTIONS

Customers for connections services (these may be developers or Self-Lay Providers (SLPs)) have the choice over who provides the infrastructure and also who owns those connection assets. The services over which there is competition are often referred to as ‘contestable’. Some other services, such as those linked to the security of water supply, may only be provided by the appropriate water company. These are known as ‘non-contestable’ services.

The following diagram illustrates the organisations that provide contestable connections services:



The options for the delivery and or ownership of water and waste water assets are as follows:

Installation of water supply connections	The developer may select an SLP, NAV, or regional water company
Installation of sewer connections	Developers are able to install these using a drainage contractor, although NAVs and regional water companies can also provide the service
Operation of connections assets	Developers and SLPs are able to choose a NAV or regional water company to take over and operate networks

To enable customers to have clarity on whether a charge quoted in this document is contestable or non-contestable, all are marked as such.

A development may be served for water or waste water by a New Appointee (NAV) which does not need to connect to South West Water’s network (referred to as a full serve NAV or full service NAV). This Charging Arrangements Document is unlikely to apply to these NAVs as they will not require developer services from South West Water. South West Water will work with full serve NAVs in relation to any developments within the South West and, where appropriate in all the circumstances, will explore equivalent arrangements where permitted under the legislative framework.

## SECTION TWO - PRE-PLANNING INFORMATION

The pre-planning process provides the customer with the point of connection for the site they are looking to develop and a budget estimate of the costs of supplying them.

### How to apply for pre-planning information

Copies of the Company's records can be obtained via the website [www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices).

The website allows customers to access company asset information for a designated area. This information includes pipe material, diameter and, where available, depth. Customers should note that the accuracy of the records cannot be guaranteed, and the Company therefore advises customers to confirm the location on site. The information should enable customers to calculate the cost of a proposal using the charges set out in these charging arrangements.

The Company can also offer the following services to enable customers to understand how a site may be supplied.

No.	Description	Value	Contestable/Non contestable
A	Point of connection enquiry – Clean Water	£95.00	Contestable
B	Point of connection enquiry – Foul and surface water sewer	£95.00	Contestable
C	Validation Charge	£30.00	Non - contestable

Copies of our online records are available from –

<https://www.sourceforsearches.co.uk/commercial/recommended/underground-asset-plan/>

#### a. Point of connection enquiry – Clean Water

The Company will provide a copy of its records and a point of connection.

This will include a desktop estimate based on the charges detailed in these charging arrangements.

The information will be provided within 21 calendar days of receipt of a full application. The day of receipt is day 0.

#### b. Point of connection enquiry – Foul and surface water sewer

The Company will provide a copy of its records and a point of connection.

This will include a desktop estimate based on the charges detailed in these charging arrangements.

The information will be provided within 21 calendar days of receipt of a full application. The day of receipt is day 0.

If a customer undertakes their own point of connection assessment and wishes the Company to validate it a charge will apply.

When the customer makes an application for surface water, they should provide any necessary evidence to show that the SuDS hierarchy is being facilitated.

c. Validation charge

The Company will provide an email or letter to confirm the point of connection is correct.

**Conditions applied to options a – c.**

Locating the connection point does not include for provision of any hydraulic modelling to be undertaken and is based on the customer being able to connect to the nearest main of suitable size or larger in the vicinity of the site.

Enquiries will remain valid for the charging year in which they are provided.

Customers must submit an application under the current requirements to enable them to proceed with any of the work required. Payment is required at the same time as the application.

Other options for connection

If the customer wishes the Company to investigate the possibility of connecting to another main or sewer which does not fulfil the criteria for options a – b above, and requires hydraulic modelling, the Company will look to the customer to fund the work.

On request for this service, the Company will provide a quote for the work and payment will be required before any work is undertaken. As part of the quote, timescales will be provided on when the customer can expect to receive the outcome of the work

### SECTION THREE - SITE SPECIFIC CHARGES – CLEAN WATER

These charges cover the work to connect the development to the appropriate point on the existing network.

This section includes:

- a. Our process
- b. Self-Lay
- c. Water Requisition
- d. Water Diversion
- e. Water Connection

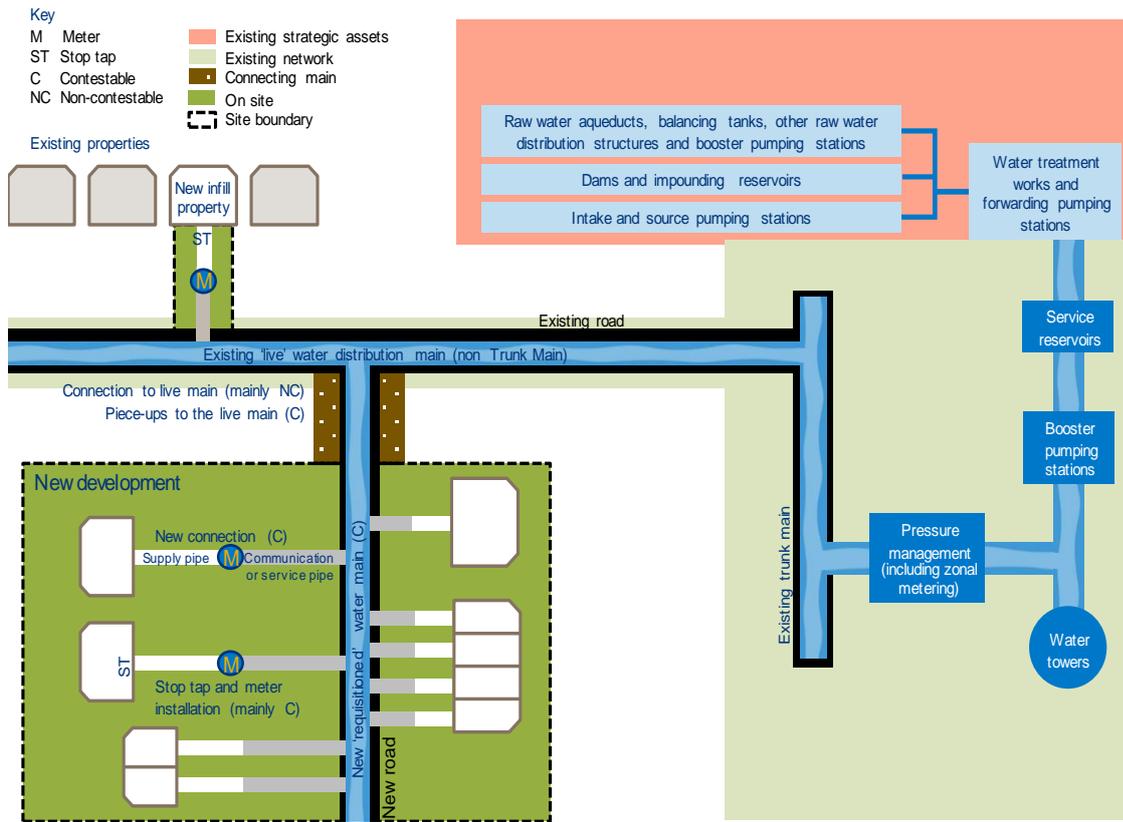
The diagram on the following page shows the responsibility for payment in relation to water connections services.

The diagram is annotated as follows:

Colour	Infrastructure	Who pays and how
Dark green and brown shaded area.	<b>Site Specific</b> work to connect the development to an appropriate point on the existing network	Developer or SLP customer through Site Specific charges
Light green shaded area.	<b>Network reinforcement</b> – upgrades and increased capacity of existing network in consequence of new growth	Developers through the New Infrastructure Charge
Pink shaded area	New resources and treatment assets	Water Company through 5-year Asset Management Plan investment Plan

# WATER

Figure 1



### 3a. OUR PROCESS

The Company's websites contain all of the information regarding the process the Company follows on receipt of an application, and that an applicant will also need to follow.

Application forms and process charts are available at

South West Water applications: [www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices)

Bournemouth Water applications: [www.bournemouthwater.co.uk/developer](http://www.bournemouthwater.co.uk/developer)

The Company's service to customers is delivered in accordance with the minimum Levels of Service as set out by Water UK, Codes for Adoption and DMEx. Further information is available on the Water UK website [www.water.org.uk](http://www.water.org.uk).

### OBTAINING A WATER SUPPLY FOR YOUR DEVELOPMENT

Where a new water supply is required for a new development there are a variety of options available. The table below indicates which work may be carried out by an SLP or NAV and which can only be carried out by us.

Work required		Can be carried out by
Mains installation	New mains may be required if either an existing main cannot be utilised or a suitable main is not available	SLP NAV Us
Branch connection	Branch connections are required to allow a new main to connect to an existing water main on our water network	SLP* NAV* Us
Piece up connections	Piece ups are required when the branch connection has been installed onto the existing main, but not yet connected to the new main. Additional piece-up connections may be required as a development progresses	SLP* NAV* Us
End connections	End connections are required when an extension to an existing main is needed instead of a branch connection. An end connection may also be required in order to divert or abandon a main.	SLP* NAV* Us
Plot connections	Plot connections are connections made between the boundary of the street in which the water main is laid or agreed connection point and the main	SLP* NAV* Us
Meter installation	Automated meter read (AMR) enabled meters must be installed for new domestic use connections.  The meters type and location must be as per Company specification at the time.  All meter chambers must be WRAS approved or equivalent	SLP NAV** Us

\*Please see our Annual Contestability Summary (ACS) for specific details of all work types - <https://www.southwestwater.co.uk/siteassets/documents/dev-services/self-lay/annual-contestability-table.pdf>

\*\*Where a NAV installs a main, we will install a bulk meter.

### 3b. SELF LAY

Developers can arrange for a new water main and service connections to be carried out by SLP'S.

Any Self-Lay work must be carried out by an organisation that is accredited with the Water Industry Registration Scheme (WIRS) which is administered by Lloyds Register. The SLP can undertake the work classed as contestable which are detailed in our Annual Contestability Summary (see below).

#### Codes for Adoption

The Water Act 2014 introduced changes to the Water Industry Act 1991 (WIA91) requiring Ofwat to issue statutory codes for adoption agreements. These are the agreements that developers or self-lay providers (SLPs) enter into when they want an appointed water or sewerage company to take over responsibility for infrastructure they have constructed. They are the agreements entered under section 51A WIA91 for water infrastructure.

The codes were introduced by Ofwat to ensure a consistent approach in the sector, that developers, new appointees and SLPs, are provided with confidence that they will receive the services they want from water companies to enable their own business in providing contestable services.

The water code documentation was approved by Ofwat in **September 2020 and went live on the 1 January 2021**. The approved set of documents can be found below on the Water UK [website](#).

As part of this, all water companies are required to publish certain documents.

#### **Design and Construction Specification (DCS)**

This is South West Water Design and Construction Specification. This can be found at:- <https://www.southwestwater.co.uk/siteassets/documents/dev-services/self-lay/cw-codes-docs/sww-bw-appendix-d--design-and-construction-specification.pdf>

#### **Annual Contestability Summary (ACS)**

The connection work that is open to competition by SLPs is known as “contestable” work. This category includes the majority of work a developer needs to serve a new development and includes all work to lay and test new mains and services. Water companies have a responsibility to maintain wholesome water supplies to customers, some higher risk work may be defined as “non-contestable” and can normally only be carried out by the water company itself.

We will publish our **ACS** each year and evolve the document to enable further contestability each year. It can be found here - <https://www.southwestwater.co.uk/siteassets/documents/dev-services/self-lay/annual-contestability-table.pdf>

In addition to the ACS, the excavation and reinstatement of the trenches to facilitate the mainlaying on land you own and occupy is also contestable. In our standard quotation, we will always assume that you wish to undertake this element of the work.

## Self-Lay Process

In line with the Codes for Adoption process, a pre-development enquiry should be submitted first before making an application to Self-Lay

Following receipt of an application, the quotation will be provided on the basis of the information provided.

Payment should be made in advance for any non-contestable/contestable work that the SLP wishes the Company to undertake. This payment is due at the time of signing of the agreement.

Should the SLP/developer request any additional work after signing the agreement and making payment, the Company will require the SLP/developer to make this payment for the work within 14 calendar days of the supplementary invoice being raised.

The costs of the new connections and infrastructure charges will be charged separately. Please see relevant sections in this Charging Arrangements document.

The income offset is calculated on a per property basis for a domestic house and will be deducted from the infrastructure charges due for the connection. Should the occupation be of a different kind, then the relevant multiplier that is used for previous site usage will be used as a means for calculating the income offset - see the infrastructure charges section for an explanation of the relevant multiplier.

The charges will be as per the Water Requisition table for new mains. See Section 3c.

Should an application not proceed past quotation stage, the Company reserves the right to charge for the costs incurred to date.

Quotations remain valid for 90 calendar days from the date of issue.

### Upsizing of Water Mains to enable wider development.

Should South West Water request that the Self-Lay Provider upsize the water main under Section 112 of the Water Act 1991 as part of the installation, we will review the costs incurred for the upsizing work and look to provide a payment towards this upsizing to the SLP/developer.

The payment will be calculated based upon the cost difference of providing the two sizes of pipe i.e. the large one needed to service the whole development and the one needed to serve this particular phase. The value of this payment will be included within the quotation to the SLP/developer.

The payment will be made upon satisfactory completion of the installation. An invoice will be needed from the SLP/developer to facilitate this payment.

The cost of this upsizing work will be funded from the Infrastructure Charges.

Where the pipe diameter has to be increased when the original size is no longer available to be purchased, this will not be funded by the South West Water.

### **3c. WATER REQUISITION**

If a developer does not wish to engage a self-lay provider, the water main can be provided by the Company through a process termed requisitioning.

