

03 August 2021

Via email: charging@ofwat.gov.uk

Re: Consultation on updating Ofwat's charging rules (the Consultation)

This response to the Consultation is being submitted by Water UK on behalf of its members, the statutory water undertakers in England. We welcome the opportunity to comment on the Consultation.

1 The nature of our response

Rather than being a direct response to the Consultation, our response is based on the list of standard terminology and of worked examples that have been prepared by a sectoral working group. The members of that group are listed below.

The response notes how these have been reflected in the Consultation and also refers extensively to comments received by the working group from stakeholders. The list of those stakeholders who commented on the draft response is also set out below.

We very much hope that this set of materials, going beyond the Consultation, will be of assistance to Ofwat as it draws up its conclusions from the Consultation.

We consider that this response effectively answers the comment in the Consultation that “companies have not significantly involved these stakeholders in the development process to date”.

2 The process leading to the Consultation

In submitting this response, we also wish to record reservations about certain aspects of the interaction between Ofwat and Water UK.

Following the request from Ofwat in 2020 for work on the standardisation of certain elements of the new connections charging regime to be led by an industry group, Water UK convened a working group with volunteers from 12 water companies. This group has worked collaboratively in an area which has been notoriously challenging in the past. We were pleased to see an excellent level of engagement from the industry and were impressed with the output from the group.

That output, in our view, has been somewhat diluted in the subsequent consultation to which we are now responding.

This concerns the worked example data tables and the list of defined terms. The Consultation omits the data tables and has not replicated all the definitions proposed by the working group. We received no prior explanation from Ofwat as to the reason for these omissions although we have been pleased to learn that Ofwat is proposing to include the worked examples data tables in the statutory consultation planned for the end of July 2021. We also note Ofwat's comment that the list of definitions was restricted to those necessary for statutory purposes. Nonetheless, it would have been helpful to have a clearer explanation at the outset as to how the sector's work might be used.

The more serious consequence of these omissions has been a divergence between the documentation on which the industry was consulting and the statutory consultation being carried by Ofwat. This has created unnecessary confusion and resulted in more complex and disjointed stakeholder engagement. As a result, the working group received several contacts from stakeholders who had previously been engaged in the process, who were seeking clarification regarding the divergence between the two

documents. We have had to work hard to overcome the negative impressions that some stakeholders had formed of the sector's work.

We acknowledge the efforts that Ofwat has made to address these concerns and would welcome the opportunity to consider further how this outcome might be avoided in future, similar exercises.

3 Working group and stakeholders

The members of the sectoral working group were:

Name	Company
Helen Lumsdon (Chair)	Northumbrian Water
Amy Johnson	Affinity Water
Graham Morley	United Utilities
Ashley Marshman	Southern Water
Ian McCrickard	Northumbrian Water
Tim Peacock-Bjurstrom	SES
Rachel Baker	South East Water
Louise Watson	South East Water
Dawn Quinn	Severn Trent
Steve Scott	Severn Trent
Neil Yates	Yorkshire Water
Alison Tregale	South West Water
Adam John-Stevens	South Staffs Water
Samantha Lash	Thames Water

Comments were received from the following stakeholders:

Name	Company
Martyn Speight	Fair Water Connections
Sarah Thomas	Consumer Council for Water
Ben Brownbill	Infrastructure Gateway Limited
Simon Bower	TriConnex
Lee Crabtree	Last Mile
Matt Batham	Bromford
Tim Haines	Countryside Properties
Mark Boyce	Utility Customer Service Management Ltd
John Gibson	Leep Utilities
David Palmer	Icosa Water

4 Final comment

We are conscious that there remain divergences between the sector's original documentation and the proposals in the Consultation. We are aware that Ofwat intends to engage in a further consultation exercise during July and if it would be helpful, members of the working group would be pleased to engage in further discussions with a view to reaching an agreed position on the contents of that further consultation.

David Strang

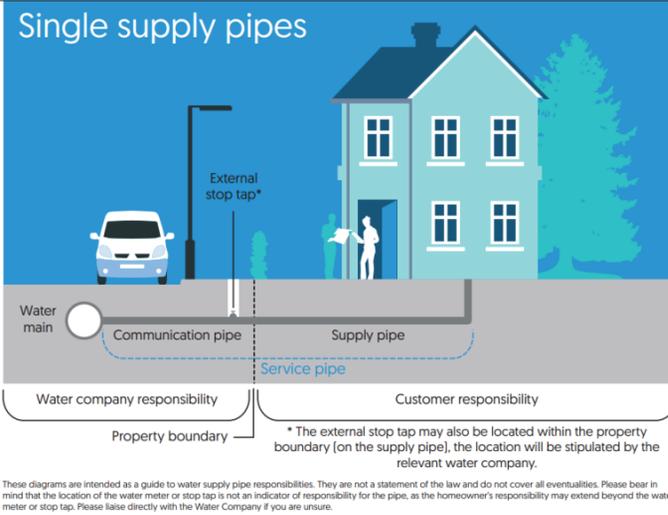
Senior Legal and Policy Adviser
Water UK
6 July 2021

Terminology Feedback

Current term	Current Definition	Proposed term	Working Group Proposed Definition	Ofwat Proposed Definition from consultation	Stakeholder & Working Group feedback
N/A	N/A	Administration Fee(s)	The fee(s) associated with general administration activities post cost advice stage, relating to the construction phase, which can include processing of any payments, scheduling works, supervision, project management and processing information into relevant billing/management systems.	"Administration Fee" means the fee associated with general administration activities, after the cost advice stage, relating to the construction phase, which can include processing any payments, scheduling the works, supervision and project management, and processing information into relevant billing/management systems.	<p>While there was little feedback on this term across the board, there was challenge as to the use of the words 'can include'. The working group feel that as this piece of work was concerned with standardisation of terminology, rather than structure of charges, the use of the phrase 'can include' is important to ensure water companies can include some, all or none of the aspects within this term. For example, some companies may split out project management fees into a separate charge element.</p> <p>There was also feedback that the definition should differentiate between administration and site-based activity, such as site visits. The working group would therefore recommend that the definition be amended to:</p> <p>"means the fee associated with general administration activities, after the cost advice stage, relating to the construction phase, which can include processing any payments, scheduling the works, supervision and project management, and processing information into relevant billing/management systems. This would not include site-based activities."</p> <p>Finally, there was feedback that administration fees can be applied for both mains and connections activities. It would therefore be beneficial to split out Mains Administration Fee and Connections Administration Fee as separate defined terms.</p>
"Alternative point of connection"	means a location on our water or sewerage network other than the point of connection.	Alternative Point of Connection	The practical location indicated by a Water Company which is neither i) a practical location indicated by the Developer Customer, NAV or Self-Lay Provider nor ii) the nearest practical location where the existing Water Main or Sewer is the same size or larger than the new connecting Water Main or Sewer - furthermore/also consistent with requirements under section 45 and 106 of the Water Industry Act 1991	"Alternative Point of Connection" means the practical location indicated by the Undertaker which is neither i) a practical location indicated by the Developer Customer nor ii) the nearest practical location where the existing water main or sewer is the same size or larger than the new connecting main or sewer.	<p>The intention of this term by the working group was to consider the chargeable element, where an alternative point of connection is provided by the Water Company. The feedback given by stakeholders supported the requirement for this, but suggested the current definition is not workable in that context.</p> <p>The working group have reconsidered the definition and would recommend the following definition:</p> <p>"means another location indicated by the Water Company which is neither i) a practical location indicated by the Developer Customer, nor ii) the nearest practical location where the existing Water Main or Sewer is the same size or larger than the new connecting Water Main or Sewer. The alternative point indicated may require network reinforcement which would be funded by the Water Company. The chargeable element for the Developer Customer remains as per the original point of connection."</p>
N/A	N/A	Annual Contestability Summary (ACS)	The standard format document published annually (or more frequently) by a Water Company on its website setting out which work and services are Contestable Work and which are Non-contestable Work.	"Annual Contestability Summary (ACS)" means the standard format document published annually (or more frequently) by the Undertaker on its website setting out which work and services are Contestable Work and Services and which are Non-contestable	We received no feedback on the proposed definition of this term.

			Work and services are described in section 3 of the Water Sector Guidance: https://www.water.org.uk/water-sector-guidance-approved-documents/	Work and Services as described in section 3 of the Water Sector Guidance (see www.water.org.uk/water-sector-guidance-approved-documents/).	
N/A	N/A	Application Fee(s)	The fee(s) associated with upfront application processing, which can include reviewing and acknowledging an application, checking that all relevant information has been received, preparing a cost advice, an agreement, or the acceptance for the proposed works.	"Application Fee" means the fee associated with upfront application processing, which can include reviewing and acknowledging an application, checking that all relevant information has been received, preparing a cost advice, an agreement or the acceptance for the proposed works.	<p>We received similar feedback as identified in Administration fee above in relation to the use of 'can include'. While there are some frustrations in relation to differences in methodology across some companies, the working group explained that the scope of this work was not to look at the structure of the charges. However, the working group confirmed that the data tables which were included in the output for the worked example, albeit omitted from the first Ofwat consultation, will be included in the statutory consultation. These data tables request companies to provide an application fee as members of the working group agreed that this should cover the costs of the upfront work associated with processing an application. This should be separated from other pre-construction charges and applied at point of application.</p> <p>In addition, there was feedback regarding historic application of costs associated with network modelling being applied by Water Companies. Members of the working group agree that this is not a chargeable activity, and therefore should not be included in the list of activities of the defined term.</p> <p>Finally, we received feedback that some companies are re-charging an application fee for minor amendments to the application, prior to design works commencing. The standardisation of the term seeks to set out expected activities and any re-charging due to amendments should be clearly stated in each water company's charging arrangements document.</p> <p>Following the above feedback, the working group suggest amending the definition to:</p> <p>"means the fee levied at point of application, which is associated with upfront application processing, which can include reviewing and acknowledging an application, checking that all relevant information has been received, preparing a cost advice, an agreement or the acceptance for the proposed works."</p>
N/A	N/A	Asset Payment	A payment made to the Developer Customer, Self-Lay Provider, or NAV in respect of that part of a newly adopted main used to supply water for domestic purposes. This definition applies only to relevant Water Main laying schemes (including Water Main adoptions) agreed prior to April 2020.	<i>There was no definition included in the Ofwat consultation.</i>	The view from stakeholders indicated that a defined term for Asset payments would be beneficial as, although for any new schemes beyond 1 st April 2020 asset payments are no longer applied, some water companies are still making asset payments as developments can span up to 10 years.
N/A	N/A	Bond/Surety	A financial guarantee underwritten by a bank or insurance company accepted by a Water Company.	"Bond or Surety" means a financial guarantee underwritten by a bank or insurance company accepted by the Undertaker.	<p>Stakeholders suggested the use of 'appropriate warranty provider' to account for the NHBC. Recommend definition is amended to:</p> <p>"means a financial guarantee underwritten by an appropriate warranty provider, bank or insurance company, which is accepted by the Water Company".</p>
"Carriageway"	means tarmac covered ground.	Road	A hard-surfaced area intended for vehicles	"Road" means a hard-surfaced area intended for vehicles.	There were several comments relating to this defined term. Stakeholders suggested that shared driveways, temporary roads, bridal paths and tracks could fall under this category

