



VEOLIA WATER PROJECTS LTD DEVELOPER SERVICES

NEW CONNECTION CHARGING ARRANGEMENTS FOR 2020/21

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Contents

Background and Introduction to the Veolia Water Projects Ltd [VWPL] Developer Services Charging Arrangements for New Connections Services and Key Changes for 2020/21

General Introduction	3
Pre-development matters.	5
Veolia Water Projects Ltd Statement of the impacts of its Inset Appointment	7
Developer Choice - Important information for all our Customers.	8
Detailed Guidance Notes and Application Forms.	9
Value Added Tax [VAT]	10

CHARGES SCHEDULES & FEES FOR FIXED PRICE ACTIVITIES 2020 / 2021

WATER SERVICES

1. Water Service Connections	11
1. [a] S 45 Water connection from an existing main - Application Fee	12
1. [b] S 45 Water connection from an existing main - Processing Fee	13
1. [c] S 45 Water Connections from a new main as part of a mains Requisition Scheme - Application & Connection Fees.	14
1. [d] S 45 Connection Charges - work undertaken by VWPL - Fixed price.	15
1. [e] Disconnection Charges	17
1. [f] S 45 Building Water	18
2. S 41 Statutory Water Mains Requisitions & Charges – installation by VWPL.	19
2. [a] S41 Requisition application fee	20
2. [b] S 41 Requisition processing fee.	21
2. [c] S 41 Construction Charges.	22
3. Charges associated with S 51 Self-Lay Schemes.	23
3. [a] S 51 Self-Lay Application Fee - Scheme design by SLP - CHOICE A.	24
3. [b] S 51 Self-Lay Application fee - Scheme design by VWPL - CHOICE B.	25
3. [c] S 51 Self-lay Agreement and Scheme Processing Fees	26
3. [d] S 51 Construction charges.	28
3. [e] S 51 Meter Charges for Self-Lay Service Connections.	29
3. [f] S 51 SLP installed meters	30
3. [g] S 51 Self-lay connection - administration charge	31
4. Water main diversions - S 185	32

SEWERAGE SERVICES

5. S 106 New connections to the public sewer.	33
5. [a] S 106 Connections made by a developer.	34
6. S104	35
6. [a] S 104 Adoption of on-site sewers as public sewers.	35
6. [b] S 104 Adoption of sewers - application fee.	36
6. [c] S 104 Legal fees in relation to sewer adoptions.	37
6. [d] S 104 Sewer adoption – Processing Fee	38

6. [e] S 104 Miscellaneous sewer adoption charges	39
7. Building Over Public Sewers	40
8. Infrastructure Charges and Income Offset allowances	41
APPENDIX 1	
LIST OF ALL CURRENT DEVELOPER SERVICES APPLICATIONS AND GUIDANCE AVAILABLE ON OUR WEB SITE.	43

Background and Introduction to the Veolia Water Projects Ltd [VWPL] Developer Services Charging Arrangements for New Connections Services and Key Changes for 2020/21

General Introduction

Veolia Water Projects Ltd is the Statutory Water and Waste Water utility provider for the Tidworth and Perham Down areas of Wiltshire. Due to its geographic location within the Wessex Water area of supply it was granted an Inset Appointment by OFWAT to perform its duties at this location.

OFWAT's New Charging Rules for New Connection Services apply to water and waste water connections for domestic purposes that are made by water companies operating wholly or mainly in England.

In this context "Connections Services" typically include providing water mains, sewers, connections to individual properties, diversions of mains or sewers that need to be moved and work to reinforce water and/or sewerage networks in consequence of new development.

A copy of the "New Charging Rules" is available at:

<https://www.OFWAT.gov.uk/publication/charging-rules-new-connection-services-english-undertakers/>

OFWAT and the Water Industry have consulted widely before the initial Charging Arrangements format was broadly adopted by all Water Companies and Inset Appointees such as VWPL in 2018. Subsequent OFWAT requirements and amendments have brought about several Industry wide consultations throughout 2019.

The new charging rules are made under the Water Industry Act 1991 [WIA 1991] Sections 51CD, 105ZF and 144 ZA and are officially entitled Charging Rules for New Connection Services [English Undertakers].

The rules came into force on 1st April 2018 and are reviewed annually. In this 2020/21 publication the format remains as before and the prices have been amended to reflect inflation or other material costing information based on the accumulating experience of VWPL. Where a significant new policy or approach has been adopted by us for 2020 / 2021 the narrative will be annotated "*New for 2020 / 2021*".