#### **Applying for a Water Requisition**

On receipt of the necessary information the Company will provide the customer with a quote for the cost for the water supply provision.

The quote will be split into the items identified in this section and will be supported with a pre-liminary design layout either produced by the customer or by the Company

For the avoidance of doubt, the Company does not have a duty to provide a supply for non-domestic use but will endeavour to meet customer needs wherever possible.

#### **How South West Water's new charges have been developed**

South West Water requisition charges and income offset have been developed to adhere to the principles of Ofwat's Charging Rules.

Requisition charges have been calculated based on the actual costs incurred to requisition a water main or sewer over the last five years, per property connected.

#### **The following items are included within the charge -**

1. The vetting of the design which includes provision for consultation with the Company's relevant internal teams and allows for two subsequent resubmissions. If a further re-submission is undertaken, then a further vetting charge will be applied.
2. The charges allow for the construction of water mains up to and including 200mm internal diameter, including any associated bends, valves and wash-outs.
3. The design of a scheme up to and including 200mm internal diameter. Should the water main be of larger diameter, then the design will be undertaken on an actual cost basis.
4. Charges include for water mains with 900mm cover on them. Anything above this will be charged as an additional item.
5. Pipelaying rates include costs for the water main to be pressure test, chlorinated and sampled.
6. The mainlaying per property charge is split into two categories. Barrier system – this is where it is necessary to lay a barrier pipe due to the contamination found on-site. Full details of this requirement can be found at:-  
[https://www.southwestwater.co.uk/siteassets/documents/risk\\_assessment\\_form\\_for\\_water\\_pipes\\_in\\_land\\_potentially\\_affected\\_by\\_contamination\\_v1\\_12-16.pdf](https://www.southwestwater.co.uk/siteassets/documents/risk_assessment_form_for_water_pipes_in_land_potentially_affected_by_contamination_v1_12-16.pdf). A report in line with the attachment should be provided with the application to allow for this to be reviewed. Where it is proved that the use of barrier pipe is not need, the mainlaying charge will be the non-barrier one.

7. The connection of new mains to existing mains with pressure up to 8 bar are included. Should the pressure in the existing main be above this, then a bespoke quotation will be provided.
8. For where the Developer owns and occupies the land, the quote will be based on the Developer providing the excavation and reinstatement to the Company's specification. Please see "Conditions of Trenchwork" which can be found on our website at [www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices) .
9. The quote will allow for a defined number of visits to install the water main which will be detailed in the quotation. Should subsequent visits be required, the Company will reserve the right to charge for these.
10. For third party land the quote will include the cost for excavation and reinstatement to pre-existing ground conditions carried out by the Company.
11. Compensation for grazing land only. Should the third party require above and beyond this, then the company will look to recover the actual cost incurred in the payments.
12. Should the mainlaying have any Schedule 13 - Engineering Difficulties, these will be highlighted in the quotation where known and charged on an actual cost basis.
13. For traffic management we include for two-way lights only.

**The following exclusions will be charged on an actual cost basis on the bespoke quote**

1. Any items contained within Schedule 13 of the Water Industry Act.
2. Where there is a need for additional traffic management above two-way lights e.g. road closure, three-way lights or permitting, this will be shown as bespoke item on the quote.
3. Any other utility diversions required as a consequence of this work.
4. Any other deviations from the above assumptions and items.
5. Any design work for water mains over a 200mm internal diameter or 8 bar pressure.

The following additional assumptions and conditions apply to water requisitions/diversions: -:

Should an application not proceed past the quotation stage, the Company reserves the right to charge for the costs incurred to date.

If a third party is to undertake the contestable items, they must be accredited for that particular type of work through WIRS.

All main to main connections must be undertaken under pressure unless explicitly agreed with the Company in advance.

Quotations remain valid for 90 calendar days from the date of issue.

As part of this work, we will look to minimise disruption to our water supply. This will involve the use of under-pressure connections to facilitate the mains connection of the requisitioned water main.

## Design of a scheme

The following items are covered in the design of a scheme charge where requested by either the Self Lay Provider or the developer

	<b>Self-Lay</b>	<b>Water Requisition</b>	<b>Water Diversion</b>
Hydraulic design of the scheme to confirm pipe size, pressure etc.	Y	Y	Y
Obtaining and reviewing other utility information to avoid clashes.	Y	Y	Y
Production of a CAD drawing of the layout of the site to be included with our quotation	Y	Y	Y
Internal consultation and sign off.	Y	Y	Y
Consultation with the Fire Service	Y	Y	Y
Production, review and sign off of Designer's Risk Assessment	Y	Y	Y
When the legal agreement is signed, producing a construction pack for issue to the contractor (SLP and/or Term Service Contractor) to undertake the work.	Y	Y	Y
Provision of estates drawings where third party land entry is required.	Y	Y	Y
Provision of drawings for any other consents that are required as part of the scheme.	Y	Y	Y
Provision of drawings for any other consents that are required as part of the scheme.	Y	Y	Y
Design and production of thrust blocks to suit the scheme.	Y	Y	Y
The cost includes for initial production of the above and two sets of changes/amendments. Should further amendments be necessary, an additional charge is made based on the actual cost involved for those amendments.	Y	Y	Y
Dealing with minor design changes from site as construction proceeds which do not require the production of new drawings	Y	Y	Y
Overall review and sign off of the design to comply with our duties under Construction Design and Management Regulations 2015.	Y	Y	Y
<b>Charge</b>	<b>£1341.00</b>	<b>£1341.00</b>	<b>£1341.00</b>
The charge is applicable whether it is the whole scheme design or part of it.			

Should the scheme require design of pipework greater than 200mm internal or 8 Bar in pressure the design will be charged on an actual cost basis. The estimate will be provided in the initial quotation. This detailed design will also require additional time which will be included within the quotation.

Vetting of a scheme designed by third party

The following items are covered when vetting a scheme designed by a third party

- a. Review of the design submitted.
- b. Review of designer's risk assessment.
- c. Review of hydraulic calculations.
- d. The provision of comments to the designer/SLP.
- e. Internal consultation and sign off.
- f. The cost includes for a total of 3 reviews of the design. This is one initial review and two subsequent reviews. This allows for comments/amendments to be dealt with and. also allows for changes by the Developer without incurring additional charges.

Administration charge

This covers the cost of the business administration/project management of the scheme and is broken down to the following: -

<b>This includes both administrative and project management activities.</b>	<b>Self-Lay</b>	<b>Water Requisition</b>	<b>Water Diversion</b>
Reviewing and processing the application form.	Y	Y	Y
Acknowledging receipt of the application form.	Y	Y	Y
Logging application on corporate systems and supporting administration.	Y	Y	Y
Arranging and attending site visit to produce quotation	Y	Y	Y
Obtaining quotations for streetworks (i.e. road closures and three-way lights), estates compensation, ecology.	Y *	Y	Y
Producing and issuing quotation including legal agreements	Y	Y	Y
Invoicing any necessary payments.	Y	Y	Y
Updates to developer or SLP as appropriate.	Y	Y	Y
Instructing and coordinating any work	Y	Y	Y
Dealing with any contractual matters with the Term Service Contractor (TSC).	Y *	Y	Y
Agreeing account with TSC for work	Y *	Y	Y
Pre-start meeting if required.	Y	Y	Y

Reviewing and acting upon Self Lay notifications	Y		
Updating records	Y	Y	Y
Reviewing and feedback on the as built information provided.	Y	Y	Y
Producing vesting certificate (Self Lay)	Y		
Producing payments for the work.		Y	Y
Monitoring the financial costs of the project.	Y	Y	Y
General administration and customer support (e.g. scanning, filing).	Y	Y	Y
<b>Charge</b>	£560.00	£1719.00	£1719.00

\* Where requested to undertake work for the SLP or deliver non-contestable element.

As there is a reduction in these items when the work is completed by a Self-Lay Provider, this is reflected in the administration charge.

## OUR CHARGES

### Site Specific – Clean Water Charges for provision of new mains under Water Requisition or Self-Lay

Note - unless otherwise stated charges are fixed charges. The prices quoted will be amended only if a scope change is generated by the customer.

No.	Description	Unit	Value	Contestable/Non contestable
	Administration Fee (Water Requisition/Water Diversion)	Per scheme	£1719.00	Non-contestable
	Administration Fee (Self Lay)	Per scheme	£560.00	Non-contestable
	Vetting of design and approval undertaken by 3 <sup>rd</sup> party. Third party must be accredited through WIRS.	Per scheme	£269.00	Non-contestable
	Connection of new main to existing main excluding excavation and reinstatement up to including 100mm (diameter of new main) where the connection has a heightened risk to damage or existing water distribution systems or interrupting supplies to existing customer. This is undertaken by using line stops and under-pressure tee.	Per connection	£9,722.00	Non-contestable
	Connection of new main to existing main excluding excavation and reinstatement greater than 100mm and up to an including 200mm (diameter of new main) where the connection is heightened risk to damage or existing water distribution systems or interrupting supplies to existing customer. This is undertaken by using line stops and under-pressure tee.	Per connection	£12,685.00	Non-contestable
	Connection of new main to existing main excluding excavation and reinstatement up to including 100mm (diameter of new main) where the connection has a heightened risk to damage or existing water	Per connection	£1,224.00	Non-contestable/Contestable (please see Annual Contestability Summary).

	distribution systems or interrupting supplies to existing customer. Using under-pressure tee only.			
	Connection of new main to existing main excluding excavation and reinstatement greater than 100mm and up to an including 200mm (diameter of new main) where the connection has a heightened risk to damage or existing water distribution systems or interrupting supplies to existing customer. Using under-pressure tee only.	Per connection	£1,333.00	Non-contestable
	Design of scheme (see inclusions/exclusions)	Per scheme	£1,341.00	Contestable
	Changes to design by the developer/SLP following provision of quotation. (see inclusions/exclusions)	Per change	Up to £1,341.00 depending on work required with a minimum charge of £230.00	Contestable
	Pipelaying in trench provided by developer in land the developer owns and occupies. Excavation and backfill to be in accordance with the 'Conditions of Trenchwork'. – Non barrier pipe *	Per domestic property	£412.00	Contestable
	Pipelaying in trench provided by developer in land the developer owns and occupies. Excavation and backfill to be in accordance with the 'Conditions of Trenchwork' – Barrier pipe *	Per domestic property	£1209.00	Contestable
	Pipelaying in 'unmade' ground in land not owned or occupied by the developer for new water mains up to 100mm internal diameter.	Per metre	£137.00	Contestable
	Pipelaying in 'unmade' ground in land not owned or occupied by the developer for new water mains above 100mm and up to 200mm internal diameter.	Per metre	£152.00	Contestable

	Pipelaying in 'made' ground in land not owned or occupied by the developer for new water mains up to 100mm internal diameter.	Per metre	£232.00	Contestable
	Pipelaying in 'made' ground in land not owned or occupied by the Developer for new water mains above 100mm and up to 200mm internal diameter.	Per metre	£281.00	Contestable
	Additional commissioning of sections should it not be done in accordance with the quotation.	Per commissioning	£2,420.00	Contestable
	Third party Compensation	Per scheme	Bespoke on application	Contestable
	Ecological etc.	Per scheme	Bespoke on application	Contestable
	Traffic Management	Per scheme	Bespoke on application	Contestable

\* In our 2020/21 charging arrangements the mainlaying rate offered a single rate for both non-barrier and barrier pipe. During customer engagement we were asked to separate these charges within our 2021/22 charging arrangements, which we have done.

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

### **3d. WATER DIVERSION**

A water mains diversion is necessary when any proposed structure is going to be built near or on top of a South West Water asset. Clearance distances are available on the Company's website [www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices)

#### **How South West Water charges have been developed**

Water mains diversions are excluded from the requirements of Ofwat's Charging Rules. To align with other charges the Company will, where possible, base quotations on water requisitions charges.

For exceptional schemes, for example greater than 200mm diameter, we will provide a bespoke quotation.

#### **Applying for a Water Diversion**

On submission of the application, each scheme will receive a site visit and a design will be undertaken.

As part of this work, we will look to minimise disruption to our water supply. This may involve the use of line-stops to facilitate the mains connection of the diverted water main.

The items covered and exclusions on water requisitions also apply to water diversions when using the schedule of rates contained under the water requisition heading.

For work to proceed, the payment of the full quotation price will be required on signing the legal agreement. On completion the cost will be reviewed and re-measured based on actual work carried out using the rates provided in the quotation. Any differences will be invoiced or refunded to the customer. If there is an additional item which has been needed but was not in the rates, this will be charged at the actual cost incurred.

Should an application not proceed past the quotation stage, the Company reserves the right to charge for the costs incurred to date.

Quotations remain valid for 90 calendar days from the date of issue.

If a third party is to undertake the contestable items as detailed in the Annual Contestability Summary, they must be accredited for that particular type of work through Water Industry Registration Scheme (WIRS).

#### **Minimising disruption to our existing customers**

To minimise any disruption to our existing customers, the connection of the new main to existing main should be connected using line-stops.

### **3e. WATER CONNECTIONS – SERVICE CONNECTION CHARGES**

This section relates to all individual new water connections to a new or existing distribution water main. These charges apply to water connections which serve household or non-household properties or supplies which do not serve a property.

Connections to strategic trunk mains will be by exception only and may be subject to additional costs. Where the Company agrees to a connection on a trunk/high pressure main the applicant may not excavate within three metres of the main. The Company will undertake the three metres of excavation and make the connection, with charges payable on the basis of the costs incurred.

#### **How South West Water's new charges have been developed**

Charges have been developed as a fixed price per connection based on connection type.

