



# Infrastructure & New Connection Charges 2021-22

Infrastructure and New Connection charges for the supply of wastewater  
provided by County Water Limited 2021-22

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## 1. Introduction

This booklet forms part of the Charges Schemes made by County Water Limited under the powers conferred by Section 143 of the Water Industry Act 1991 (as amended). It contains the infrastructure charges and New Connection Charging Rules for 2021-22.

This Charges Scheme has been prepared in accordance with the Charges Scheme Rules for 2021-22.

## 2. Infrastructure charges

You have to pay infrastructure charges when a property is connected to the wastewater networks for the first time. This is in addition to the charges for making the actual physical connection to the public sewer. In the event that you ask us to make the connection, we are entitled to charge you in accordance with our published Charging Arrangements for the connection works in addition to raising infrastructure charges.

Infrastructure charges apply for premises where the provision of sewerage services is intended for domestic purposes.

Domestic sewerage purposes refer to the removal of the contents of lavatories, water which has been used for cooking or washing or surface water from the premises and associated land, with the exception of laundries and take away restaurants.

Please note that a single development may include a combination of supplies for domestic and non-domestic purposes. By way of example, a development may include a number of flats (expected to be for domestic purposes), retail units (expected to be for domestic purposes), a fire-fighting supply (non-domestic purposes) and landlord supplies (nondomestic purposes). Similarly, a separate supply requested for a swimming pool or a garden tap is considered to be for non-domestic purposes even if within a residential property.

Supplies for non-domestic purposes are subject to the payment of network charges (see Section 3) instead of infrastructure charges to reflect the different demands on our networks.

Infrastructure charges and network charges are outside the scope of VAT.

## Infrastructure charges payable

The published charges are for a single property supplied via a standard sized (25 or 32 mm external diameter pipe) water connection. For other properties, such as student housing, offices or care homes, we apply a multiplier (the Relevant Multiplier as detailed below) to the published charge to reflect the increased impact on our networks.

The calculation of the wastewater infrastructure charge is the same as the water infrastructure charge unless you are able to show that waste and surface water flows are not being discharged to the public sewer.

Infrastructure Charges	Charge
Wastewater	£365

The Relevant Multiplier (RM) is a way of working out infrastructure charges for the following types of property:

- Residential properties with a single, shared supply pipe and which are subject to a 'common billing agreement'; this includes sheltered housing, student accommodation and high-rise flats
- Non-residential properties where the supply pipe is larger than the standard size, such as office blocks

## How the RM is calculated

Each water fitting (wash basin, bath, shower, etc.) is given a 'loading unit' based on the amount of water it uses. The average number of units per property is taken as 24, equal to an RM of 1.00. We use this as the basis for calculating the RM for each property on a development where the RM applies.

We do this by adding up the loading units for all the water fittings on a development. We divide this by the number of properties to give the average loading units per property. We divide this again by 24 (the average loading units) to give the RM for each property.

Details of the number of loading units assigned to each water fitting are shown on page 7.

For properties subject to a common billing agreement, the RM can be more or less than 1.00. For other properties the minimum is 1.00.

## Using RM to calculate infrastructure charge

We use the RM multiplied by the standard charge to give us the infrastructure charge for that property.

## Income Offset

Income offset is a credit that is given in recognition that we will earn additional income from the new customer accounts that will arise from new connections to our network.

Where an Income Offset credit is applicable to a multiple property building (such as a block of flats) in which the loading units per property is 13 or lower, the value of the Income Offset shall be two times the standard amount that would otherwise be applicable.

(In order to calculate the value of the Income Offset, we have taken the value of income offset and asset payments made in the three years from 2015-16 to 2017-18 and divided this by the number of properties connected during those years, thus giving a figure that reflects the revenue likely to be received.

The Income Offset calculated helps to ensure that the balance of contributions to costs from developers and other customers that was in place prior to 1 April 2018 is broadly maintained. This can be evidenced through the modelled recovery of our allowed wholesale revenues and by way of developers paying the cost of development and no more.