OFWAT have stated that the General Charging Principles must reflect;

1. Fairness and Affordability
2. Environmental Protection
3. Stability and Predictability
4. Transparency and customer focussed service.

In addition to the above, another key principle adopted by Veolia Water Projects Ltd [VWPL] is to build in and positively advocate customer choice wherever possible within this Charging Arrangements document.

VWPL also endorses and will be closely following wherever possible the Water UK Sector Guidance document - Charging for Connection Services - Sector Guidance to Members, which is designed to provide a consistent framework across the Industry in its dealings with developers under the new OFWAT Charging Rules.

This document will serve to enhance, and should be read in conjunction with, the current series of VWPL Guidance Notes, Application Form literature found on the VWPL Developer Services website and detailed here as Appendix 1.

Pre-development matters.

To help prevent potential misunderstandings leading to delays later in the process, we highly recommend that developers contact us as early as possible in the planning of their developments to assess the options for supplying the site with water and sewerage services. VWPL does not charge for this initial approach which helps all parties better understand the impacts of the development and the extent to which new assets will be required and whether off-site works, reinforcements or diversions may be necessary.

Further exploratory work to look at developer nominated options - ideally before a Planning Application is submitted - or to develop solutions around critical mains or other asset complications which may include network modelling, possible diversion route studies and necessary off-site pipework, will attract charges. We will notify you of such charges before work begins.

In relation to dealing with Developer Services matters in general, VWPL understands and appreciates that applying for water and sewer connections can be a complex and technically demanding exercise for customers who have little or no experience of the subject and so we would encourage customers to ring us and speak to one of the Developer Services staff before completing any of the Applications mentioned below and listed in Appendix 1. We can advise on the most suitable avenue for a customer's enquiry to avoid unnecessary delays and making payments for activities that are not appropriate for their needs.

In publishing its Charging Arrangements Document VWPL is pleased to be able to highlight developer and customer choice in as many areas of water supply and waste water on-site and off-site services as possible. There is an increased emphasis on developer choice which has been signed up to by all Water Companies and VWPL in particular is keen to ensure that developers, individuals and SLP's operating in the Tidworth and Perham Down Areas understand what work they can carry out themselves - usually called **Contestable Work**, and what work VWPL must undertake - usually called **Non Contestable Work**.

VWPL has striven to keep the Non Contestable Work elements to the minimum and will only normally categorise work as Non Contestable when there are issues of wider Water Quality and / or Supply Security involving the existing customer base. This topic is dealt with in more detail in the main body of this Charging Arrangement Document. Unless stated to the contrary all sewerage work is considered Contestable.

Under the new rules, Veolia Water will also make a clear distinction between:

[i] Site Specific charges – the charges for work carried out by us on the site and up to a defined Practical Point of Connection to the existing water VWPL network; and

[ii] Network Reinforcement charges – the charges for work that is required on the company's existing network to provide for new development-related growth. OFWAT intends that these will be recovered by water companies through a New Infrastructure Charge calculation. The water companies will set their own New Infrastructure Charge to recover the investment that is needed to provide sufficient capacity for growth over a rolling 5-year period. See Statement of Impacts above and the "key departure" paragraph below.

However, the New Charging Rules recognise differences between the larger regional water companies and Inset** Companies such as VWPL in the Tidworth Service Area [** these companies are sometimes also referred to as NAVs]. Some of the new rules do not apply in full to the Insets and NAVs. Where VWPL's individual Charging Arrangements differ markedly from the Water UK guidance due to such variations these "key departures" will be noted in this Charging Arrangements Document.

One such key departure from the Rules is that VWPL is obliged by OFWAT to charge no more than Wessex Water in its published New Infrastructure Charges [new IC]. In doing so all Parties acknowledge that the financial requirements of VWPL for new development related growth in the Tidworth Service Area cannot be realistically linked to those of Wessex Water. However, as there is currently no regulatory mechanism for catering for the actual financial requirements of VWPL, such tracking of the Wessex Water new IC is seen by OFWAT as the only viable option.

In all other respects VWPL will be publishing in this Charging Arrangement document its own Cost Reflective Charges for all services offered and these will not be directly linked in any way to those of Wessex Water, or any other regional water undertaking.

