

Gladman Developments Limited

UTILITY LAW SOLUTIONS



Development of Land off Cross Road, Walmer

Foul Drainage Analysis

April 2019

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Proposed Development of Land off Cross Road, Walmer **Foul Drainage Analysis**

A. Executive Summary

Utility Law Solutions (ULS) specialises in water and sewerage law and how it relates to the housebuilding industry. Gladman Developments Ltd has appointed ULS to review foul drainage matters relevant to its proposed development of land off Cross Road, Walmer and provide this analysis.

This report outlines how the proposed development can be effectually drained and sets out the legal framework that governs foul drainage matters applicable to new development generally. Evaluating foul drainage requirements for new development involves:

- Identifying a point of connection on the public sewerage network to which foul water can be discharged.
- Establishing the technical requirements for conveying foul water to the identified point of connection.
- Liaison with the relevant sewerage undertaker to determine the impact of discharging foul water to its sewerage network.

A drainage system designed in accordance with industry standards and relevant statutory procedures will be constructed on this site to serve a proposed development of up to 100 residential dwellings. The development's waste water will be discharged to the public sewerage network owned and operated by Southern Water (the Sewerage Undertaker).

The Sewerage Undertaker has assessed development proposals for this site and the associated impact of discharging its waste water to the public sewerage network and has identified two options that will allow this development to be accommodated. Development flows can either be discharged to a public sewer directly adjacent to the site, in conjunction with downstream improvement works (network reinforcement), or connection could instead be made at a point that currently has available capacity (identified as 400 metres downstream). Once a planning consent has been granted, the Sewerage Undertaker can complete further investigations and if still deemed necessary, either design, plan and implement suitable network reinforcement or use its statutory powers to instruct the developer to connect at the identified point of adequacy.

The Sewerage Undertaker is fully funded to complete network reinforcement as required to accommodate new development and must do so to comply with statutory duties prescribed by Section 94 of the Water Industry Act 1991. The Sewerage Undertaker has implemented charging arrangements for the connection of new

developments to public sewer networks. These arrangements follow statutory rules issued by Ofwat that amongst other matters, require network reinforcement to be funded solely by infrastructure charges. The Sewerage Undertaker will collect an infrastructure charge for every new dwelling connected to its sewerage network. The investment required for improving the public sewerage system to accommodate housing growth is therefore spread equally across all new development.

In recent years, some sewerage undertakers have requested planning conditions that effectively forced developers to fund network reinforcement through sewer requisitions (section 98 of the Water Industry Act 1991). Network reinforcement charges can no longer be included in public sewer requisitions as the charging rules issued by Ofwat specifically preclude this.

Timescales for securing planning consents and the subsequent implementation of this development demonstrate that its foul water will not be discharged to the public sewerage network until 2021 at the earliest. This allows sufficient time for the Sewerage Undertaker to take any action it deems necessary to ensure its systems can accommodate this development.

In summary, this report clearly demonstrates how the proposed development can be drained by discharging its foul water to the public sewerage network. The Sewerage Undertaker will identify action it may need to take to ensure this development will not cause detriment to the performance of the receiving sewerage system. The Sewerage Undertaker has sufficient time to analyse and improve its systems if necessary and is funded to do so. Matters relating to foul drainage are comprehensively addressed in other primary legislation, meaning there is no impact which would make the development unacceptable in planning terms. Adopting the tests at paragraph 55 of the National Planning Policy Framework (NPPF), any condition related to foul drainage is unnecessary, irrelevant to planning and unreasonable.

B. Drainage Strategy for the Development

- B.1 A foul drainage system will be constructed to serve this development and connected to the public foul sewerage network. All sewers and ancillaries will be built in accordance with the national industry guidance entitled “Sewers for Adoption” and will ultimately be adopted by the Sewerage Undertaker through an agreement pursuant to section 104 of the Water Industry Act 1991. This will ensure the long-term maintenance of the drainage system and is standard practice for new development.
- B.2 Records received from the Sewerage Undertaker identify public sewers in various highway surrounding this site that converge in Station Road to the south. The most practical outfall for foul water from this development would be east of the junction of Cross Road and Station Road, due south of the site. Connection to the public sewerage network at this point can be made with all offsite sewers constructed in public highway. The preferred connection location will be agreed between the developer of the site and the Sewerage Undertaker, subject to further consideration of available capacity and/or network reinforcement as detailed below.
- B.3 A developer can connect to the public sewerage network at a point of its choosing by serving a notice on the Sewerage Undertaker pursuant to section 106 of the Water Industry Act 1991. This notice cannot be refused by the Sewerage Undertaker, but it can compel a developer to connect at an alternative location using its powers under section 112 of the Water Industry Act 1991. The Sewerage Undertaker can therefore dictate the point of connection on the public sewerage network to ensure there is no detriment to its existing performance. Section 112 also allows sewerage undertakers to instruct a developer to construct drainage systems in a specified manner to ensure any impact on the public sewerage network is minimised either on a permanent or temporary basis.
- B.4 Ground levels on the site fall naturally in a south to south westerly direction with a high point of 30.5 metres AOD and a low point of 18.5 metres AOD. A public sewer manhole at the junction of Cross Road and Station Road has recorded cover and invert levels of 18.661 metres AOD and 17.96 metres AOD respectively. Connection is proposed downstream of this point where invert levels will be lower and the lowest ground levels where development is proposed are approximately 21.5 metres AOD. It should therefore be feasible to drain foul water from this development under gravity to the public sewerage network. If the Sewerage Undertaker compelled the developer to connect further downstream where capacity is currently available, additional analysis would be required to confirm the required mode of conveyance. The final

drainage strategy will be agreed with the Sewerage Undertaker and included in a sewer adoption agreement.

B.5 Details of development proposals for this site and the drainage strategy outlined in this report were submitted to the Sewerage Undertaker for evaluation. The Sewerage Undertaker reported concerns regarding available capacity immediately downstream of this site, but has identified a point 400 metres to the east where capacity is currently available. This provides two distinct options for the Sewerage Undertaker to allow it to meet the needs of this development:

1. Accept a connection to public sewers immediately to the south of this site and complete network reinforcement downstream if and when required.
2. Use its statutory powers (see B.3 above) to instruct connection to public sewers further east identified as a point of adequacy.

The Sewerage Undertaker will need to complete further investigation to confirm its initial findings and determine its preferred option. The Sewerage Undertakers initial findings are included at Appendix 1.

B.6 Prior to investing in further investigation and potentially designing and implementing a solution to improve network capacity, the Sewerage Undertaker understandably requires certainty that the proposed development will be proceeding. For this reason, the Sewerage Undertaker may propose to commence modelling once planning consent has been granted. It is solely a matter for the Sewerage Undertaker to determine its preferred solution for accommodating foul water from this development in its sewerage system to comply with its duty under Section 94 of the Water Industry Act 1991.

B.7 The site boundary is shown edged red on the plan at Appendix 3 and the proposed point of connection on the public sewerage network is indicated at Appendix 2. These can be referenced against the Development Framework Plan that forms part of the planning application

B.8 In summary, it is proposed that this developments foul water will be discharged to the public sewerage network. The Sewerage Undertaker is required to take action as necessary to ensure existing network performance is not detrimentally affected.

C. Development Timescales

C.1 Presuming this outline planning application is approved at committee, the following minimum timescales are envisaged for construction of the developments drainage system and the subsequent discharge of foul water to the public sewerage network:

- The site will be marketed for sale to a developer by mid to late 2019.
- Subsequent sale of the site anticipated by early 2020.
- The developer that purchases the site will complete detailed designs to facilitate submission of a reserved matters planning application by mid-2020.
- Determination of a reserved matters planning application may take approximately 3-6 months, i.e. Full planning permission granted by late 2020.
- The developments foul drainage system will be constructed as part of initial on-site groundworks commencing in early 2021, allowing a few months for enabling works etc.
- Foul water from the development will not be discharged to the public sewer network until initial occupations commence in late 2021.
- Development will continue over approximately a 3 year period with sales/occupations at around 30 to 40 dwellings per annum.
- Site completion and full foul water flows estimated in 2024.

C.2 As demonstrated by this timeline, the discharge of foul water to the public sewerage network is anticipated to begin in late 2021. This allows more than two years between issuing an outline planning consent and the discharge of new flows to the public sewer network for the Sewerage Undertaker to complete further network evaluations and if required take any action it deems necessary to ensure it can meet the needs of this development.

C.3 It would be inappropriate to prevent this development from proceeding on the grounds of sewerage capacity and unnecessary to apply any restrictive planning condition. For example, a condition that prevented the commencement of development or occupation of premises until network reinforcement was completed would be unreasonable given the timescales for its implementation and statutory powers available for use by the Sewerage Undertaker to protect its systems.

D. Sewerage Undertaker Funding

- D.1 Ofwat (the water and sewerage industry regulator) has issued statutory rules that specify how sewerage undertakers must charge for activities associated with the connection of new developments to public sewerage networks. Each sewerage undertaker has published charging arrangements that implement these rules and apply to all new development. The relevant document for Southern Water is included at Appendix 6.
- D.2 As well as detailing charges for site specific activities, the charging arrangements specify how network reinforcement required to accommodate new development is funded. The Sewerage Undertaker collects an infrastructure charge for every new dwelling connected to its sewerage network to fund network reinforcement in its operating area. The Sewerage Undertaker receives infrastructure charge payments for connections that do not necessitate network reinforcement as well as for those that do. This ensures that the cost of providing additional capacity in the public sewerage network to accommodate housing growth is spread equally across all new development.
- D.3 In recent years, some sewerage undertakers have requested planning conditions that effectively forced developers to fund network reinforcement through sewer requisitions (section 98 of the Water Industry Act 1991). Network reinforcement charges can no longer be included in public sewer requisitions as the charging rules issued by Ofwat specifically preclude this. All new developments contribute towards network reinforcement through infrastructure charges, allowing sewerage undertakers to fully comply with statutory duties prescribed by Section 94 of the Water Industry Act 1991.
- D.4 As sewerage undertakers now have a properly defined funding stream for improving public sewer networks to accommodate new development, it would be unreasonable to impose planning conditions relating to foul drainage where it can be demonstrated that development timescales allow any necessary action to be taken. Sewerage undertakers have a statutory duty to improve networks and must do so within a reasonable timeframe to ensure much needed new housing is not delayed.
- D.5 Any improvements necessary to the operation of sewage treatment facilities, including works required to accommodate new development, are funded through the general sewerage charge levied on all premises within a sewerage undertakers operating area.
- D.6 All costs relating to onsite foul drainage networks, the construction of new sewers and ancillaries as well as connection to the public sewer network are

borne in full by developers. Charges associated with these activities are detailed in the Sewerage Undertakers published charging arrangements.

- D.7 The charging arrangements for new development allow sewerage undertakers to take a more holistic approach to improving the capacity of public sewerage networks. Rather than catering for the needs of individual developments on a piecemeal basis, sewerage undertakers can now consider all potential development in a particular area and devise solutions to accommodate the cumulative impact. It may also allow sewerage undertakers to better address existing capacity constraints alongside network reinforcement that caters for growth. Previously, this was rarely the case where funding was provided by a specific development as it is not permitted to charge developers to address existing issues.
- D.8 Construction of the onsite sewerage system for this development and its connection to the public sewer network will be funded by the developer. Its design will be vetted by the Sewerage Undertaker following payment of the appropriate fees set out in the charging arrangements.
- D.9 Infrastructure Charges for the 100 dwellings proposed will be paid to the Sewerage Undertaker at a rate of £765.00 per property (fixed until 31st March 2020 and then reviewed annually). This will provide the Sewerage Undertaker with £76,500.00 towards the general costs of improving the public sewerage network where it is necessary to accommodate foul water flows from new development. Some developments will qualify for a reduction in infrastructure charges subject to meeting certain criteria relating to sustainable drainage.
- D.10 The addition of 100 new customer households will provide additional annual income to the Sewerage Undertaker. The current average sewerage charge in the Sewerage Undertaker's area is £292.00 per property, providing £29,200.00 (rising in line with future price increases) annually on completion of the development.

E. Water Industry Legislative Framework, Duties and the Planning Regime

- E.1 ULS has consistently maintained that planning conditions relating to foul drainage are unnecessary for new residential development and the planning appeal decisions detailed at Appendix 5 and summarised below support this view. The actual impact on the environment of a proposed development must always be evaluated with due regard to the statutory provisions set out in the Water Industry Act 1991 (WIA1991).
- E.2 A summary of the relevant sections of the WIA1991 is set out at Appendix 4 together with the full wording of those sections.
- E.3 A detailed analysis of the interaction between the water industry statutory framework and the planning regime is set out at Appendix 5.
- E.4 When evaluating foul drainage during a planning application, the correct approach in law should be as follows:
- To have regard to a developer's absolute right to connect to the public sewerage system, while taking into account the general duty that section 94 of the WIA1991 imposes on sewerage undertakers.
 - To consider whether there is any impact on the environment that would justify refusing permission and if so whether this could be mitigated by a planning condition.
 - To determine whether any planning condition would meet the policy tests detailed in the NPPF and Planning Practice Guidance (PPG).
- E.5 Conditions relating to sewerage and sewage treatment must be justified against the tests set out in the NPPF and the PPG. In particular, given the rights and duties in the WIA1991, careful consideration is required as to the timescales involved in implementing a permission for residential development. It is reasonable to expect the Sewerage Undertaker to provide the necessary infrastructure to avoid adverse effects, and it is funded to do so through charges it collects specifically for this purpose.
- E.6 The principles set out in this report that demonstrate planning conditions relating to foul drainage are unnecessary have been considered at a number of planning appeals. The reference numbers for these appeal decisions are listed in Appendix 5 along with extracts relevant to foul drainage. It was determined by the Planning Inspectors presiding over these cases that the imposition of a planning condition relating to foul drainage was either unnecessary or unreasonable. The reasons given by the Planning Inspectors for this decision were similar in each case and can be summarised as follows:

- Sewerage undertakers have a statutory duty prescribed by the Water Industry Act 1991 to provide sewer connections. There is no need for planning conditions to duplicate powers available under other legislation.
- Sewerage Undertakers have a statutory duty prescribed by the Water Industry Act 1991 to improve existing systems if necessary. A condition relating to foul drainage is unnecessary as it is the subject of other legislation.
- In general conditions relating to foul water drainage are unnecessary, given the requirements of legislative provisions separate to the land use planning regime.
- A condition relating to the completion of off-site network reinforcement would be unreasonable where development timescales provide the sewerage undertaker adequate time to implement any necessary improvement measures to the public sewerage network.

Case law has set a precedent relating to the consistency of decision making by planning authorities or inspectors, confirming that whilst a decision maker can depart from a previous decision which considered the same or similar facts, they must fully justify the reasons for doing so. (Fox Vs SoS [2012] EWCA Civ 1198).

E.7 It has not yet been established whether the Sewerage Undertaker will need to improve its sewer network to accommodate this development. It can however be demonstrated that it would be unreasonable to impose a planning condition relating to foul drainage for the following reasons:

- It is solely a matter for the Sewerage Undertaker to identify and complete any network reinforcement necessary to accommodate this developments foul water. Developers have no control over the design, planning and implementation of network reinforcement. A planning condition requiring submission of such details by the applicant would be unenforceable.
- The Sewerage Undertaker can ensure connection at its preferred location through use of statutory powers (s112 Water Industry Act 1991).
- The Sewerage Undertaker has a duty to take any action it deems necessary to ensure its systems are properly managed to accommodate new development. It is funded to do so and has sufficient time to undertake any works required. A condition requiring restriction of the commencement and/or occupation of this development is therefore unnecessary.
- All matters relating to the design and construction of sewerage systems for new development as well as connection to existing networks are covered by the provisions of primary legislation (WIA1991). A planning condition requiring submission to the planning authority of details relating to such matters would be an unnecessary duplication and therefore unreasonable.