					and could also be public or private. The Highways act 1980 provides a definition of carriageway, however the definition was considered, by the working group, to be overcomplicated and misaligned to the intention of making charging arrangements more customer friendly. In summary, individual companies should define clearly in their charging arrangements if they categorise roads down to a more detailed level in relation to charges.
"Charging Arrangements"	means a document setting out the charges and/or the methodologies for calculating those, applied by the water or sewerage undertaker in accordance with these rules.	Charging Arrangements	A document setting out the charges and/or the methodologies for calculating those, applied by Water Companies in accordance with the Charging Rules.	"Charging Arrangements" means a document setting out the charges and/or the methodologies for calculating them, applied by the water or sewerage undertaker in accordance with the Charging Rules these rules.	All stakeholders felt that Ofwat should be referred to in the definition as owners of the Charging Rules. Recommended definition as follows: "means a document setting out the charges and/or methodologies for calculating them those, applied by the water or sewerage Companies in accordance with the Charging Rules issued by Ofwat"
"Charging Rules"	means the Charging Rules for New Connection Services (English Undertakers) issued under sections 51CD, 105ZF and 144ZA of the Act.	Charging Rules	The Charging Rules for New Connection Services (English Undertakers) issued under sections 51CD, 105ZF and 144ZA of the Water Industry Act 1991.	"Charging Rules" means the Charging Rules for New Connection Services (English Undertakers) issued under sections 51CD, 105ZF and 144ZA of the Water Industry Act 1991.	All stakeholders felt that Ofwat should be referred to in the definition as owners of the Charging Rules. Recommended definition as follows: "means the Charging Rules for New Connection Services (English Undertakers) issued by Ofwat under sections 51CD, 105ZF and 144ZA of the Water Industry Act 1991"
"Charging Year"	means a calendar year running from 1 April in a given year to 31 March in the following year.	Charging Year	A calendar year running from 1 April each year to 31 March in the following year	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term.
"Charges Scheme Rules"	" means the Charges Scheme Rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991.	Charges Scheme Rules	The Charges Scheme Rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991.	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term.
"Communication Pipe"	means 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. It consists of a pipe laid from an existing or newly laid Water Main to the boundary of a property, including a meter housing and stop valve.	Communication Pipe	This means any part of a service pipe which a Water Company could be, or have been, required to lay under section 46 of the Water Industry Act 1991. This can be seen in Figure 1, identified as below:	"Communication Pipe" means 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. It consists of a pipe laid from an existing or newly laid Water Main to the boundary of a property, and may include a meter housing and / or external stop valve.	Although omitted from the Ofwat Consultation document, all stakeholders supported the use of diagrams to aid with the definitions of Communication Pipe, Supply Pipe and Service Pipe. The diagrams are seen to be useful and reinforce the correct use of terminologies. Stakeholders suggested improvements to the diagram to show the boundary box/meter housing set up as well as a diagram for multiple properties to assist from a larger developer view. One company suggested removing the term to prevent it being mixed up with telecoms equipment. The working group however believe this definition and associated supporting diagram should remain. The working group will update the diagrams in accordance with the above and share with Ofwat. We strongly suggest this is introduced as a standard image to be used in all charging arrangements.

					
<p>“Connection Charges”</p>	<p>means charges that will be imposed by that undertaker for work carried out by it in accordance with the duties (or rights) created by the following provisions of the Water Industry Act 1991: section 45(1) (connection with Water Main); section 46(1) (ancillary works for purposes of making a domestic connection); section 98(1A) (provision of lateral drains); section 101B (construction of lateral drains following construction of a public sewer) or section 107(1) (right of undertakers to make communication with Public Sewer)</p>	<p>Connection Charges</p>	<p>The charges that will be imposed by a Water Company 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)</p>	<p><i>There was no definition included in the Ofwat consultation.</i></p>	<p>Feedback on this term was that the definition as provided by the working group does not include a reference to Section 51A. Recommended to re-introduce into the defined list with the following definition:</p> <p>“The charges that will be imposed by a Water Company 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 51(A) (Agreements to adopt water main or service pipe at future date); 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)”</p>
<p>“Contestable Work”</p>	<p>refers to work or services that can be completed by either the relevant undertaker or persons other than the relevant undertaker.</p>	<p>Contestable Work</p>	<p>The work or services that can be completed by either a Water Company or an Accredited Entity and, in the case of work and services associated with the provision of water supplies, is defined in each Water Company’s Annual Contestability Summary.</p>	<p>“Contestable Work” means work or services that can be completed by either the Undertaker or an Accredited Entity and, in the case of work and services associated with the provision of water supplies, is defined in each Undertaker’s Annual Contestability Summary.</p>	<p>The feedback of the definition provided in the Ofwat consultation document was that it is not very friendly to a smaller builder or one-off customer. In addition, feedback was given that there was no reference to contestability of work related to sewers.</p> <p>The working group have revisited the definition based on the above feedback and recommend the following definition:</p> <p>“The work or services that can be completed by either a Water Company or an Accredited Third Party, with the work and services relating to the provision of water supplies defined in each Water Company’s Annual Contestability Summary. For work related to new sewerage services, the majority of work is considered contestable, excluding diversions and requisitions. For more information on contestability of sewerage services, contact the Water Company directly.”</p>

N/A	N/A	Design Fee	The cost of designing against the application and producing a quotation	" Design fee " means the cost-reflective charge for designing against the application and producing a quote.	<p>We received feedback that there is currently no definition for 'cost-reflective' which leaves this open to interpretation.</p> <p>We also received feedback that the definition requires further detail, and the removal of the word 'quotation' to align with the used of fixed charges. In addition, it was noted that not all water companies apply an administration charge, so often those activities are included in the Design Fee.</p> <p>Finally, we received feedback that there should be a separate term for 'Design Vetting Fee' to account for checks against third party designs. This is accepted by the working group and an additional definition is proposed at the end of this table.</p> <p>Considering the above, we recommend the definition be amended to:</p> <p>"The cost of designing against the application, providing a detailed site drawing and design, specification and cost-advice. This may also include activities identified in the Administration Fee if that charge is not levied by the particular Water Company."</p>
"Developer Customer"	means any person or business which is responsible for a Development.	Developer Customer	Any person or business which is responsible for a Development.	" Developer Customer " means any person or business which is responsible for a Development, and may include a Developer, NAV or Self-Lay Provider.	<p>Feedback related to the fact that the customer may not always be the individual or business responsible for a Development, such as in Self-Lay scenarios. As such, recommend amending the definition to:</p> <p>"means any person or business which is responsible for a Development, or any person making an application for water or sewerage services. The person or business may include a Developer, NAV or Self-Lay Provider."</p>
"Development"	Means 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.	Development	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.	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term.
"Diversion Charges"	means the charges imposed by that undertaker pursuant to section 185(5) of the Water Industry Act 1991.	Diversion Charges	The charges imposed by a Water Company pursuant to section 185(5) of the Water Industry Act 1991.	<i>There was no definition included in the Ofwat consultation.</i>	All stakeholder feedback recommended the re-introduction of this term into the defined list. The working group support this.
N/A	N/A	Domestic Usage	Domestic usage relates to water use for domestic purposes. This includes for: drinking, washing, cooking, central heating and sanitary purposes. The purpose refers to the <u>primary</u> purpose of which the water is used.	" Domestic Use " means water used primarily for domestic purposes, including for drinking, washing, cooking, central heating and sanitary purposes.	We received no feedback on the proposed definition of this term
"Domestic premises"	means any premises used wholly or partly as a dwelling or intended for such use.	Household Premise	Means any premises used principally as a domestic dwelling or intended for such use, such as a house or flat.	" Domestic Premises " means any premises used wholly or partly as a dwelling or intended for such use, such as a house or flat.	We received some feedback that supports the change to 'Domestic Premise' to maintain continuity of terminology, when considering 'Domestic usage'.

					However, members of the working group still believe that Household premise alleviates confusion with 'domestic purposes', which can be at either household or non-household premises. The working group originally suggested this change to align with Ofwat's eligibility criteria. We strongly suggest the reintroduction of the Working Group's original proposed term of "Household Premises."
N/A	N/A	Excavation by Water Company	Where a Water Company undertakes any excavation, backfilling, or reinstatement.	" Excavation by water company " means any work undertaken by the Undertaker in excavation, backfilling or reinstatement, and charges for excavation by water company shall be construed accordingly.	We received no feedback on the proposed definition of this term, though recommended to amend the term to 'Water Company Excavation', however acknowledged that this was a point regarding semantics. One company requested the removal of the word 'or' in the definition.
"Existing main"	means a main that was in operation before development commenced.	Existing Main	A Water Main that was in operation before development commenced	<i>There was no definition included in the Ofwat consultation.</i>	We recommend the re-introduction of this term into the defined list, however there was a suggestion by stakeholders to tighten the definition to: "A Water Main that was commissioned independently of development commencing" . The working group support this.
"Fixed Charges"	means 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. Such charges are to be fixed for a Charging Year, as defined above. For the avoidance of doubt, and subject to the above, undertakers may impose Fixed Charges by reference to a unit measurement (for example, per mega-litre). Furthermore, undertakers may offer more than one Fixed Charge in charging for a service provided in accordance with the present rules (for example, by differentiating between different geographic areas).	Fixed Charges	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 a Water Company'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. Such charges are to be fixed for a Charging Year, as defined above. For the avoidance of doubt, and subject to the above, water companies may impose Fixed Charges by reference to a unit measurement (for example, per mega-litre). Furthermore, water companies may offer more than one Fixed Charge in charging for a service provided in accordance with the present rules (for example, by differentiating between different geographic areas).	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term
"Footpath (Footway)"	means a concrete covered surface.	Footpath	A hard-surfaced area intended for use by pedestrians	" Footpath " means a hard-surfaced area intended for use by pedestrians.	We received feedback that there may be situations in which the footpath may not always be surfaced, however the