Veolia Water Projects Ltd Statement of the impacts of its Inset Appointment

Veolia Water Projects Ltd is the Statutory Water and Waste Water Utility for the Tidworth and Perham Down areas of Wiltshire. Due to its geographic location within the Wessex Water area of supply it was granted an Inset Appointment by OFWAT to perform its duties at this location.

As at the date of publication of this Charges Arrangement Document there remains an element of uncertainty around precisely how the Charging Rules can be properly applied to VWPL's Tidworth Area Inset Appointment. In particular OFWAT has been consulted on the impacts of the legal requirement for VWPL to track the Infrastructure Charges of Wessex Water and on the nature of the linking by Wessex Water of these charges to their Income Offset and Asset Payment methodologies. *[New for 2020 / 2021]*

Consequent upon these discussions, VWPL will levy the same Infrastructure Charges as Wessex Water although the detailed rationale set out by Wessex Water in their 2020 / 2021 Charging Arrangements is not reflected in the Tidworth financial model. VWPL will also be tracking Wessex Water's approach to Income Offset incorporation into their Infrastructure Charges.

[New for 2020 / 2021]

OFWAT acknowledge in their Rules that some of the New Charging Rules do not apply in full to the Small Companies, New Appointments and Variations [NAVs], and Insets [Section 17]. Where VWPL's individual Charging Arrangements differ from the Water UK guidance due to such variations these will be noted in this Charging Arrangements Document.

Developer Choice - Important information for all our Customers.

Applicants for Connections Services, whether Developers, Individuals or Self Lay Providers [SLP's] ("Applicants") have choices over who provides the infrastructure and over who owns those connection assets in the longer term.

Section 2 and Appendix B of the Water UK Guidance sets out in more detail how Competition in the Connections Markets will work and the generality of Contestable and Non Contestable areas of development work

Detailed Guidance Notes and Application Forms.

Guidance Notes and Application Forms for most commonly encountered developer activities are listed as Appendix 1 and for ease of reference within this Charges Arrangements Document each of the packages of Guidance and Application Forms are available for download from our website or can be sent to our customers by post on request.

If the service required is not listed in Appendix 1, please call our Developer Services Team who can discuss your requirements and advise on the best way forward to achieve the connection required.

Value Added Tax [VAT]

- VAT at the current prevailing rate will usually apply to all construction work associated with industrial / commercial developments and connections made from existing domestic properties including conversions. Therefore all the construction charges in this document are to be considered exclusive of VAT for these categories of development unless specifically stated to the contrary.
- VAT is zero rated for new domestic residential development construction work. For example this includes water main requisitions for mains used to connect new houses.
- All initial Application and / or Processing Fees will attract VAT at the rate applicable at the time for both domestic and commercial / industrial Applications.

CHARGES SCHEDULES & FEES FOR FIXED PRICE ACTIVITIES 2020 / 2021

WATER SERVICES

1. Water Service Connections

Water connection charges relate to site specific work carried out in relation to **Sections 45 and 46 of the WIA 1991**.

Application Charges are payable at the time of submitting Application Forms unless otherwise stated.

Infrastructure charges will also apply to all new water connections when they are made. Where applicable, infrastructure credit will be applied where water supplies for domestic purposes existed on a site in the previous 5 years prior to the application.

Infrastructure Charges levied for new domestic premises connections will also include an Income Offset allowance to recognise future income that we will receive. For more details please see Section 8 - Infrastructure Charges.

1. [a] S 45 Water connection from an existing main - Application Fee

Water connection application fees are payable upon application and are non-refundable. This application 1[a], should not be used for S41 or S51 Mains Requisition related service connections.

Water Connection Application Fee	Single connection	Each additional connection under same application at the same location
Processing of the application, operational investigations incl.site visit & preparing the fixed price quote. **	£78.95	£48.40

1. [b] S 45 Water connection from an existing main - Processing Fee

** Within our fixed price quote, a charge, as per the following table, is added for processing the connection work should the applicant accept the quote contained within the Offer Letter.

Water Connection Processing Fee	Single connection	Each additional connection under same application at the same location
Planning of the connection and all administration.	£39.50	£24.80

1. [c] S 45 Water Connections from a new main as part of a mains Requisition Scheme - Application & Connection Fees.

A S45 [On-site] Application is to be made where water connections are required on site as part of a mains requisition scheme. The charges reflect the lower costs incurred in reviewing the agreed site layout and “taking-off” the service details from the plans to prepare the quotes.