#### **Applying for a service connection to a distribution main**

Unless otherwise stated the charges are fixed price. The prices quoted will be amended only if a change of scope is generated by the customer.

A water meter will be installed on new connections in accordance with the Company's policy and will remain the Company's property.

Where a water meter has been installed a measured tariff will apply - except where it has been installed for check purposes only, in accordance with the Company's policy at the time, and a customer has been previously notified of this in writing.

Automated meter reading (AMR) meters up to 15mm will be installed on up to 32mm supplies used for domestic purposes. This includes supplies used for both domestic and non-domestic use, for example a combined domestic and fire sprinkler system.

Customers requiring connections to existing offsite mains may choose to undertake all excavation, the laying of pipes up to the Company's main, reinstatement, streetworks noticing and traffic management. Alternatively, customers may request that off-site works to lay the communication pipe are carried out by the Company or may use their chosen Self Lay Provider (SLP) where the work is contestable.

Our charges are based on customers requiring connections to newly laid water mains for a site or to existing water mains located within the boundary of the site being responsible for all excavation, laying of pipes up to the Company's main, and reinstatement. Alternatively, customers may use their chosen SLP or request the company to carry out these works.

For all connections to water mains, the Company or chosen SLP will undertake the physical connection to the main and installation of the water meter, regardless of whether the excavation, laying of pipes and reinstatement are carried out by the customer, its chosen SLP or the Company. Customers cannot carry out these works themselves unless they are accredited with the Water Industry Registration Scheme (WIRS).

#### **Third party requirements**

Where service pipes are to be laid in a highway by a private contractor, customers will need to obtain the permission of the Highway Authority to work in the highway. The Highway Authority may stipulate that only its approved contractors may work in the highway and there may be a charge administered by the Highway Authority. The Company is an approved

contractor for this purpose and will provide quotes for carrying out work requested by customers. It will use the standard prices set out in this section in preparing such quotes. SLPs can also be approved contractors so customers should bear this in mind in making any decisions and should check with their chosen SLP.

In some instances, working in the highway will incur additional fees and costs as a result of compliance with Highway Authority requirements, such as road closures and traffic management control. All fees and costs incurred by the Company in carrying out a connection in such circumstances are included within the fixed charges.

- Note: Where the Company opens ground requiring permanent reinstatement, the applicant cannot elect to undertake the reinstatement.

If the Company needs to gain access to third party land or need to seek permissions from third parties, for example Network Rail, then such costs are included within the fixed charges. However, gaining such access may cause a delay in making a connection.

- Note: Where an applicant lays private pipework in third party land the applicant must obtain prior permission from the land owner. This is usually in the form of an easement.

### **Matters relevant to charges**

A standard connection will be one where:

- the external diameter of the service pipe being connected to the main is not more than 32mm
- neither the service pipe or host main is of a barrier pipe material
- the trench in which the service pipe needs to be laid will have a width of 0.5 metres or less and contain no more than 5 service pipes in total.

Connection charges are payable in advance of the Company undertaking any work.

The Company reserves the right to amend the amount charged for connections where additional costs are incurred in making the physical connection as a result of matters that were not evident at the time of providing a quotation for the work.

Quotations remain valid for six months from the date of issue.

What is included in the charges?

<i>Application Fee by type</i>			
Application Task Description	Onsite	Self Lay	Offsite
Review and process application form	Y	Y	Y
Acknowledge receipt of application form	Y	Y	Y
Log application on corporate systems and supporting administration	Y	Y	Y
Arrange and attend 1 x site survey	N	N	Y
Water Regulations record site in WRA	Y	Y	Y
Produce and issue quotation	Y	Y	Y
<b>Charge</b>	£13.00	£13.00	£130.00

<i>Administration Fee by type</i>			
Administrative Task Description	Onsite	Self-Lay	Offsite
Receive and process payment(s)	Y	Y	Y
Issue invoice	Y	Y	Y
Raise work order per connection(for meter feedback)	Y	Y	Y
Issue work order to contractor	Y	N	Y
Raise relevant requests or notices	N	N	Y
Review Self Lay notifications	N	Y	N
Update records	Y	Y	Y
Customer guidance	Y	Y	Y
Technical Help Desk	Y	N	Y
General administration and customer support (eg scanning, filing and review of chlorination certificate and sample results)	Y	Y	Y
<b>Charge</b>	£36.00	£29.00	£36.00

Further information relating to specific charges is provided in the table below.

No.	Charge Description	Unit	Value	Contestable/Non contestable
Application Fee				
	Application fee – Self Laid Connection	Per Application	£13.00	Non-contestable
	Application fee – Company Laid Onsite Connection	Per Application	£13.00	Non-contestable
	Application fee – Company Laid Offsite Connection	Per Application	£130.00	Non-contestable
Administration Fee				
	Administration fee – Self-Laid Connections	Per Connection	£29.00	Non-contestable
	Administration fee – Company Laid Onsite Connection	Per Connection	£36.00	Non-contestable
	Administration fee – Company Laid Offsite Connection	Per Connection	£36.00	Non-contestable
<p><b>Connection Only</b> – Company laid connection - no excavation; pipe laying; backfill; reinstatement or traffic management by SWW            South West Water/Bournemouth Water carry out connection to main, connection to external service pipe, boundary box and meter installation, all in a pre-excavated trench.            The applicant is responsible for pipe laying, opening, closing and if necessary permanently reinstating the trench to the water main, and depth of boundary box to finished surface level.</p>				
	Standard connection only up to and including 32mm diameter	Per Connection	£168.00	Contestable
	Barrier connection only up to and including 32mm diameter *	Per Connection	£241.00	Contestable
	Connection(s) only greater than 32mm and up to and including 63mm diameter	Per Connection	£770.00	Contestable

	Connection(s) only greater than 63mm and less than 100mm diameter	Per Connection	£917.00	Non-contestable
	Connection(s) only 100mm diameter and greater	Per Connection	£1,354.00	Non-contestable
<p><b>Offsite Connection</b> – Company laid connection - New or replacement connection under section 45 or 55 of the Water Industry Act 1991 to an existing public water main located outside the site boundary., including trenching costs and traffic management. South West Water/Bournemouth Water will only undertake installation work to the boundary of the street in which the main is laid. Installation work includes connection to main, laying of communication pipe, connection to external supply pipe, boundary box, meter, excavation, reinstatement and traffic management.</p>				
	<p><b>Standard connections up to 32mm diameter and trench work up to 5m in length</b></p> <p>Where South West Water/Bournemouth Water undertakes the opening and closing of a trench up to 5 metres in length</p>	Per Connection	£1,347.00	Contestable
	<p><b>Standard connections up to 32mm diameter and trench work up to 10m in length</b></p> <p>Where South West Water/Bournemouth Water undertakes the opening and closing of a trench up to 10 metres in length</p>	Per Connection	1903.00	Contestable
	In addition to the first standard connection up to four further service pipes may be laid in the same trench and connected on the same date as the first connection	Per Connection	£276.00	Contestable
	<p><b>Non-standard connections up to 63mm diameter and trench up to 10m in length</b></p> <p>Where South West Water/Bournemouth Water undertakes the opening and closing of a trench</p>	Per Connection	£2,212.00	Contestable
	<b>Non-standard connections greater than 63mm diameter and up to 10m in length</b>	Per Connection	£2,212.00	Non-contestable

	Where South West Water/Bournemouth Water undertakes the opening and closing of a trench			
	In addition to the first non-standard connection up to four standard service pipes may be laid in the same trench and connected on the same date as the first connection	Per Connection	£276.00	Contestable
	<b>Connections greater than 10m in length</b> In addition to each relevant offsite connection charge (above) an extra over charge for each metre greater than 10m, by surface type and diameter: Pre-excavated – up to 90mm diameter	Per Metre	£116.00	Contestable
	Unmade surface – up to 90mm diameter	Per Metre	£136.00	Contestable
	Made surface – up to 90mm diameter	Per Metre	£262.00	Contestable
	Pre-excavated – greater than 90mm diameter	Per Metre	£177.00	Contestable
	Unmade surface – greater than 90mm diameter	Per Metre	£215.00	Contestable
	Made surface – greater than 90mm diameter	Per Metre	£358.00	Contestable
<b>Other Connection Charges</b>				
	Supply and Fit AMR meter only (meter screw in – no connection)	Per Meter	£87.00	Contestable
	Boundary Box Replacement Excavation; removal of existing boundary box; installation of new boundary box; backfill and reinstatement	Per Box	£382.00	Non-contestable
	Water Regulations Inspections	Per Connection	£24.00	Non-contestable

	Contribution toward general cost of internal and external Water Regulations inspections			
	Where we attend to make a pre-booked connection but the site is not ready for connection	Per Connection	£102.00	Non-contestable
	Second and subsequent site survey/visit	Per Survey/visit	£116.00	Non-contestable

\* In our 2020/21 charging arrangements the new connection rate offered a single rate for both non-barrier and barrier pipe. During customer engagement we were asked to separate these charges within our 2021/22 charging arrangements, which we have done.

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

### 3f. Non-contestable Activity

The connection work that is open to competition is known as “contestable” work. This category includes the majority of work a developer needs to serve a new development and includes all work to lay and test new mains and services.

Water companies have a responsibility to maintain wholesome water supplies to customers, some higher risk work may be defined as “non-contestable” and can normally only be carried out by the water company itself.

We will publish our **Annual Contestability Summary** (ACS) each year and evolve the document to enable further contestability each year. This can be found at:-

<https://www.southwestwater.co.uk/siteassets/documents/dev-services/self-lay/annual-contestability-table.pdf>

In addition to the ACS, the excavation and reinstatement of the trenches to facilitate the mainlaying on land you own and occupy is also contestable. In our standard quotation, we will always assume that you wish to undertake this element of the work.

## SECTION FOUR - SITE SPECIFIC CHARGES – WASTE WATER

These charges cover the work to connect the development to appropriate point on the existing network.

This section includes:

- a. Our process
- b. Sewer Adoption
- c. Sewer Requisition
- d. Sewer Diversion
- e. Sewer Connection

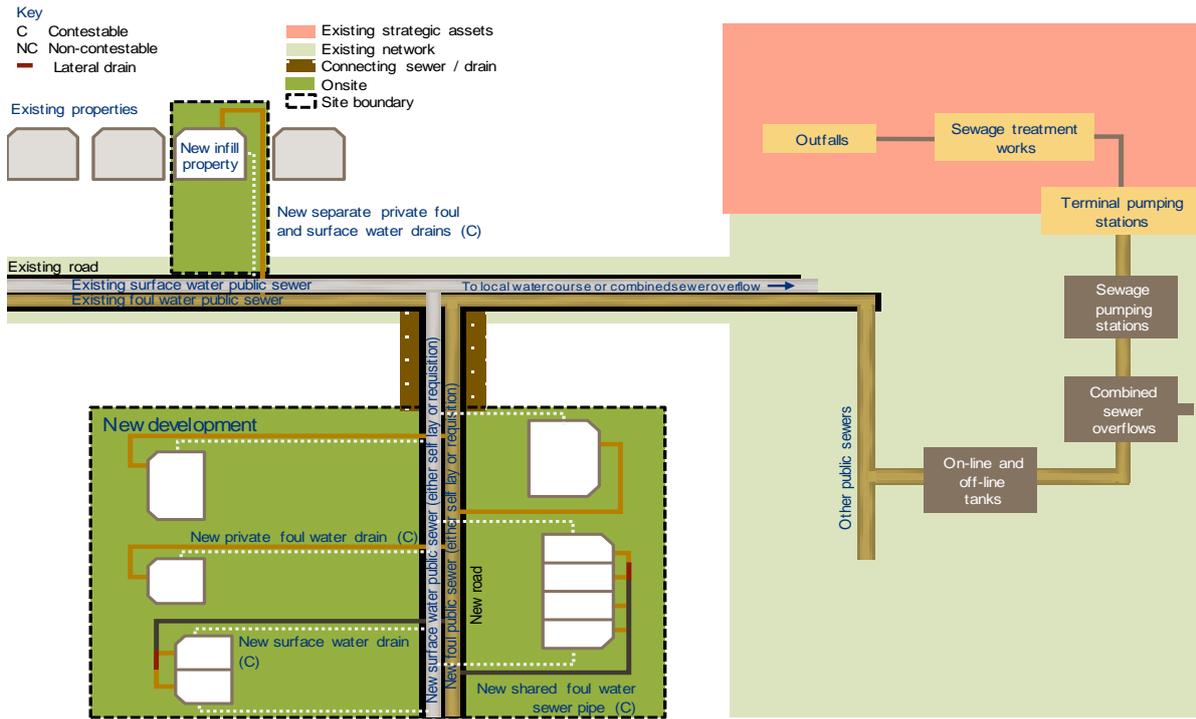
The diagram on the following page shows the responsibility for payment in relation to water connections services.

The diagram is annotated as follows:

Colour	Infrastructure	Who pays and how
Dark green and brown shaded area	<b>Site Specific</b> work to connect the development to an appropriate point on the existing network	Developer or SLP customer through Site Specific charges
Light green shaded area	<b>Network reinforcement</b> – upgrades and increased capacity of existing network in consequence of new growth	Developers through the new Infrastructure Charge
Pink shaded area	New resources and treatment assets	Water Company through 5-year Asset Management Period investment Plan

# WASTEWATER

Figure 2



#### 4a. OUR PROCESS

The Company's website contains all of the information regarding the process the Company follows on receipt of an application, and that an applicant will also need to follow.