The standard Income Offset credits applicable are shown in the below table.

Income Offset	Credit
Wastewater	£15

Where the connection is to a multiple property building in which the loading units per property is 13 or lower, the Income Offset credit applicable will be £30 for each connection to a public sewer.

## An example of a residential development

The development consists of 20 houses and a new main is needed:

### Infrastructure Charge

We divide the total loading units (460) by the number of properties (20) and again by the average (24). This gives an RM for each flat of 0.96 ( $460 \div 20 \div 24 = 0.96$ )

The infrastructure charge for each flat is the RM of 0.96 multiplied by the standard charges

The infrastructure charge for the whole development is the RM multiplied by the standard charge multiplied by the number of properties

The wastewater infrastructure charge for the development is therefore  
 $\text{RM } 0.96 \times 20 \text{ properties} \times \text{£}365 \text{ standard charge} = \text{£}7,008.00$

Income Offset

The wastewater Income Offset for the development is therefore  
 RM 0.96 x 20 properties x £15 standard charge = £288.00

Net Infrastructure charge payable

The net wastewater charge payable by the customer is therefore  
 wastewater infrastructure charge (£7,008) – wastewater Income Offset (£288) = £6,720

Network charges may also be payable in respect of supplies for non-domestic purposes within the development such as the irrigation supply and bin store.

Loading units for calculating the Relevant Multiplier

Water Fitting	Loading Units
WC flushing cistern	1
Wash basin	1
Bath (tap nominal size ¾" / 20mm)	4
Non-domestic bath	8
Shower	2
Sink (tap nominal size ½" / 15mm)	2
Non-domestic sink	8
Bidet	1
Domestic appliance	2
Commercial or communal appliance	5
External tap	5
Urinal	3

## Paying the infrastructure charge

The developer pays the charges for any new properties connected to our wastewater networks.

- Only for premises which are already occupied as private dwellings immediately before the connection is made, you have the option to pay in twelve annual instalments (including interest) following the property becoming connected, in which case your payments will be due within 14 days of each invoice
- For connections we made or for connections you arranged and notified us of prior to making the connection, you must pay within fourteen days of us invoicing you.
- Infrastructure charges are payable at the rates published and in effect on the date of connection. This may be different to the rate on a quote we issue or the rate applying when you begin your development. In order to provide you with the opportunity of price certainty, we invite you to pay infrastructure charges as set out in the quote within the validity period of such quote, in which case the rate will become fixed at that point. No additional infrastructure charges will become payable unless the information you provided is found to be incorrect or you change your development.
- The developer will receive the income offset credit at the same time they pay the infrastructure and/or network charges. If infrastructure and/or network charges have been paid as set out in a quote, within the validity period of that quote, the income offset rate will become fixed at that point unless the information you provided is found to be incorrect or you change your development.



### 3. Network charges

Network charges may also be payable in respect of supplies for non-domestic purposes within the development such as the irrigation supply and bin store. These are set out in the table below.

Meter size (mm)	Meter size (inches)	Wastewater
15	0.50	£365
20	0.75	£820
25	1.00	£1,460
30	1.25	£2,280
40	1.50	£3,290
50	2.00	£5,840
65	2.50	£9,130
80	3.00	£13,140
100	4.00	£23,360
125	5.00	£36,500
150	6.00	£52,560
200	8.00	£93,440
250	10.00	£146,000
300	12.00	£210,240

## 4. Waste connections and new lateral drains

### Introduction

A lateral drain is the part of a drain located outside the boundary of a single building or buildings within the same boundary that connects the private drain to the public sewer.

Pipework that connects the public sewer to multiple properties is classed as a sewer. For information on our charges for constructing New Sewers, please see section 5.

We do not construct pipework on your land that serves only your building(s). This is your responsibility.

