



Self-lay forum

25 September 2019

Housekeeping.



Get connected.

1. Go to **www.slido.com**
2. Enter **#SLP**

Be anonymous, or enter your name

Vote for other people's questions

Need wifi?

Network: Hilton Honors (WPA2)

Code: internet



Submitting questions for Q&A

Top questions (10)

slido

Join at **slido.com**

#SLPForum

What are some useful skills I can learn in less than 5 minutes?

How does Elon Musk run his famously efficient meetings?

What is the most telling thing about someone's personality?

Lastest question

What do you think will be the TOP3 trends in your industry in the neares year?

Main stage

QUESTIONS POLLS

Ask the speaker

Type your question

10 questions Popular

What are some useful skills I can learn in less than 5 minutes?

How does Elon Musk run his famously efficient meetings?

What is the most telling thing about someone's personality?

What do you think will be the TOP3 trends in your

Let's test Slido with a poll

Compared to other water companies, how easy are we to deal with?

- Can't say as I only work with you
- The most difficult
- More difficult than most
- Similar to others
- Easier than most
- The easiest



What's in store?

Time	Topic	Host
08.30-09.00	Arrivals	
09.00-09.20	Opening	[Redacted]
09.20-09.50	Code for adoptions for water	[Redacted]
09.50-10.05	Q&A	
10.05-11.05	Field and delivery update	[Redacted]
11.05-11.20	Q&A and Sli.do	
11.20-11.40	Break	
11.40-12.25	New connections charging 2020	[Redacted]
12.25-12.40	Q&A	
12.40-13.30	Lunch and networking	

What do you know so far...



Having seen today's agenda items, tell us how you feel right now, about the following:

How well informed do you feel about the changes coming due to **code for adoptions**?

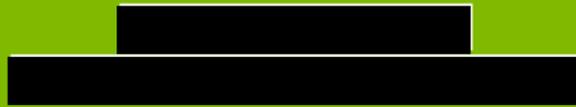
- On a scale of 1-10

How knowledgeable do you feel about the **new charging arrangements** for April 2020, especially in terms of the asset payments that will stop?

- On a scale of 1-10



Welcome



Our vision remains the same.

To promote choice in connections, such that:



Developers understand their choices and can select the option that's **best for them** – and that might not be us



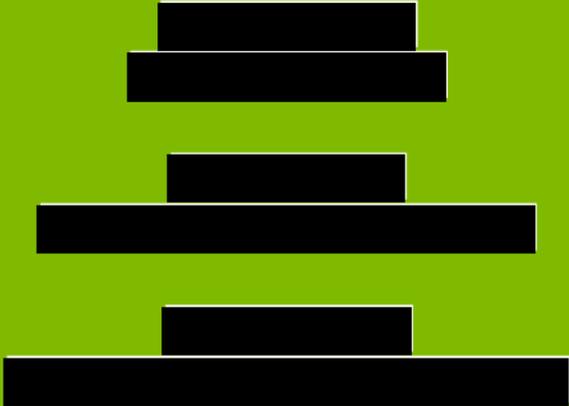
Self-lay providers and NAVs **get the service they need** from us to deliver with excellence



Our people **understand** how to work with alternative providers to deliver a great service for all



Self-lay update

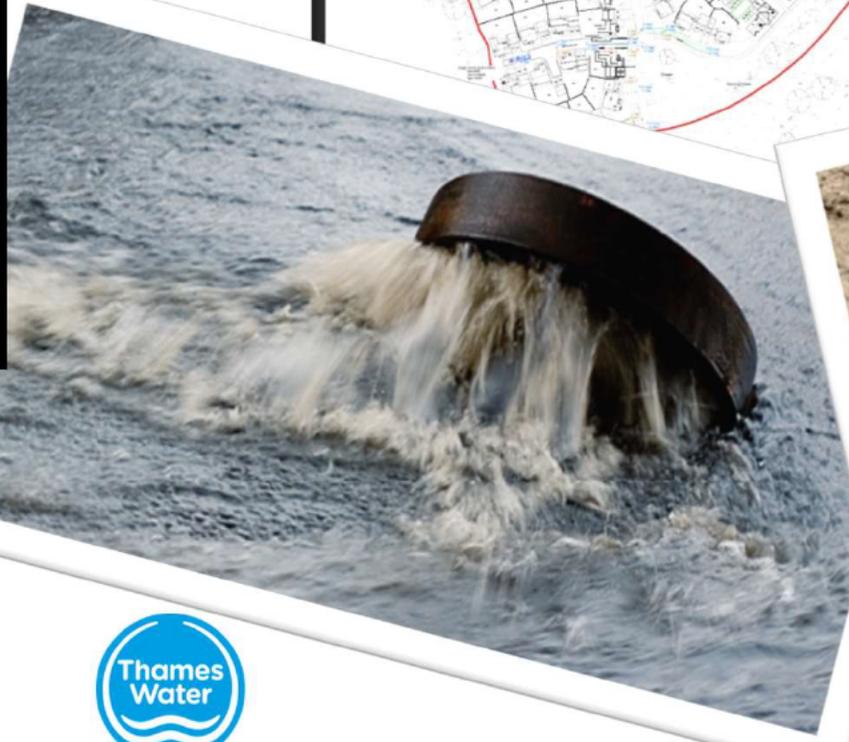


Outline.

- About me
- 9 months in- how are things going?
- How are we doing?
- What's next
- Update from office and field

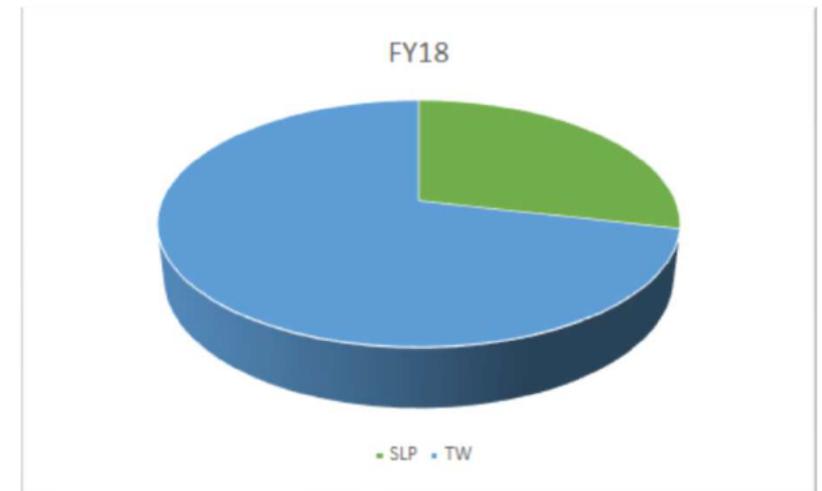
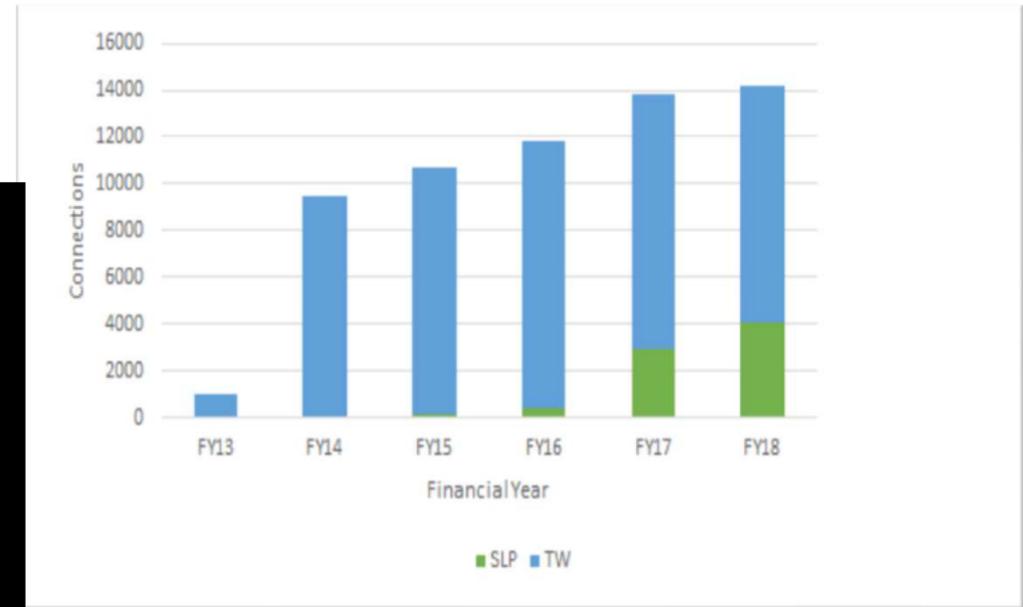