F. Summary

- F.1 It is clear from the above analysis of both legal and technical aspects relating to foul drainage, that this development can be effectually drained without causing detriment to the public sewerage network.
- F.2 Section B of this report demonstrates how this development can be drained, with an onsite sewerage system constructed and connected to the public sewerage network.
- F.3 Section C of this report sets out the timescales for implementation of this development and how this affords sufficient time for the Sewerage Undertaker to ensure it can make appropriate provision for accepting and treating its foul water flows.
- F.4 Section D of this report explains how the Sewerage Undertaker is funded to make any necessary alterations to its sewer network to accommodate this development.
- F.5 Section E of this report highlights the separate legislative regimes that operate within the planning system and the water industry and demonstrate that a foul drainage planning condition is not required. Matters pertaining to foul drainage and sewage treatment for this development are fully addressed by water industry legislation.
- F.6 The developer has a right to connect to the public sewerage network at a point of its choosing and the Sewerage Undertaker has a duty to carry out any works necessary to accommodate associated foul water flows (s106 and s94 of the WIA1991).
- F.7 If the Sewerage Undertaker requires construction of foul drainage works for this site to be carried out in an alternative manner or connection at a different location to that proposed by the developer, it can compel the developer (through s112 of the WIA1991) to carry out the additional works to achieve this.
- F.8 Planning appeal decisions have confirmed that conditions relating to foul drainage are unnecessary and/or unreasonable. Case law has set precedent relating to the consistency of decision making by planning authorities or inspectors, confirming that whilst a decision maker can depart from a previous decision which considered the same or similar facts, they must fully justify the reasons for doing so. (Fox Vs SoS [2012] EWCA Civ 1198).
- F.9 Applying the tests at NPPF paragraph 55 and following the approaches taken in the planning appeal decisions detailed in E.6 above, any condition relating to foul drainage is unnecessary and/or unreasonable. Despite this, a

sewerage undertaker will often suggest that a development may cause detriment to the public sewerage system unless a condition is imposed. It is understandable that this would be of concern to a planning authority and is no doubt the reason that planning conditions put forward by sewerage undertakers have tended to be routinely applied. In reality, the “risk” is not created by the development and would only occur if a sewerage undertaker failed to undertake its fully funded statutory obligations to carry network reinforcement, if required, in a timely manner. The request by a sewerage undertaker for development to be delayed until it is prepared to make the necessary investment, is in effect a private company seeking to dictate when homes required to meet housing need, can be delivered.

- F10 The casual imposition of unnecessary/unreasonable foul drainage conditions on planning permissions requiring prior approval of drainage schemes or hydraulic modelling, can add considerable delay to the implementation of permissions and the delivery of new homes. This is not a practice that should be perpetuated within the planning system.
- F.11 The grant of outline planning permission for this development will give the Sewerage Undertaker sufficient certainty that it will go ahead. This will allow it to ensure that its systems can meet the demands of all existing and proposed developments in this area.
- F.12 In summary, this report clearly demonstrates how the proposed development can be effectually drained without causing any detriment to the public sewerage system. Matters relating to foul drainage have been properly assessed and are comprehensively addressed in other primary legislation, meaning there is no impact which would make the development unacceptable in planning terms in the absence of a condition. Adopting the tests at NPPF paragraph 55, any condition related to foul drainage is unnecessary, irrelevant to planning and unreasonable.

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Utility Law Solutions – Company Overview

ULS is owned and operated by Philip Day and Alex Day and was incorporated in 2007. Since its inception, ULS has provided advice and assistance to developers, landowners and other bodies operating in the house building sector on issues relating to foul drainage, sewage treatment and associated infrastructure matters.

Prior to the formation of ULS Philip Day and Alex Day were both employed in the Water & Sewerage Industry by Severn Trent Water, being one of the largest sewerage undertakers in the UK. Philip and Alex therefore have first-hand knowledge of the operation of sewerage undertakers and how they interact with developers and others in the house building industry.

Before leaving Severn Trent Water to set up Utility Law Solutions, Philip was their Principal Legal Advisor for Asset Management matters. In this role Philip's responsibilities were wide ranging and included the provision of legal advice and support to the business in relation to all asset management issues arising out of the company activities in sewage treatment, water supply and networks (water main and sewerage systems). During his time with Severn Trent Water, Philip was *inter alia* directly responsible for all legal aspects relating to:–

- Advice on the effects of the Water Industry Act 1991 and related legislation
- Obligations of sewerage undertakers in relation to the section 94 duty
- Formulation of policies and procedures in relation to the connection of infrastructure to new developments including resolution of development related problems/disputes
- Sustainable Drainage Systems (SuDS) - Member of the National SuDS Working Group providing legal support which culminated in the Interim Code of Practice for Sustainable Drainage Systems
- Sewers for Adoption – Provision of legal support for Sewers for Adoption 5 and 6, including creating a new national agreement
- Development through Water UK involvement, of water company positions in relation to Private Sewers legislation, New Roads and Street Works and Traffic Management Acts, Environmental Liability Directive, Section 101A (rural sewers) applications and processes and Environmental Information Regulations

Alex was employed by Severn Trent Water in its Developer Services and New Connections department with duties including assessing and communicating the impact of new developments on existing sewerage networks and evaluating sewer designs proposed by developers in accordance with industry standards. Alex worked in close collaboration with the Asset Protection and the Legal departments in Severn Trent providing an important link for his own team to ensure that all activities relating to new development complied with both statutory provisions and protected the technical requirements of the company. Alex also spent 4 years prior to joining ULS working as a consultant to developers providing advice on matters including the impact of proposed developments on sewerage networks and acting as an agent in communicating with sewerage undertakers.

www.utilitylawsolutions.co.uk

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Appendix 1

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Mr Alex Day
Utility Law Solutions

Developer Services
Southern Water
Sparrowgrove House
Sparrowgrove
Otterbourne
Hampshire
SO21 2SW

Tel: **0330 303 0119**

Email: developerservices@southernwater.co.uk

Your Ref:

Our Ref:

DS_CC_PDE-107720

Date:

27 February 2019

Site: 52 Cross Road, Walmer, Deal, Kent, CT14 9LA.

Dear Mr Day,

We have completed the capacity check for the above development site and the results are as follows:-

Foul Water

There is currently inadequate capacity within the foul sewerage network to accommodate a foul flow for the above development at manhole reference TR3650**1302**. The proposed development would increase flows to the public sewerage system, and existing properties and land may be subject to a greater risk of flooding as a result. Additional off-site sewers, or improvements to existing sewers, will be required to provide sufficient capacity to service the development.

The nearest point where capacity is currently available is at manhole reference TR3650**4103** which is located approximately 400 meters to the East of the proposed development site.

Please note, as from 1st April 2018 we have moved to the "New Connections Services Charging Arrangements". We understand that this may cause uncertainty for customers, particularly where they may have already committed to a development based on previous charging arrangements. We have worked with our stakeholders and Water UK to agree a set of principles by which we will base our charges. Please read through our new charging arrangement documents available at the following link:

<https://beta.southernwater.co.uk/infrastructure-charges>

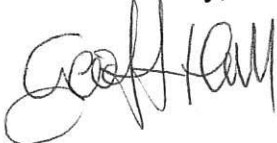
Alternatively, new appointees and variations (NAVs), also known as 'inset' companies, can provide new connection services or take ownership of the new water and wastewater connection infrastructure provided for a new development. NAVs are appointed by Ofwat and replace the regional water company. It is for the developer to choose whether to use a NAV or the regional water company to supply services for new sites, according to certain legal criteria.

It should be noted that this information is only a hydraulic assessment of the existing sewerage network and does not grant approval for a connection to the public sewerage system. A formal S106 connection application is required to be completed and approved by Southern Water Services. Please see the following link:

<https://developerservices.southernwater.co.uk/ConnectiontoPublicSewer/ApplicationForm>

Should you require any further information, please contact us at the above mentioned phone number or address.

Yours sincerely,



Geoff Hall

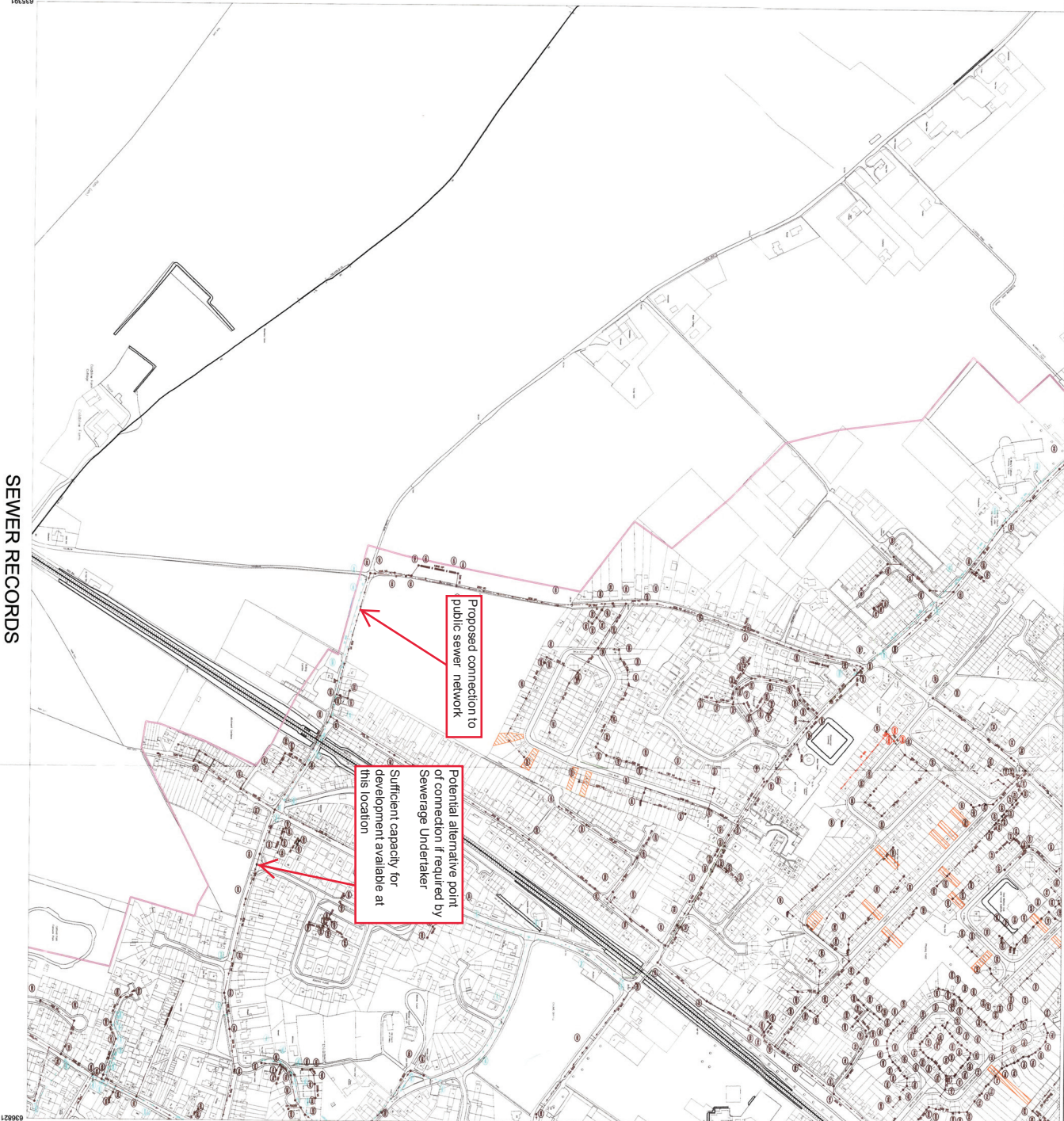
Developer Services

Please note: -

The information provided above does not grant approval for any designs/drawings submitted for the capacity analysis. The results quoted above are only valid for 12 months from the date of issue of this letter.

Appendix 2

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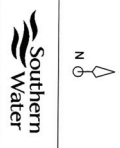


SEWER RECORDS

Proposed connection to public sewer network

Potential alternative point of connection if required by Sewerage Undertaker

U.S. Map	THISSHOWAY	Scale	1:2500	Sheet No.	15110016
<p>Notes:</p> <ul style="list-style-type: none"> 1. All dimensions are in feet and inches. 2. All elevations are in feet above mean sea level. 3. All sewer lines are shown in black. 4. All manholes are shown in white. 5. All valves are shown in red. 6. All pipe types are shown in the legend. 7. All materials are shown in the legend. 8. All depths are shown in the legend. 9. All diameters are shown in the legend. 10. All lengths are shown in the legend. 11. All bearings are shown in the legend. 12. All distances are shown in the legend. 13. All areas are shown in the legend. 14. All volumes are shown in the legend. 15. All weights are shown in the legend. 16. All forces are shown in the legend. 17. All moments are shown in the legend. 18. All stresses are shown in the legend. 19. All strains are shown in the legend. 20. All displacements are shown in the legend. 21. All rotations are shown in the legend. 22. All curvatures are shown in the legend. 23. All torsions are shown in the legend. 24. All shears are shown in the legend. 25. All normal stresses are shown in the legend. 26. All shear stresses are shown in the legend. 27. All normal strains are shown in the legend. 28. All shear strains are shown in the legend. 29. All normal displacements are shown in the legend. 30. All shear displacements are shown in the legend. 31. All normal rotations are shown in the legend. 32. All shear rotations are shown in the legend. 33. All normal curvatures are shown in the legend. 34. All shear curvatures are shown in the legend. 35. All normal torsions are shown in the legend. 36. All shear torsions are shown in the legend. 37. All normal shears are shown in the legend. 38. All shear shears are shown in the legend. 					
<p>Legend:</p> <ul style="list-style-type: none"> 1. Sewer Line 2. Manhole 3. Valve 4. Pipe Type 5. Material 6. Depth 7. Diameter 8. Length 9. Bearing 10. Distance 11. Area 12. Volume 13. Weight 14. Force 15. Moment 16. Stress 17. Strain 18. Displacement 19. Rotation 20. Curvature 21. Torsion 22. Shear 23. Normal Stress 24. Shear Stress 25. Normal Strain 26. Shear Strain 27. Normal Displacement 28. Shear Displacement 29. Normal Rotation 30. Shear Rotation 31. Normal Curvature 32. Shear Curvature 33. Normal Torsion 34. Shear Torsion 35. Normal Shear 36. Shear Shear 					



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Appendix 3

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Water Industry Legislation

Summary

The Water Industry Act 1991 (WIA1991) provides a full legislative framework, incorporating provisions that ensure new developments can be effectually drained with onsite sewers being connected to the public sewerage network and subsequently adopted. The WIA1991 also contains safeguards to ensure that foul water flows resulting from new development do not cause detriment to the existing public sewerage network. A duty is imposed on sewerage undertakers by the WIA1991 to improve/upgrade public sewer networks to ensure the needs of new development can be met. Where it is perceived that new flows may cause detriment to public sewer networks, in addition to its duty to improve/upgrade, a sewerage undertaker also has the ability to compel a developer to connect at a point of adequacy on its system or otherwise alter the proposed drainage arrangements.

It should also be noted that the WIA1991 provides for the water industry regulator to arbitrate on disputes between developers and sewerage undertakers on sewer connections and the provision of sewerage infrastructure in the event that such a dispute cannot be resolved between the parties. Involving the planning system in such matters is both unnecessary and has the potential to cause conflicts between the two legislative regimes.