Under section 107 of the Water Industry Act 1991 we also have the right to make the connection from your lateral drain or sewer to the public sewer instead of you. We call this a Waste Connection.

### Who can carry out the works?

We expect you to construct your own lateral drains for your development or engage a competent contractor to carry this out on your behalf. A lateral drain includes the connection to the sewer.

If you arrange the construction of your lateral drain, you must apply for consent to connect under section 106 of the Water Industry Act 1991 before making any communication with the public sewer.

If we elect to make the Waste Connection we will notify you of our intention to do so within 14 days of receiving your application for a consent to connect. In practice we only exercise this right when your connection is to a trunk or strategic sewer or the connection works have health and safety implications for our workforce. We only exercise this power after we have exhausted all alternative and low-risk options for connecting.

In order for us to proceed with any New Lateral Drain or Waste Connection, we will charge you an application fee covering our administration costs, a topographical survey, utility searches and manhole surveys. This will enable us to confirm the point of connection to the public sewer and the route from your boundary to that point of connection, which in turn confirms what we will charge you for making the connection. Please note that the application fee is higher for a connection to a trunk sewer due to the increased cost of carrying out manhole surveys.

Where we exercise the right to make a Waste Connection between your lateral drain and the public sewer, you may carry out the associated lateral drain laying or ask us to do this on your behalf. Where we exercise the right to make a Waste Connection between your sewer and the public sewer, we will only make the connection and will not carry out any associated sewer laying. If you want us to provide the whole of the new sewer you should apply, and we will charge you in accordance with section 5.

If you want us to adopt any lateral drain that you build it must be constructed to a standard that we accept. For more information on adoptions please refer to section 7.

## How we calculate our charges if we provide the New Lateral Drain or Waste Connection

Our charges for the provision of a New Lateral Drain are broken down into four elements:

- A non-refundable application fee, as set out in the Ancillary Charges table.
- A fixed charge for the connection to the public sewer.
- A fixed charge for laying additional pipe from the end of the connection to the sewer up to your property boundary.
- Any other ancillary charges.

Our charges for Waste Connections are broken down into three elements:

- A non-refundable application fee, as set out in the Ancillary Charges table.
- A fixed charge for the connection to the public sewer.
- Ancillary charges

## Ancillary Charges

Our ancillary charges include any abortive costs caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge **plus**.

If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision.

If you require a re-quote which can be prepared using the survey information we obtained for your original application, we will charge you a re-quote fee. If we have to carry out new surveys, you must submit a new application and pay the application fee.

Ancillary Charges		
Item		Charge
Application fee	Connection to trunk sewer	£10,100 per application
	Connection to other public sewer	£3,400 per application
Re-quote fee	Original surveys remain valid	£40 + VAT per quote
	New surveys needed	Application fee as above
Abortive visit fees		£170 + VAT per visit
	Remobilisation charge without welfare facilities	Plus £560 per visit or
	Remobilisation charge with welfare facilities	£1,040 per visit
		Plus, any additional costs we incur from the highway authority plus an administration fee of 30% as detailed in 4.7.1
Additional visit charges are subject to VAT at the applicable rate		
Additional visit charge		£160 + VAT per visit
Additional visit charges are subject to VAT at the same rate as the works		

## Fixed connection and pipe laying charges

Our fixed charges include the cost of:

- A percentage uplift for Traffic Management and highway authority charges. We have set the percentages at a level that aims to recover the overall cost that we incur. We will make no further credits or charges in respect of Traffic Management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges.
- Crossing or accessing Third Party Land, in which case we will have to agree compensation with the third party to cover any damage or disruption that may result. We may incur additional costs in dealing with the third party and may have to plan our works differently, including revising our timescales. We have set our fixed charges at a level that recovers the overall cost of working in Third Party Land, so we will make no further credits or charges in respect of this.
- Site Visits: Our quote includes one enabling site visit and one additional field engineer visit. We will charge you for any additional visits you require.