About me



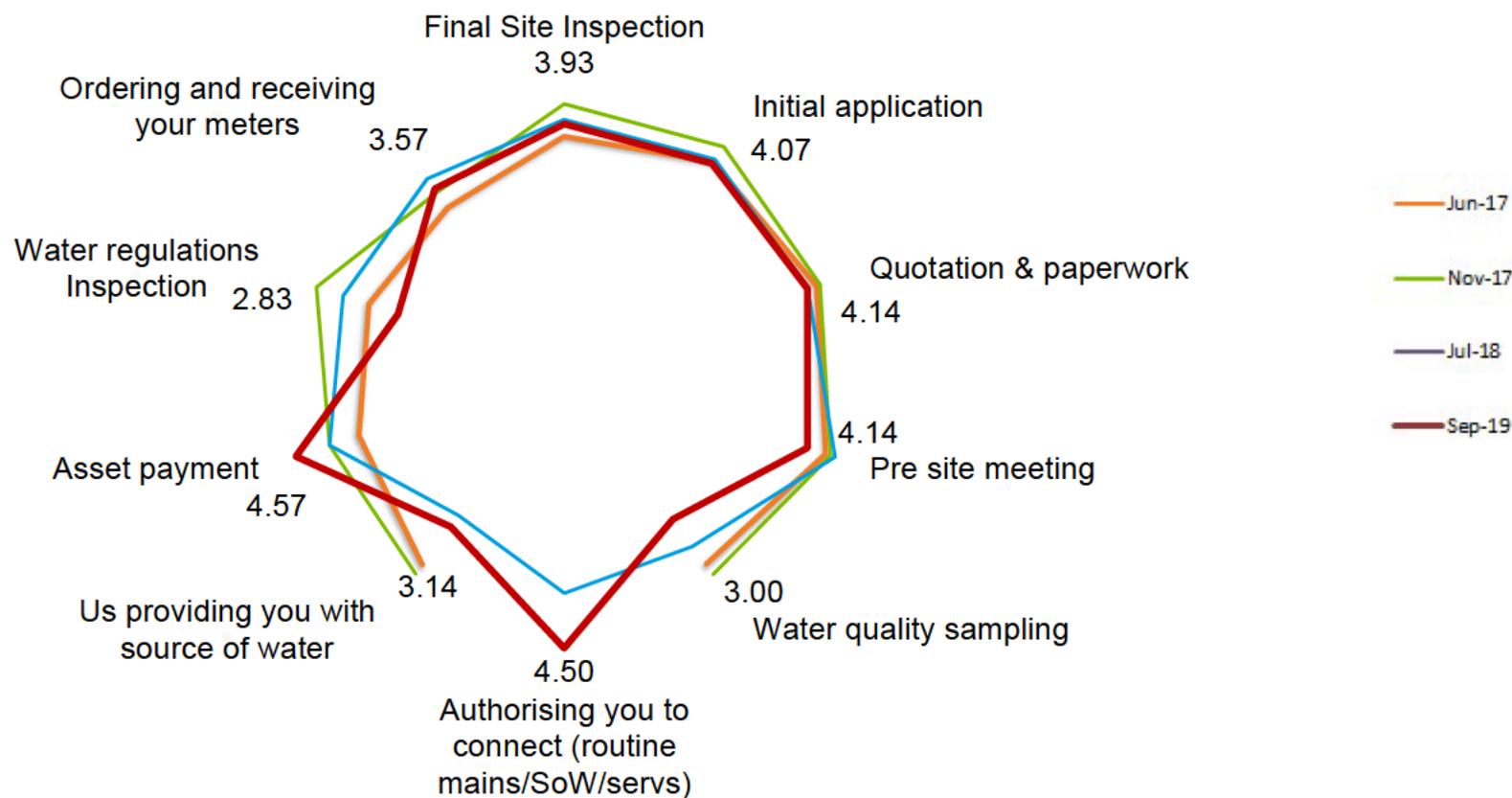


9 months in.



How are we doing?

We asked how satisfied you are with each stage of the self-lay process



Based on 14 survey responses

What you've been saying...

There are still challenges

"Re-designs for updated drawings seem to take a while. A specified time scale for this would help"

"...having meters in stock and not having to wait 4 weeks for delivery so that we don't have to stock-pile them."

"Sort out the source of water to hit the date required and that would put you up there with the best."

Having good contacts helps

"Really improved already, great level of service"

"Keep the Thames Water self-lay team."

"...keep that bar set high as its working"

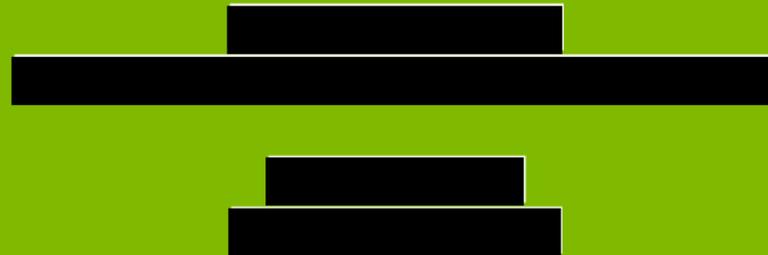


What's Next?

- Learning and development
- Innovation
- Regulatory change
- Continuous improvement



Code for adoptions



Water Sector Guidance document structure.

The Water Sector Guidance (WSG) is made up of the following:

- Contestability
- Procedures
- Design and Construction Specification (incl. Local Practices)
- Minimum Information
- Levels of Service and Reporting
- Redress
- Governance (the Panel)

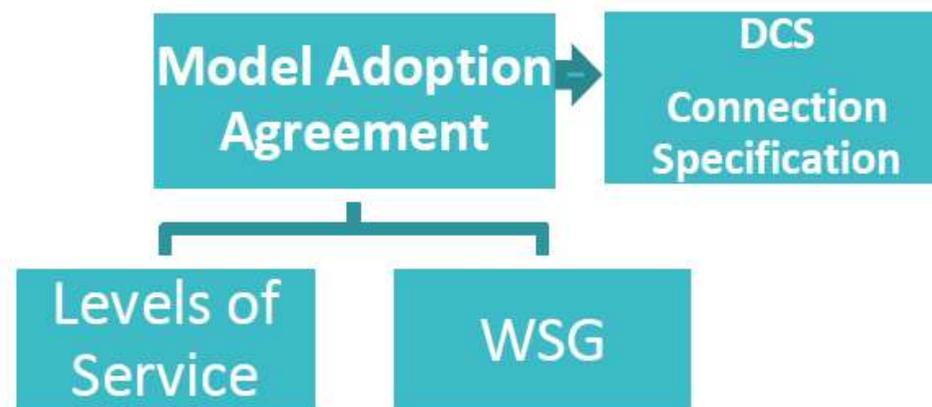


How do the documents fit together?