Application forms and process charts are available at

[www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices)

The Company's service to customers is delivered in accordance with the minimum Levels of Service as set out by Water UK, Codes for Adoption and DMeX. Further information is available on the Water UK website [www.water.org.uk](http://www.water.org.uk)

**Please note** - The waste water charges contained in this document are only relevant for connections in South West Water area of supply. Customers with developments in the Bournemouth Water area of supply should refer to the relevant waste water company charging arrangement. This will either be Wessex Water or Southern Water depending upon the location.

#### **4b. SEWER ADOPTIONS**

The sewers and pumping stations built by a customer for a development can be adopted in to the Company's sewerage system, provided those sewers and pumping stations have been constructed to meet defined standards and provided the customer follows the adoption process. The Company has charges for elements of the adoption process to cover its costs.

##### **How South West Water's new charges have been developed**

The fee has been calculated as a cost reflective-fee based on the actual costs (as observed over the last five years) of providing the adoption/inspection per development.

In line with the Company's approach to date, no asset payment is made in respect of the adopted sewers.

##### **Applying for a Sewer Adoption**

Unless otherwise stated charges are fixed. The prices quoted will be amended only if a change of scope is generated by the customer.

##### **Codes for Adoption**

The Water Act 2014 introduced changes to the Water Industry Act 1991 (WIA91) requiring Ofwat to issue statutory codes for adoption agreements. These are the agreements that developers or self-lay providers (SLPs) enter into when they want an appointed water or sewerage Company to take over responsibility for infrastructure they have constructed. They are the agreements entered into under section 104 WIA91 for sewerage infrastructure.

The duty for Ofwat to issue a code came into effect for companies operating wholly or mainly in England in October 2017 and, on 13 November 2017, Ofwat published their Code for Adoption Agreements for water and sewerage companies operating wholly or mainly in England (the Code).

The new sewerage adoption arrangements have come into effect from 1 April 2020.

Further information can be found at: -

<https://www.water.org.uk/sewerage-sector-guidance-approved-documents/>

##### **Included within the charges are**

1. The administration fee covers administration of the process including the provision of maintenance and vesting certificates.
2. Administration fee also covers the production of legal agreements
3. Vetting – covers the review of the drawings in accordance with the specification.
4. The vetting cost is based on one submission and two re-submissions. Should there be any subsequent re-submissions further fees will apply.
5. Inspection fees are based ongoing inspections during construction, maintenance inspection and one revisit for remedial inspection. Should there be any subsequent re-inspections further fees will apply.

6. The Company can undertake the first CCTV inspection of the sewers. Should a subsequent CCTV inspection be required to prove that remedial work is complete the developer will be required to provide and fund this.
7. Vetting and Adoption of any SuDS assets in line with the Design and Construction guidance supporting Codes for Adoption.

### **Excluded from the charges**

1. The Company will not monitor the alarms to the pumping station until such time as the pumping station is vested.
2. Any jetting required enabling CCTV inspection. It is the developer's responsibility to make sure that the sewers are clean and ready for CCTV.
3. Any compensation payable to third party landowners for access or rights for the sewer laying or discharge.

### **Pumping Stations**

1. The customer will secure all the necessary rights of access for the pumping station which are transferrable without any charge to the water Company.
2. The customer will transfer the land for the pumping station to the water Company during the maintenance period without any charge to the water Company.
3. It is the customer's responsibility to provide all the utilities to the pumping station to facilitate its adoption.
4. It is the customer's responsibility to fund the installation of the telemetry to the Company's standard.

<b>No.</b>	<b>Description</b>	<b>Unit</b>	<b>Value</b>	<b>Contestable/Non contestable</b>
	Administration Fee	Per application	£387.00	Non-contestable
	Technical Vetting Fee without PS	Per property with a minimum fee	£15 per property with a minimum of £292	Non-contestable
	Technical Vetting Fee with PS	Per property with a minimum fee	£19 per property with a minimum of £708	Non-contestable
	Inspection Fee	Per property with a minimum fee	£44 property with a minimum of £789	Non-contestable
	Re-submissions for technical review	Per additional review	£294.00	Non-contestable
	Re-inspections following remedials	Per inspection	£169.00	Non-contestable
	Security	Per scheme	10% of construction costs with a minimum of £500	Non-contestable
	Installation and commissioning of telemetry use Radio/4G	Per installation	£5164.00	Contestable
	Installation and commissioning of telemetry use Radio/PSTN	Per installation	£5109.00	Contestable
	Installation and commissioning of telemetry use PSTN/4G	Per installation	£4125.00	Contestable
	Installation and commissioning of telemetry use 4G only (based on no option to provide a primary solution with back up comms – not preferred solution).	Per installation	£3990.00	Contestable

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

## **Security**

Cash Bonds (maximum of value of bond) £2,000

Other security - this can be by means of an insurance policy, bank guarantee or other means as agreed with the developer and the Company

A construction schedule should be submitted by the developer for confirmation of the bonding value. If no schedule is submitted before technical approval is granted, the Company's schedule will be used.

Quotations will remain valid for 90 calendar days from the date of issue.

#### **4c. SEWER REQUISITIONS**

If a customer does not wish to lay the sewers for its development, the Company can provide a service to construct a sewerage connection for domestic purposes on behalf of the customer, on application. A customer can either requisition a sewer for more than one property or a lateral drain for one property.

An application can only be made where the requested application will be the first time the properties will be connected to the Company's network.

If you are submitting an application for a surface water requisition, you should provide the evidence to support that the other options under the SuDS hierarchy have not been achievable.

#### **How South West Water's new charges have been developed**

Requisition charges have been calculated based on the actual costs incurred to requisition a water main or sewer over the last five years, per property connected.

#### **Applying for a Sewer Requisition**

On receipt of all the necessary information the Company will provide the customer with a quote for the cost for the waste water provision. The quote will include a preliminary design layout unless the design is being undertaken by the customer.

If the Company is to undertake the design work, the detailed design will be undertaken once full payment for the work is received and the necessary legal agreement is signed.

The quote will be split into the items identified in this section and will be supported with a design layout either produced by either the customer or the Company.

#### **Included within the rates are: -**

1. Gravity sewers up to 300mm internal diameter.
2. Excavation and reinstatement to pre-existing ground conditions.
3. Up to three metres in depth and including any necessary manholes.
4. Compensation for grazing only. Should the third party require above and beyond this, then the Company will look to recover the actual cost incurred in the payments.
5. Traffic management provides for two- way lights. Should the work require further traffic management, this will be at an additional cost included in the quote.
6. The administration fee covers the project management of the scheme and includes to the customer communication, contract management and financial management of the scheme.

#### **Exclusions will be charged on an actual cost basis in the bespoke quote**

1. Any items contained within Schedule 13 of the Water Industry Act.
2. Where there is a need for additional traffic management above two-way lights e.g. road closure, three-way lights or permitting, this will be shown as bespoke item on the quotation.

3. Rising mains and pumping stations. Should a customer not be able to obtain the necessary third-party rights to undertake this work, the Company will provide a bespoke quotation for them.
4. Any other utility diversions required as a consequence of the work.
5. The design will be undertaken on a fixed charge unless the construction is required to be undertaken on a bespoke basis. Should this occur then the design will be undertaken on a bespoke basis.

On surface water sewers, any costs associated with discharging the water to other than a public sewer.

Should an application not proceed past quotation stage, the Company reserves the right to charge for the costs involved to date.

Quotations remain valid for 90 calendar days from the date of issue.

Note - Unless otherwise stated these are fixed charges. The prices quoted will be amended only if a change of scope is generated by the customer.

**Site-specific charges waste water sewer requisitions -**

<b>No.</b>	<b>Description</b>	<b>Unit</b>	<b>Value</b>	<b>Contestable/Non contestable</b>
	Administration Fee	Per scheme	£1,719.00	Non-contestable
	Design of connections to the public sewer network that may heighten the risk of damage to existing assets or compromise public health and/or the environment.	Per connection	Bespoke on application	Non-contestable
	Connections to the public sewer network that may heighten the risk of damage to existing assets or compromise public health and/or the environment.	Per connection	Bespoke on application	Non-contestable
	Connections to the public sewer that involve man-entry to live operational assets that necessitate special precautions to control H&S hazards (such as in combined sewers with a rapid response to rainfall).	Per connection	Bespoke on application	Non-contestable
	Design of scheme (where undertaken on standard charges – where bespoke price provided for construction this will include bespoke price for design.)	Per scheme	£4,640.00	Contestable
	Changes to design by the developer/consultant following provision of quotation.	Per change	Bespoke on application	Contestable
	Pipelaying in ‘made’ ground in land not owned or occupied by the developer.	Per metre	£271.00	Contestable
	Pipelaying in ‘unmade’ ground per metre in land not owned or occupied by the developer.	Per metre	£271.00	Contestable

	Third party compensation	Per scheme	Bespoke on application	Contestable
	Ecological etc.	Per scheme	Bespoke on application	Contestable
	Traffic Management	Per scheme	Bespoke on application	Contestable

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

#### **4d. SEWER DIVERSIONS**

A sewer diversion is necessary when any proposed structure is going to be built near or on top of the waste water asset. Clearance distances are available on the Company's website [www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices)

##### **How South West Water charges have been developed**

Sewer Diversions are excluded from the requirements of the charging rules. To align with other charges the Company will, where possible, base quotes on sewer requisitions.

Where this is not possible then the work will be competitively tendered, and the quotation based on the outcome of the tender.

##### **Applying for a Sewer Diversion**

To request a diversion the customers must own or have a formal interest in the land in which the sewer is located and be improving that land.

If the Company has refused the customer a build over and the customer needs to divert to a different location due to the proximity of the vicinity of the planned works, the customer will need to follow the process laid out in this section.

The final cost of any diversion is payable by the customer in full. If the final cost of the scheme is less than the deposit paid, the outstanding amount will be refunded on completion of construction. Should these costs be more, the Company will invoice the customer.

Unless otherwise stated, charges are fixed. The prices quoted will be amended only if a change of scope is generated by the customer.

Please note no work should be undertaken on the Company's public sewers until such time as the customers receives all of the necessary approvals to proceed with the work.

The Company will offer four different solutions (see below) to enable a sewer diversion to be undertaken. Please also refer to section 4f (Non-contestable) for further detail of the work a customer cannot undertake. If a customer is in doubt, please contact the Company to discuss the matter.

Should an application not proceed past quotation stage, the Company reserves the right to charge for the costs incurred to date.

The administration fee covers the project management of the scheme and includes to the customer communication, contract management where appropriate and financial management of the scheme -

Quotations remain valid for 90 calendar days from the date of issue.

##### *Abandonment of sewers*

It is the Company's policy that the abandoned public sewer will be removed and not left in place and grouted. Customers should ensure that they have taken this into consideration.

### Options available for sewer diversions

There are a number of options for sewer diversions.

#### 1. Small Build

The following criteria must be met in order to be eligible for the small build process:

- It is a private customer carrying out improvement works to their existing property or constructing an infill property.
- The sewer works will be carried out wholly within the customer's curtilage, i.e. no third-party land or highway/public right of way is affected
- The sewer is no more than 3m deep
- The sewer is no more than 225mm in diameter
- No more than 10 properties are connected upstream
- The sewer does not carry pumped flows.
- There are no special technical requirements, e.g. engineering difficulty, geotechnical, structural or environmental issues

Charges:

No.	Description	Unit	Value	Contestable/Non contestable
	Small Build including one day inspection - virtually	Per application	£446.00	Non-contestable
	Further day inspection	Per inspection	£235.00	Non-contestable

Payment will be required at the time of signing the legal agreement to proceed with the work.

#### 2. Design and Build by the customer's contractor and submitted at the same time and as part of the customer's on-site Section 104 application

There will be no additional charge for the technical review, providing the information is included in the initial Section 104 application. All the rules contained within the Sewers for Adoption charging arrangements will be applicable here.

The diverted sewer must be included in the value for any bonding arrangements and be subject to the same process as the Section 104 e.g. maintenance.

Charges will be as per Section 4b – Adoption Fees. All fees must be paid at the same time as signing the legal agreement. Should the work not proceed to this stage SWW reserves the right to recharge the costs involved.

#### 3. Design and build by the customer's contractor and submitted separately to any Section 104

The customer is required to make an application for a sewer diversion and submit all the required Section 104 application information.

The design vetting fee is based on the customer submitting a full application first time and allowing for two subsequent re-vettings of the design. Should any further design reviews be required these will be charged at the re-vetting fee contained within the Sewer Adoptions charges.

The inspection fee is based on three inspections being undertaken. Should any further inspections be needed these will be charged at the re-inspection fee contained within the Sewer Adoptions charges.

<b>No.</b>	<b>Description -</b>	<b>Unit</b>	<b>Value</b>	<b>Contestable/Non contestable</b>
SD3a	Administration fee - if separate application and you are undertaking the design and construction	Per application	£387.00	Non-contestable
SD3b	Design vetting fee – if separate application and you are undertaking the design and construction.	Per scheme	£294.00	Non-contestable
SD3c	Inspection fee – if separate application and you are undertaking the design and construction.	Per scheme	£831.00	Non-contestable

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

All fees must be paid at the same time as signing the legal agreement. Should the work not proceed to this stage SWW reserves the right to recharge the costs involved.

#### 4. Design and build by the water company

Where possible the Company will use the schedule of rates used for sewer requisitions for each scheme.

If this is not possible the Company will acquire a bespoke quotation based on tendered rates.

Charges:

No.	Description -	Unit	Value	Contestable/Non contestable
SD4c	Administration Fee	Per application	£1,719.00	Non-contestable
SD4a	Design where undertaken on standard charges – where bespoke price provided for construction this will include bespoke price for design.)	Per scheme	£4,640.00	Contestable
SD4b	Construction	Per scheme	Bespoke price on application	Contestable

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

#### 5. A mixture of options 3 and 4

This option will be offered by exception and will be priced individually as required.