Our fixed charges for Lateral Drains and Waste Connections are:

- Based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated them based on analysis of the cost of recent work where possible, otherwise we have estimated them based on what we think the typical cost might be. We will review the charges and update the charges annually.
- Limited to the cost of connecting to the nearest reasonably practicable point on the network where the sewer is at least the same diameter as your connection. There will be no additional charge if we change the point of connection for capacity reasons or if we need to carry out additional works beyond the point of connection in order to provide capacity for your development.

Waste Connections and Lateral Drains – Connection Charges		Depth		
		< 5m	Up to 10m	>10m
Connection charge	Per connection	£14,910	£28,420	£252,760

Waste Connections and Lateral Drains – Connection Charges		Internal pipe diameter		
		100mm/150mm	225mm/250mm	300mm
Pipelaying charge	Per metre	£2,990	£3,640	£5,040

## Estimating the charges for your scheme

In order to estimate your charge, you will need to know the parameters of your development, in particular:

- The size of Waste Connection or New Lateral Drain you require (based on pipe diameter).
- The depth of the public sewer you are connecting to.
- The length of pipework you require for your New Lateral Drain, for example the distance to the existing public sewer you are connecting to. If you need help in identifying the existing sewers are located we can help you with this. You can view our maps for free at the office specified in the link below or you can get this information from a property search provider.
- The likely route of the New Lateral Drain from the point of connection into your development site.

## Applications and quotes for Waste Connections and New Lateral Drains

As we only carry out Waste Connections in response to applications for consent to connect under section 106 of the Water Industry Act 1991, there is no specific application process. We will discuss the requirements with you and quote for the works required. Although we expect you to construct your own lateral drain, if you want us to construct a lateral drain you need to complete an application form.

We will carry out a site survey and liaise with third parties in order to provide you with a quote for the works. We will base the quote on our fixed charges. The quote is subject to change in the event that the scheme changes. If a re-quote is required as a result of changes you have made to your scheme, a re-quote or new application fee will be payable.

The quote we produce is a fixed charge, unless Special Circumstances apply, which will not be adjusted upon completion, so please ensure you have checked the detail before you accept the quote. However, if you request a change to the design once we are on site, you will be asked to sign a variation order to confirm that you will pay the cost of the charges based on our fixed price charges applicable at the date of the works, or we will cancel the job and ask you to obtain a requote. Abortive charges and charges for additional site visits are not included in our quote and will increase the cost of your work where applicable.

Our quote will be valid for 180 days. In the event that you require a re-quote, a re-quote or new application fee will be payable.

If you or your contractor are making a connection to the public sewer, you must apply to us for consent to connect under section 106 of the Water Industry Act 1991.

Payment terms and security requirements can be found in our code of practice.

## 5. New sewers (sewer requisitions)

### Introduction

A public sewer carries wastewater from multiple properties and can be on private or public land. If there is no public sewer near your property for you to connect your premises to, you will need a New Sewer as well as lateral drains.

### Who can carry out the works?

We expect you to construct sewers for your own development or engage a competent contractor to carry out the works on your behalf. In principle, all sewer works can be carried out by you or your contractor subject to meeting required standards.

You will also make your own connections to the public sewer network unless we exercise our right to make the connection under section 107 of the Water Industry Act 1991 (please see section 7). If you arrange to construct your own sewers, you must apply for consent to connect under section 106 of the Act before making any communication with the public sewer.

The construction of your sewers must be to a standard we accept if you want us to adopt them. For more information about adoptions please see section 7.

## 6. Sewer diversions

### Introduction

Developers with an interest in land that contains a public sewer can request the alteration or removal of the sewer to allow development work to progress. This process of altering or removing a sewer is known as a Diversion and the work is carried out in accordance with section 185 of the Water Industry Act 1991.

Please note that we are under no obligation under the Act to divert any sewers which are in, under or over any street or where it is unreasonable to do so.