Pre-Adoption Agreement



Post-Adoption Agreement

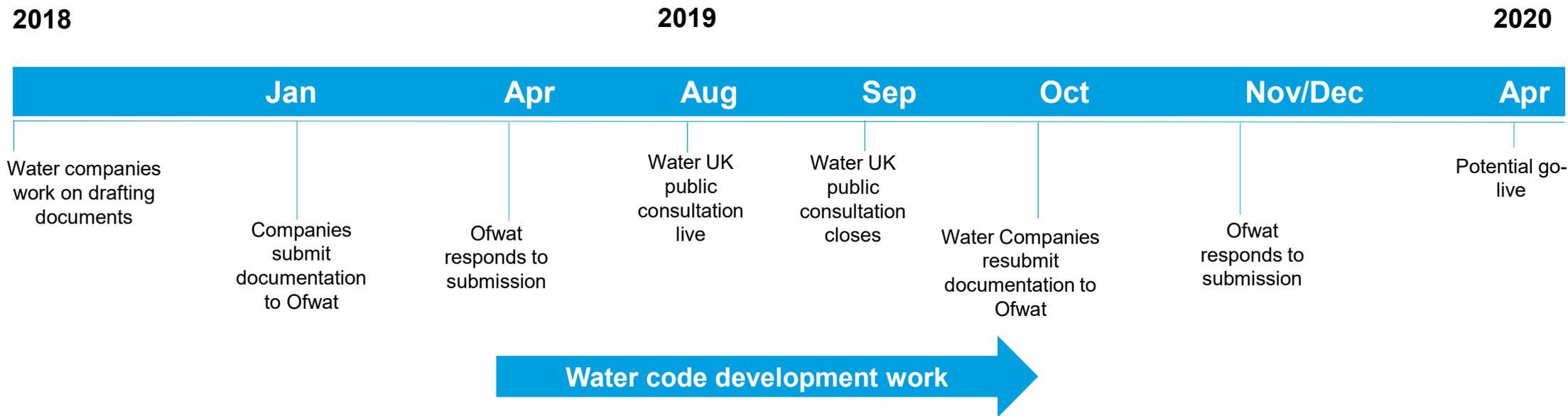


Key feedback from Ofwat.

- Drafting and balance in MWAA
- DCS needed completing
- Fixed delivery timetable
- Control point inspections to be avoided



Current timeline.



- Ofwat has indicated they will approve/provide feedback on the submission at the end of November/early December.
- The earliest the Code could go-live is the end of December/beginning of January.



Draft Model Water Adoption Agreement

What it is?

- *Binding contract which tells parties the basis on which a Water Company will connect and adopt a new water main and accessories constructed by an SLP.....*

What it is not?

- *A performance driven D&B contract, Water Company is not the client and SLP is not the contractor....*

Key Change

- *Contractual binding delivery date for SoW*



Obligations/ Responsibilities

Developer

SLP

Water Company

All must comply with terms of the WAA, DCS, Applicable Law, Statutory Consents, Water Sector Guidance & LoS

- CDM 2015 (Principal Designer & Principal Contractor)
- Grant WC unrestricted access to their site
- Protect Self Laid Main
- Procure land rights in favour of WC for Self Laid main
- Grant WC access to site at all times
- Responsible for rectifying damage to Self Laid main if damage is not a “defect”

- WIRS accredited
- Phasing programme
- Weekly whereabouts
- Allow WC access to inspect & audit Self Lay works at all reasonable times
- Obtain own Streetworks Licence
- Main laid under Section 50, give notice to Highways within 10 days of main vested
- Testing information within 24hrs
- Connection notification (not less than 7days)
- Repair defects notified by WC
- Return meter details to WC immediately on making connection (new LoS)

- SoW for testing within 28days
- Inspect & audit works
- Final connection within 14 days (SLP not accredited)
- Vest within 5 days

Contestable work	Potential contestable work (criteria dependent)	Non-contestable work
Construction of new mains and service connections	Connections up to 63mm PE/barrier pipe. Parent network <12" DI/CI/SI/PE/Barrier pipe/steel. Permanent connections	Any connection to GRP/PVC network
Construction of new network as part of reinforcement	Connections 63-300mm PE/barrier pipe. Parent network <12" DI/CI/SI/PE/Barrier pipe/steel. Operational pressure up to 50m	Design of network reinforcement (upsizing existing assets)
Design of new water network	Connections 63-300mm PE/barrier pipe. Parent network <12-18" DI/CI/SI/PE/AC/Barrier pipe/steel. Operational pressure up to 50-75m	Pipe sizing criteria and approval of design by others
Chlorination and pressure testing	Connections over 300mm. Parent network 18" & above or high risk parent network (steel). Operational pressure over 75m	Assessment of network risk and operating live network
Meter installation		Commission telemetry links
Taking water quality samples		Connection & decommissioning of diverted network
Analysing water quality samples		
CRMC connections		

Shadow operations begin.

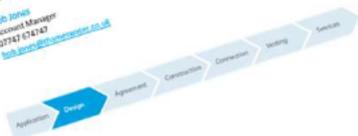


New suite of communications.

Launching Jan 2020:

- Concise emails make process **clear**
- **Timing** commitments and next steps provided
- **Checklists** ensure nothing is missed
- Direct point of **contact** included to support at each stage of the process

Tue 07/01/20
 Bob Jones
 RE: Your application to self lay a new main
 To: John Haines
 Cc: Roger Smith