It will normally be offered where the connections are deemed to be of high risk to the contractor and require specialist knowledge and experience.

Where appropriate the rates contained in the previous options will be used but a bespoke quotation will be provided.

##### Charges

Will be in line with various items identified for the scheme.

#### 4e. SEWER CONNECTIONS

This covers the connection of the property/properties to the public sewer.

Applications should be made whether the connection is directly to the public sewer or indirectly (via private drain).

If you are submitting an application for a surface water connection, you should provide the evidence to support that the other options under the SuDS hierarchy have not been achievable.

#### How South West Water's new charges have been developed

Connection charges have been calculated based on the actual costs incurred to connect a property in the last 5 years.

Unless otherwise stated, charges are fixed. The prices quoted will be amended only if a change of scope is generated by the customer.

Quotations remain valid for 90 calendar days from the date of issue.

#### Where the connection is undertaken by the customer or the customer's contractor directly to the public sewer:

No.	Description -	Unit	Value	Contestable/Non contestable
	Administration Fee	Per application	£61.00	Non-contestable
	Inspection Fee (Visit)	Per connection	£172.00	Non-contestable
	Inspection Fee (Virtual)	Per connection	£98.00	Non-contestable
	Re-inspection Fee (Visit)	Per re-inspection	£135.00	Non-contestable

Examples can be found in [SECTION THIRTEEN – EXAMPLES](#)

Payment will be required once the application has been approved.

Customers have a choice whether to have the inspection carried out via a site visit or a contactless virtual (video) inspection.

A re-inspection fee will be charged if an inspection is agreed with the customer or their contractor and upon the Company arriving to undertake the inspection the connection is not ready, or the Company needs to return due to remedial work that is required.

**Where the customer wishes the Company to undertake the sewer connection on their behalf:**

No.	Description -	Unit	Value	Contestable/Non contestable
	Administration Fee	Per application	£1,719.00	Non-contestable
	Construction	Per connection	Bespoke price on application	Contestable

**Where the customer makes an indirect connection to the public sewer**

No.	Description -	Unit	Value	Contestable/Non contestable
	Administration Fee	Per application	£33.00	Non-contestable

#### **4f. NON-CONTESTABLE ACTIVITY**

This section describes the non-contestable activities that the Company is required to undertake.

The following text is an extract from Water UK's guidance to water companies on non-contestable activity in the waste water sector.

##### **Waste Water**

Non-contestable activities in the design and construction of sewerage to be offered for adoption.

Note: in contrast to the water supply network, the inputs to the operational sewerage system are not directly controlled by companies. Sewerage networks can be highly responsive to weather or be affected by intermittent discharges of trade effluent that require particular risk control measures when carrying out connections work. In a minority of cases, companies may require that they carry out some connections work as part of controlling such risks.

The Company should allow a competent developer or their contractor to do all elements of work to provide sewerage to new developments which are to be offered for adoption or laid as public sewerage other than those defined as non-contestable in the table below.

##### **Non-contestable activities in the design and construction of sewerage**

###### **DESIGN**

- Design of network reinforcement and enhancement work.
- Sizing of pipes design guidance – water companies retain responsibility for specifying pipe-sizing criteria. Application of the design guidance is a contestable activity

###### **DESIGN APPROVAL**

- Approving the design of 'Site Specific' sewerage works where the developer proposes to offer the works to the water Company for adoption.

###### **INSTALLATION**

- It is expected that Network Reinforcement work will normally be undertaken by a water Company under the proposed new charging arrangements except where the water Company requests a developer or SLP to oversize the assets they are providing to allow for later development.
- Network Reinforcement, or Diversion works, whose construction may heighten the risk of damage to the existing sewerage network or compromise public health and/or the environment.
- Network Reinforcement which is provided for a general area or as part of a Company's investment programme.
- Connection of Site Specific telemetry to a water Company's telemetry system.
- Connections to the public sewer network that may heighten the risk of damage to existing assets or compromise public health and/or the environment.

- Reviewing H&S risk assessments (particularly man-entry arrangements to an operational sewer or for work to assets that may contain trade effluent).
- Connections to the public sewer that involve man-entry to live operational assets that necessitate special precautions to control H&S hazards (such as in combined sewers with a rapid response to rainfall).
- Serving notices for land entry, and negotiation with third party landowners and occupiers.
- Work inside operational treatment works (except where suitable contractors are used).
- Upgrading of sewage treatment and disposal facilities to serve new development except where the development proposes to install its own facilities and not drain to the public sewerage network.
- Enhancement work to the sewerage system.

## **COMMISSIONING**

Decommissioning redundant sewerage following a diversion.

### **Note**

1. Enhancement work is defined as work required by a water Company to resolve a deficiency in service standards experienced by existing customers
2. Restrictions on permitting SLPs to undertake non-contestable work apply when the water Company assesses that the construction works significantly heightens the risk: to H&S and wellbeing; of damage being caused to their existing assets; of environment harm. The thresholds for this assessment will be set in accordance with the Company policies for all work on their waste water network and allowing SLPs to do work on pipework with such assessments may be subject to accreditation requirements and controls specified in the terms offer.

## SECTION FIVE - BUILD OVERS

The Company will need to know about any proposed building work over or within three metres of a public sewer or lateral drain.

The Company will identify if a customer's proposal will be affected by the presence of its apparatus and work with the customer to resolve any issues that may arise.

Customers are encouraged to contact the Company in the early stages of planning regarding their proposals.

The granting of planning permission or building regulation approval does not give consent or permission to carry out construction works either over or close to the Company's apparatus. The customer will also require the Company's direct consent.

The Company will not permit:

- Building over or in close proximity to sewer rising mains
- Building over or in close proximity to existing sewers on new development or redevelopment sites

If a private customer planning a small building project (e.g. an extension, garage or garden room) wholly on their own land is unsuccessful in their application to build over or close-to our sewer, they may be eligible for the Company's Small Build Sewer Diversion process, details of which are available on the Company website

[www.southwestwater.co.uk/developerservices](http://www.southwestwater.co.uk/developerservices)

No.	Description	Unit	Value
	Domestic sewer build over application (by declaration)	Per declaration	£57.00
	Domestic sewer build over application (by assessment)	Per assessment	£141.00
	CCTV survey (up to 15 metres) *		£217.00
	Sewer location survey	Per survey	£217.00
	Site visit (half day)	Per half day	£90.00

**\*Should you require a longer CCTV, a bespoke quotation will be provided on request.**

Payment will be required once application has been approved.

## **SECTION SIX - INFRASTRUCTURE CHARGES**

In this section 'infrastructure charge' means the charge authorised by Section 146(2) of the Water Industry Act 1991. Unless the individual charges are specifically referred to separately in this section, the term will cover both the water infrastructure charge and the sewerage infrastructure charge.

Charges have been set to recover the costs of network reinforcement involving new development from those making the demand on the water and sewerage system rather than from existing customers of the water and sewerage companies.

### **Background to the development of the charge**

#### **Water Infrastructure Charge**

The Company must ensure that there is no adverse impact upon the levels of service experienced by existing customers as a consequence of development.

Accurately predicting the actual timing, location and build out rates for new development can be difficult so the Company has taken a balanced risk-based approach using our experience of the development market.

Water infrastructure charges will include costs for network reinforcement to provide additional capacity for all sites requiring water for domestic purposes. Network reinforcement includes works for increasing the capacity of pipes, booster stations and service reservoirs. It specifically excludes investment to improve water resources, reservoirs, boreholes and water treatment works.

#### **Waste Water Infrastructure Charge**

Accurately predicting the actual timing, location and build out rates for new development can be difficult, so the Company has taken a balanced risk-based approach using our experience of the development market.

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

In calculating our infrastructure charges, we have assumed that:

Customers will continue to work with planning authorities and lead local flood authorities to "separate, minimise and control" surface water and seek to achieve the most sustainable run-off destination.

Where brownfield sites are to be redeveloped and there are no separation opportunities; surface water discharge rates shall be reduced to a minimum of 50% of the run-off in the sites previously developed state. Where a LLFA imposes a greater reduction, this will be the figure we use to increase capacity.

Where a greenfield development site comes forward and it is demonstrated that connection to a sewer is the only surface water discharge option, flows shall be limited to the equivalent greenfield run-off figure agreed with the LLFA through the planning approval process.

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

### **How South West Water's new charges have been developed**

The basis for calculating infrastructure charges for 2020/21 is to adopt Ofwat's "Rule 28" which requires companies to use two years of historic offsite network reinforcement cost and three years of future forecast offsite network reinforcement cost as the basis for the charge. The sum of this five-year period total relevant expenditure is divided by the actual/expected properties connected to arrive at per property charge. Water and waste water services are calculated separately but using the same method.

### **Application of the charges**

The infrastructure charge will be payable on a property which comprises a unit capable of separate occupation on the first occasion that it is connected to a water main or a public sewer for domestic purposes on or after 1 April 1990.

This does not mean that it is only payable on houses. It is payable where water will be used for domestic purposes, that is drinking, washing, cooking, central heating, and sanitary purposes (as defined in the Water Industry Act 1991).

For the purposes of this charge every building or part of a building will be treated as a unit capable of separate occupation and liable to a separate infrastructure charge if:

(a) In the case of a dwelling:

- (i) it is used or will be used as a separate dwelling; or
- (ii) it includes separate facilities for sleeping, washing, cooking and a WC.

(b) In any other case, it has its own connection to the Company's water supply or sewerage service and is in fact capable of separate occupation.

Except where detailed below under 'non-standard cases', the standard amounts of the charges will be payable for each unit connecting directly or indirectly to the Company's mains and/or sewers.

### **Liability to pay the charge**

The charge is payable by the person requesting a connection to the Company's water mains and/or sewerage system.

Where no application for a water supply or sewerage service is received or where the Company is unable to recover the charge from the person who requested the connection, the charge will be payable by the person who has the benefit of the new supply or service on the charge becoming payable.

Should the water main or sewer to which the connection is made have been previously subject and delivered as a requisition between 1 December 1991 and up to 31 March 2018 (inclusive), then infrastructure charges will be charged at the following rates for properties identified in that requisition.

No.	Description -	Unit	Value
	Infrastructure charge (old type) – water supply	Per domestic property	£398.00
	Infrastructure charge (old type) – sewer	Per domestic property	£398.00

For any other connections on or after the 1 April 2018 and not connecting to a main or sewer that was requisitioned between 1 December 1991 and 31 March 2018, the following infrastructure charges will apply:-

No.	Description -	Unit	Value
	Standard infrastructure charges due for the development– Water supply	Per domestic property (please see below if not a dwelling)	£88.00
	Standard infrastructure charges due for the development– Sewerage	Per domestic property (please see below if not a dwelling)	£649.00

These charges are outside the scope of VAT.

### Payment of infrastructure charges

These are normally paid at the time of connection. Should a customer wish to pay over a longer period; the Company can offer monthly instalments over a twelve-month period.

### Definition of connection

In the case of the water infrastructure charge, connection is defined as

- the point in time at which a water meter is installed for measuring use at the property; or
- where a meter has been installed previously for measuring a building supply and building supply charges have been paid, the point at which the supply changes to one for domestic purposes.

In the case of the sewerage infrastructure charge, connection is deemed to be

- the point at which a water meter is installed for measuring use at the property; or
- where a meter has been installed previously for measuring a building supply and building supply charges have been paid, the point at which the supply changes to one for domestic purposes; or

- where no water supply is taken from a statutory water undertaker, the point at which the property is physically connected directly or indirectly to a Company owned sewer.

Where the connection is to a NAV site for clean and waste, the payment of the relevant infrastructure charges will be paid at the time the site connects to the Company's network.

Where the connection is to a NAV for waste water only, the NAV will have the option to pay at the infrastructure charges at the time the water main connects, on a plot by plot basis similarly to the water infrastructure charge or at the time the sewer connects to the Company's asset as one lump sum payment for the whole site.

The Company will normally provide an invoice for the due infrastructure charges at the same time as it provides an invoice for the connection. Customers may find it administratively more convenient and cheaper to pay the charges at the same time.

### **Non-standard cases**

There are a number of situations where the infrastructure charges due for a development will not be calculated by simply adding together the relevant number of standard amounts for each unit.

#### Example 1

Where a building is made up of a number of self-contained units and their future occupiers will not be billed by the Company, but the bill will be paid by a third party (a Common Billing Agreement), the infrastructure charge will be calculated by reference to the water using appliances in the building.

The table below sets out the 'Loading Units' for various water using appliances.

#### *Methodology*

The infrastructure charge will be calculated by:

- adding together all the loading units for all the appliances in the building,
- dividing this figure by 24 (the average loading unit for a domestic dwelling prescribed nationally); then
- dividing the resulting figure by the total number of self-contained units to which the Common Billing Agreement applies.

This will produce a figure called the "Relevant Multiplier" (RM).

The Relevant Multiplier will be:

- multiplied by the standard infrastructure charge, then
- further multiplied by the total number of self-contained units to determine the total infrastructure charge payable.

*Eg: a building comprises 10 sheltered retirement flats and the future water and sewerage charges will be paid by a management Company for the flats.*

Total value of Loading Units = 168

168 divided by 24 = 7

7 divided by 10 (number of self-contained units/flats) = 0.7 (RM per self-contained unit/flat)

Total infrastructure charges for the development = 0.7 (RM) x the standard infrastructure charge x 10 (number of self-contained units/flats)

In the case of a development with a Common Billing Agreement the relevant multiplier may be more or less than 1.