If you are planning significant work near our sewers or other assets as part of your development, it is important that you minimise the risk of damage. We will need to check that your development does not reduce capacity, limit repair or maintenance activities or inhibit the services we provide in any other way.

If you are building within three metres of a public sewer, or within one metre of a public lateral drain, you need our approval before work begins. There are some cases in which we won't allow you to build over a sewer – these include rising mains, manholes and strategic sewers. In these cases you will need to modify your design or arrange for our sewer to be diverted.

If a sewer to be diverted has an internal diameter above 300mm, you may also require an impact study, because not all sewers can be diverted.

If your new infrastructure (for example, a gas pipe) will cross a sewer, please contact us to discuss your plans. If there is insufficient distance between the two, we may require that an impact study is carried out and that you redesign your infrastructure or else divert our sewer.

### Who can carry out the works?

In principle all sewer diversion works and the decommissioning of redundant pipework can be carried out by you or your contractor subject to meeting required standards.

If you want to divert a public sewer with an internal diameter up to 160mm and which only serves domestic properties, we call this a minor diversion and it is typically undertaken as part of domestic extensions. You will need to apply to us and pay an application fee and provide security until the works are completed to our satisfaction.

If you want to divert a public sewer longer than 20m or has an internal diameter above 160mm or any sewer which does not serve domestic properties exclusively and the sewer is not a strategic sewer, you can apply to enter into a hybrid adoption and abandonment agreement under sections 104 and 116 of the Water Industry Act 1991. You will need to apply to us and pay agreement fees.



The adoption element of your agreement with us will be subject to the charges set out in section 10. You will need to provide us with a cash security equal to 100% of our estimate of the cost of the works until the works are completed to our satisfaction.

If you want to carry out other Diversions, you will have to pay an application fee for us to approve your proposals and provide you with an indicative quote for us to monitor your works. You will need to enter into a Diversion Agreement with us to enable you to carry out the work on our behalf. You will be liable to legal costs and will have to provide security equivalent to 100% of our estimate of the cost of the works until the works are completed to our satisfaction.

For any work that you ask us to carry out we will charge you in accordance with the following sections on Diversion charges. Any additional services you ask us for such as project management and technical support will be by agreement. We will invoice you for any charges payable. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

### How we calculate our charges

The charge you will pay for us to carry out a Diversion for the purpose of your development is equal to the reasonable cost we incur in complying with our duty under section 185 of the Water Industry Act 1991. The charges we raise exclude any cost we incur in making good existing deficiencies or in creating additional capacity.

In order to arrange for us to carry out a Diversion you will need to submit an application form to us. We will design the Diversion and provide you our indicative quote based on our estimated costs, including the cost of works, management and administration costs, Traffic Management costs, highway authority charges and costs associated with working in Third Party Land. The works typically involve laying a new sewer, providing connections at each end into existing sewers and decommissioning the redundant sewer. For rising mains, we may also have to relocate pumps.

We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme we will provide an account of our reasonable costs incurred and credit or invoice you for the difference compared to the application and design fee you paid.

The indicative quote is an estimate only and not a fixed price quote and will be valid for 180 days. The quote is subject to change if the requirements of the Diversion changes. If a re-quote is required as a result of changes you have made to your development, a re-quote fee will be payable.

We will review each Diversion when we have completed the works to assess the actual costs that we have incurred in carrying out the Diversion. The difference between our quote and our reasonable actual costs incurred will be credited or invoiced to you as appropriate.

Your diversion works may require existing connections to be diverted or re-laid, which we will include in your quote.

Payment terms and security requirements can be found in section 8.

## Indicative rates for estimating

We are not required to publish fixed charges for Diversion work. However, we are required to enable developers to calculate a reasonable estimate of the charge of the Diversion work. We have published indicative rates so that you can estimate the charges for a Diversion. These rates are for estimating only and will not be used for charging. They are based on the average costs of straightforward diversions and do not take account of issues that may arise on complex schemes. We will calculate the actual cost of your Diversion on a scheme by scheme basis and these will vary from the indicative charges published here.