					<p>working group suggest that the majority of the time it would be and for the purposes of a standard definition, the use of 'surfaced' works.</p> <p>One stakeholder suggested that the definition requires explanation to include highway authority paths, private paths and other paths such as compacted gravel.</p> <p>In addition, stakeholders suggest that the footpath may also be used by cyclists as cycle ways. The working group agrees and recommends the updated definition to be:</p> <p>"means a hard-surfaced area intended for use by pedestrian or cyclists".</p>
"House"	means any building or part of a building that is occupied as a private dwelling house or which, if unoccupied, is likely to be so occupied and, accordingly, includes a flat.	House	<i>Remove definition</i>	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed removal of this term.
"Income Offset"	means a sum of money offset against the charges that would otherwise be applied for the provision of a Sewer or Water Main in recognition of revenue likely to be received by the relevant undertaker in future years for the provision of: i. supplies of water to premises connected to the new Water Main; or ii. sewerage services to premises connected to the new Sewer, and "Income Offsetting" shall be construed accordingly	Income Offset	A sum of money offset, that may be offered by the water company, against the charges that would otherwise be applied for the provision of a Sewer or Water Main in recognition of revenue likely to be received by the relevant Water Company in future years for the provision of: i) supplies of water to premises connected to the new Water Main; or ii). sewerage services to premises connected to the new Sewer, and "Income Offsetting" shall be construed accordingly.	"Income Offset" means a sum of money, that may be offered by the Undertaker, against the infrastructure charges, in recognition of revenue likely to be received by the Undertaker in future years for the provision of: i. supplies of water to premises connected to a Water Main; or ii. sewerage services to premises connected to a Sewer, and "Income Offsetting" shall be construed accordingly.	We received no feedback on the proposed definition of this term
N/A	N/A	Infrastructure Credits	Infrastructure Credits may be applied when there has previously been a billable account on the same site/address. The eligibility criteria and method of calculating Infrastructure Credits is defined in a Water Company's Charging Arrangements.	"Infrastructure Credit" means a credit that may be applied to a billable account at the same site or address as was previously used for another billable account. The eligibility criteria and method of calculating Infrastructure Credits is defined in the Undertaker's Charging Arrangements.	<p>We some feedback on the proposed definition of this term. In general, there was a call for more standardisation of application of infrastructure credits across the industry, with one company specifically calling out the requirement to distinguish between infrastructure credits and water efficiency credits, where the definition can become blurred. The working group agrees with this and has provided a definition for 'Water Efficiency Incentive', however we propose specifically referring to this term in this definition to ensure this difference is clear.</p> <p>Our proposed definition is therefore:</p> <p>"means a credit which may be applied when there has previously been a billable account on the same site/address. The eligibility criteria and method of calculating Infrastructure Credits is defined in the Water Company's Charging Arrangements. This term is autonomous from any incentives applied against the infrastructure charge, for water efficiency for example. These are defined in the term 'Water Efficiency Incentive'."</p>

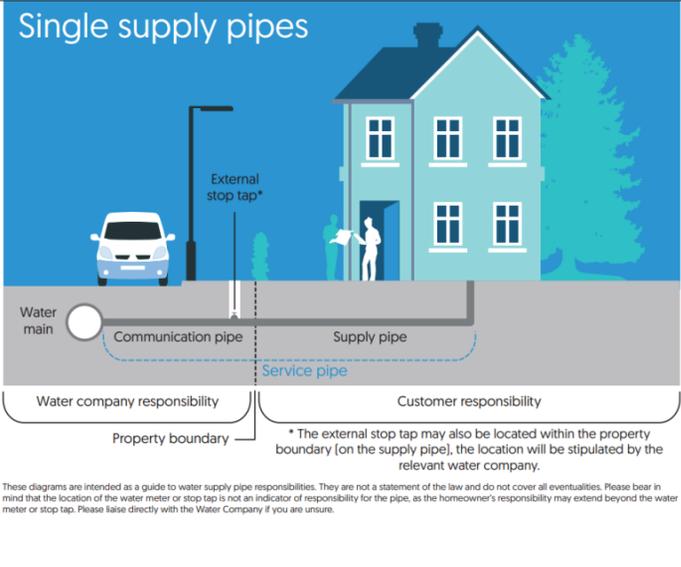
					While the stakeholder feedback relating to standardisation across the industry is not within the scope of this consultation, we suggest that the application of infrastructure credits by water companies could be addressed by the introduction of a charging rule
"Infrastructure Charge"	means the charges described in section 146(2) of the Water Industry Act 1991. That is, a charge paid by the Developer Customer to the Water Company when a property is connected to the company's water supply or sewer for the first time which contributes to wider network reinforcement to meet the increased demand arising from the new connections.	Infrastructure Charge	The charges described in section 146(2) of the Water Industry Act 1991. That is, a charge paid by the Developer Customer to a Water Company when an eligible property is connected to the company's water supply or Sewer which contributes to wider network reinforcement to meet the increased demand arising from the new connections.	"Infrastructure Charge" means the charges described in section 146(2) of the Water Industry Act 1991. That is, a charge paid by the Developer Customer to the Undertaker when an eligible property is connected to the Undertaker's water main or sewer for the first time and which contributes to wider network reinforcement to meet the increased demand arising from the new connection.	We received a query from one stakeholder as to why the working group removed the reference to 'for the first time'. The working group have reviewed this and are accepting of the reverting change by Ofwat in the consultation, which includes this reference. However, we would request a reference to domestic premises is added: "means the charges described in section 146(2) of the Water Industry Act 1991. That is, a charge paid by the Developer Customer to the Water Company when i) a property is using water and/or discharging wastewater for Domestic Purposes and ii) is connected to the company's water supply or sewer network for the first time. The charges contribute to funding of wider network reinforcement to meet the increased demand arising from the new connections." It was noted, however that the use of the term 'Undertaker' by Ofwat is not a helpful term, especially for smaller, one-off customers. We would recommend Ofwat adopt the working groups proposed term of 'Water Company' across all definitions.
"Lateral Drain"	means (a) 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.	Lateral Drain	Is (a) 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.	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term.
"Long length"	refers to the length of the new water pipe required between the private supply pipe (at the property boundary) and the point of connection, where the length is 4 metres or more and can be in different surface types, e.g. 4 metres in the road, 4 metres in unmade ground.	Far Side Connection	A connection between premises and an existing water main on the opposite side of the street to those premises to a maximum distance of 18m.	"Far Side Connection" means a connection between premises and an existing water main on the opposite side of the street to those premises, to a maximum distance of 18 metres.	We received a lot of feedback on this term, where stakeholders were seeking further clarification on the use of the term. The working group explained that only a small number of water companies used this term, and it was often in relation to their contractual arrangements. The working group have taken this definition away and propose the following to attempt to resolve: "Where a Water Company adopts this definition where a straight linear meterage rate is not applied to a connection, this means a connection between premises and an existing water main on the opposite side of the street to those premises, to a maximum communication pipe length of distance of 18 metres. Beyond 18 metres, a linear meterage will apply. Where

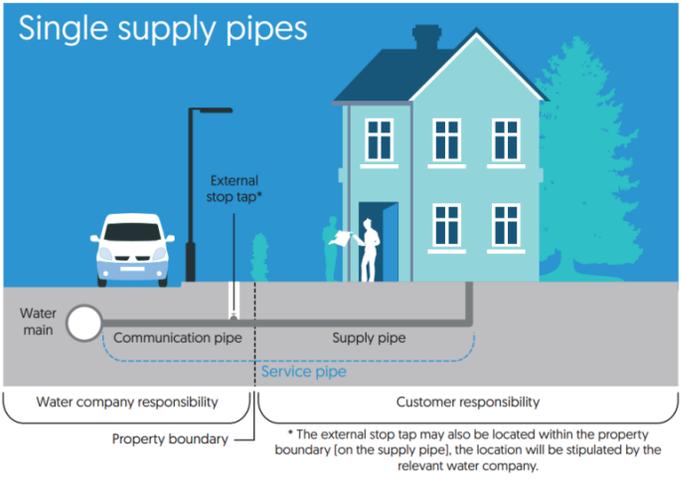
					the water main is located in the centre line of the street then the connection will be considered a Far side connection.”
“NAV”	New appointment and variations provide water and/or sewerage services to customers in an area previously served by the incumbent monopoly provider. A new appointment is made when Ofwat appoints a company for the first time to provide services for specific geographic area. A variation is where an existing appointment is varied to extend the areas served.	NAV	New appointment and variations provide water and/or sewerage services to customers in an area previously served by the incumbent Water Company. A new appointment is made when Ofwat appoints a company for the first time to provide services for specific geographic area. A variation occurs where an existing appointment is varied to extend the areas served.	<i>There was no definition included in the Ofwat consultation.</i>	All stakeholders suggested this term should be added back into the defined terms list as per proposal from the working group.
“Network Reinforcement”	refers to work other than Site Specific Work, as defined below, to provide or modify such other: i. Water Mains and such tanks, service reservoirs and pumping stations, or ii. Sewers and such pumping stations as is necessary in consequence of the Site Specific installation or connection of Water Mains, Service Pipes, Public Sewers and Lateral Drains pursuant to an agreement with, or a duty owed under the Water Industry Act 1991 to, a person other than a relevant undertaker, including a requisition (under sections 41(1), 98(1) or 98(1A)), under an agreement for adoption (under sections 51A or 104), under a section 66D of or a section 117E agreement, pursuant to section 45(1) (Duty to make connections with main) or in accordance with another duty imposed by the Act, or in consequence of the exercise of rights under section 106(1) (Right to communicate with public sewers). It also includes the additional capacity in any earlier Water Main or Sewer that falls to be used in consequence of the	Network Reinforcement	<i>No Change Proposed</i>	<i>There was no definition included in the Ofwat consultation.</i>	All stakeholders suggested this term should be added back into the defined terms list as per proposal from the working group, with a simplified definition of: “Work to provide or modify such other infrastructure as is necessary in consequence of either providing an adequate water supply or sewerage capacity to a development.”