### Example 2

In the case of buildings which do not consist of a house and which are supplied by a service pipe with an internal diameter greater than 20mm, infrastructure charges will again be calculated by reference to the water using appliances installed within them using the Loading Units in the table below.

### *Methodology*

The infrastructure charge will be calculated by:

- adding together all the loading units for all the appliances in the building, and
- dividing this figure by 24 to produce the relevant multiplier (if this figure is less than 1, the relevant multiplier will be 1)
- the relevant multiplier figure will then be multiplied by the standard infrastructure charge to determine the charges due:

*e.g. A factory unit is built, the domestic water using appliances in which produce a total Loading Unit Value of 76.*

*Relevant multiplier = 76 divided by 24 = 3*

*Infrastructure charges payable = 3 x the standard infrastructure charge*

## **LOADING UNITS**

The information contained in the table and used by the Company is sourced from BS EN 806 Part 3 2006.

<b>Draw Off point</b>	<b>Loading Units</b>
Washbasin, hand basin, bidet, WC-cistern	1
Domestic kitchen sink, washing machine* dish washing machine, sink, shower head	2
Urinal flush valve	3
Bath domestic	4
Taps/(garden/garage)	5

Non-domestic kitchen sink DN20, bath non-domestic	8
Flush valve DN20	15
*For non-domestic appliances please see manufacturer guidance	

**Notes to be read with the table:**

Note 1: Reference to any fitting includes reference to any plumbing, outlet, dedicated space or planning or other provision for that fitting.

Note 2: In any calculation of the total Loading Units for a property, a minimum of six Loading Units will be included in respect of each house for domestic appliances whether or not the house has any such appliances. The only exception to this will be in the case of any house where neither a washing machine nor a dishwasher can be provided and there is no plumbing, outlet, dedicated space or planning or other provision for either appliance in the house.

Example 3

Where a site is developed or redeveloped (including conversions or sub-divisions of buildings).

*Methodology*

The number of infrastructure charges which will be payable are calculated as:

- The total number of units with connections to water and/or sewerage services after development
- *minus* the maximum number of properties which had connections to water and/or sewerage services at any time in the five years before redevelopment began.

The credited number of properties is known as off-sets.

*Eg A row of 5 shops and 5 flats all of which had water and sewerage connections is demolished. The site is not re-developed for three years. When it is, a block of 16 self-contained flats is built.*

*The infrastructure charges payable for the redevelopment will be: -*

*16 sets of **minus** 10 sets of charges **equal** 6 sets of charges (one set for each of the charges properties connected previously)*

Where a site to be redeveloped consists of a large single commercial complex - such as a hospital or hotel - and which had a metered connection, the Company will take account of demand on services of the original use of the site in the five years before redevelopment began when calculating infrastructure charges (**NB** where part of a site only has been sold for redevelopment, the continuing water use at that part of the site not being redeveloped will be taken into account when calculating the due infrastructure charges).

It will do this by dividing the maximum consumption recorded by the meter in any of the five financial years prior to development by the average domestic household consumption in the

Company's area. This will produce the number of off-sets which the Company will set against the infrastructure charges due.

*E.g. a residential home with a single metered connection is redeveloped and 30 flats built on the site. The maximum annual use of the home in the five years before redevelopment was 930 cubic metres.*

*The infrastructure charges payable for the site will be:*

*930 m<sup>3</sup> divided by 113 m<sup>3</sup> (average domestic annual consumption) equals 8 off-sets.*

*30 sets of infrastructure charges - 8 offsets = 22 sets of infrastructure charges.*

In cases where infrastructure charge liability is calculated using the relevant multiplier principle any off-sets due will be set against the total number of infrastructure charges which have been deemed payable using the relevant multiplier principle.

**Note:** where a large single commercial site is redeveloped which did not previously have metered connections the Company will be unable to use demand as a basis for calculating infrastructure charges. Charges will therefore be calculated on the basis of the maximum number of properties formerly on the site.

## SECTION SEVEN – INCOME OFFSETS

An income offset will apply to every first-time new connection (clean and/or waste) to the Company's network.

The income offset is calculated on a per property basis for a domestic house and is deducted from the infrastructure charges payable for the connection.

Where the building is not for a single dwelling a different scenario, then the relevant multiplier that is used for previous site usage will be used as a means for calculating the income offset. Please refer to Section Six, Infrastructure Charges, for an explanation of the relevant multiplier.

In line with Rule 19 of the Charging Rules for New Connections Services (English Undertakers) our income offset amounts have been calculated to broadly maintain the balance of contributions to costs between developer customers and wholesale customers prior to April 2018 when the charging rules came in to effect.

### Payment of income offsets

Income offsets will only be offset against infrastructure charges where the individual plot connection is made on or after the 1 April 2020. For sites commenced prior to this date please see the following section.

In relation to a NAV, the income offset will be deducted from the infrastructure charge at the time of the water main or sewer being connected to the Company's network, subject to any alternative agreed payment schedule, unless they have already received this deduction.

The Company reserve the right to withhold income offset payment(s) until such time a Self Lay Provider confirms the relevant meter and associated details for each connection. Under the Codes for Adoption it is a requirement for Self Lay Providers to submit such information upon completion of a new connection.

No.	Description	Unit	Value	Contestable/Non contestable
	Income offset (Clean)	Per property	£398.00	Non-contestable
	Income offset (Waste)	Per property	£88.00	Non-contestable

### Sites commenced prior to April 2020

Prior to 1 April 2020, income offsets were required to be deducted from requisitions.

Income offsets may only be applied once.

Therefore, they have already been applied under one the following examples, they will not be deducted again: -

- a. As part of a previous requisition
- b. As part of a previous Asset Payment to an SLP

Income offsets will only be offset against infrastructure charges where the individual plot connection is made on or after the 1 April 2020.

## **SECTION EIGHT - VALUE ADDED TAX**

This section is a summary description of the VAT liability of charges and is subject to changes in VAT legislation and rates of VAT. Where there is a change to the law relating to the VAT during the period of this document, the Company will apply the VAT in accordance with the law.

All charges in this document are shown exclusive of VAT.

VAT, where applicable, will be charged at the appropriate rate.

The VAT rules regarding engineering and construction services are complicated. Broadly, the VAT position depends upon the type of work carried out and the nature of the property being connected.

The Company will charge VAT on its supplies based on HMRC VAT Notice 708 “buildings and construction” (<https://www.gov.uk/guidance/buildings-and-construction-vat-notice-708>) and the details provided on the following link:

<https://www.southwestwater.co.uk/developer-services/developer-services-charges/>

Please note that we may need to request information from you to certify the status of the property being connected.

## SECTION NINE - TRANSITION ARRANGEMENTS

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

Therefore, to remove some of this uncertainty we have transitional arrangements in place which align with requirements set out in:

- **The Water Act 2014 commencement order no.9**

Which states that agreements relating to Site Specific Work made on the basis of the old rules, are to continue to apply in some circumstances until 1 April 2023.

- **Condition C of South West Water's operating licence**

Which states that where connections are made to assets which were requisitioned under the old rules, the old infrastructure charge will continue to apply to those connections as detailed in the infrastructure charge section

Following positive customer feedback during our engagement process we have maintained our transition arrangements in line with previous years whilst reflecting the change to the Charging Rules by Ofwat.

### Site Specific work

1. Quotations for some Site Specific Work provided under the old rules and accepted before 1 April 2020 are to continue to apply until 1 April 2023 unless the customer and the Company agree to vary the quotation.
2. 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.
3. Charges relating to the charging rules applicable prior to April 2018 will be adjusted by inflation if the quotation or legal agreement includes an appropriate provision for adjusting the charges.
4. Applications received between 1 February 2021, and the 31 March 2021 for Site Specific Work that will be carried out after 1 April 2021, will be quoted on the new rules unless the customer chooses otherwise. 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 1 February 2021 for a quotation in accordance with the new Charging Rules.
5. Should both sides agree that it would be more appropriate to go with one charging rule than the other on that particular site then these will be agreed as an exception and each case will be looked at on its own merits.
6. Where income offsets are already built into signed requisition agreements the income offset will not also be applied to the infrastructure charges even if the connections are undertaken later. i.e. you can only have the income offsets once.

7. Where income offsets have not been applicable previously and are now applicable under the new charging arrangements they will only be applied to new water connections/sewer connections where they have been accepted (paid) on or after 1<sup>st</sup> April 2020
8. Where infrastructure charges are paid until the old rules (i.e. prior 2018/19 values), then the income offsets will not be applicable to those infrastructure charges.

## SECTION TEN - DISPUTES ABOUT THE CHARGES

Should a customer ever need to make a complaint, the Company's **Code of practice – how we handle customer complaints** explains how the Company will deal with your complaint.

This Code is available on the Company's website:

<https://www.southwestwater.co.uk/developer-services/water-services-and-connections/self-lay/complaints/>

The Consumer Council for Water has no jurisdiction over the level of charges, although they can consider complaints about poor administration, policies or process, as well as answer queries and provide advice about the connection charges regime.

If a developer remains unhappy, they can refer their complaints to WATRS.

Should a NAV wish to make a complaint, they should email

[NAV@southwestwater.co.uk](mailto:NAV@southwestwater.co.uk)

## SECTION ELEVEN - LIABILITY FOR CHARGES AND METHODS OF PAYMENT

### Liability for charges

Charges are payable by the person requesting the relevant services, except where this document provides otherwise.

In the case of new connections where no application for a water supply or sewerage service is received or where the Company is unable to recover the charge from the person who requested the connection, the charge will be payable by the person who has the benefit of the new supply or service on the charge becoming payable

With the exception of infrastructure charges (see Section Six) full payment will be required in advance of the works being undertaken.

Should the customer instruct work to be undertaken, the customer will be liable for all charges payable to that work, regardless of whether the customer has made, or was required to make, and advanced or not.

### Methods of payment

The Company offers the following methods of payment: -

Cheque – Please make cheques payable to South West Water Ltd and return the cheque with the legal agreement if one provided to the address on the form.

Credit/Debit card

BACS details are: -

Bank Sort Code 30-00-02  
Bank Account Number 00456492  
Bank Account Name - South West Water Ltd  
Please include your Work Request reference (WR NO) as the reference on the payment.

**Please note:** If making payment for water connections please also read the document in the link below before making the payment:

<https://www.southwestwater.co.uk/frequently-asked-questions/developer-services/how-do-i-pay-for-my-new-water-connection/>

### Failure to pay charges when due

If a customer does not make payment when it is due, the Company will send a reminder.

If the customer still does not pay or contact the Company to discuss the outstanding debt after sending a reminder, the Company will send notice of its intention to ask the County Court to issue a Court Claim for non-payment.

## **SECTION TWELVE - OTHER CHARGES**

For further details relating to the following additional charges, please refer to the Company's Wholesale Charges Schedules for 2021/22.

### **South West Water**

<https://www.southwestwater.co.uk/siteassets/document-repository/charges/sww-wholesale-charges-document-2021-22.pdf>

### **Bournemouth Water**

<https://www.bournemouthwater.co.uk/siteassets/document-repository/charges/bw-wholesale-charges-document-2021-22-.pdf>

- Building water
- Other supplies
- Hydrant standpipes
- EIR
- Other information

## SECTION THIRTEEN – EXAMPLES

This section presents a comparison of charges between 2020/21 and 2021/22 for a number of worked examples of typical development sites.

Below is the summary followed by the worked examples

Example No	Description of Example	Percentage Change
1	Single House – 25mm to 32mm 25mm Short Connection – 4m road - including any traffic management and council charges. This includes service pipe and boundary box fitting, excavation and reinstatement. Covering both Clean and Waste.	3.32%
2	Single House – 25mm to 32mm Long Connection 8m (4m road & 4m unmade) including any traffic management and council charges. This includes service pipe and boundary box fitting, excavation and reinstatement. Covering both Clean and Waste.	-11.38%
3	Block of 10 Flats – Large diameter connection – Short connection – 4 m road including any traffic management and council charges This includes service pipe and boundary box fitting, excavation and reinstatement. Covering both Clean and Waste.	-2.21%
4	Block of 10 Flats – Large diameter connection – Long connection 8 m (4 m road and 4m unmade) including any traffic management and council charges. This includes service pipe and boundary box fitting, excavation and reinstatement. Covering both Clean and Waste.	-2.73%
5	Small Development Site – 10 Houses Covering both Clean and Waste.	-26.60%
6	Medium Development Site – 50 Houses Covering both Clean and Waste.	-20.26%
7	Large Development Site – 200 Houses Covering both Clean and Waste.	-25.57%
8	Small Development Site – Self Lay – 10 Houses Covering both Clean and Waste.	-21.92%
9	Medium Development Site – Self Lay 50 Houses Covering both Clean and Waste.	-10.48%
10	Large Development Site – Self Lay – 200 Houses Covering both Clean and Waste.	-5.69%

## Comparison of Charges

### Example 1 – Single House

Installation by South West Water of the Water connection. No contamination requiring barrier pipe to be installed. Connection will be a 25mm, with 4 metres road excavated and reinstated by South West Water.