Self lay Installation of mains checklist

Self lay Vesting Certificate

Self lay CRMC Checklist

Self lay Pre-start meeting

Self lay Point of connection report

Attachments 1 & 2: Chlorination certfic

Attachment 3: Water sampling results

Attachment 4: Pressure test sheet

Attachment 5: As-laid drawings

Contaminated land

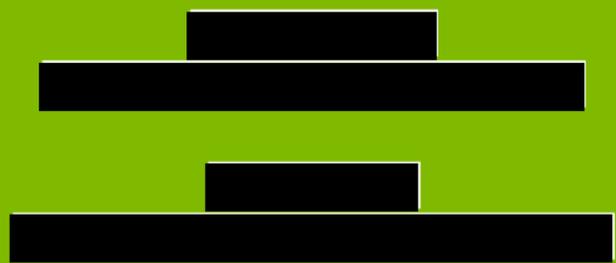


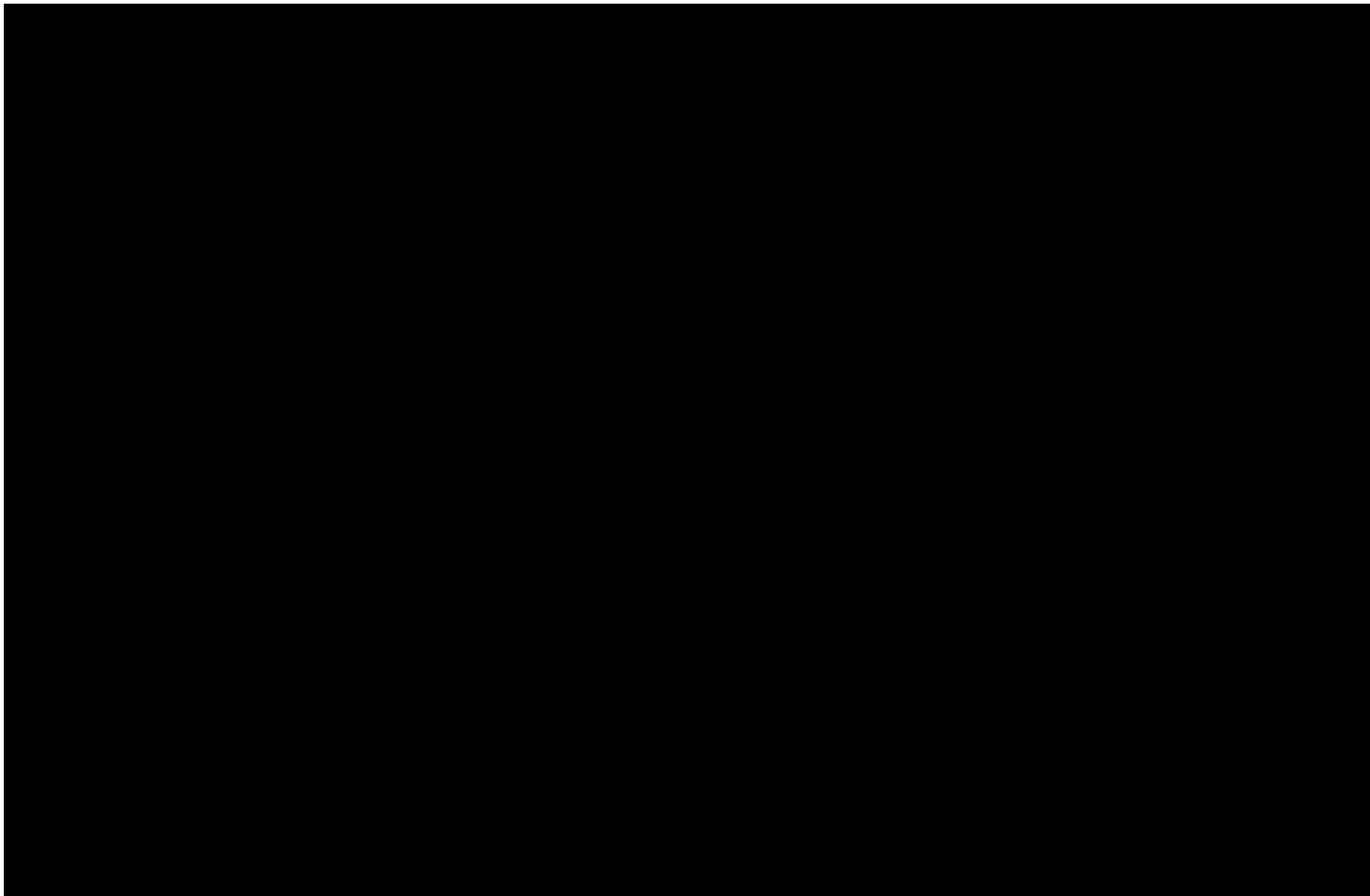
Q&A

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Field and delivery update





Common issues we come across.

Meters S/V's, W/O's & F/H's are not deep enough

- What issues cause this and who is responsible?

Last connection is more than 1meter from the end main W/O or F/H

- Awareness of all those working on connections

No aprons around S/C's, S/V's, W/O's or F/H's in soft ground

- Reasons why this is important



Common issues we come across.

No draw on mains that have been laid & connected

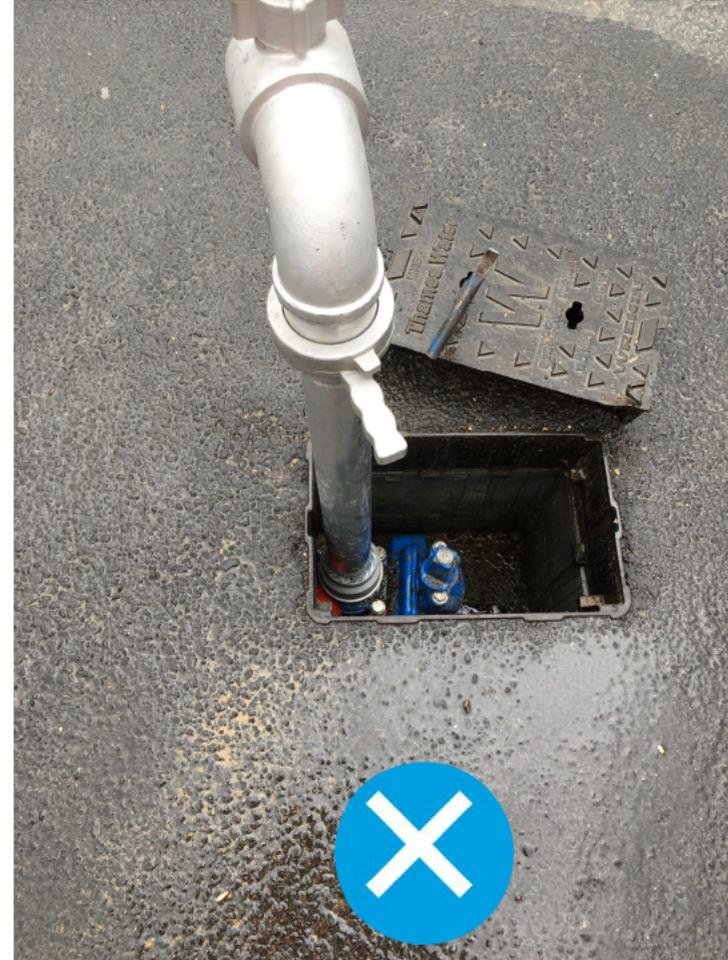
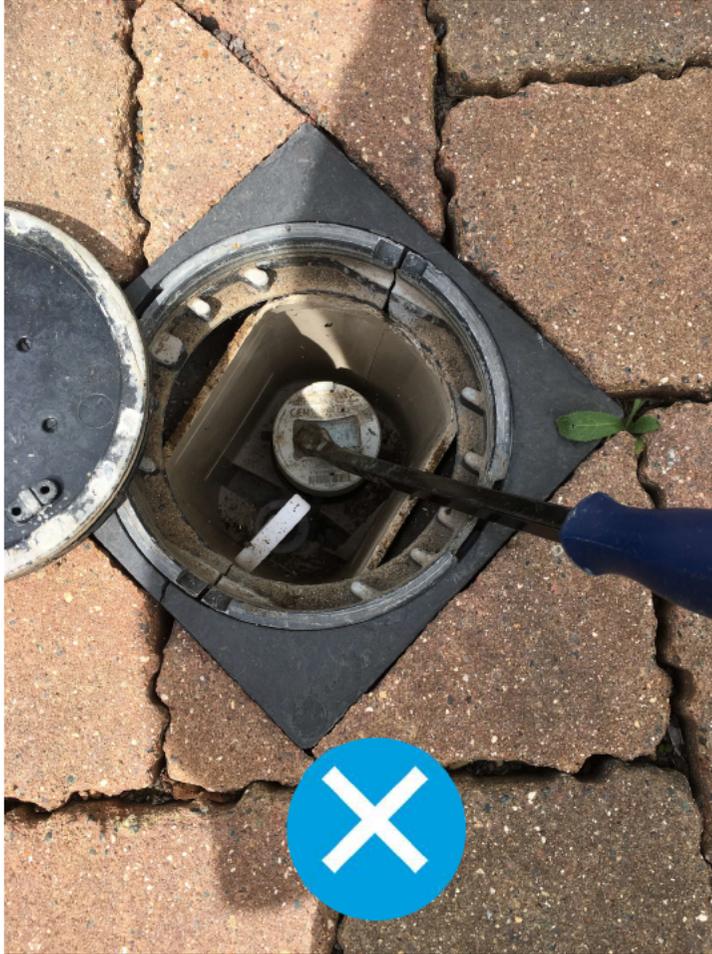
- Contamination risk