	provision or connection of a new Water Main or Sewer				
"New Appointee"	means a company holding an appointment as a relevant undertaker where the conditions of that appointment limit the charges that can be fixed under a charges scheme by reference to the charges fixed by one or more other relevant undertakers.	N/A	<i>Remove definition</i>	<i>There was no definition included in the Ofwat consultation.</i>	All stakeholders agreed with the removal of the term, as long as the NAV term as per above was reinstated.
"New Connection Services"	is the collective term for New Water Mains, New Sewers, Service Connections, Lateral Drains, Waste Connections and Diversions.	Developer Services	Is the collective term for activities associated with serving Developer Customers, which may include: New Water Mains, New Sewers, Service Connections, Lateral Drains, Waste Connections and Diversions.	"Developer Services" is the collective term for activities associated with serving Developer Customers, which may include the provision of new water mains, new sewers, service connections, lateral drains, waste connections and diversions, but excluding building water (water used during construction).	Stakeholders suggested that a reference to building water would be useful within the definition. The working group agrees and recommends the following definition: "is the collective term for activities associated with serving Developer Customers, which may include the provision of new Water Mains, new Sewers, Communication Pipes, Lateral Drains, diversions of water and sewerage assets and connections made to supply water for building purposes" .
"No excavation"	These charges apply where we do not undertake any excavation, backfilling or reinstatement, for example, where the trench has been pre-excavated by you to our standards.	Excavation by Others	Where the Water Company does not undertake any excavation, backfilling, or reinstatement, for example, where trenches have been pre-excavated by somebody else to the Water Company's relevant standards.	"Excavation by others" means any work undertaken by someone other than the Undertaker in excavation, backfilling or reinstatement, and charges for excavation by others shall be construed accordingly.	Some feedback suggested the term to be 'Customer Excavation', however this was challenged by SLPs who believed that 'Excavation by others' makes more sense as SLPs will not always carry out excavation.
"Non-contestable Work"	means work or services that only the relevant undertaker (or an agent acting on their behalf) can do or provide	Non-contestable Work	The work or services that can only be completed by the Water Company and, in the case of work and services associated with the provision of water supplies, is defined in each Water Company's Annual Contestability Summary.	"Non-contestable Work" means work or services that can only be completed by the Undertaker and, in the case of work and services associated with the provision of water supplies, is defined in each Undertaker's Annual Contestability Summary.	We received no feedback on the proposed definition of this term.
N/A	N/A	Non-Domestic Usage	Non-domestic usage relates to water use for non-domestic purposes. This includes anything not covered by domestic usage, such as water for industrial usage (i.e. factories, data cooling centres), agriculture usage and swimming pools. The purpose refers to the <u>primary</u> purpose of which the water is used.	"Non-domestic Use" means water used primarily for non-domestic purposes, including anything not for Domestic Use, such as water for industrial or business use (including manufacturing processes, washing and cleaning and cooling), agricultural use and filling swimming pools.	We received no feedback on the proposed definition of this term.
N/A	N/A	Non-household Premise	Any premises used principally for business purposes, such as an office.	"Non-domestic Premises" means any premises not a domestic premises, being used principally for industrial, business, recreational or community purposes and not as a dwelling, or intended for such use.	We received no feedback on the proposed definition of this term from stakeholders, though one stakeholder supported the broader range provided in the Ofwat definition, as this covers off premises such as charities and toilet blocks, which are not necessarily seen for business purposes. The working group, however, do believe non-household premise is more appropriate as a term as per the response to Household premise, as this is aligned to Ofwat's eligibility guidance.
"On-Site"	works carried out or proposed to be carried out within the site boundary.	On-site	Within the site boundary	"On-Site" refers to construction works or charges for construction works carried out or proposed to be carried out within the boundary of the Development, and do not	We received no feedback on the proposed definition of this term. However, the working group believes that the change in definition necessitates a change to the term to 'On-site works'.

"Off-Site"	works carried out or proposed to be carried out outside the site boundary	Off-site	Outside of the site boundary	include pre-construction activities. "Off-Site" refers to construction works or charges for construction works carried out or proposed to be carried out in the immediate vicinity of the Development, and do not include pre-construction activities.	We do not believe that the reference to the proximity to the development in this definition term is helpful, as there is no definition to what is meant by 'immediate vicinity'. Recommend the definition is changed to: "refers to construction works or charges for construction works carried out or proposed to be carried out outside of the Development site boundary, and do not include pre-construction activities." In addition, as above, the working group believes that the change in definition necessitates a change to the term to 'Off-site works'.
"Point of connection"	means the nearest practical location where the existing Water Main or sewer is the same size or larger than the new connecting main or sewer.	Point of Connection	A location which is either i) a practical location indicated by a Developer Customer, NAV or Self-Lay Provider where the existing Water Main or Sewer is the same size or larger than the new connecting main or Sewer or, where they have not indicated a location, ii) the nearest practical location where the existing Water Main or Sewer is the same size or larger than the new connecting main or Sewer – furthermore/also consistent with requirements under section 45 and 106 of the Water Industry Act 1991	"Point of Connection" means a location which is either i) a practical location indicated by a Developer customer where the existing water main or sewer is the same size or larger than the new connecting main or sewer or, where they have not indicated a location, ii) the nearest practical location where the existing water main or sewer is the same size or larger than the new connecting main or sewer.	We received no feedback on the proposed definition of this term, however given the references to the chargeable element in 'Alternative point of connection', we would recommend that the definition is updated to: "means a location which is either i) a practical location indicated by a Developer customer where the existing water main or sewer is the same size or larger than the new connecting main or sewer or, where they have not indicated a location, ii) the nearest practical location where the existing water main or sewer is the same size or larger than the new connecting main or sewer. Should an alternative point of connection be identified by the Water Company, any increase in associated costs would be borne by the Water Company."
"Public Sewer"	means a sewer for the time being vested in a sewerage undertaker, whether under the Water Act 1989, the Water Industry Act 1991 or otherwise.	Public Sewer	A Sewer for the time being vested in a Water Company, whether under the Water Act 1989, the Water Industry Act 1991 or otherwise.	There was no definition included in the Ofwat consultation.	We received no feedback on the proposed definition of this term; however, we would suggest re-introduction into the defined list.
N/A	N/A	Pre-construction Activities	Activities associated prior to on-site works commencing, which may require a payment. Such charges may include an Application Fee, Administration Fee and Design Fee	"Pre-construction" refers to activities before on-site or off-site works are begun, which might include application administration and design.	We received no feedback on the proposed definition of this term, but following changes to on-site and off-site works being defined terms, these should be capitalised as: "refers to activities before On-site Works or Off-site Works are begun, which might include application, administration and design."
"Requisition Charge"	means charges that will be imposed by that undertaker for work carried out by it 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. That is, a charge set by the Water Company for the provision of the new Water Main or public sewer (a requisition) to recover the costs	Requisition Charge	Charges that will be imposed by a Water Company for work carried out by it 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. That is, a charge set by the Water Company for the provision of the new Water Main or Public Sewer (a requisition) to recover the costs reasonably incurred in providing them.	"Requisition Charge" means the charge that will be imposed by that undertaker for work carried out by it 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. That is, a charge set by the water company for the provision of the new water main or public sewer (a requisition) to recover the costs reasonably incurred in providing them.	We received no feedback on the proposed definition of this term.

	reasonably incurred in providing them.				
N/A	N/A	Security	The insurance to cover the failure to complete the drainage for a development scheme. It can be secured by methods which may at the Water Company's discretion include: a letter of credit in favour of the Water Company, a bank guarantee, a bond, or a cash deposit.	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term, only that the updates to bond/surety as above would be required before removal of this term.
"Self-Lay"	the laying of water pipes and associated infrastructure in accordance with section 51a of the Act	Self-Lay	The laying of water pipes and associated infrastructure by a Self-Lay Provider, in accordance with section 51a of the Water Industry Act 1991	"Self-Lay" means the provision of water pipes and associated infrastructure and services by an Accredited Entity other than the Undertaker in accordance with section 51a of the Water Industry Act 1991.	Feedback on this definition referred to concerns regarding the use of 'Accredited Entity'. Suggest the use of 'Accredited Third Party'. This feedback is also captured in the new term for Accredited Entity.
"Self-Lay Provider"	An accredited operative who can lay the pipework for a new Water Main or sewer rather than the infrastructure being laid by the Water Company. The Water Company will take over responsibility for self-laid pipes that meet the terms of its agreement.	Self-Lay Provider	A suitably accredited organisation that can lay the pipework for a new Water Main or Sewer rather than the infrastructure being laid by the Water Company.	"Self-Lay Provider" or SLP means an Accredited Entity other than the Undertaker who can provide the water pipes and associated infrastructure and services in accordance with section 51a of the Water Industry Act 1991.	Feedback on this definition referred to concerns regarding the use of 'Accredited Entity'. Suggest the use of 'Accredited Third Party'. This feedback is also captured in the new term for Accredited Entity.
"Service Connection"	means the construction of the pipe between the supply pipe of the premises and the public Water Main which is provided under section 45 and 46 of the Act.	Service Connection	The pipe between the Supply Pipe of the premises and the Water Main which is provided under section 45 and 46 of the Water Industry Act 1991.	"Service Connection" means the pipe between the supply pipe of the premises and the public water main which is provided under section 45 and 46 of the Act.	Feedback on this primarily related to the reference which has been added into Ofwat's definition to the 'public' water main. There is no reference in the Water Industry Act 1991 to the public water main, therefore we proposed to revert to the definition as provided by the working group. In addition, one company suggested the term and definition do not match as the definition explains the pipe not the connection. Finally, the working group have amended the reference to 'Act' as this is not a defined term, and capitalised any other defined terms within the definition. Suggest amendment of the definition to: "means the joining of a Service Pipe to a Water Main which is provided under section 45 and 46 of the Water Industry Act 1991"
"Service Pipe"	means 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	Service Pipe	This means a pipe, which is, or to be, connected with a Water Main for supplying water from that main to any premise This can be seen in Figure 1, identified as below:	<i>There was no definition included in the Ofwat consultation.</i>	All stakeholders supported the inclusion of this term, alongside the diagram. The diagram will be updated in line with feedback captured above in 'Communication pipe' and the title of the diagram will also be updated to reflect 'Service Pipe Connection' following feedback.

					
"Sewer"	includes all sewers and drains (not being drains within the meaning given by section 219(1) of the Water Industry Act 1991) which are used for the drainage of buildings and yards appurtenant to buildings. This definition includes tunnels or conduits which serve as such a pipe and any accessories for such a pipe.	Sewer	All sewers and drains (not being drains within the meaning given by section 219(1) of the Water Industry Act 1991) which are used for the drainage of buildings and yards appurtenant to buildings. This definition includes tunnels or conduits which serve as such a pipe and any accessories for such a pipe.	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term, however we would recommend the inclusion in the defined list.
N/A	N/A	Sewerage Sector Guidance	Guidance documents published in accordance with Ofwat's Code for adoption agreements, relating to the adoption of sewerage assets: https://www.water.org.uk/sewerage-sector-guidance-approved-documents/	"Sewerage Sector Guidance" means guidance documents published in accordance with Ofwat's Code for adoption agreements, relating to the adoption of sewerage asset and available at www.water.org.uk/sewerage-sector-guidance-approveddocuments/ .	The only feedback received was the spelling error in the Ofwat Consultation definition version of 'asset' instead of 'assets'.
"Short length"	refers to the length of the new water pipe required between the private supply pipe (at the property boundary) and the point of connection, where the length is less than 4 metres.	Near side connection	A connection between premises and an existing water main on the same side of a street to those premises	"Near Side Connection" means a connection between premises and an existing water main on the same side of a street to those premises.	We received similar feedback to the term 'Far Side Connection', with stakeholders seeking further clarity. Upon discussion we propose the following amended definition: "means a connection between premises and an existing Water Main on the same side of a street to those premises. Where the Water Main is in the centre line of the street then the connection will be considered a Far Side Connection."
"Site Specific"	work on, or the provision of, water or sewerage structures or facilities located on a development as well as work to provide	Site Specific Work	Work on, or the provision of, water or sewerage structures or facilities located on a development as well as work to provide and connect a requested Water Main, Sewer, Communication Pipe or Lateral Drain on, to or in the immediate vicinity of, the Development.	"Site Specific" means work on, or the provision of, water or sewerage structures or facilities located on a Development as well as work to provide and	Feedback suggests reverting to the original definition as follows, with any defined terms capitalised: "work on, or the provision of, water or sewerage structures or facilities located on a Development as