Developer's contractor undertaking the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Connection	Application Fee	1	£130.00	£130.00	£130.00	£130.00
	Administration Fee	1	£33.00	£33.00	£36.00	£36.00
	Water Regulations Inspection	1	£24.00	£24.00	£24.00	£24.00
	Connection charge	1	£1280.00	£1280.00	£1347.00	£1347.00
Income Offset		1	-£439.00	-£439.00	-£398.00	-£398.00
Infrastructure Charge		1	£91.00	£91.00	£88.00	£88.00
<b>Total</b>				<b>£1119.00</b>		<b>£1227.00</b>
<b>Waste Water</b>						
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
Income Offset		1	-£67.00	-£67.00	-£88.00	-£88.00
Infrastructure Charge		1	£683.00	£683.00	£649.00	£649.00
<b>Total</b>				<b>£837.00</b>		<b>£794.00</b>
<b>Total for Site</b>				<b>£1956.00</b>		<b>£2021.00</b>
<b>Percentage Change</b>	3.32%					
Notes:-						
All the above numbers are excluding VAT.						

## Example 2 – single house

Installation by South West Water of the Water connection. No contamination requiring barrier pipe to be installed. Connection will be a 25mm, with 4 metres road and 4 metres unmade including excavated and reinstated by South West Water.

Developer's contractor undertaking the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Connection	Application Fee	1	£130.00	£130.00	£130.00	£130.00
	Administration Fee	1	£33.00	£33.00	£36.00	£36.00
	Water Regulations Inspection	1	£24.00	£24.00	£24.00	£24.00
	Connection charge	1	£2232.00	£2232.00	£1903.00	£1903.00
	Income Offset	1	-£439.00	-£439.00	-£398.00	-£398.00
	Infrastructure Charge	1	£91.00	£91.00	£88.00	£88.00
	<b>Total</b>			<b>2071.00</b>		<b>£1783.00</b>
<b>Waste Water</b>						
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
	Income Offset	1	-£67.00	-£67.00	-88.00	-88.00
	Infrastructure Charge	1	£683.00	£683.00	£649.00	£649.00
	<b>Total</b>			<b>£837.00</b>		<b>£794.00</b>
	<b>Total for Site</b>			<b>£2908.00</b>		<b>£2577.00</b>
	<b>Percentage Change</b>	-11.38%				
Notes:-						
All the above numbers are excluding VAT.						

### Example 3 – Block of flats

Installation by South West Water of the Water connection for a new block of 10 flats. No contamination requiring barrier pipe to be installed. Connection will be a 63mm, with 4 metres road excavated and reinstated by South West Water.

Developer's contractor undertaking the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Connection	Application Fee	1	£130.00	£130.00	£130.00	£130.00
	Administration Fee	10	£33.00	£330.00	£36.00	£360.00
	Water Regulations Inspection	10	£24.00	£240.00	£24.00	£240.00
	Connection charge	1	2232.00	2232.00	£2212.00	£2212.00
	Meter installation	10	£87.00	£870.00	£87.00	£870.00
Income Offset		10	-	-	-£398.00	-£3980.00
			£439.00	£4390.00		
Infrastructure Charge		10	£91.00	£910.00	£88.00	£880.00
<b>Total</b>				<b>£322.00</b>		<b>£712.00</b>
<b>Waste Water</b>						
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
Income Offset		10	-£67.00	-£670.00	-£88.00	-£880.00
Infrastructure Charge		10	£683.00	£6830.00	£649.00	£6490.00
<b>Total</b>				<b>£6703.00</b>		<b>£5843.00</b>
<b>Total for Site</b>				<b>£6703.00</b>		<b>£6555.00</b>
<b>Percentage Change</b>	-2.21%					
Notes:-						
All the above numbers are excluding VAT.						

#### Example 4 – Block of Flats

Installation by South West Water of the Water connection for a new block of 10 flats. No contamination requiring barrier pipe to be installed. Connection will be a 63mm, with 4 metres road and 4 metres unmade including excavated and reinstated by South West Water.

Developer's contractor undertaking the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Connection	Application Fee	1	£130.00	£130.00	£130.00	£130.00
	Administration Fee	10	£33.00	£330.00	£36.00	£360.00
	Water Regulations Inspection	10	£24.00	£240.00	£24.00	£240.00
	Connection charge	1	£2232.00	£2232.00	£2212.00	£2212.00
	Meter Installation	10	£87.00	£870.00	£87.00	£870.00
Income Offset		10	-£439.00	-	-£398.00	-£3980.00
				£4390.00		
Infrastructure Charge		10	£91.00	£910.00	£88.00	£880.00
<b>Total</b>				<b>£25.00</b>		<b>£388.00</b>
<b>Waste Water</b>						
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
Income Offset		10	-£67.00	-£670.00	-88.00	-880.00
Infrastructure Charge		10	£683.00	£6830.00	£649.00	£6490.00
<b>Total</b>				<b>£6381.00</b>		<b>£5843.00</b>
<b>Total for Site</b>				<b>£6406.00</b>		<b>£6231.00</b>
<b>Percentage Change</b>	-2.73%					
Notes:-						
All the above numbers are excluding VAT.						

## Example 5 – Small Housing Site

Installation by South West Water for the Water Mains and connections for 10 Houses. No contamination requiring barrier pipe to be installed. Offsite Water Main Length – 10 metres road and 40 metres onsite.

Developer's contractor undertaking the sewer installation and the sewer connection with South West Water inspecting.

	Description	Unit	20/21		21/22	
			Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Requisition	Administration Fee	1	£1848.00	£1848.00	£1719.00	£1719.00
	Design Fee	1	£1341.00	£1341.00	£1341.00	£1341.00
	Design of connection	1	£209.00	£209.00	Included in design fee	
	Mainlaying per property	10	£646.00	£6460.00	£412.00	£4120.00
	Legal Fee	1	£466.00	£466.00	Included in administration fee	
	Mains Connection	1	£1224.00	£1224.00	£1224.00	£1224.00
	Pipelaying in made ground per metre	10	£232.00	£2320.00	£232.00	£2320.00
Water Connection	Administration Fee	10	£33.00	£330.00	£36.00	£360.00
	Application Fee	1	£12.00	£12.00	£13.00	£13.00
	Water Regulations Inspection	10	£24.00	£240.00	£24.00	£240.00
	Connection charge	10	£166.00	£1660.00	£168.00	£1680.00
Income Offset		10	£439.00	£4390.00	£398.00	£3980.00
Infrastructure Charge		10	£91.00	£910.00	£88.00	£880.00
<b>Total</b>				<b>£12630.00</b>		<b>£8453.00</b>
<b>Waste Water</b>						
Sewer Adoption	Administration Fee	1	£678.00	£678.00	£387.00	£387.00
	Vetting Fee	10	Min Fee	£292.00	Min Fee	£292.00
	Inspection Fee	10	Min Fee	£789.00	Min Fee	£789.00
	Legal Fee	1	£708.00	£708.00	Included in administration fee	
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
Income Offset		10	£67.00	£670.00	£88.00	£880.00

Infrastructure Charge		10	£683.00	£6830.00	£649.00	£6490.00
<b>Total</b>				<b>£848.00</b>		<b>£7311.00</b>
<b>Total for Site</b>				<b>£21478.00</b>		<b>£15764.00</b>
<b>Percentage Change</b>	-26.60.25%					
<p>Notes:-  All the above numbers are excluding VAT.  Off site work undertaken using two way lights.  Developer will be undertaking the excavation and reinstatement for the on-site mainlaying 90mm mains connection using under pressure tee.</p>						

## Example 6 – Medium Housing Site

Installation by South West Water for the Water Mains and connections for 50 Houses. No contamination requiring barrier pipe to be installed. Offsite Water Main Length – 10 metres road and 290 metres on-site

Developer's contractor undertaking the sewer installation and the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Requisition	Administration Fee	1	£1848.00	£1848.00	£1719.00	£1719.00
	Design Fee	1	£1341.00	£1341.00	£1341.00	£1341.00
	Mainlaying per property	50	£646.00	£32300.00	£412.00	£20600.00
	Legal Fee	1	£466.00	£466.00	Included in administration fee	
	Mains Connection	1	£1333.00	£1333.00	£1333.00	£1333.00
	Design of mains connection	1	£209.00	£209.00	Included in design fee	
	Pipelaying in made ground per metre	10	£281.00	£2810.00	£281.00	£2810.00
Water Connection	Administration Fee	50	£33.00	£1650.00	£36.00	£1800.00
	Application Fee	1	£12.00	£12.00	£13.00	£13.00
	Water Regulations Inspection	50	£24.00	£1200.00	£24.00	£1200.00
	Connection charge	50	£166.00	£8300.00	£168.00	£8400.00
Income Offset		50	£-439.00	£-21950.00	£-398.00	£19900.00
Infrastructure Charge		50	£91.00	£4550.00	£88.00	£4400.00
<b>Total</b>				<b>£3406.00</b>		<b>£23716.00</b>
<b>Waste Water</b>						
Sewer Adoption	Administration Fee	1	£678.00	£678.00	£387.00	£387.00
	Vetting Fee	50	£15.00	£750.00	£15.00	£750.00
	Inspection Fee	50	£42.00	£2100.00	£44.00	£2200.00
	Legal Fee	1	£708.00	£708.00	Included in administration fee	
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00

Income Offset		50	-£67.00	-£3,350.00	-£88.00	-£4,400
Infrastructure Charge		50	£683.00	£34,150.00	£649.00	£32450.00
<b>Total</b>				<b>£35,257.00</b>		<b>£31559.00</b>
<b>Total for Site</b>				<b>£69326.00</b>		<b>£55275.00</b>
<b>Percentage Change</b>	-20.26%					
Notes:-						
<p>All the above numbers are excluding VAT.  Off site work undertaken using two way lights.  Developer will be undertaking the excavation and reinstatement for the on-site mainlaying  180mm mains connection using under pressure tee</p>						

## Example 7 – Large Housing Site

Installation by South West Water for the Water Mains and connections for 200 Houses. No contamination requiring barrier pipe to be installed. Offsite Water Main Length – 10 metres read and 990 metres on-site.

Developer's contractor undertaking the sewer installation and the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Requisition	Administration Fee	1	£1848.00	£1848.00	£1719.00	£1719.00
-	Design Fee	1	£1341.00	£1341.00	£1341.00	£1341.00
	Design of Connection	1	£209.00	£209.00	Included in design fee	
	Mainlaying per property	200	£646.00	£12920.00	£412.00	£82400.00
	Legal Fee	1	£466.00	£466.00	Included in administration fee	
	Mains Connection	1	£1333.00	£1333.00	£1333.00	£1333.00
	Pipelaying in made ground – per metre	10	£281.00	£2810.00	£281.00	£2810.00
Water Connection	Administration Fee	200	£33.00	£6600.00	£36.00	£7200
	Application Fee	1	£12.00	£12.00	£13.00	£13.00
	Water Regulations Inspection	200	£24.00	£4800.00	£24.00	£4800
	Connection charge	200	£166.00	£33200.00	£168.00	£33600
Income Offset		200	£-439.00	£-8780.00	£-398.00	£-79600
Infrastructure Charge		200	£91.00	£18200.00	£88.00	£17600
<b>Total</b>				<b>£112219.00</b>		<b>£73216.00</b>
<b>Waste Water</b>						
Sewer Adoption	Administration Fee	1	£678.00	£678.00	£387.00	£387.00
	Vetting Fee	200	£15.00	£3000.00	£15.00	£3000.00
	Inspection Fee	200	£42.00	£8400.00	£44.00	£8800.00
	Legal Fee	1	£708.00	£708.00	Included in administration fee	
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00

Income Offset		200	-£67.00	-£13400.00	-£88.00	17,600
Infrastructure Charge		200	£683.00	£136,600	£649.00	£129800
<b>Total</b>				<b>£136207.00</b>		<b>£124620.00</b>
<b>Total for Site</b>				<b>£248426.00</b>		<b>£197836.00</b>
<b>Percentage Change</b>	-25.57%					
<p>Notes:- All the above numbers are excluding VAT.  Off site work undertaken using two way lights.  Developer will be undertaking the excavation and reinstatement for the on-site mainlaying  180mm mains connection undertaken by under pressure tee</p>						

### Example 8 – Small Housing Site – Self Lay

Installation by South West Water for the Water Mains and connections for 10 Houses. No contamination requiring barrier pipe to be installed. Offsite Water Main Length 10 metres and 40 metres onsite.

Developer's contractor undertaking the sewer installation and the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Requisition	Administration Fee	1	£649.00	£649.00	£560.00	£560.00
	Design Vetting Fee	1	£271.00	£271.00	£269.00	£269.00
	Legal Fee	1	£466.00	£466.00	Included in administration fee	
	Design of mains connection	1	£209.00	£209.00	Included in design fee	
	Mains connection		£1224.00	£1224.00	£1224.00	£1224.00
Water Connection	Administration Fee	10	£28.00	£280.00	£29.00	£290.00
	Application Fee	1	£12.00	£12.00	£13.00	£13.00
	Water Regulations Inspection	10	£24.00	£240.00	£24.00	£240.00
Income Offset		10	-£439.00	-£4390.00	-£398.00	-£3980.00
Infrastructure Charge		10	£91.00	£910.00	£88.00	£880.00
<b>Total</b>				<b>-£129.0</b>		<b>-£504.00</b>
<b>Waste Water</b>						
Sewer Adoption	Administration Fee	1	£678.00	£678.00	£387.00	£387.00
	Vetting Fee	10	Min Fee	£292.00	Min Fee	£292.00
	Inspection Fee	10	Min Fee	£789.00	Min Fee	£789.00
	Legal Fee	1	£708.00	£708.00	Included in administration fee	
Sewer Connection	Administration Fee		£66.00	£66.00	£61.00	£61.00
	Inspection Fee		£155.00	£155.00	£172.00	£172.00
Income Offset		10	-£67.00	-£670.00	-£88.00	-£880.00

Infrastructure Charge		10	£683.00	£6830.00	£649.00	£6490.00
<b>Total</b>				<b>£87169.00</b>		<b>£7311.00</b>
<b>Total for Site</b>				<b>£8697.00</b>		<b>£6807.00</b>
<b>Percentage Change</b>	-21.93%					
Notes:-  All the above numbers are excluding VAT. Off site work undertaken using two-way lights. 90mm mains connection using under pressure tee undertaken SWW.						