The relevant sections of the WIA1991 which confirm the above statements are set out in full below but for convenience can be summarised as follows:

Section 104 – Sewer Adoption Agreements

Section 104 of the WIA1991 provides for developers to enter into a section 104 sewer adoption agreement in conjunction with exercising rights to connect to the public sewerage network under section 106(1) WIA1991.

Section 106 – Right to Communicate with Public Sewers.

Developers enjoy a statutory right to connect new sewers to existing public sewers under section 106 (1) of the WIA1991 and sewerage undertakers do not have the ability to refuse a connection on the grounds of capacity in the local sewerage network and/or sewage treatment works.

Section 107 entitles the sewerage undertaker to give notice within 14 days of receipt of a notice under section 106(3) that it intends to make the communication itself. In that event the developer has to pay the reasonable cost of the work.

The Supreme Court in its judgment against a sewerage undertaker upheld this long-standing absolute right of connection to available public sewers (Barratt Homes Limited (Respondents) v Dwr Cymru Cyfyngedig (Welsh Water) (Appellants) – paragraphs 23-26, 41, 55).

The following extract from the judgment highlights some of the issues that were considered (with the key parts underlined):

41. The real problem that is demonstrated by the facts of this case arises out of the “absolute right” conferred by section 106 of the 1991 Act on the owner or occupier of premises to connect those premises to a public sewer without any requirement to give more than 21 days notice. While this might create no problem in the case of an individual dwelling house, it is manifestly unsatisfactory in relation to a development that may, as in the present case, add 25% or more to the load on the public sewer. The public sewer may well not have surplus capacity capable of accommodating the increased load without the risk of flooding unless the undertaker has received sufficient advance notice of the increase and has been able to take the necessary measures to increase its capacity.

57. As OFWAT has pointed out, although the 1991 Act affords no such right, there is a case for deferring the right to connect to a public sewer in order to give a sewerage undertaker a reasonable opportunity to make sure that the public sewer will be able to accommodate the increased loading that the connection will bring. The only way of achieving such a deferral would appear to be through the planning process. Some difficult issues of principle arise however:

□ Is it reasonable to expect the sewerage undertaker to upgrade a public sewerage system to accommodate linkage with a proposed development regardless of the expenditure that this will involve?

□ How long is it reasonable to allow a sewerage undertaker to upgrade the public sewerage system?

□ Is it reasonable to allow the sewerage undertaker to delay planned upgrading of a public sewer in the hope or expectation that this will put pressure on the developer himself to fund the upgrading?

A 21 day notice is only exercisable when the sewer that is required to connect flows from a new development has actually been constructed (as confirmed by Ofwat in a formal Determination). The development timescales set out in Section C above demonstrate that in reality sewerage undertakers always have significant periods of notice before new flows need to be accommodated in the public system.

Section 94 – A Sewerage Undertaker’s General Duty to Provide a Sewerage and Sewage Disposal System

Under section 94 (1) of the WIA1991, sewerage undertakers have a duty to provide, improve, extend and make provision for the emptying of their sewerage systems by effectually dealing, by means of sewage disposal works or otherwise, with the contents of those sewers that comprise the public sewerage system. The provisions of this section relate not only to long term capital works to improve the sewerage

system generally, but also place a duty on the sewerage undertaker to react to changes in the level of discharges into its networks.

Section 94(1) places a duty on sewerage undertakers to plan and implement any works necessary to ensure their network of sewers (and sewage treatment facilities) continues to operate satisfactorily once they have received notification that a developer intends to exercise the right to connect under section 106(1). In reality, a sewerage undertaker has sufficient certainty (and time as a result of the advance notice they receive) that a development will be proceeding on the grant of planning permission (outline or full) and should consider any necessary actions to comply with its section 94 duty at that stage. Conversely, until a sewerage undertaker has certainty that sufficient development will take place in a particular area, it is unlikely that any investment in sewerage or sewage treatment will be allocated. It is therefore illogical to refuse to grant planning permission for developments on the grounds that no improvement works are planned for a particular area.

Section 112 – An Alternative to Works under the Section 94 Duty

Whilst all developers and landowners have an absolute right to connect to the public sewer nearest to their premises, in some circumstances it may be the case that the sewerage undertaker requires drainage systems to be constructed in a manner which better protects the existing public sewerage and/or sewage treatment systems. It may for example be beneficial for a sewerage undertaker to require that a developer connects at an alternative location which constitutes a point of adequacy or provide onsite attenuation to ensure that new flows are only discharged at a specific rate or during certain times until any deficiencies in its systems have been resolved. Given the rights and duties under section 106 and 94 of the WIA1991, it would not however be appropriate to expect a developer to pay for any additional works. Section 112 of the WIA1991 provides a mechanism for sewerage undertakers to compel a developer to carry out alternative works (s112 (1)), but with the difference of cost being met by the sewerage undertaker (s112 (6)).

Clearly if compelling alternative works would be more cost effective for a sewerage undertaker than implementing sewer or sewage treatment improvement works under its section 94 duty or would allow extra time to carry out such works, this option is both viable and useful to ensure that a development can be effectually drained.

Section 104 - Agreements to adopt sewer, drain or sewage disposal works, at future date

- (1) Subject to subsection (7) and section 146(3) below, a sewerage undertaker may agree with—
- (a) any person constructing or proposing to construct -
 - (i) any sewer;
 - (ii) any drain which is intended to communicate with a public sewer vested in that undertaker; or
 - (iii) any sewage disposal works; or
 - (b) any person at whose expense the undertaker is, by virtue of an agreement under section 160 below, to carry out work in connection with the construction of such a drain or sewer,

that, if the sewer, drain or sewage disposal works is or are constructed in accordance with the terms of the agreement, the undertaker will, upon completion of the work, at some specified date or on the happening of some future event, declare the sewer or such part of the drain as constitutes the lateral drain or the works (as the case may be) to be vested in that undertaker.

- (2) A person mentioned in paragraph (a) or (b) of subsection (1) above may make an application to a sewerage undertaker requesting the undertaker to make an agreement under this section.

Section 106 – Right to Communicate with Public Sewers

(1) Subject to the provisions of this section -

- (a) the owner or occupier of any premises, or
- (b) the owner of any private sewer which drains premises,

shall be entitled to have his drains or sewer communicate with the public sewer of any sewerage undertaker and thereby to discharge foul water and surface water from those premises or that private sewer.

(1A) In this section, and in sections 107 to 109, 111, 113 to 116, 118, 119, 124, 127, 139 and 146 below -

- (a) references (however expressed) to a public sewer include a public lateral drain which satisfies sewer standards; and
- (b) for the purposes of paragraph (a) above

- (i) a “public lateral drain” is a lateral drain which either belongs to the sewerage undertaker or is vested in the sewerage undertaker by virtue of a declaration made under section 102 above or under an agreement made under section 104 above; and

- (ii) “sewer standards” means such standards of construction and repair as the undertaker would require if the public lateral drain or part of it were to become a public sewer.

(2) Subject to the provisions of Chapter III of this Part, nothing in subsection (1) above shall entitle any person -

- (a) to discharge directly or indirectly into any public sewer -

- (i) any liquid from a factory, other than domestic sewage or surface or storm water, or any liquid from a manufacturing process; or

- (ii) any liquid or other matter the discharge of which into public sewers is prohibited by or under any enactment; or

- (b) where separate public sewers are provided for foul water and for surface water, to discharge directly or indirectly -

- (i) foul water into a sewer provided for surface water; or

- (ii) except with the approval of the undertaker, surface water into a sewer provided for foul water; or

- (c) to have his drains or sewer made to communicate directly with a storm-water overflow sewer.

(3) A person desirous of availing himself of his entitlement under this section shall give notice of his proposals to the sewerage undertaker in question.

(4) At any time within twenty-one days after a sewerage undertaker receives a notice under subsection (3) above, the undertaker may by notice to the person who gave the notice refuse to permit the communication to be made, if it appears to the undertaker that the mode of construction or condition of the drain or sewer –

- (a) does not satisfy the standards reasonably required by the undertaker; or
- (b) is such that the making of the communication would be prejudicial to the undertaker's sewerage system.

(5) For the purpose of examining the mode of construction and condition of a drain or sewer to which a notice under subsection (3) above relates a sewerage undertaker may, if necessary, require it to be laid open for inspection.

(5A) Where the sewer or drain satisfies the standards reasonably required by it, a sewerage undertaker may, as a condition of permitting the communication to be made, require that the sewer or that part of the drain forming the lateral drain be vested in it by virtue of a declaration under section 102 above.

(6) Any question arising under subsections (3) to (5A) above between a sewerage undertaker and a person proposing to make a communication as to -

- (a) the reasonableness of the undertaker's refusal to permit a communication to be made; or
- (b) as to the reasonableness of any requirement under subsection (5) [or (5A) above, may, on the application of that person, be determined by the Authority under section 30A above (and, accordingly, section 105 above shall not apply to any requirement under subsection (5A) above).

(7)

(8) Where a person proposes under this section to make a communication between a drain or sewer and such a public sewer in Greater London as is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains -

- (a) the grounds on which a sewerage undertaker may refuse to permit the communication shall be such grounds as the undertaker thinks fit; and
- (b) no application to the Authority may be made under subsection (6) above in respect of any refusal under this subsection.

(9) In this section "factory" has the same meaning as in the Factories Act 1961.

Section 94 - General Duty to Provide Sewerage System

(1) It shall be the duty of every sewerage undertaker -

(a) to provide, improve and extend such a system of public sewers (whether inside its area or elsewhere) and so to cleanse and maintain those sewers and any lateral drains which belong to or vest in the undertaker as to ensure that that area is and continues to be effectually drained; and

(b) to make provision for the emptying of those sewers and such further provision (whether inside its area or elsewhere) as is necessary from time to time for effectually dealing, by means of sewage disposal works or otherwise, with the contents of those sewers.

(2) It shall be the duty of a sewerage undertaker in performing its duty under subsection (1) above to have regard -

(a) to its existing and likely future obligations to allow for the discharge of trade effluent into its public sewers; and

(b) to the need to provide for the disposal of trade effluent which is so discharged.

(3) The duty of a sewerage undertaker under subsection (1) above shall be enforceable under section 18 above -

(a) by the Secretary of State; or

(b) with the consent of or in accordance with a general authorisation given by the Secretary of State, by the Authority.

(4) The obligations imposed on a sewerage undertaker by the following Chapters of this Part, and the remedies available in respect of contraventions of those obligations, shall be in addition to any duty imposed or remedy available by virtue of any provision of this section or section 95 below and shall not be in any way qualified by any such provision.

(5) In this section "trade effluent" has the same meaning as in Chapter III of this Part; and, accordingly, section 139 below shall have effect for the purposes of this section as it has effect for the purposes of Chapter 3 of this Part.

Section 112 – Requirement that Proposed Drain or Sewer be Constructed so as to Form Part of General System.

(1) Where -

(a) a person proposes to construct a drain or sewer; and

(b) a sewerage undertaker considers that the proposed drain or sewer is, or is likely to be, needed to form part of a general sewerage system which that undertaker provides or proposes to provide, the undertaker may require that person to construct the drain or sewer in a manner differing, as regards material or size of pipes, depth, fall, direction or outfall or otherwise, from the manner in which that person proposes, or could otherwise be required by the undertaker, to construct it.

(2) If any person on whom requirements are imposed under this section by a sewerage undertaker is aggrieved by the requirements, he may within twenty-eight days appeal to the Authority.

(3) On an appeal under subsection (2) above with respect to any requirements, the Authority may either disallow the requirements or allow them with or without modification.

(4) It shall be the duty of a person on whom requirements are imposed by a sewerage undertaker under this section to comply with those requirements.

(5) The duty of any person by virtue of subsection (4) above to comply with the requirements of a sewerage undertaker shall be owed to the undertaker; and any breach of that duty which causes the undertaker to sustain loss or damage shall be actionable at the suit of the undertaker.

(6) A sewerage undertaker which exercises the powers conferred on it by this section shall -

(a) repay to the person constructing the drain or sewer the extra expenses reasonably incurred by that person in complying with the undertaker's requirements; and

(b) until the drain or sewer becomes a public sewer, from time to time repay to that person so much of any expenses reasonably incurred by him in repairing or maintaining the drain or sewer as may be attributable to the undertaker's requirements having been imposed and complied with.

(7) Nothing in this section shall apply in relation to so much of any drain or sewer as is proposed to be constructed by any railway undertakers or dock undertakers in or on land which -

(a) belongs to them; and

(b) is held or used by them for the purposes of their undertaking.

Appendix 5

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Water Industry Legislation and the Planning Regime – ULS Analysis

The Planning Tests

The following statements are pertinent and should be applied by planning authorities when considering proposed development in conjunction with the six tests set out in the National Planning Policy Framework (NPPF) and expanded on in the Planning Practice Guidance (PPG):-

1. The actual impact on the environment of foul and wastewater drainage from a proposed development must always be evaluated with due regard to statutory provisions set out in the Water Industry Act 1991 and the duties of sewerage undertakers contained therein.
2. In considering any foul and wastewater drainage matters, the planning authority must take into consideration the fact that the developer has an absolute right to connect to the public sewerage system under section 106 of the Water Industry Act 1991 (the WIA1991), whether or not this would give rise to adverse effects e.g. increased flooding or environmental harm due to a restricted capacity in the sewerage and sewage treatment system.
3. Planning authorities must also consider the following matters:
 - a) Section 94 of the WIA1991 imposes a continuing duty on all sewerage undertakers to provide, maintain and where necessary improve its systems for collecting and treating foul and wastewater drainage so as to effectually drain its area and effectually deal with the contents of its sewers;
 - b) a sewerage undertaker is provided with the means of funding the cost of fulfilling the above duty within the WIA1991 through sewerage charges and infrastructure charges; and
 - c) the WIA1991 and the charging arrangements included at Appendix 6 clearly sets out that the costs of meeting the above duty are required to be borne by the sewerage undertaker, not the developer.
4. ULS does not believe that planning conditions relating to foul drainage are necessary for new residential development. In order for any such condition to be justified in terms of the guidance in the NPPF and PPG, the condition would also have to be shown to be necessary and reasonable. In theory a negative “Grampian” style condition could as a matter of law be imposed to restrain the occupation of development until satisfactory arrangements are made to deal with the sewage and wastewater generated. However, in practice it is clear that such a condition would fail when set against the tests in para. 55 of the NPPF and explained in the PPG on the basis that there is normally sufficient time for

the sewerage undertaker to fulfil its statutory duties as set out below or there is manifestly negligible impact on the sewerage and sewage treatment system.

5. When considered properly in the light of the structure and intentions of the WIA1991, current deficiencies in sewerage and sewage treatment provision would not in themselves justify refusal of permission or a Grampian condition. A planning authority must take into account the reasonable timescale when foul water flows from a development would start to discharge into the public sewerage and sewage treatment system, the undertaker's duties and whether such deficiencies would reasonably be expected to be addressed by the time the development imposes an additional burden on the system.
6. A condition which has the effect of compelling the developer to undertake attenuation works on site or elsewhere to alleviate the impact of foul water flows from the development on the sewerage and sewage treatment system would also be unreasonable. This is because section 112 of the WIA1991 provides a means for the sewerage undertaker to require such works as part of the private sewerage system serving the development, but on condition that the additional cost is borne by the undertaker, not the developer.
7. Finally, it is important to consider the differences between the provision of sewerage and sewage treatment and other infrastructure such as roads, schools, GP surgeries etc. It is clear that a development may need to be phased to ensure that such infrastructure is available with the necessary contributions made by developers to the cost of its provision. This is not the case with sewerage and sewage treatment provision as there is a statutory duty and statutory mechanism for financing it. Conversely no person has a statutory duty to provide roads, schools, GP surgeries etc. to serve developments and there is no means of covering its cost by charging users.