The prices quoted assume Water Industry Approved Plumbers Scheme [WIAPS] accredited plumbers are employed on-site resulting in minimal attendance by VWPL Water Technicians.

Water Connection Application & Processing Fee	First connection	Each additional connection under same application at the same location
Processing of the application, review of site layout plans & preparing the fixed price quote. Planning of the connection and all administration	£73.30	£36.00

1. [d] S 45 Connection Charges - work undertaken by VWPL - Fixed price.

Connection Charges when VWPL carry out the work are payable on acceptance of the quote.

The charges below for a new 25 or 32mm connection include the cost of laying up to 2 metres of PE pipe from the main to the boundary of the property, connection to the water main, boundary stop tap box and meter provision and installation. Additional charges per metre apply for lengths over two metres.

For partial service installation work excluding excavation and backfilling by VWPL, and for service pipe installation in existing road crossing ducts see individual prices tabulated.

An Infrastructure Charge together with an Income Offset allowance is also normally payable for all new water service connections. This will be quoted separately within the Offer Letter and will be due upon connection. For more details please see Infrastructure Charges at Section 8.

Metered connection		25mm / 32mm On site main connection [After 1st connection apply discount of £37 per connection]	25mm / 32mm Connection from existing main [After 1st connection apply discount of £14 per connection]
Incl. ferrule / tapping up to 180mm dia. parent main, service pipework, boundary box and AMR meter		£	£
Up to 2 m [PE pipe]	Unmade	805.50	906.50
	Made footpath	1070	1174
Each additional metre.	Unmade	97	97
	Made footpath	190	190
Metered Connection up to 2 m Lay only	All surfaces, ready excavated & backfilled by others.	622	622
Each additional metre - lay only or	Any surface	20	20
	Trench bed regrade extra charge.	15	20

installed in ex. duct	Installed into duct	20	20
<p>The above prices include the first site visit for our Technician to inspect the customer side pipe[s]. If re-inspection is required a site visit charge of £46 per visit will be made.</p> <p>If the VWPL Service Connection Team are prevented by site conditions from carrying out the physical service connection[s] as requested by the developer and agreed by VWPL , [E.G. utility congestion, unsuitable pre-excavation or other act or omission of the developer], an abortive site visit charge of £97 will be made.</p>			

1. [e] Disconnection Charges

VWPL will not make a charge for a permanent disconnection of a water supply from any premises. We will make the disconnection at the water main once we have been informed in writing by the premises owner that a permanent disconnection is required.

We consider it appropriate that we take this approach as it encourages customers to highlight the requirement at no cost to themselves and allows us to reduce potential water quality problems associated with dead pipes being left connected to our network.

Should a temporary disconnection be required, customers should contact our Customer Services Team who will discuss the most appropriate method of disconnection and advise of any charges that may be due.

1. [f] S 45 Building Water

For Commercial / Industrial Developments we will install a temporary building water supply through the above S 45 process and table of fees

Subsequently we will charge for building water on a volumetric basis through a water meter. This Application for a building supply would normally be made by the developer's Retailer*.

*For more information on the Non-household Retail market and the requirement by OFWAT for Non Household business to be conducted through the Water Retail Market please see the VWPL Customer Billing section of the VWPL web site or visit the OFWAT web site through the following link;

<https://www.OFWAT.gov.uk/regulated-companies/markets/business-retail-market/>

For Domestic Premises Developments we will install a temporary building supply through the above S 45 process and table of fees.

Ongoing charges for building water usage associated with the construction of domestic houses & flats etc will normally be based on the number of houses / units, as below, unless we decide a meter is more appropriate in which case we will inform the developer, together with our reasons for the meter, at the earliest possible stage and explain the Non household Retail Market options as above *

The domestic property building water usage charge for 2020 /2021 is set at £60 per unit + VAT. Included in this price will be the site welfare and office accommodation water usage for up to 20 employees and it is fixed for the duration of the development up to 30 months. Above 20 employees or if the active site development is set to continue for more than 30 months we reserve the right to require a water meter.

2. S 41 Statutory Water Mains Requisitions & Charges – installation by VWPL.

Requisition Charges for domestic premises relate to work carried out in accordance with **Section 41 of the WIA 1991**. These charges cover the cost of administering applications, designing mainlaying schemes and supplying the costs of Construction for providing site specific activities necessary for the installation of a mains supply to the site. Developers can opt to apply for a Requisition and at any point in the process amend their Application [on receipt of the appropriate fee] to that of a Self Lay Scheme.