### Example 9 – Medium Housing Site – Self Lay

Installation by South West Water for the Water Mains and connections for 50 Houses. No contamination requiring barrier pipe to be installed. Offsite Water Main Length 10 metres and 290 metres on site,

Developer's contractor undertaking the sewer installation and the sewer connection with South West Water inspecting.

	Description	Unit	20/21		21/22	
			Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Requisition	Administration Fee	1	£649.00	£649.00	£560.00	£560.00
	Design Vetting Fee	1	£271.00	£271.00	£269.00	£269.00
	Legal Fee	1	£466.00	£466.00	Included in administration fee	
	Design of mains connection	1	£209.00	£209.00	Included in design fee	
	Mains connection	1	£1333.00	£1333.00	£1333.00	£1333.00
Water Connection	Administration Fee	50	£28.00	£1400.00	£29.00	£1450.00
	Application Fee	1	£12.00	£12.00	£13.00	£13.00
	Water Regulations Inspection	50	£24.00	£1200.00	£24.00	£1200.00
Income Offset		50	--£439.00	-£21950.00	-£398.00	£19900.00
Infrastructure Charge		50	£91.00	£4550.00	£88.00	£4400.00
<b>Total</b>				<b>-£11859.00</b>		<b>-£10675.00</b>
<b>Waste Water</b>						
Sewer Adoption	Administration Fee	1	£678.00	£678.00	£387.00	£387.00
	Vetting Fee	50	£15.00	£750.00	£15.00	£750.00
	Inspection Fee	50	£42.00	£2100.00	£44.00	£2200
	Legal Fee	1	£708.00	£708.00	Included in administration fee	
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
Income Offset		50	-£67.00	-£3,350.00	-£88.00	-£4400.00
Infrastructure Charge		50	£683.00	£34,150.00	£649.00	£32450.00
<b>Total</b>				<b>£35,257.00</b>		<b>£31,620.00</b>

<b>Total for Site</b>				<b>£2339.00</b>		<b>£20945.00</b>
<b>Percentage Change</b>	-10.48%					
<p>Notes:-  All the above numbers are excluding VAT.  Mains connection will be undertaken using two-way lights.  180mm mains connection undertaken by under pressure tee by SWW</p>						

### Example 10 – Large Housing Site – Self Lay

Installation by South West Water for the Water Mains and connections for 200 Houses. No contamination requiring barrier pipe to be installed. Offsite Water Main Length – 10 metres and 990 metres on-site.

Developer's contractor undertaking the sewer installation and the sewer connection with South West Water inspecting.

			20/21		21/22	
	Description	Unit	Charge	Total Charge	Charge	Total Charge
<b>Clean Water</b>						
Water Requisition	Administration Fee	1	£649.00	£649.00	£560.00	£560.00
	Design vetting	1	£271.00	£271.00	£269.00	£269.00
	Legal Fee	1	£466.00	£466.00	Included in administration fee	
	Design of mains connection	1	£209.00	£200.00	Included in design fee	
	Mains connection	1	£1333.00	£1333.00	£1333.00	£1333.00
Water Connection	Administration Fee	200	£28.00	£5600.00	£29.00	£5800
	Application Fee	1	£12.00	£12.00	£13.00	£13.00
	Water Regulations Inspection	200	£24.00	£4800.00	£24.00	£4800.00
Income Offset		200	-£439.00	-£87,800.00	-398.00	-£79600.00
Infrastructure Charge		200	£91.00	£18,200.00	£88.00	£1760.00
<b>Total</b>				<b>-£56260.00</b>		<b>-£49225.00</b>
<b>Waste Water</b>						
Sewer Adoption	Administration Fee	1	£678.00	£678.00	£387.00	£387.00
	Vetting Fee	200	£15.00	£3000.00	£15.00	£3000.00
	Inspection Fee	200	£42.00	£8400.00	£44.00	£8800.00
	Legal Fee	1	£708.00	£708.00	Included in administration fee	
Sewer Connection	Administration Fee	1	£66.00	£66.00	£61.00	£61.00
	Inspection Fee	1	£155.00	£155.00	£172.00	£172.00
Income Offset		200	-£67.00	-£13400.00	-£88.00	-£17600.00
Infrastructure Charge		200	£683.00	£136600.00	£649.00	£129800.00
<b>Total</b>				<b>£136207.00</b>		<b>£124620.00</b>
<b>Total for Site</b>				<b>£79947.00</b>		<b>£75395.00</b>

<b>Percentage Change</b>	-5.69%	
Notes All the above numbers are excluding VAT. Mains connection will be undertaken using two-way lights. 180mm mains connection undertaken by under pressure tee by SWW.		

## SECTION FOURTEEN – GLOSSARY

<b>ACS</b>	Annual Contestability Summary
<b>AMP</b>	Asset Management Period. Each AMP period is 5 years
<b>Asset payments</b>	Payments made to customers for adopting water mains.
<b>Barrier pipe</b>	Pipe used to construct water networks to prevent potable water quality being compromised by the ingress of chemicals from contaminated land
<b>Build Overs</b>	Construction of a structure near-to or over a Company asset
<b>Charging Arrangements</b>	This document setting out the charges, Income Offsets and Asset Payments, and/or the methodologies for calculating them those, applied by the water or sewerage undertaker in accordance with these rules.
<b>Charging year</b>	A calendar year running from 1 April in a given year to 31 March in the following year.
<b>Charges Scheme Rules</b>	The Charges Scheme Rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991
<b>Code for Adoption Agreements</b>	The statutory code that Ofwat was required to issue as a consequence of the Water Act 2014, covering the adoption of water and sewerage infrastructure.
<b>Communication Pipe</b>	Any part of a Service Pipe which a water undertaker could be, or have been, required to lay under section 46 of the Water Industry Act 1991.
<b>Connection</b>	Connecting property/properties to our network.
<b>Connection Charges</b>	Charges that will be imposed by that undertaker for work carried out by it in accordance with the duties (or rights) created by the following provisions of the Water Industry Act 1991: section 45(1) (connection with water main); section 46(1) (ancillary works for purposes of making a domestic connection); section 98(1A) (provision of lateral drains); section 101B (construction of lateral drains following construction of a public sewer) or section 107(1) (right of undertakers to make communication with public sewer)
<b>Contaminated Land</b>	Any land that includes soil, rock and groundwater that may contain chemical contaminants that pose a risk to potable water quality
<b>Contestable Works</b>	Work that can be undertaken by the Water Company or you/your contractor/your consultant. In the case of new water assets, contestable work is usually carried out by SLPs and for new wastewater assets by competent drainage contractors working on behalf of Developers

<b>DCS</b>	Design and Construction Specification – for design and construction water mains.
<b>Developer</b>	Any person or business which is responsible for a Development
<b>Development</b>	Premises on which there are buildings, or on which there will be buildings when proposals made by any person for the erection of any buildings are carried out, and which require connection with, and/or modification of, existing water or sewerage infrastructure.
<b>Diversion</b>	If the Company has refused you a build over and you need to divert to a different location due to the proximity of the vicinity of the planned works. You must own or have a formal interest in the land and be improving the land the water main or sewer is within to enable this to be requested.
<b>Domestic Purposes</b>	In relation to a supply of water to any premises or in relation to the drainage of premises has the same meaning as in Sections 218 and 98 of the Water Industry Act 1991 respectively.
<b>Existing Main</b>	A main that was in operation before development commenced.
<b>Fixed charges</b>	Charges set for a given Charging Year which are fixed in amount or which are calculated by reference to a predetermined methodology set out in the undertaker's Charging Arrangements, the application of which allows calculation at the outset of the total amount owing in that Charging Year in respect of the charges in question.
<b>House</b>	Any building or part of a building that is occupied as a private dwelling house or which, if unoccupied, is likely to be so occupied and, accordingly, includes a flat.
<b>Income Offset</b>	<p>This is the amount of money the Water Company will offset to take into account the new income received from new development connecting to its network.</p> <p>Until 31 March 2020 these offsets were required by regulatory charging rules to be offered only against requisition charges.</p> <p>From 1 April 2020 the rules were amended to require water and wastewater companies to offer income offsets against any infrastructure charge.</p>
<b>Infrastructure Charges</b>	Infrastructure charges are a one off charge, charged by all water companies for first time connections. They are intended to provide a contribution towards the costs of developing distribution networks to serve new customers.
<b>Lateral Drain</b>	That part of a drain which runs from the curtilage of a building (or buildings or yards within the same curtilage) to the sewer with which the drain communicates or is to communicate; or (b) (if different and the context so requires) the part of a drain identified in a declaration of

	vesting made under section 102 of the Water Industry Act 1991 above or in an agreement made under section 104 of this Act.
<b>Levels of Service</b>	Our Minimum Levels of Service for Delivery in this work area will be in accordance with the Levels of Service published by Water UK unless agreed otherwise by both parties add link.
<b>NAV</b>	New Appointment or Variation
<b>New Appointee</b>	Means a Company holding an appointment as a relevant undertaker where the conditions of that appointment limit the charges that can be fixed under a charges scheme by reference to the charges fixed by one or more other relevant undertakers.
<b>Network Reinforcement</b>	Network Reinforcement to provide for new development related growth will be delivered by water companies with the cost recovered through a new approach to infrastructure charges.  Reinforcement includes upgrades to the existing network and can also include upsizing works which the water Company agrees should be provided to cater for other likely new connections.
<b>Non-contestable</b>	Work that must be undertaken by the relevant Water Company.
<b>Ofwat</b>	The Economic Regulator of the Water Industry for England and Wales
<b>Point of Connection (POC)</b>	The nearest practical location where the existing water main or sewer is the same size or larger than the new connecting main or sewer.
<b>Pre-excavated</b>	Where the developer or its agents carries out work excavate the ground prior to us carrying out our work, such as installing e.g. water main, service connection, lateral drain etc.
<b>Premises</b>	Includes any part of a building that is intended to be occupied as a separate unit
<b>Pre-planning</b>	Information provided on the location of our assets and the associated costs in connecting to them before planning permission is granted.
<b>Property</b>	The hereditament or if there is no hereditament it is land, any interest in land or any easement or right in, on, under or over land;
<b>Public sewer</b>	A sewer for the time being vested in a sewerage undertaker, whether under the Water Act 1989, the Water Industry Act 1991 or otherwise.

<b>Relevant Multiplier</b>	To calculate the loading units for buildings that are not a single dwelling ie a house or single flat, the Company will continue to use the principle of the relevant multiplier as originally laid out in Instruments of Appointment (licences).  The table used in this document has been updated as described in Section 6.
<b>Requisition</b>	Provision of a water main or sewer to serve properties which are connected to our network for the first time.  Legislation – this is covered under Sections 98 -101 and 41 – 44 of the Water Industry Act 1991.
<b>Requisition Charges</b>	Work carried out by an undertaker in accordance with the duties imposed by section 41(1) (provision of requisitioned water main) and section 98(1) (provision of requisitioned public sewer) of the Water Industry Act 1991.
<b>Sewer Adoption</b>	If a developer requires a sewer, they may ask the water or sewerage Company to install the pipework. Alternatively, they may choose their own contractor to do the work. This is known as self-lay. The water Company will take over responsibility for (adopt) self-laid pipes that meet the terms of its agreement with the developer.  Legislation – this is covered under Section 102 and 104 of the Water Industry Act 1991
<b>Self-Lay</b>	If a developer requires a new water main or sewer, they may ask the water or sewerage Company to install the pipework. Alternatively, they may choose their own contractor to do the work. This is known as self-lay. The water Company will take over responsibility for (adopt) self-laid pipes that meet the terms of its agreement with the developer or self-lay provider (SLP) that carries out the work.  Legislation – this is covered under Section 51, 102 and 104 of the Water Industry Act 1991.
<b>Self-Lay Provider (SLP)</b>	An organisation that can carry out work to install water network assets, with the prior approval of a water undertaker. SLPs must be accredited under the Water Most SLPs are accredited under the Water Industry Registration Scheme (WIRS)
<b>Self-lay agreement</b>	A legal agreement that is entered into between us, Developers, SLPs and affected landowners in relation to water mains that are constructed or being constructed, usually by an SLP, and offered for adoption to us
<b>Service pipe</b>	So much of a pipe which is, or is to be, connected with a water main for supplying water from that main to any premises as — (a) is or is to be subject to water pressure from that main; or (b) would be so subject but for the closing of some valve, and includes part of any service pipe.

<b>Site Specific</b>	<p>Site Specific charges will be payable for all work carried out by the water Company on the site and up to a defined point of connection to the existing water Company network. These charges cover the cost of Site Specific work to provide any new pipework or pumping facilities that are needed to connect the new houses to the nearest practical point on the existing network – and where the diameter of the new connecting pipework is no larger than the diameter of the Company’s existing network.</p> <p>The costs of these works will be recovered from the party that requested the works, either in full, or - where applicable - using a discount based on the expected future income from the new homes.</p>
<b>SLP</b>	Self-Lay Provider
<b>SuD</b> s	Sustainable urban Drainage Scheme
<b>The Company</b>	South West Water or Bournemouth Water
<b>Water UK</b>	Water UK is a membership organisation which represents and works with the major water and wastewater service providers in England, Scotland, Wales and Northern Ireland.
<b>WIRS</b>	Water Industry Registration Scheme