Given this analysis, planning authorities should not be refusing planning permission or imposing foul drainage conditions on developers as a matter of course, without addressing the above.

It is possible to interpret some passages in the PPG as if they were suggesting that foul drainage conditions should be imposed routinely. This is misleading as conditions relating to sewerage and sewage treatment must be considered and justified against the tests in para. 55 of the NPPF and explained in the PPG. In particular, given the provisions laid down by Parliament in the WIA1991, careful consideration will be required as to whether such a condition is necessary and whether it is reasonable. Having regard to the nature of the plan-led system and the time-scales involved in implementing a permission for residential development, it is entirely reasonable to expect a sewerage undertaker to make provision for the necessary sewerage and sewage treatment infrastructure so as to avoid the adverse

effects that may or may not be caused by new development and to fund this through the normal means of charges.

The necessity or otherwise of foul drainage planning conditions has been tested in planning appeals in which ULS has been involved. Decisions from five of these cases are outlined below:

Appeal Decision APP/F1610/A/14/2228762

The Planning Inspector made the following comment at paragraph 56:-

The foul sewage and the water supply systems involve infrastructure elements that are inadequate. The consultation response from Thames Water suggests that conditions should be imposed to require an assessment of the additional capacity that might be required and to indicate suitable connection points. However, there is a statutory duty to provide such connections under the requirements of the Water Industry Act 1991. Hence, there would be no need for planning conditions to duplicate powers available under other legislation, as the submitted notes confirm.

Appeal Decision APP/F2605/W/15/3137812

The Planning Inspector included the following comments at paragraphs 26 and 31:-

26. Many thought that the infrastructure in Watton would be unable to cope. Anglian Water has a duty to deal with foul sewage, through improvements to the system if necessary; the broad principle is that the situation should be no worse than before the development was constructed, not that development should resolve any existing problems.

31. A condition on foul sewerage (18) is unnecessary because it is the subject of other legislation.

Appeal Decision APP/D3125/W/15/3136376)

The Planning Inspector made the following comments at paragraphs 72 and 99:-

72. Turning to sewerage, it is not disputed that at present there is insufficient capacity in the existing foul network to take the predicted flows from the proposed development. However, Thames Water's Developer Services commissioned report¹¹ concludes that there is an indicative option available to address this lack of capacity. My attention was drawn to email correspondence from what appeared to be a different department of Thames Water¹²,

¹¹ Sewer Impact Study X4503 -1010 SMG 1876 Proposed Connection at New Yatt Road North Leigh Foul System January 2016

¹² See Inquiry Document 22

99. *On the basis of evidence presented to me, I am not persuaded that conditions relating to fire hydrant provision and foul water drainage are necessary, given the requirements of legislative provisions outwith the land use planning regime.*

Appeal Decision APP/ APP/D3125/W/15/3005737

The Secretary of State and Planning Inspector made the following comments at paragraphs 20 and 231:-

20. The Secretary of State has given consideration to the Inspector's analysis at IR214-231, the recommended conditions set out at the end of the IR and the reasons for them, and to national policy in paragraph 206 of the Framework and the relevant Guidance. He is satisfied that the conditions recommended by the Inspector and set out at Annex A to this letter, including the limitation to 260 dwellings, comply with the policy test set out at paragraph 206 of the Framework.

231. The Council did suggest a condition relating to the submission of a drainage strategy for on and off-site works. A condition relating to surface water drainage has already been proffered for imposition. The matter at issues here is foul water drainage. This would be dealt with directly with Thames Water under other legislation outside of the planning remit. It does not seem necessary or reasonable to require the appellant company to seek approval for a scheme of foul water connection essentially from the same regulatory body twice.

Appeal Decision APP/Y2810/A/14/2228921

The Planning Inspector received an analysis from ULS based on the same principles detailed in this report and also representations from a sewerage undertaker requesting that a foul drainage planning condition was imposed. The Inspector stated that a condition relating to the completion of off-site public sewer improvement works would be unreasonable as it would be at least 2 years before any houses would be occupied and discharging foul water flows to the public sewerage network. The Inspector determined that these timescales gave the sewerage undertaker adequate time to implement any necessary improvement measures to the public sewerage network pursuant to the statutory framework that applies to the water and sewerage industry. The Inspector's full comments are set out below.

77. Anglian Water sought a condition requiring on- and off-site mains foul sewage infrastructure works prior to occupation. This would prevent any new connection overloading the sewer. However, the appellant has argued that this would be unreasonable, citing case law that: *a sewerage undertaker has no right to ... refuse a developer the right to connect with a public sewer ...*⁸. I acknowledge that if only 21 days' notice was given (being all that is required under the Water Industries Act 1991) then there would be the potential for a serious problem. However, as Anglian Water replied to statutory consultation in July 2014, and as it is likely to be at least 2 more years before any houses would be occupied, it would have adequate time to take the necessary measures. The proposed condition would therefore be unreasonable.

⁸ *Barratt Homes Limited v Dwr Cymru* [2010] Env. L. R. 14, 253, paragraph 59

Although this appeal decision has now been quashed, it was not on a matter relating to the foul drainage condition.

These decisions are clearly a material consideration in a planning authority's determination of planning applications, due to the potential requirement for the Sewerage Undertaker to provide additional sewerage and/or sewage treatment capacity to accommodate foul water flows from developments. Case law has set a precedent relating to the consistency of decision making by planning authorities or inspectors, confirming that whilst a decision maker can depart from a previous decision which considered the same or similar facts, they must fully justify the reasons for doing so. (*Fox Vs SoS* [2012] EWCA Civ 1198).

Adopting the tests at NPPF para. 55 and following the approach taken these appeals, conditions relating to foul drainage would be unnecessary and/or unreasonable. A sewerage undertaker (and occasionally the Environment Agency) will often suggest that detriment may be caused to the public sewerage system by the foul water flows from a development unless a condition is imposed. It is understandable that this would be of concern to a planning authority and this is no doubt the reason that planning authorities have tended to routinely apply planning conditions put forward by sewerage undertakers. However, in reality, the "risk" is not created by the development itself and would only occur if a sewerage undertaker failed to undertake its statutory obligations as detailed in this report to fund and carry out improvements to the sewer and/or sewage treatment systems if any are required, in a timely manner. The fact that a sewerage undertaker requests development to be delayed until it is prepared to make the necessary investment (for which it is already funded), means that a private company is in effect seeking to dictate when homes which are required to meet housing need, can be delivered. This is not a practice that should be perpetuated within the planning system.

The imposition of unnecessary/unreasonable foul drainage conditions on planning permissions requiring prior approval of drainage schemes or hydraulic modelling, can add considerable expense and delay to the implementation of permissions and the delivery of new homes.

The Sewerage Undertaker's Duties

Sewerage (the piped network) or waste water treatment capacity for a development should be provided by the incumbent sewerage undertaker on the basis that reasonable notice of a proposed development has been provided by a developer or landowner. Indeed, a sewerage undertaker has a statutory duty to do so. Where the impact on the sewerage system is negligible no additional capacity will be required and no action by the sewerage undertaker would be necessary. As such, foul drainage does not generally represent a constraint in planning terms to development. There is a separate statutory regime in place which adequately addresses foul drainage matters. Should a development be granted outline planning permission, the Sewerage Undertaker has sufficient time and has the knowledge and expertise to fully assess the potential impact on its sewerage network and implement any necessary improvement works that may be required to accommodate new foul water flows.

If following evaluation the Sewerage Undertaker considers that improvement works are required to its sewerage network or sewage treatment works, it is funded to ensure that such improvements are made in order to comply with its statutory duty to "provide, improve and extend" its network. It would therefore be unreasonable to delay the start or progress of a development once planning permission has been granted.

With regard to sewage treatment, each Waste Water Treatment Works (WWTW) in a sewerage undertakers operating area has a consent to discharge treated effluent to a body of water (typically a watercourse/river). Such consents are issued by the Environment Agency (EA) and incorporate a number of parameters in relation to both biological load (quality of effluent discharge) and dry weather flow (quantity of discharge). A WWTW is required by the EA to operate within these consent parameters.

The quality and quantity of effluent discharged from a WWTW is measured by the sewerage undertaker responsible against its consent parameters, typically on a monthly basis giving 12 reports per year to the EA confirming whether or not the WWTW is operating within its consent. Clearly as a particular works approaches the limits of its consent parameters, a sewerage undertaker must give regard to the likely level of growth in the catchment area of the WWTW and look at what investment may be required, either by installing new plant or altering the operation of existing plant, to ensure any new flows can be accommodated without exceeding the limits

imposed by the EA. Any sewerage undertaker which does not take such action for works approaching capacity is failing in its statutory duty under section 94 as outlined above. How the quality and quantity of discharge from a WWTW is measured varies from specific monitoring devices within a works to estimates based on the size of the population for the contributing catchment area.

Should a particular WWTW fail to meet its consent parameters on two or more occasions within a twelve month period, discussions will be held between the EA and the sewerage undertaker as to what improvements can be made to bring discharges back within the set limits. During such discussions, the consent parameters may be tightened or amended to suit the facts of the case and to ensure water quality in the receiving body is protected. In reality, because of the gradual nature of growth in any particular area, even where a works is deemed to have failed against its consent parameters, this is only likely to be by a very small amount and provided appropriate action is taken by the sewerage undertaker, an agreement can be made with the EA as to how the WWTW can be managed to ensure it operates within its consent (whether or not this is amended).

Where a WWTW is close to or has failed to meet its consent parameters, it is often possible to implement temporary measures (in operational procedures or provision of additional storage/treatment apparatus) to mitigate against the immediate small exceedance in quality or quantity while funding is allocated and feasibility studies carried out to allow a long-term solution to be implemented to ensure that future additional growth can be catered for.

It is a matter for any sewerage undertaker to manage its consents with the EA and ensure that its WWTW's stay within their consent parameters. This is an ongoing process and it is unreasonable to suggest that a specific development, particularly one which is modestly sized in comparison to overall catchment population, will have a significant and unmanageable influence on a WWTW and its ability to operate within limits set by the EA. This is not a matter which can be influenced by a developer and as such to prevent or delay a development from proceeding because a sewerage undertaker may be forced to take action and fund improvement works to comply with its statutory duties is unreasonable.

Summary

Unless sewerage undertakers have certainty that sufficient development will take place in a particular area, it is unlikely that any investment in sewerage or sewage treatment will be allocated. In the event that the Sewerage Undertaker considers that it has hydraulic or capacity issues with its sewerage and sewage treatment systems for this and other development in the area, it would be unreasonable and illogical to refuse planning permission on the grounds that no sewerage or sewage treatment improvement works are planned for the network to which this development will

discharge foul water flows. Only granting planning permission for developments without foul drainage planning conditions will ensure that the Sewerage Undertaker fully considers the current drainage network and systems in line with its statutory duties. This will provide a benefit not only to new development, but also potentially the existing settlement.

Because of the rights and duties outlined above, where a sewerage undertaker perceives there to be a potential inadequacy in its sewerage or sewage treatment systems to accommodate new foul water flows, it will often make representations to planning authorities recommending that planning conditions relating to foul drainage are imposed.

The point of principle is that as a matter of law, the WIA1991 expressly places a duty on sewerage undertakers to provide, improve, extend and maintain a system of sewers and sewage treatment facilities so as to ensure that their area is and continues to be effectually drained. Sewerage undertakers are fully funded to carry out any necessary improvement works through the statutory based charges they levy. The WIA1991 then gives domestic owners and occupiers an absolute right to connect into the public system (subject only to their private drains being of proper construction and condition). To apply planning policy so as to relieve the undertakers of that duty and negate the rights of owners and occupiers conflicts with primary legislation which already protects both new developments and existing property owners. This is unreasonable where matters relating to foul drainage can be suitably addressed through the appropriate statutory regime which governs the water and sewerage industry.

In our experience, planning authorities often impose a planning condition in relation to foul drainage on the advice of sewerage undertakers without proper consideration of not only how this impacts on effective and economic development, but also whether it conflicts with statutory rights and duties imposed by water and sewerage industry primary legislation.

When considering the drainage related aspects of a planning application, the correct approach in law should be as follows:

- To have regard to the absolute right to connect to the public sewerage system, while taking into account the general duty that section 94 of the WIA1991 imposes on sewerage undertakers.
- To consider whether there is any impact on the environment that would justify refusing permission and if so whether this could be mitigated by a planning condition.
- To determine whether any planning condition would meet the policy tests detailed in the NPPF and PPG.

It is clear that any planning condition relating to foul drainage is unnecessary and unreasonable as it would duplicate matters which are already satisfactorily dealt with under a separate statutory regime. Unless there is clear evidence that to fail to impose a condition would have a detrimental effect which cannot be avoided through appropriate action by a sewerage undertaker in a reasonable timeframe, connections to the local public sewerage system should be dealt with via the legislative framework contained in the WIA1991 rather than planning legislation. Imposing a condition without proof that detriment would be caused which cannot be mitigated against through action by the sewerage undertaker in pursuance of its statutory duties is unreasonable and would fail some or all of the 6 tests in the NPPF. The corresponding advice in the PPG explains in more detail these six tests. The detail included in paragraph 55 of the NPPF and explained in the PPG verifies that most foul drainage planning conditions fail the following tests:

- Necessity – There is no definite planning reason for such drainage conditions to make for acceptability in planning terms. All relevant matters are suitably addressed by water and sewerage industry legislation.
- Relevance to planning – Again all foul drainage matters are already addressed by separate primary legislation
- Enforceability – The upgrade of a sewerage undertaker’s sewerage network or sewage treatment works is a matter over which the applicant has no control.
- Reasonability – A foul drainage condition could place an unjustifiable and disproportionate burden on the applicant, by delaying the development due to a lack of action by a sewerage undertaker (by failing to comply with its statutory duties).

Conditions relating to sewerage and sewage treatment must be considered and justified against the tests set out in the NPPF and the PPG. In particular, given the rights and duties in the Water Industry Act 1991, careful consideration is required as to the time-scales involved in implementing a permission for residential development. It is reasonable to expect the sewerage undertaker to make provision for the necessary infrastructure so as to avoid adverse effects, and to fund this through the normal means of charges. A foul drainage condition for developments would therefore fail the test of reasonableness laid out in the NPPF, given the timescales for the ultimate discharge of foul water flows from the development to the public sewerage and sewage treatment system.

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Appendix 6

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New Connections Services Charging Arrangements 2019-20

January 2019



from
**Southern
Water** 



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Charging Arrangements for new connection services

Introduction to our charges

This document sets out our charges for new connection services that apply from 1 April 2019 to 31 March 2020.

Connections services cover the work that is needed to connect new homes to the existing water and wastewater network.

Charges for connection services are split into two categories:

Network reinforcement charges - the charges for work that is needed on the existing water or sewer network to provide for new development-related growth. These will be recovered through our new “Infrastructure Charge”, which will be fixed for both water and wastewater connections.

Site Specific charges - the charges for all work carried out on the development site and the pipework required to connect the new homes to the existing water main or sewer at a defined point of connection. These charges cover the cost of Site Specific work to provide any new pipework or pumping facilities that are needed to connect the new houses to the nearest practical point on the existing network – and **where the internal diameter of the new connecting pipework is no larger than the internal diameter of our existing network**. This includes:

- New water service connections
- New water mains
- New drainage connections
- New sewers
- Diversions of existing water mains and sewers that need to be moved on a development site

We are publishing fixed charges for most of the Site Specific work that we carry out.