All Contestable Work can be undertaken by a Self Lay Provider from design through to mainlaying.

2. [a] S41 Requisition application fee

Requisition application fees are payable upon application and are non-refundable.

	Includes	Charge
Requisition Application Fee	<p>Processing the application, capacity check, scheme design and services layout in association with the developer [incl. 1 x Site visit], construction drawing preparation, liaison with D&WFRS, Offer Pack preparation incl.fixed price scheme cost [for the Contestable & Non Contestable Work] collectively known as the Construction Charges.</p> <p>Provision of a significant redesign where there is no change to the number of units.</p>	<p>For 0 - 20 units £1,900</p> <p>For 21 -50 units £2,139</p> <p>For 51 - 300 units £2,588</p> <p>75% of the above charges</p>

2. [b] S 41 Requisition processing fee.

The requisition processing fee is applicable on offer acceptance and will be included in the Construction Charges.

	Includes	Charge
Requisition processing fee	Management of customer acceptance and associated correspondence and clarifications, all formal notices, issuing of work to contractor and on-going site construction visits by DS staff as required.	£400

2. [c] S 41 Construction Charges.

Construction Charges in relation to the S41 Requisition work are those calculated as site specific and necessary for the supply and installation of a water main supply to the site and its domestic properties. They will include all on-site water mains and apparatus and those new off-site mains and associated apparatus to the Practical Point of Connection necessary to supply the site with adequate water supply in accordance with the Water UK Guidance.

These Charges are specific and individual to each site scheme design and the details of the cost make up are available to the developer on request.

3. Charges associated with S 51 Self-Lay Schemes.

Please read this section in conjunction with our statement in the Developer Choice section of the Introduction to these Charging Arrangements.

Self Lay Schemes referred to in these Charging Arrangements relate to developer choices exercised in line with S51 of the WIA 1991. Self Lay applications and charges may be accepted from developers or their appointed Self Lay Provider [SLP] also known as Self Lay Organisation or SLO. In this section we will use the term SLP to cover any suitably qualified applicant.

VWPL fully endorses and employs all appropriate principles enshrined in the Water UK Self Lay suite of documents including the Model Agreement and Water Sector Guidance and its Appendices.

3. [a] S 51 Self-Lay Application Fee - Scheme design by SLP - CHOICE A.

This Application route is taken where the mainlaying and service layout scheme on-site is being designed by an SLP [incl. liaison with Dorset & Wilts Fire & Rescue Service [D&WFRS] and offered to VWPL for approval once laid. Essentially in this option the SLP takes the comprehensive option to design and lay all water mains and service connections at their cost.

Self-lay application fees for Choice A are payable upon application and are non-refundable.

<u>Contestable Activity</u> <u>CHOICE A</u>	Includes	Charge
Self-Lay Application Fee - SLP as Designer.	Processing of the initial application, design approval, incl. 1 further iteration**, an initial site visit and creation of Offer Pack by VWPL, calculation of the Construction Charges associated with the Non Contestable Work element.	£ 620
	Checking and approving SLP materials list if required.	£247
	<u>**Please note</u> that further design iterations, material changes to layout or repeated attempts to offer a compliant scheme design submitted subsequently by the SLP will attract a further charge as set out here.	£185 Per occasion.
Design iterations or material changes.		

3. [b] S 51 Self-Lay Application fee - Scheme design by VWPL - CHOICE B.

If VWPL are requested to design a self-lay scheme for the developer / SLP the charges detailed below will be payable. The Charge per Unit, relates to houses, flats and similar domestic dwellings.

These charges for Choice B are payable upon application and are non-refundable.

<u>Contestable Activity</u> <u>CHOICE B</u>	Includes	Charge
Self-Lay Mains VWPL Design Fee.	Processing the application, capacity check, scheme design and services layout in association with the developer [incl. 1 x Site visit], construction drawing preparation, liaison with D&WFRS, Offer Pack preparation containing fixed price calculation for the Non Contestable Work.	For 0 - 20 units £2,121 For 21 -50 units £2,388 For 51 - 300 units £2,890
Redesign costs, SLP changes	Material site mains layout alterations requiring <u>pre-offer re-design</u> of water mains and / or service connections. [Please Note - Post offer re-design may attract new Application]	75% of the above charges

3. [c] S 51 Self-lay Agreement and Scheme Processing Fees

The Self-Lay Agreement and Scheme Processing Fees are applicable on acceptance by the Parties of whichever overall scheme offer was requested at the application stage [Choices A or B]. Additionally the SLP will be invoiced separately for any other charges accrued either by request or default during the course of the project.