	and connect a requested Water Main, sewer, communication pipe or lateral drain on, to or in the immediate vicinity of, the development. Charges for site specific work relate to the provision of connection structures or facilities located on a development up to the nearest practical point on the existing network where the connecting pipework is of a nominal bore internal diameter no larger than that of our existing network. They do not refer to costs or work required as part of network reinforcement.			connect a requested water main, sewer, communication pipe or lateral drain on, to or in the immediate vicinity of, the Development. " Site Specific Work " and " Site Specific Charges " shall be construed accordingly. Site Specific work or charges do not refer to costs or work required as part of Network Reinforcement as defined above.	well as work to provide and connect a requested Water Main, Sewer, Communication Pipe or Lateral Drain on, to or in the immediate vicinity of, the Development. Charges for Site Specific Work relate to the provision of connection structures or facilities located on a Development up to the nearest practical point on the existing network where the connecting pipework is of a nominal bore internal diameter no larger than that of the existing network." This feedback was provided as 'site specific' work goes as far off-site as is needed to find a main/sewer of equivalent (or larger) size.
N/A	N/A	Site Specific Charges	Charges for Site Specific Work related to the provision of connection structures or facilities located on a Development up to the nearest practical point on the existing network where the connecting pipework is of a nominal bore internal diameter no larger than that of a Water Company's existing network. The charges do not relate to the costs or work required as part of Network Reinforcement.		Should this be included in the defined list, alignment would need to be made with the re-drafted definition within 'site specific work'.
"Small Company"	means a New Appointee	N/A	<i>Remove definition</i>	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed removal of this term.
"Supply pipe"	means the part of the service pipe that is not the communication pipe.	Supply Pipe	This means the part of the service pipe that is not the communication pipe and remains the customer responsibility. This can be seen in Figure 1, identified as below:  <p><small>These diagrams are intended as a guide to water supply pipe responsibilities. They are not a statement of the law and do not cover all eventualities. Please bear in mind that the location of the water meter or stop tap is not an indicator of responsibility for the pipe, as the homeowner's responsibility may extend beyond the water meter or stop tap. Please liaise directly with the Water Company if you are unsure.</small></p>	" Supply Pipe " means the part of the Service Pipe that is not the Communication Pipe, and which remains the customer's responsibility.	All stakeholders supported the inclusion of this term, alongside the diagram. The diagram will be updated in line with feedback capture above in 'Communication pipe' and the title of the diagram will also be updated to reflect 'Service Pipe Connection' following feedback. One company suggested removal of the term for clarity, however the working group does not support this view.
N/A	N/A	Sustainable Drainage Incentive	The Water Company may apply a reduction in charges where a Developer Customer meets a threshold for use of a sustainable drainage solution, as defined in the individual water company's charging arrangements.	" Sustainable Drainage Incentive " means a cost-reflective reduction in charges that maybe applied by the Undertaker to a Developer Customer where a Development meets a threshold for use of a sustainable drainage solution, as defined in the Undertaker's Charging Arrangements.	Stakeholders suggested the removal of 'maybe applied' to 'where offered'. Also, not the spelling of 'maybe' which should be 'may be' if Ofwat conclude this wording more appropriate. The working group have also reviewed the updated definition by Ofwat and do not agree with inclusion of the word "cost-reflective" as Ofwat is proposing to introduce a

					<p>specific cost reflectivity rule which applies to all charges. Including the wording “cost-reflective” in only two of the definitions implies that the other charges are not required to be set on a cost reflective basis and may raise more questions in relation to other charges.</p> <p>The proposed definition, therefore, is:</p> <p>“means, where offered, a reduction in infrastructure charges to a Developer Customer where they evidence that a Development will do/does meet a stipulated threshold for use of a sustainable drainage solution, as defined in the Water Company’s Charging Arrangements and/or specific environmental policies.”</p>
“Undertaker”	means a water undertaker or sewerage undertaker.	Water Company	The incumbent company that holds a licence from Ofwat to be a water undertaker and/or sewerage undertaker.	<i>There was no definition included in the Ofwat consultation.</i>	<p>Stakeholders supported the removal of the term Undertaker, to change to a more customer friendly term of ‘Water Company’. We note in the definitions shared by Ofwat, this reverts back to the use of ‘Undertaker’, however this does not then feature as a defined term. Should Ofwat require companies to adopt undertaker as a term, we would recommend the following definition “means an incumbent water company that holds a licence from Ofwat to be a water undertaker and/or sewerage undertaker”. However, we would urge the adoption of more customer friendly language.</p>
“Unmade ground (verge)”	refers to ground which does not have a surface. For example, unmade ground may feature grass and topsoil.	Unmade Ground	Ground which does not have a man-made surface. For example, Unmade Ground may feature grass and topsoil.	“Unmade Ground” means ground which does not have a man-made surface. For example, Unmade Ground may feature grass and topsoil.	<p>Stakeholders welcomed the intention for companies trying to adopt consistency across surface types where possible. To support that, stakeholders suggested ensuring ‘part made’ and ‘made ground’ were defined terms.</p> <p>The working group discussed these terms but concluded that made ground will consist of road or footpath, and part made ground is not driven through the charging arrangements, so a definition may not be necessary.</p> <p>One company suggested that, as it stands, compacted gravel would fall into this category, which is rather different from grass/topsoil. However, the working group feel the man-made surface element of the definition would cover the scenario with compact gravel and grass/topsoil is only one example.</p>
“Water Main”	means any pipe, not being a pipe for the time being vested in a person other than the undertaker, which is used or to be used by a water undertaker or licensed water supplier for the purpose of making a general supply of water available to customers or potential customers of the undertaker or water supply licensee, as distinct from for the purpose of providing a supply to particular customers. This definition includes tunnels or conduits which serve as	Water Main	Any pipe, not being a pipe for the time being vested in a person other than the Water Company, which is used or to be used by a Water Company or licensed water supplier for the purpose of making a general supply of water available to customers or potential customers of the Water Company or water supply licensee, as distinct from for the purpose of providing a supply to particular customers. This definition includes tunnels or conduits which serve as a pipe and any accessories for the pipe.	<i>There was no definition included in the Ofwat consultation.</i>	We received no feedback on the proposed definition of this term.

	a pipe and any accessories for the pipe.				
N/A	N/A	Water Efficiency Incentive	The Water Company may apply a reduction in charges where a Developer Customer meets a threshold for reduced water consumption, as defined in the individual water company's charging arrangements.	"Water Efficiency Incentive" means a cost-reflective reduction in charges that may be applied by the Undertaker to a Developer Customer where a Development meets a threshold for reduced water consumption, as defined in the Undertaker's Charging Arrangements.	Stakeholders suggested the removable of 'maybe applied' to 'where offered'. In addition, the working group's comments as per 'Sustainable drainage incentive' should be considered. Updated proposed definition: "means, where offered, a reduction in infrastructure charges to a Developer Customer where they evidence that a Development will/does meet a stipulated threshold for reduced water consumption, as defined in the Water Company's Charging Arrangements and/or specific environmental policies"
N/A	N/A	Water Sector Guidance	Guidance documents published in accordance with Ofwat's Code for adoption agreements, relating to the adoption of water assets: https://www.water.org.uk/water-sector-guidance-approved-documents/		Stakeholders suggested that the sewerage sector guidance should also be included in the defined list. The working group agreed with this and a suggest term is added at the bottom of the table.
N/A	N/A	Accredited Entity	N/A	"Accredited Entity" means a recognised organisation who, in respect of Contestable Work and Services, demonstrates competence, at all relevant times, by satisfying the following: (i) accreditation under WIRS; and/or (ii) the Water Company's local accreditation arrangements, agreed with the SLP in relation to a specified activity, published in its Annual Contestability Summary (ACS), pursuant to section 3.2 of the Water Sector Guidance.	Following feedback that the term Accredited Entity may be confused with the term used under WIRS, Stakeholders suggested amending the term to "Accredited Third Party" , we suggest the definition as: "means a recognised organisation who, in respect of Contestable Work and Services, demonstrates competence, at all relevant times, by satisfying the following: (i) accreditation under WIRS; and/or (ii) the Water Company's local accreditation arrangements, agreed with the SLP in relation to a specified activity, published in its Annual Contestability Summary (ACS), pursuant to section 3.2 of the Water Sector Guidance."
N/A	N/A	"Water Regulations Advisory Scheme (WRAS)"	N/A	"Water Regulations Advisory Scheme (WRAS)" is a compliance mark that demonstrates that an item/product complies with standards set out by Water Supply (Water Fittings) Regulations 1999.	We received no feedback on the proposed definition of this term.
N/A	N/A	"Water Industry Registration Scheme (WIRS)"	N/A	"Water Industry Registration Scheme (WIRS)" means the scheme operated by Lloyd's Register EMEA on behalf of Water UK and its members, which certifies the competence of companies undertaking Self-Lay, or such other scheme as replaces it from time to time.	We received no feedback on the proposed definition of this term.