By publishing our charges upfront, our Developer Services customers should be able to confidently work out a reasonable estimate of the charges that will apply to their specific development project, at a much earlier stage, providing they know the parameters of the development.

There may be a limited number of circumstances where the work needed is not fully covered by our published charges and this is made clear in this document. There may also be circumstances when charges will be estimated upfront and reassessed once the work is complete. Again, it will be made clear where this applies.

Our charges are set in-line with a set of rules made by the water industry regulator, Ofwat, that apply to all water companies operating in England. They allow us some flexibility to develop our charges, so they reflect our company circumstances and the region we operate within. They have been developed through consultation and engagement with our Developer Services customers.

A copy of Ofwat’s Charging Rules for New Connection Services is available at:

<http://www.ofwat.gov.uk/publication/charging-rules-new-connection-services-englishundertakers>

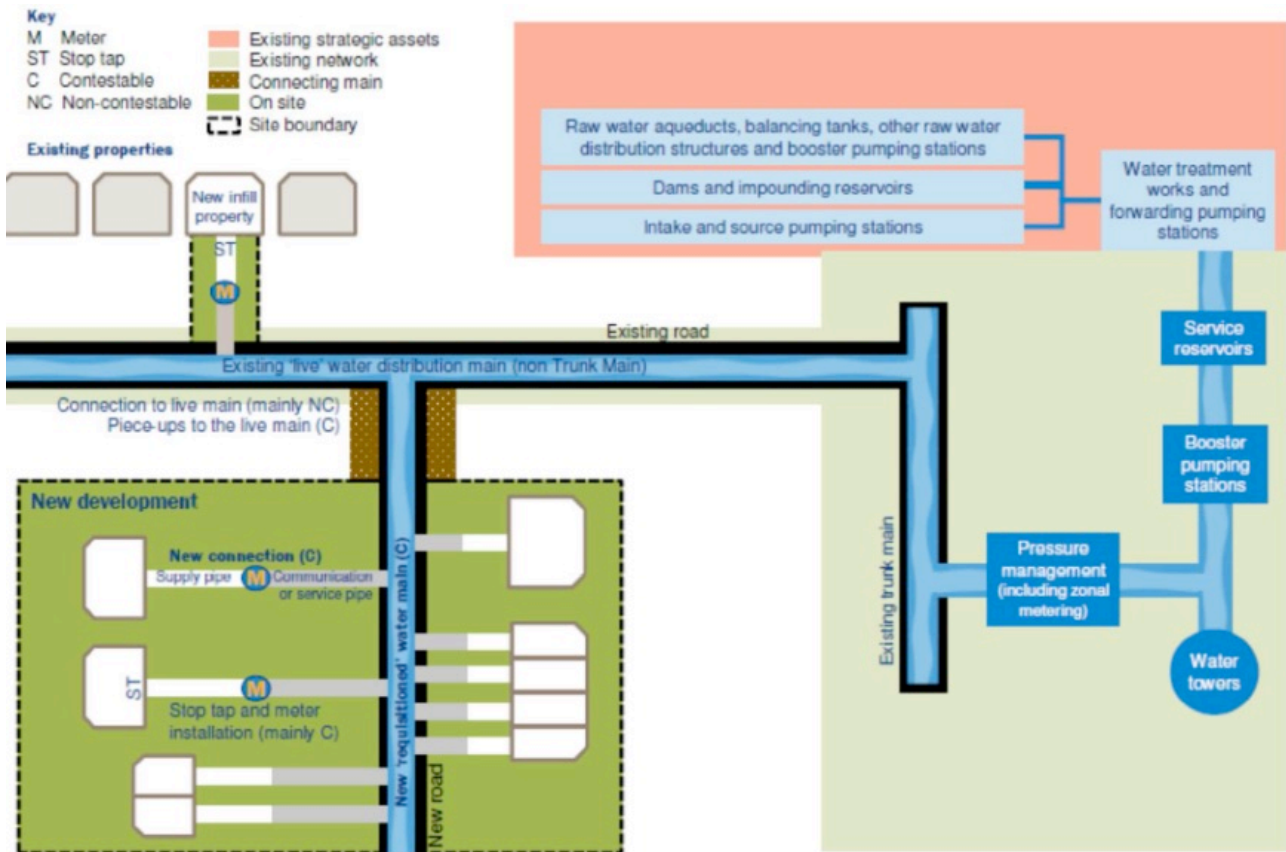


Who pays for what?

The following diagrams show who pays for what in relation to water and wastewater connection services. The diagrams are annotated as follows:

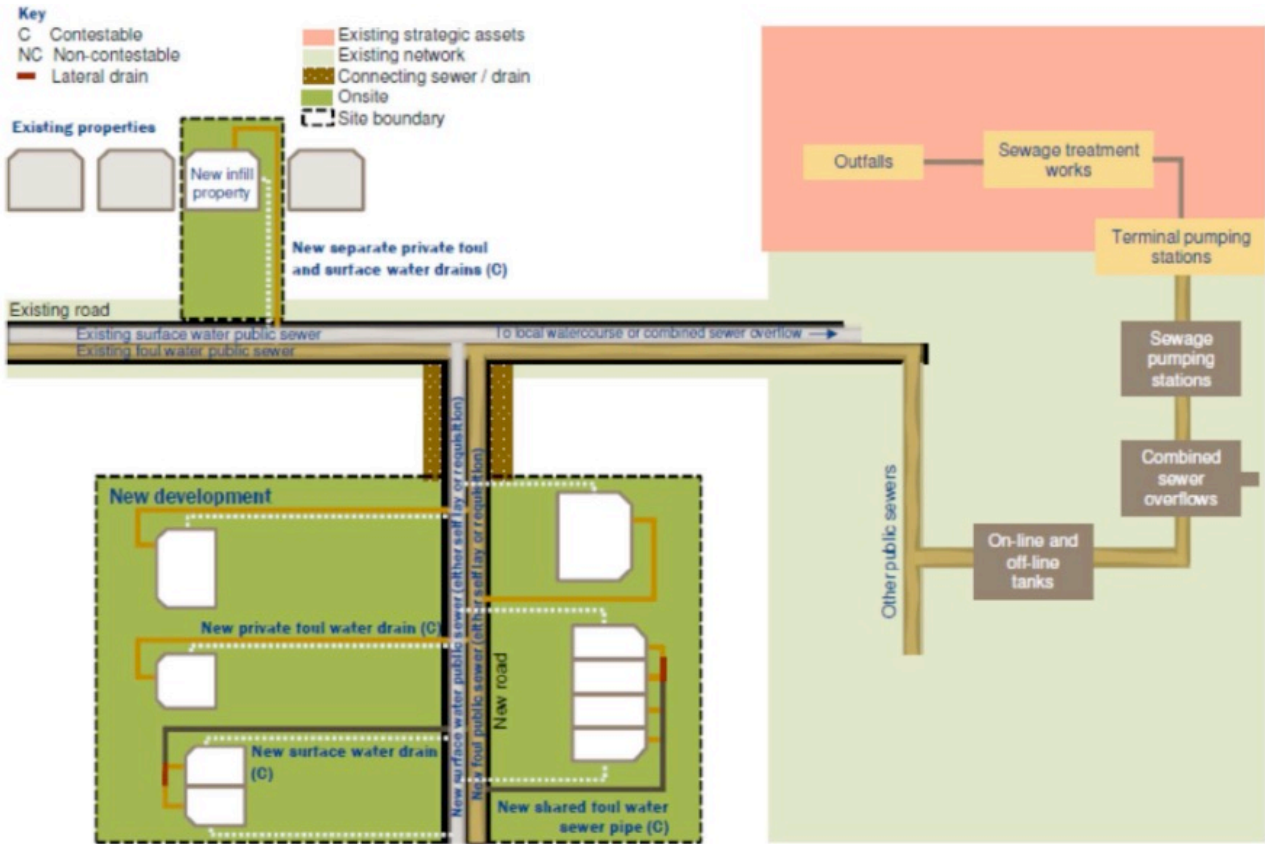
Colour	Infrastructure	Who pays and how?
Dark green and brown shaded area	Site Specific work to connect to an appropriate point on the existing network	Applicants through Site Specific charges
Light green shaded area	Network reinforcement – upgrades and increased capacity within the existing network	Applicants through the New Infrastructure Charge
Pink shaded area	New resources and treatment assets	Us through our 5-year investment plan

Typical connections work and the location of existing water assets





Typical connections work and the location of wastewater assets





Who can deliver my connection work?

Developer Services customers can choose who provides the majority of new connection services for their development and who owns and operates the new network once it has been constructed.

The areas where Developer Services customers have a choice over who provides the new infrastructure are known as **contestable**. There are other services, such as those linked to the security of water supply and water quality that can only be provided by us. These are known as “**non-contestable services**”.

Further information will be detailed in our Annual Contestability Summary which will be published later in 2019.

The table below details who can provide or deliver different elements of the services in this area.

What service do I need?	Who generally applies?	Who can deliver?
New water supply connections and mains	Existing customer / Developer / Self Lay Provider (SLP)	Self Lay Providers (SLP) New Appointees (NAVs) Southern Water
New sewers and laterals	Existing customer / Developer	Developers or drainage contractors New Appointees (NAVs) Southern Water
Adoption and operation of new water connection infrastructure	Developer / Self Lay Provider (SLP)	New Appointees (NAVs) Southern Water
Adoption and operation of new waste water infrastructure	Developer	New Appointees (NAVs) Southern Water

We encourage applicants to consider all potential delivery options and the following guide sets out further details on the options available to Developer Services customers.

Self-Lay Providers (water supply)

Self-lay companies can install new water supply connections for a development. If you want to use a SLP, or compare their service to ours, you should contact them directly.

SLPs can provide many elements of water supply infrastructure (such as mains and service pipes) and when an applicant chooses to use an SLP, the SLP will agree with us the connection work it will carry out.

In most cases we will still need to carry out some work, for example design approvals or mains connections to the existing network. The SLP must include the cost of any work we need to carry out within the estimate it provides to the applicant.

The SLP can often choose who will own the new infrastructure. Once the work has been completed, they have the opportunity to transfer to a NAV or us, providing it reaches the required industry standards.

Water companies will adopt assets which are provided in accordance with the [Self Lay Code of Practice](#).



Developers and drainage contractors (wastewater)

In most situations, the waste water infrastructure needed for a new development is constructed by the developer or a suitable drainage contractor employed by the developer. We very rarely carry out these works.

Once complete, the developer can transfer ownership of the new network to either a NAV or us. We are obliged to take ownership of (“adopt”) these types of assets providing they are designed and constructed to meet water industry standards. For most works, these standards can be found in the Water UK/WRC publication, Sewers for Adoption.

Regional water companies and NAV’s

We, “Southern Water” are what is known as a regional water company. All water companies can provide new connection services, or agree to take ownership of new water and wastewater connection infrastructure provided by others, in accordance with the Water Industry Act 1991. Water companies are legally required to provide water mains, sewers and lateral drains, if requested by a developer, through a process known as requisitioning.

Alternatively, NAVs (New Appointees and Variations), also known as “inset” companies, can provide new connection services, or take ownership of the new water and wastewater connection infrastructure provided for a new development. NAVs are appointed by Ofwat and replace the regional water company. It is for the developer to choose whether to use a NAV or the regional water company to supply services for new sites, according to certain legal criteria.

For further guidance see: <https://www.ofwat.gov.uk/regulated-companies/markets/nav-market/>

Details of current NAVs can be found at:
<http://www.ofwat.gov.uk/publication/register-of-new-appointments-and-variations-granted-to-date/>



Guide to our charges

Network Reinforcement

Network Reinforcement is work that needs to be carried out to our existing network to support development-related growth. This work is needed to ensure there is enough capacity in both the water and wastewater network to serve the new homes that are built without impacting on the service to our existing customers.

Network Reinforcement may include the following activity:

- enlarging existing pipes or installing larger new pipes to increase capacity for a specific development, or further expected growth in the future
- upsizing existing or proposed pumping stations
- providing additional connections to improve network capacity under differing network conditions
- other infrastructure required to provide network capacity for growth resulting from new development

Network Reinforcement work is paid for through a new Infrastructure Charge. Every new property that is connected to our network will be subject to this charge.

Each company will set Infrastructure Charges for water and wastewater, which reflect their individual company circumstances, so applicants will see differences between companies.

This replaces the previous infrastructure charge which was the same for all companies. There will be circumstances where the old infrastructure charge still applies, which are set out below. If you are unsure about what charge will apply to your development, you can contact our Developer Services team.

- New Infrastructure Charges - will apply to all new connections made to water mains or sewers laid before 1991 or after April 2018; and
- Old Infrastructure Charges –will apply if the connection is made to a water main or sewer which was requisitioned between 1991 and April 2018

Water Infrastructure Charges – individually metered properties

Our Infrastructure Charges for water are detailed in the table below:

Charge	Charge	How is this applied?
New Infrastructure Charge	£200	Per property
New Infrastructure Charge (Water efficient development)	£0	Per property
Old Infrastructure Charge	£391.74	Per property

Target 100 – promoting water efficiency

We operate in a water stressed region and are keen to work with developers and incentivise them to build new homes that are water efficient. Our aim is to reduce the average amount of water used by our customers to 100 litres per person per day. Currently our existing customers use about 130 litres per person per day on average. When new homes are built with water efficient fixtures and fittings that will achieve average water use of 110 litres per person per day, the water Infrastructure Charge will be waived.



We will measure this against the current optional Building Regulations standards, to take a consistent approach. At application stage, evidence of the property construction to the optional Building Regulations standard should be provided to secure the discount.

Wastewater Infrastructure Charges – individually metered properties

Our Infrastructure Charges for wastewater are detailed in the table below:

Charge	Charge	How is this applied?
New Infrastructure Charge (development size <20)	£550	Per property
New Infrastructure Charge (development size ≥20)	£765	Per property
Old Infrastructure Charge	£391.74	Per property

We will confirm the development size primarily through the sewer connection application process. In addition, we'll liaise with our neighbouring water companies to compare information to ensure we have accurate records. The higher charge may be levied if the appropriate sewer connection processes are not followed.

Infrastructure Charges – domestic use in other premises

Infrastructure Charges are applicable for domestic use in dwellings that are not individually metered, e.g. flats with a common billing arrangement, and non-dwellings, however they are calculated differently. We calculate this by working out the likely domestic use and how this equates to an equivalent number of domestic dwellings. We use the "Relevant Multiplier" approach which is the standard approach used throughout the water industry.

Details of how we calculate the Relevant Multiplier can be found [here](#).

Infrastructure Charge credits

If the development site contained homes that were connected to our network within the last five years, we will apply an Infrastructure Charge credit. This means that we will deduct the number of former homes from the total number of houses that are built as part of the new development, reducing the number of Infrastructure Charges that are due. For example, if a development takes place on a site where 20 homes previously existed, and the new development will result in 40 new homes being built in their place, Infrastructure Charges will only apply to 20 of the new homes that are connected.

In some cases, where the site was not previously housing, we may review the metered water consumption or sewer flows from the site and equate it to an average home within our area, so we can estimate how much water was used previously by the premises on the site and deduct that from the amount we expect to be used by the new properties. In the absence of metered information, other reasonable evidence will be used to estimate the prior demand on the network from the site.

Timing of charges

We will give applicants the choice of either paying the Infrastructure Charges when the connection to our network is made, as they do now; or paying the Infrastructure Charges upfront. The applicant can decide which approach best suits their needs.