Within the Processing Fees table below are those Ancillary Contestable Charges applicable to Water Quality matters.

<u>Ancillary Charges if required</u>	Includes	Charge
Water Regulation Inspection	Per site visit to undertake Water Regulation Inspection	£75 per visit
Per sample visit after SLP	Attendance on site to take a sample.	£60 per occasion
Disinfection Process.	Extra samples taken at the same visit.	£20 per sample
Laboratory analysis of sample	Analysis in accredited laboratory including travel time.	£95 per occasion
	Extra samples in the same journey.	£25 per sample

<u>Non-Contestable</u>	Includes	Charge
Self-Lay Processing Fees.	Management of signed agreement, and processing of vesting certificates and payments. Administration relating to the of work the VWPL contractor for Non-Contestable work e.g. connections, notices etc.	£230
Self-Lay Agreement Fee	Processing scheme details, creation of Legal Agreement and associated administration.	£345

3. [d] S 51 Construction charges.

Construction Charges in relation to Self Lay schemes are only related to the installation of certain works [designed by the SLP or VWPL] which are deemed site specific and that fall under the principle of Non Contestable Works. These may include, but are not limited to, new off-site mains and associated apparatus to the Practical Point of Connection or mains connections where the existing main is considered a critical asset.

VWPL will calculate the Construction Costs relating to the Non Contestable Work and will send these to the developer / SLP in our offer letter. At this point, if not already clarified, the developer / SLP will need to confirm in writing to us that the scheme will be installed as a self lay activity.

These Construction Charges are specific and individual to each site scheme design and the details of the cost make up are available to the SLP on request.

They will be subject to an Income Offset allowance from the Infrastructure Charges where the water is supplied for domestic purposes.

The Contestable and Non-contestable elements of the above charge choices will be identified separately in the Offer Pack we send to the SLP applicant.

3. [e] S 51 Meter Charges for Self-Lay Service Connections.

If VWPL supply and install the meters in the SLP installed meter box, the following charges will apply per supply metered regardless of the number requested in any one batch. These charges include provision of all meter details and the possible requirement to “prove” the supplies to enable accurate and appropriate billing of the end user customers.

Includes	Charge
Meter - supply and install standard 15 – 20 mm AMR meter incl. Billing details & proving supply as necessary.	£133.00

3. [f] S 51 SLP installed meters

All meters fitted must be sourced directly from our nominated supplier (details available on request) to ensure that all meters meet our specifications.

All new premises must be fitted with a water meter and using the form supplied, the required information should be transmitted to us within five business days of installation.

3. [g] S 51 Self-lay connection - administration charge

Where an SLP carries out a service connection and meter installation, a charge will apply to reflect the costs incurred in administration of new self-laid service connection.

A charge for each new self-laid service connection is payable when you notify us that the connections have been made using the form supplied.

	Includes	Charge
Administration charge - per self-laid service connection.	Administration and account set-up of new self-laid connection using data supplied by the SLP.	£20 each.
Please note :- Misreporting / supply proving.	Where a meter is misreported, a site visit charge will apply to enable accurate meter details and supply proving if necessary.	£48 per occasion.

4. Water main diversions - S 185

Charges for water mains diversions cover costs reasonably incurred in complying with S 185 of the WIA 1991. It is envisaged all such diversions would be carried out by VWPL at the applicant's expense.

However, due to the nature of the Tidworth Inset Area there is currently no data on which to base any fixed charges. This section is therefore subject to the Inset / NAV dispensation set out in the Interim Status Statement above.

Any occasion warranting a mains diversion would be discussed with the affected party and the various charging elements would be agreed between the Parties in advance of any design work taking place.

SEWERAGE SERVICES

5. S 106 New connections to the public sewer.

Under S106 of the WIA 1991 customers / developers must make application to VWPL for permission to carry out their new sewer connection[s] to the public sewer to drain their property following an application to VWPL.

Charges relating to connections to the VWPL public sewer are payable upon application which requests VWPL approval of the design and method of construction to make the connection. Unless stated to the contrary, all sewerage work is considered Contestable.

Infrastructure charges will also apply to all new sewer connections and these will usually be invoiced to the applicant upon connection to the public sewer.