In order to estimate your charge you will need to know the parameters of your development, in particular:

- **The size of sewer** you are diverting.
- **Where the new sewer will connect** in to the existing network.
- **The likely route of the new sewer** between the two new connection points (which needs to be hydraulically viable).
- **The length of sewer** to be decommissioned

Our indicative charges for the diversion of a sewer are broken down into three elements:

- The **charge for each connection** to the existing sewer, represented as a single charge calculated with reference to where we connect to the existing sewer (for example, in the road).
- A **charge for laying pipe** between the two connection points. This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to where we lay our pipe (for example, in the road).
- The **cost for decommissioning** the redundant sewer, shown as a rate per metre (rounded up to whole metres).

Our indicative charges represent the typical cost for a straightforward scheme and should be used as an estimating tool only, and will not be used to calculate actual charges for Diversion work.

For complex diversion schemes, hydraulic modelling may be required. If applicable, fees can be found in the table on page 20.

For re-laying or diverting connections you can use the published lateral drain or new sewer charges (as appropriate) on an indicative basis.

The indicative rates for pipe laying and connection charges are the same as for new sewers in 8.12.1 above and details of our ancillary charges are included in the table below.

The indicative charges for decommissioning sewers are £20 per metre for pipes with an internal diameter of up to and including 300mm and £90 per metre for larger diameter pipes.

The indicative charges for decommissioning sewers are:

Pipe Diameter	Charge
Upto and including 300mm	£20 per metre
Greater than 300mm	£90 per metre

In order to arrange for a Sewer Diversion you will need to submit an application form to us. We will assess which type of diversion is required and advise the relevant application fees and security payments. If you are carrying out a minor diversion you will have to pay an application fee, which is non-refundable even if your scheme does not progress. You will also be required to pay a fixed security deposit that will be returned to you once the works are completed to our satisfaction. See table of ancillary charges 9.6.

If you are carrying out a non-strategic sewer diversion you will have to pay for the adoption and abandonment elements of the diversion agreement. These fees are non-refundable even if your scheme does not progress. If you are carrying out other Diversions or wish us to carry out the work, you will have to pay an application fee, which is non-refundable even if your scheme does not progress.

## Table of ancillary charges

Please note that these charges are fixed.

Ancillary Charges		
Item		Charge
Minor Diversion (self-lay)	Application fee	£690 per application
	Security Deposit	£2,000 per application
Non-Strategic Sewer Diversion (self-lay)	Hybrid Adoption	£1,000 per agreement
	Abandonment	£305 per agreement
	Security Deposit	100% of our total cost estimate
Other Diversions (self-lay)	Application fee	£1,700 + VAT per application for an indicative quote to monitor works
	Legal Agreement	Up to £5,000
	Security Deposit	100% of indicative quote
Other Diversions (Thames Water to do the work)	Application fee	£1,700 + VAT per application for a budget estimate
	Design fee (Contestable)	15% of the estimated scheme value on account of the actual cost
	Modelling assessment (Contestable)	£15,000 + VAT on account of the actual cost
	Legal Agreement	Up to £5,000
	Re-quote fee	£40 + VAT per application

## 7. Adoptions

### Introduction

In principle you can carry out all sewer laying and connection work, except where we exercise our rights under section 107 of the Water Industry Act 1991 to make the connection (please see section 4).

Legislation covering the adoption of newly constructed sewers, drains and sewage disposal works is contained in section 104 of the Act, which refers to Adoption Agreements. If a newly constructed sewer or drain is constructed in accordance with an Adoption Agreement under section 104 it will, subject to the terms of the Adoption Agreement, become vested in us as a public sewer, and will be our responsibility to maintain.