Upsizing new main or sewers for future use

Occasionally we may request that mains or sewers that developers or SLPs construct should be upsized to provide capacity for future growth. Where mains and sewers are upsized because of our request, we will repay any extra expense reasonably incurred and fund it from Infrastructure Charges. Our contribution will be based on assumed flow rates for the development relative to that of the other flows allowed for in the design.

Transfer to the point of available capacity

Occasionally the most cost-effective form of network reinforcement is to transfer the default point of connection (i.e. from the point where the diameter of the new connecting pipework is no larger than the diameter of our existing network) to a different position known as the 'point of available capacity'. The 'point of available capacity' is the nearest point on our existing network where there is currently capacity to serve the proposed development.

In these cases, we are open to discussing with developers, NAVs and SLPs approaches where a commercial agreement can be entered for the applicant to undertake these activities. As the pipework from the 'point of available capacity' is only related to the development site, the risk is lower than most network reinforcement activities as the work is not modifying or changing the existing network.

As this work is considered network reinforcement the Site Specific charges may not apply. The Site Specific charges are specifically generated for Site Specific activities. The applicability of our published charges to these activities will be considered on a case by case basis.



Site Specific Charges

Our Site Specific charges cover all elements of work that may be needed to connect the new properties to our existing network.

What you pay will largely depend on the size of your development and its location. The cost will vary depending on the number of connections needed, the amount and size of the connecting pipework, the depth that it needs to be installed, the nature of the surface that the work is being carried out in and the size of the associated infrastructure required. We have set fixed charges that cover a range of options.

In addition, we have also set charges for other activities that we may need to carry out such as traffic management, work in the highways, working in areas of contaminated land and dewatering activities.

In order to be able to make a reasonable estimate of the cost of the Site Specific work required, applicants do need to know the parameters of the development.

Below we have set out a guide to Site Specific work that explains the different types of infrastructure that might be needed and other factors that will need to be considered. This is followed by the charges that will apply to this work.

Surface categories

The type of surface has a big influence on construction costs because of the difference in techniques used, reinstatement required and co-ordination with other parties. Our charges vary depending on the type of surface and this is set out in the charging tables that follow. The different surface types are detailed below.

No excavation:

- These charges apply when the trench has been pre-excavated by the applicant in line with our standards. It does not include for any backfill or reinstatement.

Unmade ground:

- These charges apply to undisturbed or unfinished surfaces. These could include construction sites, fields or verges.

Footpaths:

- These charges apply when working in a footpath.

Side roads:

- These charges apply when working in/on a minor road. These are formally categorised as Type 3 and Type 4 roads (New Roads and Street Works Act 1991 - Code of Practice). Most local residential roads would fall into this category.

Main roads:

- These charges apply when working on major roads. Main Roads are formally categorised as Type 0, 1 and 2 roads. These roads are much busier, and examples include roads with an official A or B number (e.g. A27) or dual carriageways and higher speed single carriageway roads.



Traffic Management

Standard traffic management approaches where we can keep traffic flowing, or install 2-way traffic lights, are included within our standard charges. If more complex traffic management is needed, or we incur additional local authority charges, we will apply an additional charge for extraordinary traffic management. Examples of where these charges apply include:

- 3 or 4 way temporary traffic lights when working at junctions
- Road closures
- Temporary closure of pedestrian crossings or traffic lights (often known as 'bagging' traffic lights)
- Lane rental charges

Water Site Specific Design

For all Site Specific work that we deliver ourselves, the design costs are inclusive within the charges.

We provide an option for SLP's to either undertake design work themselves or for us to develop a reference outline design which will then be finalised by the SLP.

If the SLP undertakes the design directly, our application fee includes for the design approval process. We also have a separate charge for subsequent design approvals, should the scope or the technical details of the agreement change.

Where we undertake the collaborative design on behalf of an SLP, this is primarily to develop a scope and the Asset Payment applicable. The design will be issued to the SLP who will finalise ahead of construction. The SLP becomes the Principal Designer in these circumstances. We are happy to work with and support competent designers. Later in 2019 our Design and Construction Standards will be issued which will detail fully the standards expected for the design of new water mains within our region. Our current Self-Lay Guidance documentation has design guidelines and we are happy to actively support SLPs that wish to undertake design work themselves.

Income Offset

When we construct new water mains and sewers our charges will be discounted as we apply an "income offset", which takes into account expected future income from the new properties. This is based on the amount of money we would expect to receive from water or wastewater charges over a 12-year period from different property types.

Where the calculated income offset is higher than the construction charges for the requisition work, the income offset is capped at the construction charge.

Where the calculated income offset is lower than the construction charges for requisition work, the total income offset is determined by the cumulative 12-year incomes from the properties within the development.

To avoid potentially significant issues with 'maintaining the balance of contributions' we offer the income offset on properties that are built within the first 5 years of a development build schedule. This covers the vast majority of small and major developments within our region. This for the following reasons:

- This aligns with our 5 year (AMP) regulatory cycle
- This is a sensible planning horizon from a certainty perspective (aligning local area plans)





- This avoids circumstances when an income offset may be offered on properties that would not be constructed until many years in the future

Income offsets only apply to new Site Specific water mains and sewers.

VAT

The charges set out in this document do not include VAT. If VAT is required on any elements of work, we will make it clear at the application stage or in the estimates we provide.

Water connection services – guide to our charges

New service connections

- New service connections involve a section of small diameter pipe, known as the communication pipe, laid from an existing water main to the boundary of a property where a water meter chamber and stop-tap (valve) is normally located
- A small diameter supply pipe within the boundary of a property links the communication pipe with the internal plumbing of the house. The supply pipe is the responsibility of the property owner
- Service connections are made under Section 45 or 51 of the Water Industry Act. There is a non-refundable application charge and an administration charge if the applicant goes ahead
- The charges below should be combined to form the total costs associated with a particular application
- The costs for new connections are applied per property and measured by the number of meters installed
- The costs will vary depending on whether the work needs to be carried out in an existing road (side or main road) or in a new development site where the road is not yet surfaced or adopted
- On new development sites, connection types are known as short side or long side. Pipework up to 3 metres long is described as short side; pipework between 3 and 8 metres long is known as long side
- For Side Road and Main Road connections, each connection has up to 8 metres of pipework included within the standard charge
- The charges include connection to the water main, a new meter, stop-tap and meter chamber
- Larger diameter pipes may be needed to make connections to larger buildings such as flats and office blocks. We have set charges for a range of pipe diameters including up to 8 metres of pipework. Charges also include connection to the main, a new meter, valve and a boundary box
- If more than 8 metres of pipework is needed, we have set charges for additional pipework
- If the connections need to be made in an area of contaminated land, additional charges will apply to cover the cost of specialist fittings, pipework and management of ground conditions
- Standard traffic management where we can keep traffic flowing, or install 2-way traffic lights, are included within our standard charges.
- If more complex traffic management is needed or we incur additional local authority charges, we will apply an additional charge for extraordinary traffic management. This is not always easy to predict but we will make our Developer Services customers aware as early as possible if this charge will apply.
- The charge for 3 or 4 way lights is for when temporary 3 or 4 way lights are required. It will also apply where existing traffic lights or pedestrian crossings need to be temporarily disabled to facilitate the works
- The charge for road closures will apply when a road closure is mandated by the local authority
- The lane rental charge will apply when the working on a highway where these charges apply

- The charges associated with water connections are payable up-front, at the point of application, and at the provision of estimates for the work
- The supply meter rate is our charge for the supply of meters only. This applies predominantly to SLP's. The charge includes the procurement and ordering of the meters and delivery to one of our facilities. The meters require picking up from our facilities as the charge does not include delivery.
- It is not a requirement to source water meters through Southern Water providing the installer is utilising meters to our specification:
 - Supplier: Arad Metering Services, 21 Marys Lane, Burghill, Hereford, HR4 7QL
 - Type: Automated Meter Reading (AMR) type screw in concentric 15mm or 20mm meter (supplier ref: F389-10)

Section 45 and 51 new service connections application and administration fees

Service	Charge	Contestable / Non-contestable	How is this applied?
S45 - Application Fee (first connection)	£72.14	Non-contestable	Per application
S45 - Application Fee (subsequent connections)	£43.75	Non-contestable	Per subsequent connection
S45 – Administration Fee (first connection)	£33.16	Non-contestable	Per application
S45 – Administration Fee (subsequent connections)	£20.54	Non-contestable	Per subsequent connection
Water Regulations Inspection (External) – 1 st of every 10 plots (1 st , 11 th , 21 st etc)	£82	Non-contestable	Per connection
Water Regulations Inspection (External) – every other plot (2 nd – 10 th , 12 th – 20 th etc)	£5.69	Non-contestable	Per connection
Reviewing Site-Specific water distribution systems design	£204	Non-contestable	Per connection
Point of connection enquiry	£110	Either	Per application
Abortive Charges (site not ready – applied per 10 plots)	£82	N/A	Per occurrence
Re-inspection fee (applied per 10 plots)	£82	N/A	Per occurrence
Service	Charge	Contestable / Non-contestable	How is this applied?
S51 – Self-Laid Application Fee (first connection)	£55.14	Non-contestable	Per application
S51 – Self-Laid Application Fee (subsequent connections)	£33.44	Non-contestable	Per subsequent connection
S51 – Self-Laid Administration Fee (first connection)	£21.16	Non-contestable	Per application
S51 – Self-Laid Administration Fee (subsequent connections)	£13.11	Non-contestable	Per subsequent connection



Standard connection charges – new development sites

Connection type	Charge	Excavation undertaken?	Contestable / Non-contestable	How is this applied?
New development site short side	£231	No excavation	Contestable	Per property
New development site short side	£291	With excavation	Contestable	Per property
New development site long side	£264	No excavation	Contestable	Per property
New development site long side	£349	With excavation	Contestable	Per property

Standard connection charges – on existing highways

Connection type	Charge	Excavation undertaken?	Contestable / Non-contestable	How is this applied?
Side Road	£740	With excavation	Either	Per property
Main Road	£870	With excavation	Either	Per property

Large Diameter Metered Connections – on existing highways or new development sites

Connection type	Charge	Excavation	Contestable / Non-contestable	How is this applied?
63mm connection	£2409	With excavation	Either	Per property/premise
90mm connection	£6473	With excavation	Non-contestable	Per property/premise
125mm connection	£6741	With excavation	Non-contestable	Per property/premise

Additional pipework (per metre)

Pipe size \ Surface	No excavation	Unmade ground	Footpath	Side Road	Main Road
Property connections (25/32mm)	£19	£29	£61	£88	£133
63mm	£39	£64	£92	£115	£154
90mm	£40	£79	£109	£145	£177
125mm	£45	£88	£117	£154	£187



Contaminated Land

Contaminated land	Charge	Excavation type	How is this applied?
Barrier connection - property connections (25/32/63mm)	£47	No excavation	Per property
Barrier connection - property connections (25/32/63mm)	£122	With excavation	Per property
Barrier pipe – 25/32mm	£20	Not applicable	Per metre of pipe
Barrier pipe – 63mm	£35	Not applicable	Per metre of pipe
Barrier pipe – 90mm	£35	Not applicable	Per metre of pipe
Barrier pipe – 125mm	£39	Not applicable	Per metre of pipe

Extraordinary traffic management

Traffic Management	Charge	How is this applied?
Traffic management – 3 or 4 way lights	£1260	Per installation if required
Traffic management – road closures	£1572	Per application if required
Traffic management – lane rentals	£600	Per day required

Supply meter only

Supply Meter Only	Charge	How is this applied?
Supply meter	£70	Per meter supplied

Flats with internal meters

Following our development of the standard charges, flats with internal meters do not fit easily into our standard charging arrangements, as there are lower levels of excavation. As a result, we are offering the option for a bespoke pricing option for those Developer Services customers who are developing flats with internal meters. This bespoke price will be offered as an alternative to the above standard charging approach. The Developer Services customer will then be able to choose which option to go with that offers best value. We strongly advise Developer Services customers to take up this option as it may offer better value in these unique circumstances.

Disconnections

Our unit charge for disconnecting existing connections from our water mains (where chargeable) is **£409**.

New water mains

- Water mains are pipes that will supply water to new homes within a development
- New water mains can be provided by us or by a SLP
- When carried out by a SLP it is done so under Section 51 of the Water Industry Act. We will adopt the new infrastructure once it's complete, providing it meets the required industry standards and our published Self-Lay policy. There are set charges that relate to this process
- Some aspects of water main installation can only be carried out by us and we will provide an estimate to the SLP carrying out the work
- The SLP may also request that elements of contestable work are delivered by us. These elements will be charged in accordance with the charges within this document





- We offer an Asset Payment to SLP's, which is calculated in the same way as the income offset, less any non-contestable and requested contestable items
- If the applicant would like us to provide the new water main they can do so through an agreement called a requisition under Section 41 of the Water Industry Act
- The charges below should be combined to form the total costs for the application
- Our water main charges include all valves, hydrants, washouts and the costs involved in co-ordinating our work with the applicant's schedule
- Our no excavation (unmade) charge applies where there is not currently a surfaced hardstanding
- Our no excavation (made) charge applies where there is a surfaced hardstanding. Examples include existing roads and highways, brownfield sites or sites where the developer has constructed the highway surfacing
- Separate charges apply when a connection needs to be made to an existing water main. This includes one valve and one hydrant. The charge will depend on the size of the pipe being connected to the existing network
- Connections to Self-Lay Mains are simple pipe to pipe connections to mains laid under an adoption agreement
- On some occasions we may need to install (or be requested to install) pressure monitoring valves to reduce the risk of bursts, district meters that allow us to measure the amount of water being supplied to a specific area, or non-return valves to prevent backflow of water. These will be charged per installation and the cost will depend on the size of the pipe they are connected to
- If the site being developed is on an area of land that may be contaminated due to its previous use, we may need to install a specialist pipe known as a barrier pipe to avoid contamination of the water supply
- If these specialist pipes are required, they are charged in addition to the water main and the cost will vary depending on the pipe size
- Standard traffic management where we can keep traffic flowing, or install 2-way traffic lights, are included within our standard charges
- If more complex traffic management is needed, or we incur additional local authority charges, we will apply an additional charge for extraordinary traffic management. This is not always easy to predict but we will make our Developer Services customers aware as early as possible if this charge will apply
- The charge for 3 or 4 way lights is for when temporary 3 or 4 way lights are required. It will also apply where existing traffic lights or pedestrian crossings need to be temporarily disabled to facilitate the works
- The charge for road closures will apply when a road closure is mandated by the local authority
- The lane rental charge will apply when the working on a highway where these charges apply
- When we construct a new water main, we will offer an income offset which considers the expected future income from the new properties. The income offset will be applied per property and vary depending on the size of the property
- The maximum income offset will be capped at the capital value of the requisition (as determined by the following charges)
- The charges associated with water mains laying are payable up-front and following the provision of estimates. Under our current charging approach there is an option to pay under the relevant deficit approach, where charges are payable over a 12-year period. Should this be attractive for applicants we will be able to offer a bespoke quotation on that basis. The final charges due may prove to be different to those calculated using the following charges due to the different calculation method