5. [a] S 106 Connections made by a developer.

VWPL must give formal approval for any new connection to the public sewer. An Application form is available for this purpose. The quoted Charges set out below for each new connection to the public sewer includes all administration, design discussions and inspection of the work to ensure it meets our standards.

	Includes	Charge
S106 Processing fee - developer connection.	Administration and assessment of the application, design discussions, 1 x amended submission re-assessment, site inspection of completed connection. <ul style="list-style-type: none">• New manhole onto public sewer.• All other connections.	£408 £318
Subsequent re-inspections.	Re-inspection after fault rectification. Per re-inspection.	£48

6. S104

6. [a] S 104 Adoption of on-site sewers as public sewers.

Developers have the right, under S104 of the WIA 1991, to seek to have adopted as public sewers, those new sewers laid on-site at their expense and to the correct specification [in accordance with the current edition of Sewers for Adoption] . The process around VWPL adopting such sewers is described in more detail in the S104 Application Form and its associated Guidance Notes available from our web site.

Adoption Application fees and subsequent Process and Inspection fees are payable on a Site Specific basis.

The VWPL S104 Adoption process, whilst similar to the approach taken by most Water Undertakers and set out in our Guidance, can become protracted if applicants are unfamiliar with the requirements, so we would recommend discussions with us at the Pre-development stage if possible. This will ensure that applicants have in place the necessary compliant technical design submissions in line with the current edition of Sewers for Adoption, and can make a comprehensive initial submission thus avoiding delays in us granting Technical Approval of the design and further re-submission costs as noted in the following table.

6. [b] S 104 Adoption of sewers - application fee.

An application fee is payable on submission of an S104 application.

	Includes	Charge
Sewer adoption application fee	A fee for processing the application, technical review, an initial list of non compliant matters and general administration costs in relation to the application	£1,380
<p>Please Note:</p> <p>Over and above the initial list of non compliant matters which is included in the above charge there is a resubmission fee for on-going extra technical reviews necessitated by developer instigated [partial] re-designs, inaccurate, incomplete or repeat submissions of £250 per occasion.</p> <p>VWPL also reserve the right to charge the original initial submission fee of £1,380 for what it considers as substantial or complete re-designs from the original proposals.</p>		

Once VWPL is satisfied that the design is compliant with Sewers for Adoption and acceptable for adoption when laid correctly on-site, a Technical Approval letter is issued and the administration process progresses to creating a Legal Agreement in readiness for adoption after the required Maintenance Period.

On site, the Engineering Assessment and Inspecting of the on-going sewer installation [and pumping station if applicable] by VWPL will follow periodically once work on site commences after Technical Approval.

The latter two exercises, which are carried out from the start of site sewer works, through the issuing of the Interim Certificate to the commencement of the Maintenance Period and to the Vesting stage [see the S104 Guidance Notes for full details] are covered in the Processing Fee.

Any installation work carried out on-site before the Technical Approval letter is issued is done solely at the developers risk and may not be deemed compliant or may be subject to retrospective inspection at the developers cost.

6. [c] S 104 Legal fees in relation to sewer adoptions.

	Charge
Legal Fee for a S104 Sewer Adoption Agreement	£520
Legal Fee for Land Transfer or Easement	£600

6. [d] S 104 Sewer adoption – Processing Fee

A processing fee is payable where sewers are offered for adoption.

	Includes	Charge
Processing fee	Engineering Assessment and acceptance of design, site inspection fees through the maintenance period to Vesting stage.	2.5% of estimated value of works**

**It should be noted that this fee is based on the applicant's declaration of the total scheme cost in the application. If, in the opinion of VWPL, this declared figure is considered inaccurate we reserve the right to recalculate the scheme using published cost data. If there is found to be a material variance with the declared figure, VWPL will charge the 2.5% on the higher figure and will add an extra application fee to cover the cost of the re-calculation exercise if the original declaration is found to be materially low in comparison.

6. [e] S 104 Miscellaneous sewer adoption charges

	Charge
VWPL built telemetry outstation - Installation and commissioning.	Price On Application
VWPL configuration and commissioning of developer built telemetry outstation	£2,800
Section 104 re-submission fee for re-design or inaccurate/repeat submissions	£250 per occasion.
Section 104 re-submission fee for complete re-design from applicant, will be charged at initial processing fee as at redesign	£1,380

7. Building Over Public Sewers

This section primarily applies to applications to build over or near [usually within 3 metres] smaller diameter public sewers and lateral drains most typically in association with house extensions, conservatories etc.