We accept the standards that are in 'Sewers for Adoption' (6th Edition), in accordance with Ofwat's Code for Adoptions Sewerage. This guide is free to download on Water UK's website.

This section does not apply to the adoption of existing infrastructure under section 102 of the Act.

### Charges for a sewer, drain and sewage disposal work adoption

When you apply to have a sewer or drain adopted under section 104 of the Water Industry Act 1991 you must complete and submit the application form together with copies of all relevant plans and a non-refundable fee for reviewing your application.

A separate application form for any connections to the public sewerage system (as required by section 106 of the Act) together with the appropriate consent fee should also be submitted following our consent process.

Where a consent to discharge from the Environment Agency, the Canal & River Trust, Land Drainage Authority or Network Rail is required, you must not agree to any conditions without prior approval from us. If you agree any such conditions, we may not be able to adopt the sewer or drain or may have to ask you to pay an amount to us that covers the cost of meeting any commitments made.

Assuming your proposals are acceptable, we will write to you confirming this. We will set out our estimate of the cost of your scheme and our fee which will be a percentage of our estimate of the construction cost, which covers the processing, assessment and inspection of the works.

In order to progress the adoption, you must enter into an Adoption Agreement with us subject to providing a security deposit. This security can either be a legal security bond provided by a bank or the NHBC or a cash deposit.

The security is released on expiry of the 12-month maintenance period that follows the issue of the provisional certificate of completion of the sewer, assuming any remedial work has been carried out. We will deduct from the security deposit any reasonable costs we incur in

making good any notified defects. If the costs exceed the deposit we will invoice you for the excess.

A legal fee is also payable on signing of the Adoption Agreement. If an easement is required an additional easement fee is payable.

As part of a self-lay waste scheme, we are sometimes asked to provide additional services such as project management or technical support. Assuming we agree to provide these services, we will assess them on a case by case basis and charge based on an hourly or daily rate to be agreed.

Where the Adoption Agreement relates to lateral drains you will need to install a chamber at the boundary of the property for maintenance purposes. The materials used for the connection must be to the standard set in 'Sewers for Adoption'.

We will send you an invoice for any charges associated with Adoption Agreements. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

Item	Charge
Application fee	£1,000 per application
Administration & inspection fee	2.5% of our estimate of the construction cost
Security deposit	Greater of £5,000 or 10% of the construction cost estimate
Legal fee	£850
Easement fee	£750

## 8. Payment terms and security

### Introduction

We quote our charges for New Connections Services using the rates in effect on the date of the quote and on the basis of the information you provide to us in your application form or otherwise. You have the option of paying in advance or in arrears for our New Connections Services. However, the amount you pay may be different if you pay in arrears.

Application, design and re-quote fees are always payable with your application and cannot be deferred.

Payment terms and security requirements for Adoption Agreements, Self-Lay Agreements and Diversion Agreements are as detailed in sections 6 and 7 above. The terms set out in this section do not apply to these schemes.

### Payment in advance

If you choose to pay in advance for the New Connections Services charges, you need to select this option and provide full payment when you accept our quote and do so within the validity period of that quote. You will need to pay the full charge for the works as shown on the quote.

If there is a credit or additional charge due on completion of the works, we will calculate this using the rates in effect on the date of the quote and will send you an invoice. Any queries or disputes in relation to charges must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

Please note that if you opt to pay in advance, we will only schedule works after we have received full payment for those works.

Payment terms for Infrastructure Charges are set out in Sections 4-8.

As you benefit from fixed rates for your New Connections Services, we do not pay interest on any advance payment.

## Payment in arrears

You may choose to pay in arrears for your New Connections Services charges if you provide security equal to the expected charges for the works (including an inflation allowance). If you choose this option, you need to make this clear when you accept our quote and do so within the validity period of that quote. The security we accept is:

- A bank guarantee in our favour issued by a bank or building society registered and operating in the United Kingdom, appearing in the list of banks or building societies as compiled by the Bank of England and having an investment grade credit rating.
- A letter of credit in our favour issued by a bank or building society registered and operating in the United Kingdom, appearing in the list of banks or building societies as compiled by the Bank of England and having an investment grade credit rating.
- An on demand bond or guarantee issued in our favour by a third party having an investment grade credit rating.