Barrier pipe joints are not being protected

- Again a future contamination or taste issue

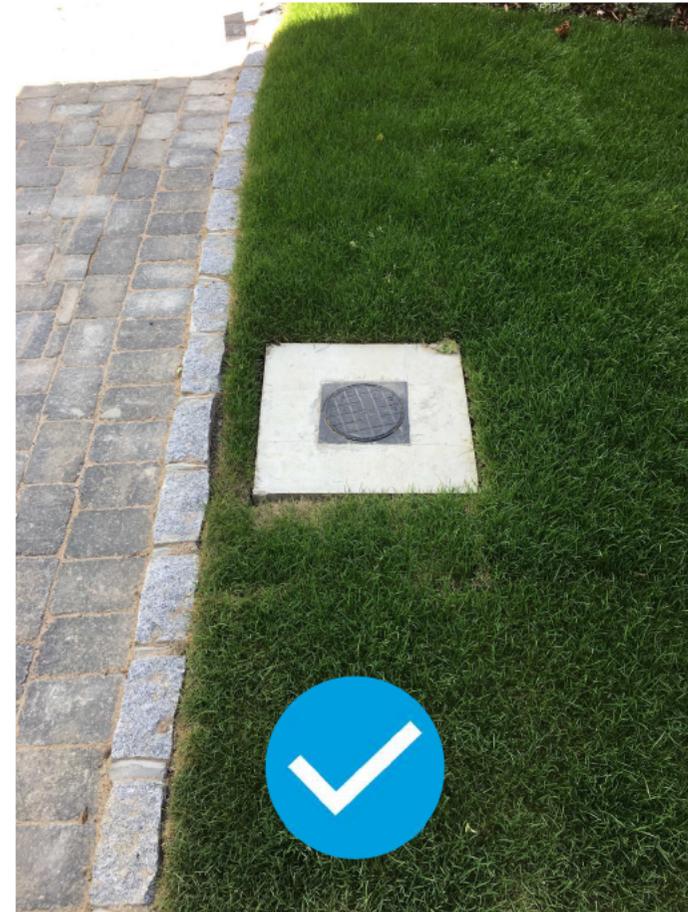
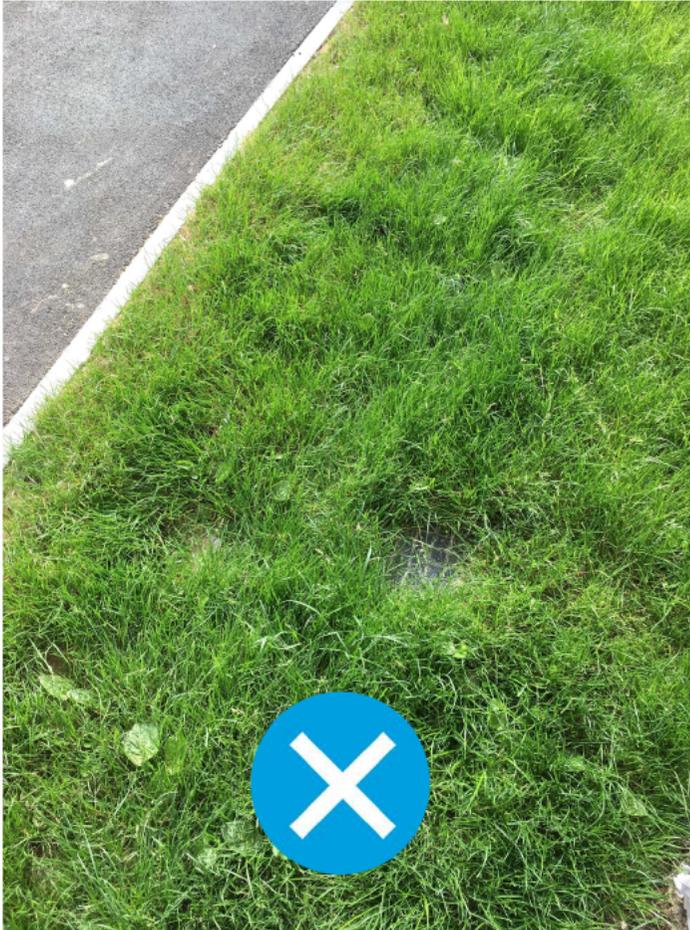


Example of issues.



Meter pit.

Before and after rectification.

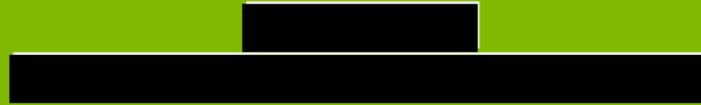


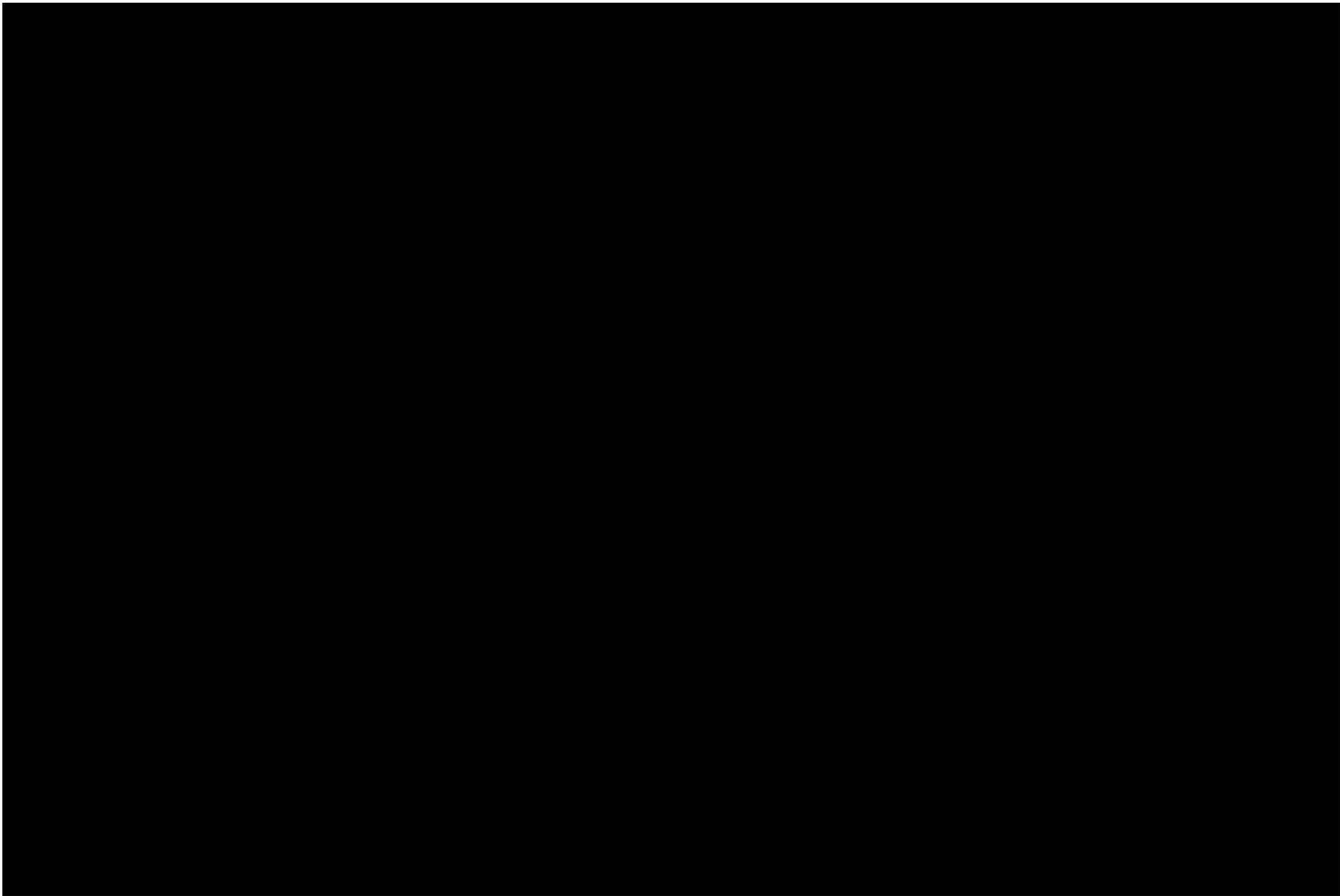
Barrier pipe.