Where public sewers / lateral drains are located in private land / gardens we still need to be consulted and give our permission for such work. We will not charge for this first approach and if we give our agreement in principle the following fees will apply upon formal application.

Our website has an Application Form to allow developers / landowners to formally tell us about their proposals and if we approve the design etc we will issue a Buildover Agreement.

	Includes	Charge
Class 1 Sewer Build Over Processing Fee after agreement in principle.	Engineering Assessment and acceptance of design incl. up to 2 re-designs & subsequent site inspection fees.	£195 per application.

8. Infrastructure Charges and Income Offset allowances

Infrastructure charges are payable in accordance with S142 of the WIA 1991. They are payable when premises become connected to a water supply and /or sewerage system for domestic purposes for the first time. They are not related to the cost of the physical connection which is payable in accordance with the above sections of this document.

The VWPL Instrument of Appointment to operate the Tidworth Inset, granted by OFWAT, stipulates that VWPL must track, and not exceed, the Wessex Water Infrastructure Charge. This charge value has significantly changed in the New Charging Arrangements in line with a wider Wessex Water reconfiguration and remodelling of its charges to developers.

The rationale underpinning infrastructure charges is that each new connection imposes an additional demand on the overall capacity of the existing water or wastewater networks and that the charge should be used to fund the reinforcements etc necessary to cater for that extra demand.

Wessex Water Infrastructure charges are set based on their forecast of the network reinforcement investment required by them as a result of new development in their area of supply and the number of new connections expected in that area of supply in the next five years.

Likewise to satisfy legislative requirements, Wessex Water is required to forecast their expected revenue from those new connections to calculate their **Income Offset** [or previously also the Asset Payment for SLP's]. *[New for 2020/2021]*

Clearly these assessments bear no relation to the situation pertaining in the Tidworth Inset Area of Appointment but the Regulatory rules do not take account of this anomaly and so we have found it necessary to track the new Wessex Water Infrastructure Charges and their associated Income Offset allowances.

Water infrastructure charge [per property]	£86.40
Sewerage infrastructure charge [per property - assuming no surface water connection to the public sewer]	£17

Infrastructure charges are due and payable when a water or sewerage connection for domestic purposes is made to any premises and they are usually incorporated into one of the Application processes detailed in this document.

For developments consisting of **non-household development** and / or using water for non domestic purposes, it is anticipated that the total Construction Costs will be met by the developer. Additionally there would be no Income Offset Allowance applied to any

Infrastructure Charges levied so they would be charged at the full published Wessex Water charge.

To date VWPL has not been requested to make such connections consequently reference should be made to the Interim Status Statement in relation to the Inset / NAV dispensation for activities not conforming to the Water UK Guidance.

APPENDIX 1

LIST OF ALL CURRENT DEVELOPER SERVICES APPLICATIONS AND GUIDANCE AVAILABLE ON OUR WEB SITE.

- APPLICATION FOR CAPACITY CHECK - Optional service to assist developers in identifying any possible constraints associated with servicing larger development sites.
- SECTION 41 APPLICATION - Used for applying for water mains on development sites, usually containing a substantial number for properties. On request VWPL will undertake the work making it primarily **Non Contestable**..
- SECTION 45A - Water / Service Connections [usually smaller diameters and few in number] from existing water mains. VWPL will undertake the work making it primarily **Non-Contestable**.
- SECTION 45B - Water Connections [usually small diameter and numerous similar connections] from new mains on site. VWPL will undertake the work making it primarily **Non-Contestable**.
- SECTION 51 - Self Lay request by the Applicant [or his representative] for water mains and / or Services on site. The Developer / Customer undertakes the work for VWPL to adopt making the activity **Contestable Work**.
- SECTION 104 - Foul Water sewer adoption process. Sewer laid by the Developer / Customer and offered to VWPL as an adoptable public sewer making the work **Contestable work**.
- SECTION 185 - Request for the diversion of existing VWPL Assets. May be **Contestable or Non Contestable** depending upon location and criticality.
- SECTION 106 - Request by Customer or Developer to make a connection to the public foul water system. **Contestable work**.
- SECTION 98 - Requisition of a public Foul Sewer. **Contestable work**.
- BUILD OVER OF PUBLIC SEWERS guidance and application process.

End of 2020 / 2021 CA