Suggested new terms					
N/A	N/A	Abortive Visit	N/A	N/A	<p>Fair Water Connections propose this term as it is used across numerous charging arrangements and suggest there would be merit for its inclusion. No definition was provided.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Adoption	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p><i>“The process by which the water company takes over responsibility for infrastructure such as mains and sewers.”</i></p> <p>The working group have discussed this term and associated definition and support its inclusion. However, where a legal definition, published guidance or industry term is already in use we consider it appropriate to use this definition where possible.</p> <p>The working group therefore propose that the Water UK sewers for adoption guidance definition should be used for the term Adoption which is defined below:</p> <p>“the process whereby assets are vested in the water company and subsequently maintained at its expense.”</p>
N/A	N/A	Additional site visit	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Appraisal fees	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary. Where the relevant Water Company uses this term, they should define this in their individuals charging arrangements document.</p>
N/A	N/A	Build-overs	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>As build overs are excluded from the Ofwat Charging rules, the working group does not feel that a standard definition for this term is necessary. Where the relevant Water Company uses this term, they should define this in their individuals charging arrangements document.</p>
N/A	N/A	Building Water/water for construction	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>As building water is excluded from the Ofwat Charging rules, the working group does not feel that a standard definition for this term is necessary. Where the relevant Water Company uses this term, they should define this in their individuals charging arrangements document.</p>

N/A	N/A	Barrier Pipe	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this proposed term and would support its inclusion.</p> <p>The proposed definition is: “A Polyethylene (PE) pipe with an aluminium barrier layer conforming to Water Industry specification 4-32-19”.</p>
N/A	N/A	Branch Connection	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>“Installation of pipework into an existing water main or sewer to allow the connection of a new Development. The making of a Branch Connection could impact on existing customers, so appropriate control measures are usually required.”</p> <p>The working group support this inclusion but would recommend the removal of ‘or sewer’ within the definition, as the methodology for this is different and is not a term associated with sewerage services. In addition, the working group feel the definition should be limited to the type of connection and not include commentary about potential operational requirements. The proposed definition is therefore suggested as:</p> <p>“means the connection of new pipework to an existing Water Main such to provide a supply of water to a Development.”</p>
N/A	N/A	Chamber	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>A purpose built or manufactured compartment installed or constructed below ground level to house network apparatus.</p> <p>The working group have discussed this and do not feel the term is necessary for the purpose of a defined terminology list for charging purposes.</p>
N/A	N/A	Contaminated Land	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and believe there is merit for inclusion to support the term ‘barrier pipe’.</p> <p>“Contaminated land” is a specific legal term defined in the Environmental Protection Act 1990, Pt IIA. As this is a lengthy definition, a suggestion would be to make reference to the legislation which is assumed will have been taken into account in assessing previous site use.</p> <p>The working group propose the following definition:</p> <p>“Land by which a water company will install or request the installation of barrier pipe, following review of the previous use of site, or where proven necessary, in accordance with section 78A of the Environmental Protection Act 1990”</p>

N/A	N/A	Critical asset	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and believe creating a standard definition for this term would be extremely challenging as critical assets are defined by individual Water Companies.</p>
N/A	N/A	Design Checking Fee	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>“The cost of checking a design submitted by an Accredited Third Party.”</p> <p>The working group supports this term inclusion.</p>
N/A	N/A	Design and construction specification	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this and do not feel the term is necessary for the purpose of a defined terminology list for charging purposes.</p>
N/A	N/A	Fire supplies	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>“Supplies provided solely for fire safety provision.”</p> <p>The working group supports this term inclusion.</p>
N/A	N/A	Fire hydrants	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Hydrants installed at the request of the Fire Service and funded by them. Note: Shared use Washouts adopted by the Fire Service are funded as part of the mains work.</p> <p>The working group have discussed this and do not feel the term is necessary for the purpose of the defined list for charging purposes.</p>
N/A	N/A	Inspection fees / Re-inspection Fees	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Non-standard connection	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>A service sized above the standard size to accommodate non-domestic usage or to supply multiple properties.</p> <p>The working group supports this term inclusion, however, would propose the following definition to allow for usage type to be either domestic or non-domestic.</p> <p>“A service sized above the standard size as defined by the Water Company.”</p>
N/A	N/A	Network assembly	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p>

					<p>“Components such as Sluice Valves or Washouts, including associated chambers, needed to operate and maintain a water network”.</p> <p>The working group supports this term inclusion.</p>
N/A	N/A	Made Ground	N/A	N/A	<p>The working group have discussed this term and do not support its inclusion as made ground primarily consists of either road or footpath, which have already been defined. These terms should be used by all Water Companies.</p>
N/A	N/A	Manifold connection	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>“Where a communication pipe supplies a manifold to which separate supplies are connected.”</p> <p>The working group supports the inclusion of this term, with reference to supplies pipes in the definition:</p> <p>“Where a Communication Pipe connects with a manifold to which separate Supply Pipes are connected”</p>
N/A	N/A	Meter fitting	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>The installation of meters into chambers provided by the Developer.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Meter provision	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>The supply of company meters to be installed by an Accredited Third Party.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Minimum Design	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>The works necessary just to supply or drain the development and meet required service standards either through a single feed or, where it reduces the size of that feed, multiple connections.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary, as this can vary according to the methodology applied by the individual Water Company.</p>
N/A	N/A	Enhancement payments	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Money paid to the installer when the water company requires the installed works to be upsized</p>

					The working group have discussed this term and do not feel that a standard definition for this term is necessary.
N/A	N/A	In-line mains connections	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>A connection made to a newly laid main that does not supply customers and where the supplying main can be controlled by a valve, or can be squeezed off, without affecting existing customers. Typically, these are at the start of site-specific works or to energise a discrete phase.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Part-Made Ground	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Land within the Development where the ground has been worked but the road / footpath but neither the base nor running surface has been laid.</p> <p>While the working group agree standardising a definition may be useful, few companies structure their charges around this term, so the working group do not feel a standard term is necessary considering the surface types of unmade, road and footpath.</p>
N/A	N/A	Phasing	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>“Discrete parts of a Development which the Developer Customer chooses to separately progress so individually require commissioning (for mains sampling, testing and connecting).”</p> <p>The working group supports this term’s inclusion, however, does not support incorporating reference to potential operational activities in such a term. The working group proposal therefore is:</p> <p>“means a discrete part of a Development which the Developer Customer chooses to separately progress.”</p>
N/A	N/A	Point of Connection Enquiries	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and feel as the term ‘Point of Connection’ has been defined, there is little merit for this additional definition.</p>
N/A	N/A	Pre-Development Enquiries	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group support this term being included and would propose the following definition:</p> <p>“A Pre-Development Enquiry can be submitted by a Developer Customer to understand the infrastructure requirements or considerations for proposed developments. The Water Company will provide a report to i) confirm if the development can be supplied with water, ii) capacity within the wastewater network, iii) if any reinforcement work will be required to supply</p>

					the site together and iv) identifying any existing assets crossing the site which may require diverting or protecting. Where Network Reinforcement is required to supply the site, the company should provide an indicative capital cost or range of costs for these works.”
N/A	N/A	Relevant multiplier	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Used on Large Diameter Services where the supply is to non-household premises or a set of premises subject to a common billing agreement, to determine Infrastructure Charges based on the number and type of water fittings.</p> <p>The working group support this term being included but would propose the removal of ‘large diameter’ as this may not be the case in practice. Our proposal for a definition is:</p> <p>“means a calculation to determine the Infrastructure Charges payable relating to Non-household Premises or Household Premises subject to a common billing agreement and is based on the number and type of water fittings proposed for those premises.”</p>
N/A	N/A	Road closure charges	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Re-assessment fees	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Sampling and standard analysis	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Sustainable Drainage Systems (SuDS)	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Secondary connections	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Additional connections installed at a water company request to improve network operations. Note: such connections are funded by the water company from Infrastructure Charges.</p> <p>The working group have discussed this term and do not feel that a standard definition is appropriate given the complexity of the methodology surrounding this activity. In addition, the working group does not agree with the</p>

					proposed definition as this may not be installed at the Water Company's request, nor funded by the Water Company in all situations.
N/A	N/A	Shared trench	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Where a water service is laid in the same trench (or using a common duct) such that excavation costs are not incurred.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Self-certification	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Where an Accredited Third Party, usually a self-certified plumber, inspects, checks and certifies installed plumbing as meeting the water company requirements.</p> <p>The working group have discussed this term and support its inclusion, but would propose a change to the definition as follows:</p> <p>“means the activity whereby an Accredited Third Party inspects, checks and certifies installations, both internal and external to a premise, as being compliant with relevant standards and requirements”</p>
N/A	N/A	Sewer Adoption	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Where new sewers are needed to drain a Development and the Developer appoints their own contractor to do the work with the new sewers, if satisfactorily constructed subsequently adopted by the water company in accordance with its agreement with the developer.</p> <p>As 'Adoption' is a defined term, the working group does not agree this needs to be separately defined.</p>
N/A	N/A	Sewerage Connection	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>A connection between a Development sewer or drain and the public sewer, which is made in accordance with our right under section 107 of the Act.</p> <p>The working group have discussed this term and as 'Water Connection' is not a defined term, the working group would not support its inclusion in the standard terminology list. In addition, the working group has concerns regarding the definition as it does not reference S106 or S101A of the Act, nor does it refer to the connection as a communication, rather than a connection as properly defined.</p>

N/A	N/A	Special Circumstances	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Works which fall outside the defined scopes of work covered by the company Charging Arrangements</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Temporary Fittings	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Fittings, such as a Washout, installed to facilitate testing and chlorination, or phased construction, and which will get removed when networks are extended to supply subsequent parts of the Development.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Trial Hole	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Exploratory excavation done in advance of works construction.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Traffic Management Fees	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Charges payable to the Highway Authority for road closures, lane management and parking suspensions.</p> <p>The working group have discussed this term and support its inclusion, but would propose the following definition:</p> <p>“means charges to cover the cost of working in the highway safely as a result of compliance with the Traffic Management Act 2004”</p>
N/A	N/A	Trench inspections	N/A	N/A	<p>Fair Water Connections suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and do not feel that a standard definition for this term is necessary.</p>
N/A	N/A	Upsizing	N/A	N/A	<p>Fair Water Connections propose this term alongside the following definition:</p> <p>Where the water company instructs that the new mains and/or sewers are increased in size beyond that required to satisfy the minimum design. This may be to facilitate future development or to enhance the company network. Note – such work is funded by the water company from Infrastructure Charges.</p> <p>While the working group support its inclusion in the standard terminology list, we proposed the following amended term:</p>

					<p>“Where the Water Company instructs that new Water Mains and/or Sewers are increased in size beyond that required to satisfy the minimum design for a specific Development. This may be to facilitate future development and is deemed Network Reinforcement.”</p>
N/A	N/A	Water Regs UK	N/A	N/A	<p>IGL suggested a potential term, but no definition suggested.</p> <p>The working group have discussed this term and would support its inclusion, with the following definition:</p> <p>“Formerly provided under WRAS (Water Regulations Advisory Schemes), Water Regs UK are responsible for running the Water Industry Approved Plumber Scheme (WIAPS) on behalf of the Water Industry in England and Wales. The company focuses on promoting compliance with the Water Fitting Regulations and Byelaws across the UK to protect customers.”</p>

Worked Examples Feedback

General Feedback

Although the worked examples data tables were omitted from the Ofwat consultation document, we received support from all stakeholders for the inclusion of this moving forwards. The addition of columns with alternative delivery methods, SLPs and NAVs, was a significant benefit for developer customers to be able to compare charges across the board. Stakeholders agreed that by including separate scenarios for SLPs and NAVs would lead to too many examples being documented. As a working group, we feel these data tables are a positive step forward and support Ofwat's ambition of standardising the presentation of charges.

Stakeholders suggested that the worked examples needed to feature the cost differential of using barrier pipe on contaminated land. The working group agree that this would be beneficial and have amended the worked examples data table for an additional column for barrier pipe on Scenarios 3,4,5 and 6. The Water Company are able to input either a percentage uplift or rate into the column as appropriate.