Before and after rectification.



Delivery update





KCD

- Been in position since mid-July
- Previous worked on Southern Water framework for MEICA works
- Been involved in the water industry since 1997 but not full-time
- Have experience in water sector from abstraction, treatment, distribution, waste collection and waste processing – mainly in the UK but also overseas
- Have worked in other sectors including Oil, Construction, Facilities Management



KCD

Who we are

- Kier and Clancy Docwra joint venture as part of the Infrastructure Alliance

What we do

- Responsible for R&M activity in Thames Valley and South London
- Responsible for Developer Services in Thames Valley

Developer Services

- Provide new mains, connections and services on behalf of Thames Water
- Works vary from single supply through to large developments

SLP Provision

- We support you through providing a connection onto the Thames Water network from the main laid on site by the SLP
- We manage the enabling works with local authorities to execute the connection
- We work with you to deliver wholesome water to site



Issues currently faced.

Gang availability

- Numbers of gangs available to execute the work
- Knowledge and experience of the gang to do the work

Enabling and Planning

- Quality of information from site
- Planning competency

Staff turnover

- High level of change of staff over last 18 months

What we're doing about it.

Get it right at the front end = get it done at the back

Pre-construction Manager will manage works from incoming

- Ensure enabled properly and thoroughly
- Planning review works and time constraints and slot appropriately
- Customer contact is timely and accurate

Operational delivery

- Dedicated supervisor for SLP with dedicated teams
- Supervisor accountable to ensure job ready to go



Time for tea.



New connections charging 2020



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Don't forget:

You can text your own questions throughout this session, and up-vote other people's



Discussion agenda for 2020 Charging.

New charging rules: Recap on changes

Customer engagement: Where are we on the engagement plan

Customer consultation: Key points relevant to self-lay

Transition: How collectively we can assure developers get like for like comparisons



What's compulsory to change?

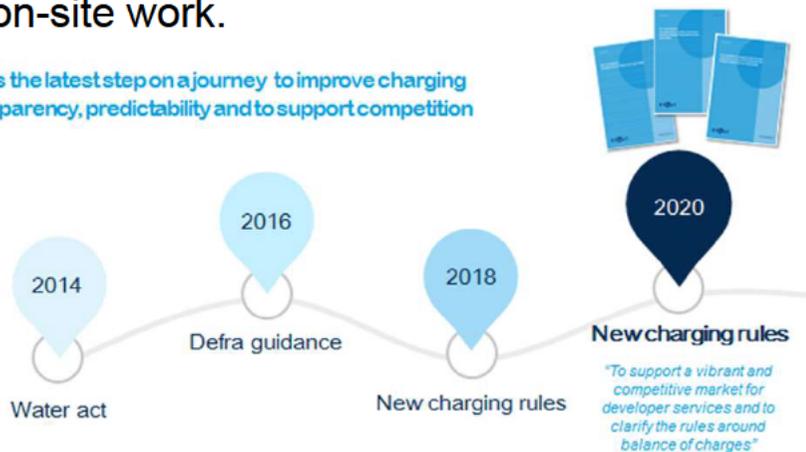
The new rules

In July 2019 Ofwat issued new charging rules for new connections that come into force on 1 April 2020. These new rules mean that

It is compulsory to apply an income offset to the infrastructure charge instead of to the requisition charge.

This is in order to make it available to all types of new developments, regardless of who provides the on-site work.

This is the latest step on a journey to improve charging transparency, predictability and to support competition



Ofwat's rules mean that we'll no longer:

- Give income offsets against requisition charges
- Make asset payments for self-laid new water mains
- Have a prescribed model for calculating income offset

Instead we will give an income offset against infrastructure charges (applying to any developments requiring connection to the incumbent water company's network)

What else do we need to consider.

Charges covered by these rules should reflect:

- Fairness and affordability
- Environmental protection
- Stable and predictable charges
- Transparent and customer focused charging

Ofwat separately sent a letter to Regulatory Directors stating:

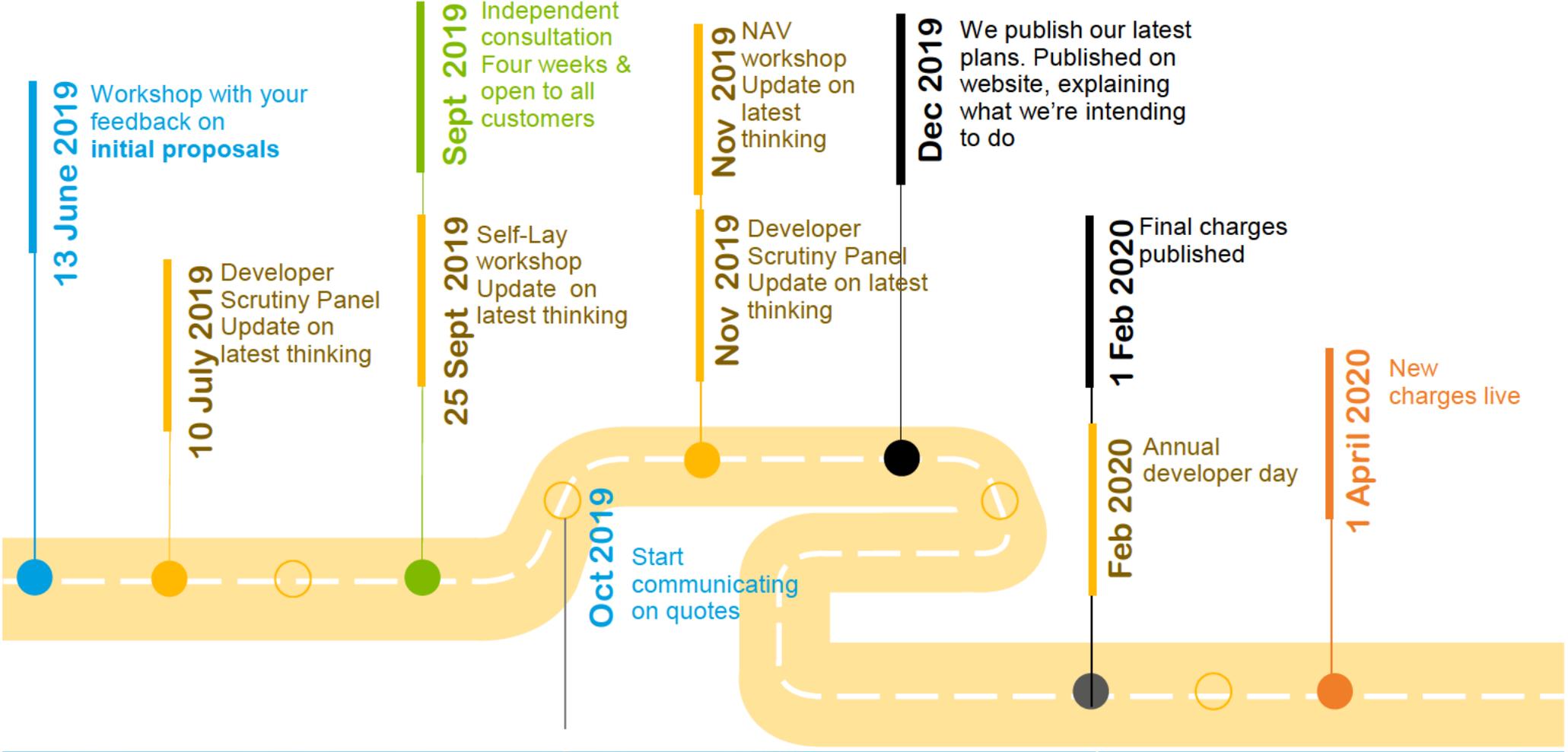
“It is disappointing that we have received complaints about a number of water companies that cover issues such as the level, clarity and application of design fees”

“Charges must be set in accordance with the principle that they should promote effective competition for contestable work”

TW is responding to these by making improvements to the charging arrangements document and the introduction of Mains Application & Design Fees.



Customer engagement plan



Communicating the options to customers:

Changes communicated in quotes, with links to consultation proposals

Changes communicated in quotes, with links to new charging document

Customer consultation.

Key proposals / changes relevant to self-lay providers

1. We will no longer make asset payments on schemes quoted for after April 1st 2020
2. The new income offset will go against all new connections not just those requiring a main
3. The new income offset amount applied to infrastructure charges after this time is likely to be smaller than the previous asset payment
4. A mains application and design or checking fee will be applicable if a quote is requested from TW
5. Any quote issued under 2019/20 charging arrangements will be honoured as long as:
 - It is accepted within its validity period
 - The self-lay agreement is signed within 12 months of acceptance



Customer consultation continued...

6. We are working on a way to enable self-lay providers to choose whether they pay infrastructure charges in advance or arrears (deferred)
7. The new income offset will be paid to whoever pays the infrastructure charges
8. The new income offset will be applied at the same time the infrastructure charges are paid
9. Any required requotes after April 1st will be re-calculated in accordance with 2020/21 charging arrangements

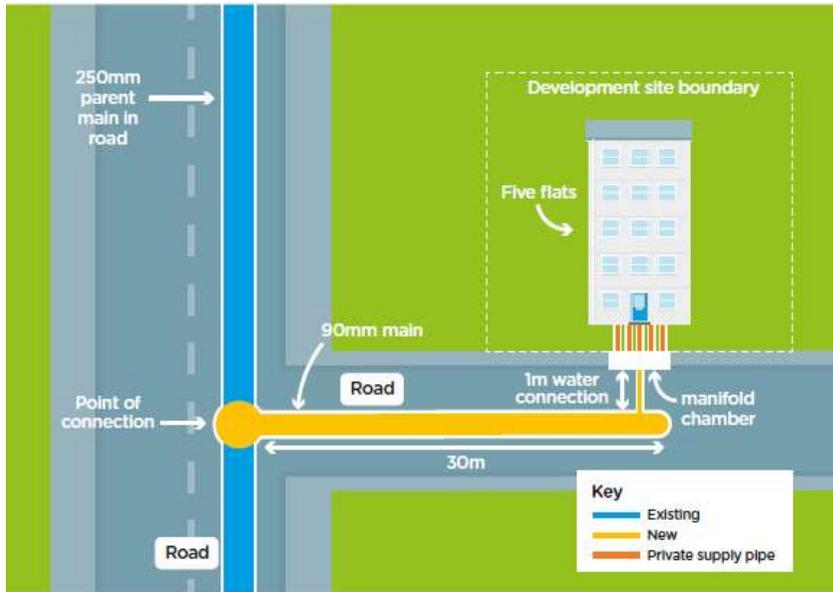
To influence these proposals, if you haven't put your name forward for a call already, is to use our online form. The page and link to the online consultation is:

<https://developers.thameswater.co.uk/new-connection-charging>



Example: New water main and new water connections to five flats.

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



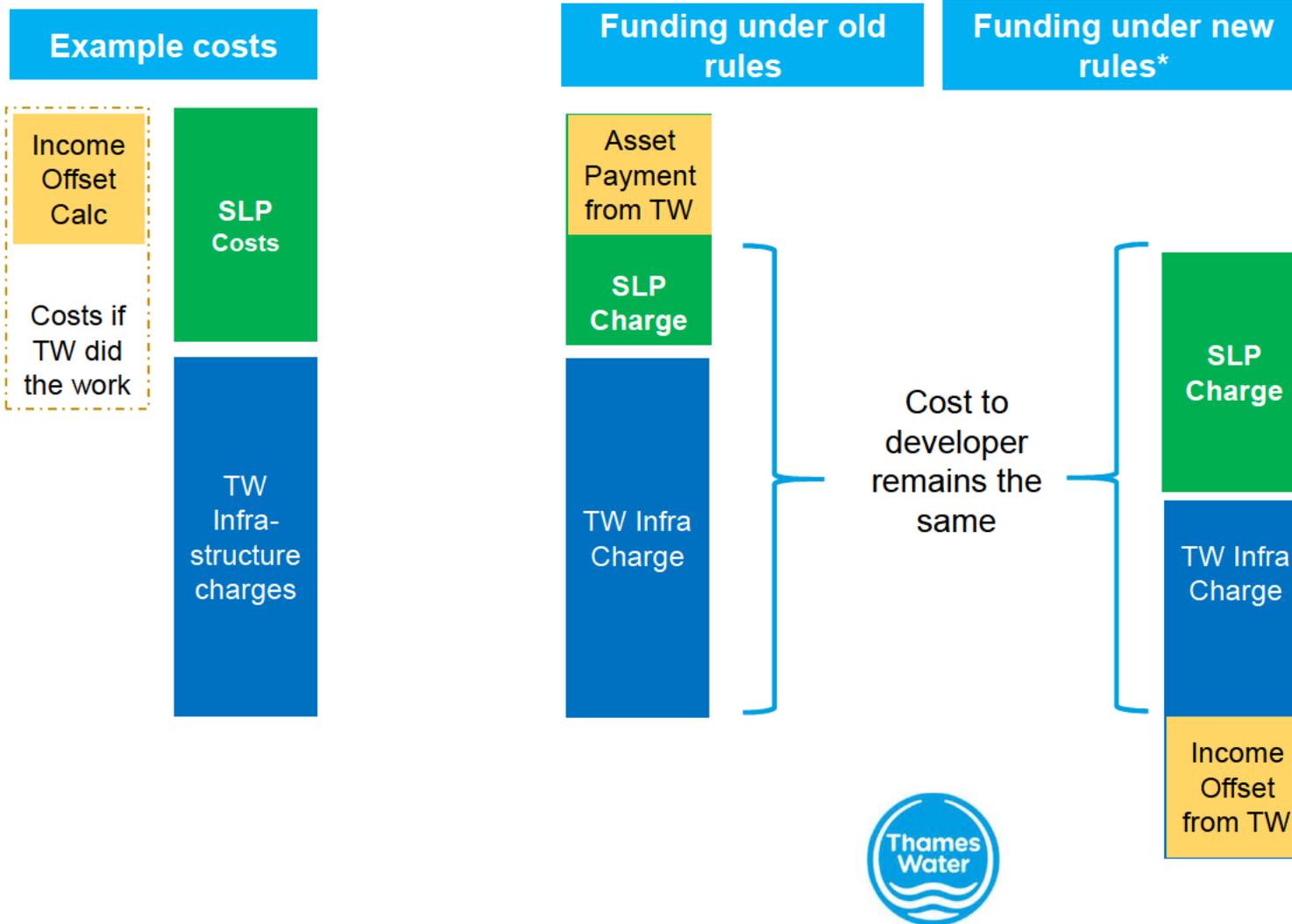
For the same five flat development but no new main is required.