Section 51 SLP application, enquiry, administration and design charges

Service	Charge	Contestable / Non-contestable	How is this applied?
S51 – Agreement, Design Check / Approval and Vesting Fee (SLP undertakes design)	£515	Non-contestable	Per adoption agreement
S51 – Water Mains Design Check / Approval Fee (re-designs)	£204	Non-contestable	When required
S51 – Mains Application / Administration / Collaborative Design Fee – 0 to 50 units (we undertake design)	£1399.17	Either	Per application
S51 – Mains Application / Administration / Collaborative Design Fee – 51 to 250 units (we undertake design)	£1475	Either	Per application
S51 – Mains Application / Administration / Collaborative Design Fee – 251 to 500 units (we undertake design)	£1653.33	Either	Per application
S51 – Mains Application / Administration / Collaborative Design Fee – 500+ units (we undertake design)	£1909.17	Either	Per application

Section 41 application, enquiry and administration and design charges

Service	Charge	Contestable / Non-contestable	How is this applied?
S41 – Point of Connection Enquiry	£110	Contestable	Per enquiry
S41 – Mains Application / Administration / Collaborative Full Design Fee – 0 to 50 units	£1399.17	Either	Per application
S41 – Mains Application / Administration / Collaborative Full Design Fee – 51 to 250 units	£1475	Either	Per application
S41 – Mains Application / Administration / Collaborative Full Design Fee – 251 to 500 units	£1653.33	Either	Per application
S41 – Mains Application / Administration / Collaborative Full Design Fee – 500+ units	£1909.17	Either	Per application

New water mains installations charges (per metre)

Surface Pipe size	No excavation (unmade)	No excavation (made)	Unmade ground	Footpath	Side Road	Main Road
63mm	£56	£86	£86	£120	£147	£193
90mm	£57	£87	£104	£140	£182	£219
125mm	£60	£89	£111	£145	£189	£228
180mm	£70	£113	£134	£173	£205	£245
250mm	£101	£145	£156	£210	£243	£302
315mm	£139	£196	£196	£284	£338	£392
355mm	£165	£225	£225	£314	£373	£431

Connection to existing water main

Connecting pipe size	Charge	Contestable / Non-contestable	How is this applied?
63mm	£3390	Either	Per connection
90mm	£3390	Either	Per connection
125mm	£3548	Either	Per connection
180mm	£4934	Either	Per connection
250mm	£5471	Either	Per connection
315mm	£10187	Either	Per connection
335mm	£18816	Either	Per connection
Connection to Self Laid Main (any size)	£1336	Contestable	Per connection

Pressure monitoring valves

Pressure reducing valves (with by-pass)	Charge	Contestable / Non-contestable	How is this applied?
63mm	£9550	Either	Per installation
90mm	£9721	Either	Per installation
125mm	£10522	Either	Per installation
180mm	£12603	Either	Per installation
250mm	£18653	Either	Per installation
315mm	£34434	Either	Per installation
335mm	£34749	Either	Per installation

District meters

District meters (with by-pass)	Charge	Contestable / Non-contestable	How is this applied?
63mm	£8807	Either	Per installation
90mm	£8978	Either	Per installation
125mm	£9488	Either	Per installation
180mm	£11268	Either	Per installation
250mm	£17669	Either	Per installation
315mm	£34434	Either	Per installation
335mm	£34749	Either	Per installation

Non-return valves

Non-return valves	Charge	Contestable / Non-contestable	How is this applied?
63mm	£3000	Contestable	Per installation
90mm	£3000	Contestable	Per installation
125mm	£3114	Contestable	Per installation
180mm	£3248	Contestable	Per installation
250mm	£6327	Contestable	Per installation
315mm	£7909	Contestable	Per installation
335mm	£7909	Contestable	Per installation

Contaminated land

Contaminated land	Charge	Excavation type	How is this applied?
Barrier pipe – 63mm	£29	Not applicable	Per metre of pipe
Barrier pipe – 90mm	£29	Not applicable	Per metre of pipe
Barrier pipe – 125mm	£34	Not applicable	Per metre of pipe
Barrier pipe – 180mm	£38	Not applicable	Per metre of pipe
Barrier pipe – 250mm	£72	Not applicable	Per metre of pipe
Barrier pipe – 315mm	£84	Not applicable	Per metre of pipe
Barrier pipe – 355mm	£94	Not applicable	Per metre of pipe

Extraordinary traffic management

Traffic Management	Charge	How is this applied?
Traffic management – 3 or 4 way lights	£1487	Per installation if required
Traffic management – road closures	£1855	Per application if required
Traffic management – lane rentals	£708	Per day required



Income offset discount

Property size	Income offset	How is this applied?
1 bedroom property	£1553	Per property
2 bedroom property	£1867	Per property
3 bedroom property	£2103	Per property
4 bedroom property	£2182	Per property
5 bedroom property	£2292	Per property

Income offsets for commercial properties will continue to be offered. The latest water services charges used to develop the offset can be found in our [Wholesale Statement of Principles and Charges](#).

Asset Payments

Asset payments are payable to SLPs when they deliver water main infrastructure. The mechanism for calculating the Asset Payment is the same as calculating the maximum income offset. Relevant non-contestable and requested contestable items will be deducted from the Asset Payment as they will be delivered by us. An example of this is published on the Self-Lay section of our website.

Waste water connection services – guide to our charges

New lateral drains and connections

- Lateral drains are the part of the drain that runs from the edge of the property and connects with the sewer.
- Sewer connections are usually undertaken under Section 106 of the Water Industry Act through an application for a connection made to us. When approved, work is usually carried out by a drainage contractor on behalf of the applicant
- There are charges associated with the Section 106 application process
- On very rare occasions, we may need to undertake connection work ourselves and we would notify you of this following review of your Section 106 sewer connection application
- If we need to carry out this work, we do so under Section 107 of the Water Industry Act and only in those specific circumstances would the fixed charges detailed below apply
- If we are required to make the connection, the cost will depend on size, depth and the nature of the surface the pipe is being constructed in
- The charges below should be combined to form the total costs associated with a particular application
- Connections are made using different methods of connecting a new pipe to an existing sewer, existing manhole or by constructing a new manhole
- If a new manhole is not needed, then the connection to the existing sewer or manhole is included in the pipe laying rate
- Highways charges may apply if we need to work with the local authority to allow us to carry out the construction work. These charges would cover any temporary road, parking bay and pedestrian crossing closures
- Extra charges will apply if we need to put in place traffic management to allow us to carry out our work safely, for example operating temporary traffic lights (other than 2-way lights that are included in our basic charges) and implementing diversion routes
- We may need to reduce the flow in the existing sewer, so we can make the connection safely. An additional charge for over pumping the receiving sewer will be applied in these cases





- Sewer connections are deep and must be carried out safely. On some occasions specialist ground support, such as interlocking sheet piles, may be needed to protect our construction teams and the surrounding areas and properties. If this needed, additional charges will apply
- In areas where groundwater levels are high we may need to carry out specialist dewatering. In most cases we can manage this with a small pump, but in some conditions a more specialist approach will be needed which will add to the cost significantly
- The charges associated with water connections are payable up-front on application and provision of estimates. Work will commence on receipt of payment

Section 106/107 application and administration charges

Service	Charge	Contestable / Non-contestable	How is this applied?
S106/107 Application / Administration fee – Connection to existing sewer / manhole	£230.83	Non-contestable	Per application
S106/107 Application / Administration fee – New manhole construction	£295.83	Non-contestable	Per application

Construction related charges (only where required)

Connecting pipework - unmade ground (per metre)

Pipe size \ Pipe Depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£284	£384	£483	£595
>150 - 300mm	£435	£544	£638	£744

Connecting pipework – footpath (per metre)

Pipe size \ Pipe Depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£415	£649	£790	£918
>150 - 300mm	£559	£800	£935	£1060

Connecting pipework - side road (per metre)

Pipe size \ Pipe Depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£481	£688	£761	£873
>150 - 300mm	£632	£848	£916	£1023



Connecting pipework - main road (per metre)

Pipe size \ Pipe Depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£679	£927	£1020	£1178
>150 - 300mm	£838	£1094	£1182	£1335

New manhole - unmade ground (per manhole)

Manhole size \ Manhole depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£2528	£3196	£4745	£5694
1500mm	£2971	£4120	£6125	£7566
1800mm	£3761	£5465	£7433	£9161
2100mm	£5144	£7119	£9454	£11910

New manhole – footpath (per manhole)

Manhole size \ Manhole depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£3024	£3776	£5476	£6698
1500mm	£3620	£4790	£6969	£8441
1800mm	£4571	£6333	£8357	£10113
2100mm	£6055	£8070	£10443	£12949

New manhole - side road (per manhole)

Manhole size \ Manhole depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£4110	£5317	£7769	£9303
1500mm	£4650	£6064	£8774	£10565
1800mm	£6051	£7864	£9948	£12031
2100mm	£7188	£9400	£11980	£14560

New manhole - main road (per manhole)

Manhole size \ Manhole depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£4934	£6169	£8747	£10318
1500mm	£5645	£7093	£9935	£11768
1800mm	£7321	£9178	£11310	£13443
2100mm	£8679	£10944	£13586	£16227



Additional charges

Charge Type	Charge	How is this applied?
Road closure charge	£868	Per closure
Traffic management	£955	Weekly charge
Over-pumping the receiving sewer	£2829	Per connection
Specialist de-watering	£13170	Per connection
Specialist ground support	£2780	Per connection

New Site Specific sewers

- If new sewers are needed to drain the new properties, developers usually apply through the Section 104 process and work is carried out by a drainage contractor. Under this approach we will adopt the new sewer once it is complete, providing it meets the required industry standards
- There is a similar approach for adopting already constructed sewers under our Section 102 process
- There are fixed charges associated with the Section 104 and 102 application process
- If a developer requires us to carry out the construction of a new sewer they can make an application through a Section 98 requisition
- The charges below should be combined to form the total costs associated with a particular application
- We have set fixed charges for gravity sewers, manhole construction and rising main construction. Costs will vary depending on the size and depth of the sewer
- Our charges include the costs of design, surveys, land-entry, management costs, traffic management and related administration
- The charges also include standard trench support – excavator driven sheet piles and support structures; and groundwater management – through the provision of a localised pump to remove water from a trench
- On some occasions specialist approaches may be needed, including if the development site contains contaminated material. In such cases we will provide a bespoke estimate
- We will offer a discount, known as an income offset, when we construct a new sewer which considers the expected future income from the new properties. The income offset will be applied per property and vary depending on the size of the property. Income offsets only apply to the construction of new sewers, not any lateral connections.
- The maximum income offset will be capped at the capital value of the requisition (as determined by the following charges)
- The charges associated with new sewer infrastructure are payable up-front and following the provision of estimates. Under our current charging approach there is an option to pay under the relevant deficit approach, where charges are payable over a 12-year period. Should this be attractive for applicants we will be able to offer a bespoke quotation on that basis. The final charges due may prove to be different to those calculated using the following charges due to the different calculation method



Section 104 /102 application and administration charges

Service	Charge	Contestable / Non-contestable	How is this applied?
S102 - Application Fee (including initial administration)	£321.67	Non-contestable	Per application
S104 - Application Fee (including initial administration)	£515	Non-contestable	Per application
S102 / S104 - Technical / Inspection Fee (including Final administration)	2.5% of construction value	Non-contestable	Per application
S102 / S104 - Legal Fee	£400	Non-contestable	Per application
S104 - Security	Bond – 10% of construction value	Non-contestable	Per application

Section 98 requisition application charges

Service	Charge	Contestable / Non-contestable	How is this applied?
S98 - Application fee (including initial Administration)	£3894	Non-contestable	Per application
S98 - Design fee*	10% of total project value	Either	Per application
S98 - Point of connection enquiry	£110	Either	Per application

* The design fee (or an element of it) will be refunded if, on agreement to proceed, the total cost of the construction works is less than the income offset



New gravity sewers - unmade ground (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£461	£643	£816	£1186
>150 - 300mm	£700	£813	£1077	£1386
>300 - 450mm	£768	£883	£1144	£1467
>450 - 600mm	£833	£1007	£1299	£1660
>600 - 900mm	£1416	£1550	£1905	£2167
>900 - 1200mm	£1768	£2048	£2545	£2979

New gravity sewers – footpath (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£626	£731	£869	£1240
>150 - 300mm	£819	£913	£1145	£1436
>300 - 450mm	£927	£1018	£1228	£1512
>450 - 600mm	£1008	£1170	£1406	£1722
>600 - 900mm	£1725	£1833	£2071	£2215
>900 - 1200mm	£2162	£2457	£2816	£3103

New gravity sewers - side road (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£658	£810	£908	£1282
>150 - 300mm	£856	£965	£1230	£1555
>300 - 450mm	£975	£1074	£1332	£1664
>450 - 600mm	£1060	£1229	£1516	£1884
>600 - 900mm	£1805	£1902	£2234	£2458
>900 - 1200mm	£2258	£2506	£2976	£3376

New gravity sewers - main road (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 150mm	£700	£857	£1072	£1551
>150 - 300mm	£832	£1044	£1377	£1776
>300 - 450mm	£1034	£1182	£1515	£1934
>450 - 600mm	£1118	£1346	£1719	£2183
>600 - 900mm	£1874	£2045	£2502	£2837
>900 - 1200mm	£2306	£2665	£3300	£3860



New manholes - unmade ground (per manhole)

Manhole depth / Manhole size	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£4430	£5527	£7251	£10387
1350mm	£4770	£5937	£8420	£11838
1500mm	£5278	£6520	£9201	£14321
1800mm	£6878	£9194	£12901	£17321
2100mm	£9022	£11101	£14905	£20061

New manholes – footpath (per manhole)

Manhole depth / Manhole size	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£5459	£6694	£8538	£11841
1350mm	£5855	£7159	£9925	£13511
1500mm	£6461	£7842	£10818	£14514
1800mm	£8011	£10955	£14819	£19725
2100mm	£10352	£12748	£17509	£22621

New manholes - side road (per manhole)

Manhole depth / Manhole size	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£6930	£8438	£10721	£14831
1350mm	£7457	£9054	£12623	£17108
1500mm	£8272	£9966	£13816	£18452
1800mm	£10863	£12350	£16968	£19907
2100mm	£12417	£14728	£20089	£22901

New manholes - main road (per manhole)

Manhole depth / Manhole size	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
1200mm	£7470	£9148	£11708	£16127
1350mm	£8006	£9777	£13771	£18633
1500mm	£8835	£10711	£15020	£20067
1800mm	£11616	£13257	£20262	£21622
2100mm	£14080	£15663	£23803	£24713



New rising main - unmade ground (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 125mm	£404	£437	£570	£580
>125 - 180mm	£422	£455	£589	£598
>180 - 255mm	£453	£497	£645	£647
>255 - 315mm	£507	£551	£682	£732
>315 - 355mm	£571	£607	£769	£794
>355 - 400mm	£643	£732	£887	£920

New rising main – footpath (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 125mm	£516	£548	£680	£772
>125 - 180mm	£535	£587	£720	£812
>180 - 255mm	£593	£615	£791	£913
>255 - 315mm	£672	£716	£804	£945
>315 - 355mm	£740	£783	£894	£1015
>355 - 400mm	£892	£959	£1114	£1202

New rising main – side road (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 125mm	£554	£590	£723	£819
>125 - 180mm	£576	£610	£763	£860
>180 - 255mm	£593	£637	£791	£921
>255 - 315mm	£636	£669	£900	£1052
>315 - 355mm	£906	£849	£1029	£1195
>355 - 400mm	£990	£1062	£1247	£1247

New rising main – main road (per metre)

Pipe size \ Pipe depth	Up to 1.5m	>1.5 - 2.5m	>2.5 - 3.5m	>3.5 - 4.5m
0 - 125mm	£601	£653	£852	£962
>125 - 180mm	£625	£694	£870	£980
>180 - 255mm	£648	£747	£941	£1085
>255 - 315mm	£827	£887	£995	£1161
>315 - 355mm	£860	£946	£1126	£1325
>355 - 400mm	£1178	£1319	£1518	£1760



Income offset discount

Property size	Income offset	How is this applied?
1 bedroom property	£2782	Per property
2 bedroom property	£3301	Per property
3 bedroom property	£3684	Per property
4 bedroom property	£3793	Per property
5 bedroom property	£3985	Per property

Income offsets for commercial properties will continue to be offered. The latest water services charges used to develop the offset can be found in our [Wholesale Statement of Principles and Charges](#).