The expected value of the charges for New Connections Services works and therefore of the security includes an allowance for inflation of our charges calculated with reference to forecast RPI.

We will provide the required value and wording for each of the security documents on request. Please note that if the provider of the security specifies an expiry date you will need to make sure that you provide replacement security of a value and form acceptable to us at least 30 days before the expiry date. If you do not provide replacement security, we reserve the right to claim against the security you have provided in order to obtain payment for costs incurred to date and to suspend works until new security is provided.

We will not schedule any New Connections Services works until we have received acceptable security. You should allow a reasonable amount of time for the form of your security to be agreed in order to avoid any unnecessary delay to your works.

It is possible that, having accepted our quote on the basis of providing security, you instead choose to pay in advance. If so, you will need to apply for a re-quote. There is no fee for cancelling your acceptance of our original quote, although you will pay a re-quote fee and we will only schedule your works once you have accepted the new quote and we have received full payment. Please note that the re-quote will be different to our original quote if our published charges have changed.

On completion of the New Connections Services works, we will send you an invoice. As you are paying in arrears, we will calculate charges using the rates published and in effect when the works are completed. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

On receipt of full payment for your works, we will return the security to you.

You can pay any charges by bank transfer or cheque. We do not accept cash.



## 9. Transition arrangements

These Charging Arrangements come into effect from 1 April 2021.

Although the new charging rules come into effect for work quoted on or after 1 April 2021, County Water recognises that some work will be quoted prior to this date. These quotes would have been drawn up using previous Charging Arrangements.

We will use the following rules to determine whether the 2020/21 or 2021/22 charging arrangements apply.

### **Quotes issued prior to 1 April 2021**

Before 1 April 2021, all quotes issued will be issued under 2020/21 Charging Arrangements.

- If your work has commenced you cannot ask for a requote under 2021/22 arrangements.
- If your work has not commenced, you can ask for a requote under 2021/22 arrangements after 1 April 2021.

### **2020/21 quotes are still valid if:**

- they are paid within their 180 calendar day validity period even if this is after 1 April 2021 and
- the parameters of the scheme do not change and
- the relevant SLP/NAV agreements are signed (if applicable)
- 

### **Quotes issued on or after 1 April 2021**

For work quoted for and commencing on or after 1 April 2021, the charges in these Charging Arrangements will apply unless the following conditions are met:

An application for a New Water Main or New Sewer was received on or before 19 February 2021 and the customer requests that 2020/21 Charging Arrangements be applied

An application for new water connections, Waste Connections or Lateral Drains was received on or before 4 March 2021 and the customer requests that 2020/21 Charging Arrangements be applied

### **Requotes on or after 1 April 2021**

If a developer accepts and pays a quote issued under 2020/21 Charging Arrangements, and then requires a re-quote on or after 1 April 2021, the 2021/22 Charging Arrangements will be used to calculate the re-quote.

If an SLP or NAV signs an agreement issued under 2020/21 Charging Arrangements, and then requires a variation on or after 1 April 2021, the 2021/22 Charging Arrangements will be used as the new basis for the agreement.

If customers ask for a re-quote at any time, Thames Water will apply re-quote fees as normal.

### **Handling Strategies**

The Income offset transition arrangement for 2020-21 of a 4x multiplier for connections to a new main will no longer apply to quotes issued on or after 1 April 2021 which are quoted under the 2021/22 charging arrangements

A new Income offset handling strategy of a 2x multiplier for multi property buildings (such as flats) with loading units of 13 or below will be applied to quotes issued on or after 1 April 2021 which are quoted under the 2021/22 charging arrangements.