		Future
Thames Water works	£4,380	£4,380
Gross asset payment	(£9,983)	n/a
Net asset payment	(£5,603)	£4,380
Service connections	n/a	n/a
Infrastructure charges	£1,750	£1,750
Income Offset	n/a	(£1,550)
Net infrastructure charges	£1,750	£200
Total charge	(£3,853)	£4,580

		Future
Infrastructure charges	£1,750	£1,750
Income Offset	n/a	(£1,550)
Net infrastructure charges	£1,750	£200
Total charge	£1,750	£200

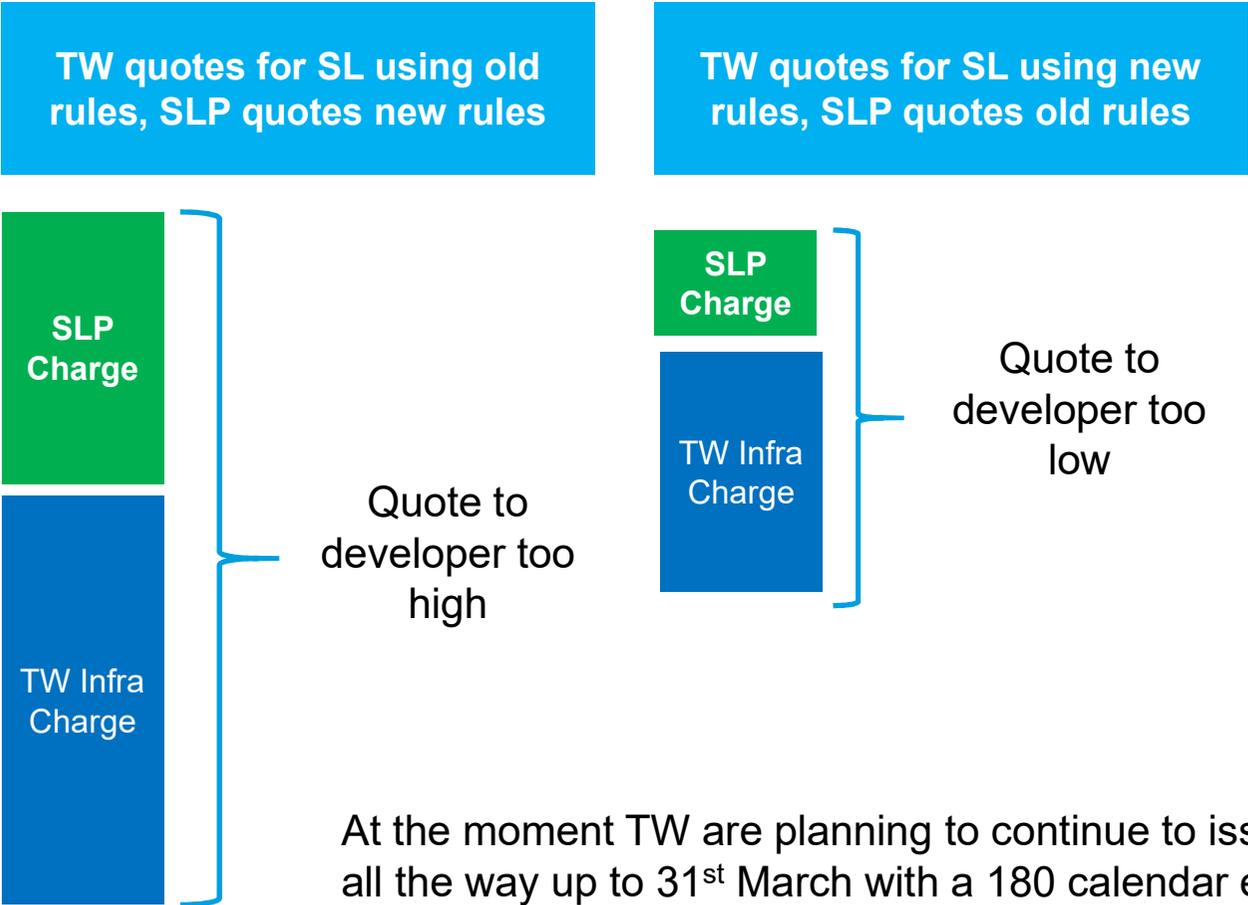
All 2020 charges are for example purposes only

Recap on the impact to self-lay providers of rule changes.



* Everything being equal, the cost to developers for self-lay jobs remains the same. SLPs are cost neutral whatever happens to the value of the new income offset

What if we quote based on different rules in the lead up to April 1st?



We would like to work together with SLPs to avoid these scenarios.

Discussion

At the moment TW are planning to continue to issue quotes under old rules all the way up to 31st March with a 180 calendar expiry date.

Q&A

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Wrap up



Polling update.



After today's discussions, tell us how you now feel about the following:

How well informed do you now feel about the changes coming due to code for adoptions?

- On a scale of 1-10

How knowledgeable do you now feel about the new charging arrangements for April 2020, especially in terms of the asset payments that will stop?

- On a scale of 1-10

How likely is it that you'd recommend us to a friend or colleague?

- On a scale of 0-10



Final questions.



How much do you value our self-lay forums?

- On a scale of 1-10



Final questions.



What's your preferred method of receiving company updates?

- The forum with mixed teams and topics
- One-topic workshops
- The self-lay email newsletter
- Talking with your account manager
- One-off, informal emails when necessary



Thank you for being here.

- Next self-lay forum – we'll base this on your preferences of communication given on Sli.do
- The annual Developer Day – This will be in February 2020 – the chosen date will be shared with you



Let's have lunch.



Appendices



Code for Adoption

Click on the icon below to view slides from a Water UK meeting to go through the changes to the documentation since the last submission

Water Code Adoption Consultation
Session
21 August 2019