In addition, stakeholders felt that more representative scenarios across medium and large developments would be for one scenario to show the water company completing all aspects of the excavation and the other to show the water company completing no excavation, rather than the hybrid which is currently defined. The working group agree that this is more representative and have amended Scenario 3,4,5 and 6 in Appendix 1.

One stakeholder suggested expanding the worked examples to cover network enhancements, work upstream of the chargeable point of connection and diversions. However, this was not a view which was supported by other stakeholder who felt that these supplementary examples are not required as network reinforcement funded through the infrastructure charge. One company recognised that Developer Customers may always request an example of something not covered in the standard worked example, but that six examples felt the right number and that there was enough variety to cover majority of the most common scenarios.

Finally, stakeholders welcomed where water companies are offering incentives for water efficiency measures. While the worked examples state that no incentives are applied to ensure an even playing field across all companies, there should be a footnote on examples if companies do offer such incentives to say that this may be an option. In addition, feedback shared that timescale for application of such incentives would be useful as some companies do not set these in line with the annual charging review. The working group agree this would be useful and commit to updating the company guidance on the worked examples.

Scenario 1 Feedback

We received no feedback in relation to this scenario.

Scenario 2 Feedback

Stakeholders required clarity on bulk meter arrangements as this would affect the relevant multiplier and therefore the infrastructure charges levied. The working group have updated the worked examples and clarified that all flats would need to be individually metered. This has been updated in the worked examples in Appendix 1.

Scenario 3 Feedback

Feedback centred around what elements would be considered contestable excavation. The working group have clarified that the excavation leading to the point of connection would be non-contestable. The worked examples have been updated in Appendix 1 to reflect this.

Scenario 4 Feedback

As per the above, there was a request for the addition of barrier pipe to the scenario. This has been added into the worked examples below. In addition, one company questioned the typical pipe size for this type of development. Following discussion on this, the working group agree that 125mm is a more realistic pipe size and have updated the worked examples.

Scenario 5 Feedback

Feedback challenged the meterage change from 3m (Scenario 3 and 4) to 5m (Scenario 5 and 6). The working group has reviewed and agreed that this should revert back to 3m in line with Scenario 3 and 4.

In addition, stakeholders suggested another 1-2 commissioning phases and 10 washouts as a more realistic set of design considerations. The working group has reviewed and concur with this view. The worked examples have been updated for scenario 5 and 6 and can be found in Appendix 1.

Scenario 6 Feedback

This scenario was omitted from the Ofwat consultation; however, we would request addition the amended scenario 6 as indicated in Appendix 1.

Appendix 1 - Proposed industry standard worked examples

Guidance for Water Companies

There are 6 worked examples which should form part of your 22/23 charging arrangements. These are:

- 1) Single connection to a house from an Existing Main
 - 2) Single connection to a block of flats to an Existing Main
 - 3) Medium Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by others)
 - 4) Medium Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by Water Company)
 - 5) Large Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by others)
 - 6) Large Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by Water Company)
- All items in the table which state 'Y' to 'Applicable Charge?' should be split out within water company's worked examples table and should remain unchanged. These are identified as bold in the table to allow customers to easily identify consistent rows which are applicable to any Water Company.
 - Any with a blank cell within the column 'Applicable Charge?' water companies should state whether it is applicable or not applicable depending on the structure of their charges. If a charge item is not applicable, a 'N' should be placed in the column with 'N/A' across the charge item cells.
 - Should you have additional charges which relate to an overall charge in Bold (i.e. Connection Charge or Mains Connection charge), you should include the rate in the table where it states 'sub-charge 1,2,3...' so that customers are able to relate the charges back to individual charging arrangements documents. The worked examples should reflect any ancillary charges which will be included in that part of work, i.e. thrust blocks.
 - The worked examples assume that any sewerage delivery works are completed by a third party. Any fees associated with these activities, i.e. Section 106 sewer connection vetting fee, should be added under 'Other Charges'.
 - As individual water companies publish their own contestability summary documents, where an activity within a worked example table is not a contestable activity/deemed irrelevant for a NAV company, these should be greyed out by the Water Company.
 - Any additional assumptions made over and above the below Developer Customers assumptions should be clearly documented at the end of each worked example.
 - For all scenarios, all contestable sewerage delivery activities are assumed to be carried out by third parties, with any applicable vetting fees to be identified in 'other charges'.
 - Where offered, water companies should add a footnote to the table indicating any incentives that may be applicable, i.e. water efficiency incentive.

Assumptions for Developer Customers

- All infrastructure charges are considered 'full', in that there are no associated reductions applicable related to the worked example, for example an infrastructure credit or water efficiency incentive. However, should a water company offer such incentives, this will be visible in the footnote of the worked example.
- Each worked example will have individual technical specifications detailed, including traffic management requirements.
- For all scenarios, all contestable sewerage delivery activities are assumed to be carried out by third parties, with any applicable vetting fees to be identified in 'other charges'.
- All charges are exclusive of VAT.

Scenario 1: Single Connection to a house from an Existing Main

This worked example provides charges for a single connection to an existing water Main of 90mm diameter polyethylene (PE). If applicable, the worked example should include the associated charges for a single property connection to an existing sewer, which is completed by the Developer Customer. These charges are specified under 'Other Charges'.

Within construction costs, this includes:

- Service pipe installation
- Boundary box fitting
- Meter installation
- Excavation
- Reinstatement

Technical Specification:

Ground Conditions:

This is assuming a typical soil type for our region, that there is no rock and the land is not contaminated.

Pipework:

- 25 – 32mm diameter PE pipe
- 4m pipework in road

Traffic Management:

Traffic management assumes the road (Type 3-4) is 40mph, has two lanes and does not require a road closure or lane closure. Two-way automated lights are required. There is also an assumption that the only payable council charges are for permitting.

Scenario 1: Single Connection to a house from an Existing Main									Alternative Delivery Method	
Applicable Charge?	Item	Unit	Qty	Rate (22/23) (£)	Total Charge (22/23) (£)	Barrier Pipe Uplift/Rate (22/23)	Barrier Pipe Total Charge (22/23) (£)	Contestable? (Y/N)	Self-Lay Rate 22/23 (£)*	Self-Lay Total Charge 22/23 (£)*
	Pre-Construction Charges									
Y	Application Fee	per application								
	Administration Fee	per application								
	Design Fee	per application								
	Construction Charges									
Y	Connection	per connection								
	o Connection sub-charge 1									
	o Connection sub-charge 2									
	o Connection sub-charge 3									
	Pipework - Road	per metre								
	Traffic Management	Per TM usage								
	Meters	Per connection								
	Other Charges									
	As applicable (i.e. S106 vetting fee)									
	Infrastructure Charges									
Y	Infrastructure Charge - Water	Per property								
	Infrastructure Charge - Sewerage	Per property								
	Income Offset									
Y	Income Offset – Water	Per property								
	Income Offset – Sewerage	Per property								
	TOTALS									

*Assumption that SLP/NAV performs all contestable elements of job, including design work and incur the costs associated with these activities.

Scenario 2: Single connection to a block of flats to an Existing Main

This worked example provides charges for a block of 10 flats to be connected to an Existing Main of 90mm diameter polyethylene (PE). Each flat would be individually metered. If applicable, the worked example should include the associated charges for a single property connection to an existing sewer, which is completed by the Developer Customer.

Within construction costs, this includes:

- Service pipe installation
- Meter installation
- Excavation
- Reinstatement

Technical Specification:

Ground Conditions:

This is assuming a typical soil type for our region, that there is no rock and the land is not contaminated.

Pipework:

- 63mm diameter PE pipe
- 4m pipework in road, 4m pipework in Unmade ground

Traffic Management:

Traffic management assumes the road (Type 3-4) is 40mph, has two lanes and does not require a road closure or lane closure. Two-way automated lights are required. There is also an assumption that the only payable council charges are for permitting.

Scenario 2: Single connection to a block of flats to an Existing Main									Alternative Delivery Method			
Applicable Charge?	Item	Unit	Qty	Rate (22/23) (£)	Total Charge (22/23) (£)	Barrier Pipe Uplift/Rate per metre (22/23)	Barrier Pipe Total Charge (22/23) (£)	Contestable? (Y/N)	Self-Lay Rate 22/23 (£)*	Self-Lay Total Charge 22/23 (£)*	NAV Rate 22/23 (£)*	Nav Total Charge 22/23 (£)*
Pre-Construction Charges												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Construction Charges												
Y	Connection	per connection										
	o Connection sub-charge 1											
	o Connection sub-charge 2											
	o Connection sub-charge 3											
	Pipework - Road	per metre										
	Pipework - Unmade	per metre										
Y	Meter Installation	per connection										
	Traffic Management	Per TM usage										
Other Charges												
	As applicable (i.e. S106 vetting fee))											
Infrastructure Charges												
Y	Infrastructure Charge - Water	Per Property										
	Infrastructure Charge - Sewerage	Per Property										
Income Offset												
Y	Income Offset – Water	Per Property										
	Income Offset – Sewerage	Per Property										
TOTALS												

*Assumption that SLP/NAV performs all contestable elements of job, including design work and incur the costs associated with these activities.

Scenario 3: Medium Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by others)

This worked example provided charges associated with the provision of new water mains and individual connections from them for each of 50 new houses. If applicable, the worked example should include the associated vetting charges for the 50 property connections to an existing sewer, which is completed by the Developer Customer.

Within construction costs, this includes:

- Main laying
- Service pipe installation
- Boundary box fitting
- Meter installation

Excavation and reinstatement are completed by others, exclusion of the excavation of 10m road type 3-4 leading to the point of connection to the Existing Water Main.

Technical Specification (Connection)

Ground conditions:

This is assuming a typical soil type for our region, that there is no rock and the land is not contaminated.

Pipework:

- Connection to Existing Main of 180mm diameter polyethylene (PE).
- 3m pipework laying (per communication pipe)

Technical Specification (Mains)

Pipework:

Total length 300m, consisting of:

- 125mm diameter PE – 10m road type 3-4 road (leading to the point of connection to an Existing Water Main)
- 125mm diameter PE – 190m
- 90mm diameter PE – 100m

Design Considerations:

- 180mm diameter parent Main, serving 150 existing customers
- Three commissioning phases
- Three sample chlorination and connections – Footpath
- Four washouts - Unmade ground
- Five valves (1 x 150mm, 3 x 100mm, 1 x 80mm) - Unmade ground
- One trial hole - Unmade ground

Traffic Management

Traffic management assumes the road (Type 3-4) is 50mph, has two lanes and requires a road closure and eight parking pay suspensions. Any additional council charges for permitting should be included.

Scenario 3: Medium Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by others)									Alternative Delivery Methods			
Applicable Charge?	Item	Unit	Qty	Rate (22/23) (£)	Total Charge (22/23) (£)	Barrier Pipe Uplift/Rate per metre (22/23)	Barrier Pipe Total Charge (22/23) (£)	Contestable? (Y/N)	Self-Lay Rate 22/23 (£)*	Self-Lay Total Charge 22/23 (£)*	NAV Rate 22/23 (£)*	NAV Total Charge 22/23 (£)*
Pre-Construction Charges – Connection												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Pre-Construction Charges – Mains												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Construction Charges - Connection												
Y	Service Connection	per connection										
	Pipework	per metre										
Y	Meter Installation	per meter										
Construction Charges – Mains												
Y	Mains Connection	Per connection										
	o Mains Connection sub-charge 1											
	o Mains Connection sub-charge 2											
	o Mains Connection sub-charge 3											
	Pipework	per metre										
	Traffic Management	Per TM usage										
Other Charges												
	As applicable (i.e. S106 vetting fee)											
Infrastructure Charges												
Y	Infrastructure Charge - Water	Per Property										
	Infrastructure Charge - Sewerage	Per Property										
Income Offset												
Y	Income Offset – Water	Per Property										
	Income Offset – Sewerage	Per Property										
	TOTALS											

*Assumption that SLP/NAV performs all contestable elements of job, including design work and incur the costs associated with these activities.

Scenario 4: Medium Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by Water Company)

This worked example provided charges associated with the provision of new water mains and individual connections from them for each of 50 new houses. If applicable, the worked example should include the associated vetting charges for the 50 property connections to an existing sewer, which is completed by the Developer Customer.

Within construction costs, this includes:

- Service pipe installation
- Boundary box fitting
- Meter installation
- Excavation
- Reinstatement

This worked example assumes that the excavation and reinstatement activities are carried out by the Water Company, however, should the Developer appoint and SLP or NAV, this worked example assumes these would be carried out by the SLP or NAV.

Technical Specification (Connection)

Ground conditions:

This is assuming a typical soil type for our region, that there is no rock and the land is not contaminated.

Pipework:

- Connection to Existing Main of 180mm diameter polyethylene (PE).
- 3m pipe laying (per communication pipe)

Technical Specification (Mains)

Pipework:

Total length 300m, consisting of:

- 125mm diameter PE – 10m pipework in road (including connection to existing 180mm PE Main)
- 125mm diameter PE – 50m pipework in footpath
- 125mm diameter PE – 140m pipework in Unmade ground
- 90mm diameter PE – 100m pipework Unmade ground

Design Considerations:

- 180mm diameter parent Main, serving 150 existing customers
- Three commissioning phases
- Three sample chlorination and connections - Footpath
- Four washouts - Unmade ground
- Five valves (1 x 150mm, 3 x 100mm, 1 x 80mm) - Unmade ground
- One trial hole - Unmade ground

Traffic Management

Traffic management assumes the road (Type 3-4) is 50mph, has two lanes and requires a road closure and eight parking pay suspensions. Any additional council charges for permitting should be included.

Scenario 4: Medium Housing Development requiring New Mains and communication pipes (Excavation and reinstatement completed by Water Company)								Alternative Delivery Methods				
Applicable Charge?	Item	Unit	Qty	Rate (22/23) (£)	Total Charge (22/23) (£)	Barrier Pipe Uplift/Rate per metre (22/23)	Barrier Pipe Total Charge (22/23) (£)	Contestable? (Y/N)	Self-Lay Rate 22/23 (£)*	Self-Lay Total Charge 22/23 (£)*	NAV Rate 22/23 (£)*	NAV Total Charge 22/23 (£)*
Pre-Construction Charges – Connection												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Pre-Construction Charges – Mains												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Construction Charges - Connection												
Y	Service Connection	per connection										
	Pipework - Footpath	per metre										
Y	Meter Installation	per meter										
Construction Charges – Mains												
Y	Mains Connection	per connection										
	o Mains Connection sub-charge 1											
	o Mains Connection sub-charge 2											
	o Mains Connection sub-charge 3											
	Pipework - Unmade	per metre										
	Pipework - Footpath	per metre										
	Pipework - Road	per metre										
	Traffic Management	Per TM usage										
Other Charges												
	As applicable (i.e. S106 vetting fee)											
Infrastructure Charges												
Y	Infrastructure Charge - Water	Per Property										
	Infrastructure Charge - Sewerage	Per Property										
Income Offset												
Y	Income Offset – Water	Per Property										
	Income Offset – Sewerage	Per Property										
TOTALS												

*Assumption that SLP/NAV performs all contestable elements of job, including design work and incur the costs associated with these activities.

Scenario 5: Large Housing Development requiring New Mains and communication pipes (Excavation and reinstatement completed by others)

This worked example provided charges associated with the provision of new water mains and individual connections from them for each of 200 new houses. If applicable, the worked example should include the associated vetting charges for the 200 property connections to an existing sewer, which is completed by the Developer Customer.

Within construction costs, this includes:

- Main laying
- Service pipe installation
- Boundary box fitting
- Meter installation

Excavation and reinstatement are completed by others, exclusion of the excavation of 200m road type 3-4 leading to the point of connection to the Existing Water Main.

Technical Specification (Connection)

Ground conditions:

This is assuming a typical soil type for our region, that there is no rock and the land is not contaminated.

Pipework:

- Connection to Existing Main of 180mm diameter polyethylene (PE)
- 3m pipe laying (per communication pipe)

Technical Specification (Mains)

Pipework:

Total length 1000m, consisting of:

- 180mm diameter PE – 20m type 3-4 road (leading to the point of connection)
- 180mm diameter PE – 100m
- 125mm diameter PE – 480m
- 90mm diameter PE – 400m

Design Considerations:

- 250mm diameter parent Main, serving 150 existing customers
- Six commissioning phases
- Six sample chlorination and connections - Footpath
- Ten washouts – Unmade Ground
- Eight valves (1 x 150mm, 5 x 100mm, 2 x 80mm) - Unmade Ground
- Two trial holes - Unmade Ground

Traffic Management

Traffic management assumes the road (Type 3-4) is 50mph, has two lanes and requires a road closure and eight parking pay suspensions. Any additional council charges for permitting should be included.

Scenario 5: Large Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by others)									Alternative Delivery Methods			
Applicable Charge?	Item	Unit	Qty	Rate (22/23) (£)	Total Charge (22/23) (£)	Barrier Pipe Uplift/Rate per metre (22/23)	Barrier Pipe Total Charge (22/23) (£)	Contestable? (Y/N)	Self-Lay Rate 22/23 (£)*	Self-Lay Total Charge 22/23 (£)*	NAV Rate 22/23 (£)*	NAV Total Charge 22/23 (£)*
Pre-Construction Charges – Connection												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Pre-Construction Charges – Mains												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Construction Charges - Connection												
Y	Service Connection	per connection										
	Pipework	per metre										
Y	Meter Installation	per meter										
Construction Charges – Mains												
Y	Mains Connection	per connection										
	o Mains Connection sub-charge 1											
	o Mains Connection sub-charge 2											
	o Mains Connection sub-charge 3											
	Pipework	per metre										
	Traffic Management	Per TM usage										
Other Charges												
	As applicable (i.e. S106 vetting fee)											
Infrastructure Charges												
Y	Infrastructure Charge - Water	Per Property										
	Infrastructure Charge - Sewerage	Per Property										
Income Offset												
Y	Income Offset – Water	Per Property										
	Income Offset – Sewerage	Per Property										
TOTALS												

*Assumption that SLP/NAV performs all contestable elements of job, including design work and incur the costs associated with these activities.

Scenario 6: Large Housing Development requiring New Mains and communication pipes (Excavation and reinstatement by Water Company)

This worked example provided charges associated with the provision of new water mains and individual connections from them for each of 200 new houses. If applicable, the worked example should include the associated vetting charges for the 200 property connections to an existing sewer, which is completed by the Developer Customer.

Within construction costs, this includes:

- Service pipe installation
- Boundary box fitting
- Meter installation
- Excavation
- Reinstatement

This worked example assumes that the excavation and reinstatement activities are carried out by the Water Company, however, should the Developer appoint and SLP or NAV, this worked example assumes these would be carried out by the SLP or NAV.

Technical Specification (Connection)

Ground conditions:

This is assuming a typical soil type for our region, that there is no rock and the land is not contaminated.

Pipework:

- Connection to Existing Main of 180mm diameter polyethylene (PE)
- 3m pipe laying (per communication pipe)

Technical Specification (Mains)

Pipework:

Total length 1000m, consisting of:

- 180mm diameter PE – 20m pipework in road (leading to the point of connection);
- 180mm diameter PE – 100m pipework in footpath
- 125mm diameter PE – 480m pipework in Unmade ground
- 90mm diameter PE – 400m pipework Unmade ground

Design Considerations:

- 250mm diameter parent Main, serving 150 existing customers
- Six commissioning phases
- Six sample chlorination and connections - Footpath
- Ten washouts - Unmade Ground
- Eight valves (1 x 150mm, 5 x 100mm, 2 x 80mm) - Unmade Ground
- Two trial holes - Unmade Ground

Traffic Management

Traffic management assumes the road (Type 3-4) is 50mph, has two lanes and requires a road closure and eight parking pay suspensions. Any additional council charges for permitting should be included.

Scenario 6: Large Housing Development requiring New Mains and communication pipes (Excavation and reinstatement completed by Water Company)									Alternative Delivery Methods			
Applicable Charge?	Item	Unit	Qty	Rate (22/23) (£)	Total Charge (22/23) (£)	Barrier Pipe Uplift/Rate per metre (22/23)	Barrier Pipe Total Charge (22/23) (£)	Contestable? (Y/N)	Self-Lay Rate 22/23 (£)*	Self-Lay Total Charge 22/23 (£)*	NAV Rate 22/23 (£)*	NAV Total Charge 22/23 (£)*
Pre-Construction Charges – Connection												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Pre-Construction Charges - Mains												
Y	Application Fee	per application										
	Administration Fee	per application										
	Design Fee	per application										
Construction Charges - Connection												
Y	Service Connection	per connection										
	Pipework - Footpath	per metre										
Y	Internal Meter Installation	per meter										
Construction Charges – Mains												
Y	Mains Connection	per connection										
	o Mains Connection sub-charge 1											
	o Mains Connection sub-charge 2											
	o Mains Connection sub-charge 3											
	Pipework - Unmade	per metre										
	Pipework - Footpath	per metre										
	Pipework - Road	per metre										
	Traffic Management	Per TM usage										
Other Charges												
	As applicable (i.e. S106 vetting fee)											
Infrastructure Charges												
Y	Infrastructure Charge - Water	Per Property										
	Infrastructure Charge - Sewerage	Per Property										
Income Offset												
Y	Income Offset – Water	Per Property										
	Income Offset – Sewerage	Per Property										
	TOTALS											

*Assumption that SLP/NAV performs all contestable elements of job, including design work and incur the costs associated with these activities.