Site Specific charges – general information

Exception to fixed charges

The charges in this document are predominantly fixed charges. On some occasions, the costs associated with laying new water mains and sewers (requisitions) may be more complex and challenging, in which case it will be difficult to provide a fixed charge.

This could include circumstances where:

- The technical complexity of the work is high, or the type of work required is bespoke or carried out infrequently
- Third parties can legitimately recover their costs from companies and there is not a reasonable level of certainty of those costs in advance of connection work being undertaken
- Third parties have rights to protect their assets or interests in a way that affects the construction method. The third parties' requirements are unknown upfront
- The work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics. These characteristics mean that specific measures are required during construction or reinstatement. The details of these measures may not be fully defined in advance of construction.

Where the above circumstances occur, we may be unable to provide a fixed upfront charge for the entire works, and will provide a budget estimate comprising a mixture of:

- Indicative or estimated charges for the elements of works affected by the circumstances above, and;
- Fixed upfront charges for the elements of the work where there is sufficient certainty and it is reasonable to do so.

There may be occasions where providing an indicative estimate is not possible or where the estimate will not meet the degree of confidence desired by the applicant. In these cases, we will work with the applicant to agree the best way to proceed.

Some specific examples of where exceptions could apply include:

- Management and disposal of contaminated material
- Extraordinary ground support such as interlocking sheet piles
- Extraordinary groundwater control such as deep wells or wellpointing
- Excavation of rock or artificial obstructions



- Extraordinary pipe bedding requirements (such as piling)
- Costs associated with land compensation or loss of profit
- Statutory undertakers' diversions
- Tunnelling techniques such as directional drilling or auger-boring
- Pumping stations and installations
- Costs of permits, permissions and supervision associated with rail crossings, canal or river crossings, major highway crossings
- Costs associated with 'immune bodies' where our statutory powers may not apply
- Bespoke legal agreements such as Deed of Grant Easement or Transfer of Pumping Stations where not included within the routine agreements or processes

The above list is not exhaustive but reflects some typical examples that may fall into the principles outlined above. The examples are generally highly site and context specific. The frequency with which these occur is also difficult to predict. Including these types of circumstance in standard charges would be challenging and could adversely on the charges incurred by all applicants.

Recalculating the charges

For all of the Site Specific charges, it is possible that we will need to recalculate the charges due on completion. This is often known as re-measuring. This will only be undertaken against the charges detailed within this document. Charges will only change if the quantities that have previously been estimated change.

Differences in the charges

In the different categories of Site Specific charges there are different charges for what appear to be similar activities. There are two major reasons behind this:

- We use different delivery partners for different types of work. Connections and simple works are generally delivered using different partners to more complex, risky construction works. There are different costs associated with this
- For some simple items there are very low costs in terms of management effort, or the costs are in different charges. An example is water connections where the internal costs for managing the work are covered by our application and administration charges. For more complex elements of work, the charges include all costs associated with project management, design, site investigation, existing customer management, dealing with external stakeholders and permitting, securing planning permission and other similar activities. Due to the way that the charges have been developed these are included within the charge items to make the charges as user-friendly as possible.

Extract of our network plans

To assist our Developer Services customers in planning their works, it is possible to request an extract of our network plan. The charge associated with this is **£49.92**.

Charges for diversion work

- Developers with an interest in land that contains existing water or sewerage assets can arrange for the alteration or removal those assets to allow development work to progress
- For both water mains and sewers this is undertaken under Section 185 of the Water Industry Act
- All or part of the diversion works may be contestable, in which case we will give the developer the opportunity to undertake the works, or employ a suitably qualified third-party contractor to undertake these elements
- The decision on who needs to undertake the construction is based on the risk of the work and asset criticality ratings

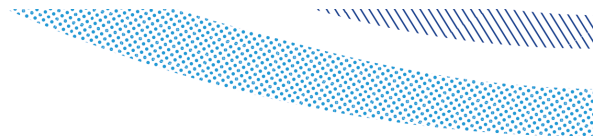


- Applicants can contact Developer Services for advice ahead of application
- Alternatively, should a Developer delivered diversion be assessed as needing to be delivered by Southern Water, we will only charge the differential in application fees
- We do not offer published fixed charges for construction activities in this area. We will keep this under review
- We will provide a bespoke estimate for each project in line with our current processes. The applicant will be free to choose how to proceed on provision of estimates at key stages
- We will utilise information from our estimating database at the early stages of the process to provide these bespoke estimates. As the design progresses we will also engage with our suppliers to deliver an increasingly detailed and accurate quotation for the defined scope of the work required
- The estimates may be different to the requisition published charges due to the individual nature of each site
- The charges associated with diversions are payable up-front and following the provision of estimates.

Service	Charge	Contestable / Non-contestable	How is this applied?
S185 - Application Fee (water diversion)	£1450	Non-contestable	Per application
S185 - Application Fee (developer wastewater diversion)	£311	Non-contestable	Per application
S185 - Application Fee (Southern Water wastewater diversion)	£1850	Non-contestable	Per application
S185 - Design Fee (Southern Water diversion)	10% of total project value	Non-contestable	Per application
S185 – Technical Assessment Fee (developer diversion)	£563	Non-contestable	Per application
S185 – Inspection Fees (developer wastewater diversion)	2.5% of construction value	Non-contestable	Per application
S185 – Legal Fees (developer wastewater diversion)	£400	Non-contestable	Per application
S185 – Security requirements (developer diversions)	See below	Non-contestable	Per application

Security requirements

For developer delivered diversion projects we require a 100% performance deposit. 80% is returned on completion of the works and the remaining 20% following a 1 year warranty period.



Transitional arrangements

We understand that moving to new charging arrangements presents uncertainty for Developer Services customers, particularly where they may have already committed to a development based on previous charging arrangements.

We have worked with our stakeholders and Water UK to agree a set of principles by which we will base our charges during the transition period. The transition principles are set out below.

Infrastructure Charges

- After 1st April 2018, premises connecting to a main or sewer that was provided as a requisition under S98 or S41 of the WIA1991, between 1991 and April 2018, will be charged using the old infrastructure charge in accordance with our Licence Condition C. The charges recovered in accordance with Condition C will capped in line with the condition.
- After 1st April 2018, connections made to assets other than those above will be charged in accordance with the new Infrastructure Charge as defined in Ofwat's Charges Scheme Rules
- Any properties directly associated with a development where a network reinforcement requisition has been entered into, will be charged the old infrastructure charge in accordance with Condition C. The charges recovered in accordance with Condition C will capped in line with the condition.

Site Specific Charges

- Applications received between 1st February 2018, and the 31st March 2018 for Site Specific mains and sewer work that will be carried out after 1st April 2018, will be quoted on either the old rules, or Ofwat's Charging Rules for New Connection Services. Developers and SLPs will be invited to choose their preferred method
- Applications received between 1st February 2018, and the 31st March 2018 for Site Specific new property connections that will be carried out after 1st April 2018, will be quoted under the old approach due to the volumes of applications. From the 1st April 2018 quotations will be made under the new charging approach
- Developers or SLPs that have received a quotation or draft adoption agreement under the old rules, but have not formally accepted can re-apply after the 1st February 2018 for a quotation in accordance with Charging Rules for New Connection Services
- Quotations for some Site Specific work provided under the old rules, and accepted before 1st April 2018 are to continue to apply until 1st April 2023 unless the Developer Services customer and the company agree to vary the quotation
- Where a legal agreement is already in place in relation to charges for Site Specific work carried out as part of an adoption, then the charges defined within that agreement remain valid for the life of the agreement unless the Developer Services customer and the company agree to vary those charges
- Charges relating to the old charging rules, will be adjusted by inflation if the quotation or legal agreement includes an appropriate provision for adjusting the charges.
- All our quotations under the new charging arrangements have a fixed period of validity. This validity period is detailed on the quotation that is supplied to all Developer Services customers. Should the Developer Services customer not progress within the validity period, it may be necessary to issue an updated quotation for the application



Timings and Methods of payment

Water

Water Connections

Water connection application fees are payable up-front at the time of application.

Administration fees are payable along with the construction fees on the acceptance of the quotation. These are again paid up-front.

Water Mains Laying

Application fees are payable up-front at the time of application.

Any further fees are payable following the issue of the Site-Specific quotation. These fees are generally paid up-front ahead of construction work progressing. For requisitions, there is the option of a 12 year payment approach on request.

Water Infrastructure Charges

Water infrastructure charges are payable up-front as part of the Water Connection application.

Wastewater

Wastewater Connections

Wastewater connection application fees are payable up-front at the time of application.

Construction fees (if applicable) are payable up-front on the acceptance of the quotation.

Wastewater Site Specific Sewer Laying

Application fees are payable up-front at the time of application.

Any further fees are payable following the issue of the Site-Specific quotation. There is generally a two stage approach given the complexity of these projects. These fees must be paid up-front ahead of the next phase of work progressing. For requisitions, there is the option of a 12 year payment approach on request.

Wastewater Infrastructure Charges

Wastewater infrastructure charges are payable on connection. Invoices are issued on a routine basis during the lifespan of the development to the applicant. We measure connected properties via the registering of meters associated with the properties.

Methods of Payment

We accept BACs, credit and debit cards and cheques for payment for our services. Further details can be found on our 'Ways to Pay' information that is delivered with our quotations and on our customer portal.



How did we calculate the charges?

Water

Site Specific charges - new property connections

For new individual property connections, we analysed 12 months of new connections data. This involved nearly 7000 property connections, ensuring a significant population of data to base the new charges upon. We categorised the costs into the new standard categories, along with the number of new water meters (aligned with properties). This allowed us to develop the per water meter (property) average costs.

For larger diameter connections (63mm and above), we undertook the same approach, but adjusted to consider those connections that were related to flats with internal meters, as these were increasing the unit costs.

The costs for additional pipework and barrier pipe for contaminated land closely correlate to the direct costs in providing these activities.

Traffic management costs were developed by using a selection of traffic management costs and building up a unit average. There was a high degree of cost fluctuation within this area. We will continue to collect data to ensure that this remains as representative as possible.

No general overheads are applied to the construction costs. All Southern Water related costs are recovered through the application and administration fees.

Site Specific charges - water mains

The charges for laying new water mains were derived by analysing circa 60 historic projects to develop all-inclusive unit charges for mains laying activities. The sites included nearly 70km of water mains installed, again generating a significant data set to drive accuracy. For each pipe size we recorded total length and how many valves and hydrants were installed. By applying our suppliers' standard rates, this allowed us to calculate a unit charge per metre.

Connections in most cases are a standard operation and the charges are based upon a bottom-up estimate. The charges include installation of a valve and hydrant per connection, at the request of the SLP community, so the same charge will apply to different classes of Developer Services customer.

Meters and pressure reducing valves are based on a bottom-up estimate. These include for a by-pass.

The costs for additional pipework and barrier pipe for contaminated land closely correlate to the direct costs in providing these activities.

Traffic management charges were developed by using a selection of traffic management costs and building up a unit average. There was a high degree of cost fluctuation within this area. We will continue to collect data to ensure that this remains as representative as possible.



Uplifts for project management, management of external constraints and administration costs are added to the base construction rates to ensure the charges cover all the costs associated with the provision of the infrastructure.

There is no general overhead applied to these charges. The charges apply to the direct costs of providing the infrastructure alone.

Site Specific charges - Income Offsets and Asset Payments

Income offsets have been simplified to a 12-year income allowance for the various property types. The per property income offset is simply the typical annual water bill for the property type multiplied by 12 years. The income offset applicable is capped at the construction value of the project if the maximum potential income offset is higher. If the income offset is lower, the differential must be covered by the applicant.

Asset payments are worked out in reverse. The asset payment is calculated using the income offset, less any applicable non-contestable charges and any contestable work requested by the applicant. It uses the same 12-year income allowances as the basis for the calculation.

Network Reinforcement – Water Infrastructure Charge

We reviewed our current 5-year (2015 to 2020) AMP6 period expenditure (actual and forecast) and associated external contributions. This will continue to be our method of assessment of the charges on an annual basis. The historic infrastructure charge income was higher than expenditure. We have therefore lowered the charge and our assessment is that in future the water infrastructure charge will cover 100% of the network reinforcement costs. There is no contribution from the wholesale water price control as is the case with the wastewater charge (see later).

Following this assessment, we overlaid our forecast investment for the next 5 years. Future levels of investment are forecast to be higher than they are currently. With stability being a key principle within Ofwat's Charges Scheme rules, £200 is the current assessment of a stable forward-looking charge. This charge could change in line with another Ofwat Charges Scheme Rules principle that the charge will cover the costs over a rolling 5-year period.

Wastewater

Site specific charges - new lateral drains and connection

We very rarely construct new lateral drains and connections for our Developer Services customers. This work is generally undertaken directly by applicants and their drainage contractors.

The charges that we have developed for laying pipes and manholes are derived from our supply chain and represent our closest view of the likely costs incurred in providing these services. They represent a bottom-up build-up of the typical costs involved.

The costs for highways charges were developed by using the selection of historic costs and building up a unit average.

Traffic management costs and over pumping were derived from bottom up estimates using supplier data.



Specialist dewatering and trench support costs were based on bottom-up estimates of the likely costs incurred for these activities.

There are no general overheads applied to these charges. The charges only relate to the direct costs of undertaking the work.

Site specific charges – new sewers

The charges for laying new sewers were categorised into 3 main areas – gravity pipe laying, manholes and rising main laying. Upper limits on pipe sizes and depths are included, which should cover most activities that Developer Services customers would request in this area.

The base construction rates are from our estimating database. These have then been uplifted to include design, surveys, land-entry, management costs and related administration.

This allows for an all-inclusive charge that, in turn, allows the Developer Services customer to identify the total cost of an activity using information that they would be likely to possess, be able to estimate, or make sensible assumptions around (for example metres or pipe, sizes, depths and number of manholes).

In this case, as traffic management is often unavoidable, traffic management is included within the charges.

There are no general overheads applied to these charges. The charges only relate to the direct costs of undertaking the work.

Site specific charges - Income Offsets

Income offsets have been simplified to a 12-year income allowance for the various property types. The per property income offset is simply the typical annual wastewater bill for the property type multiplied by 12 years. The income offset applicable is capped at the construction value of the project if the maximum potential income offset is higher. If the income offset is lower, the differential must be covered by the applicant.

Network Reinforcement – Wastewater Infrastructure Charge

To develop our infrastructure charge we selected a 5-year period for the analysis of network reinforcement expenditure. As the charging scheme rules require charges and expenditure to balance over a rolling 5-year period, we selected the 2015 to 2020 AMP6 period. As we were at the mid-stage of this period when we developed the charge, it provided a sensible mix of historic actual costs and a robust forward forecast to set the initial charge upon.

Analysis of our historic spend levels indicated that the historic Wastewater Infrastructure Charge did not cover the costs of network reinforcement. To broadly maintain the balance of contributions we need to include contributions that were made to network reinforcement through the requisition mechanism that was predominantly utilised to deliver the projects. In AMP6, requisitions that include an element of network reinforcement averaged a 35% developer contribution once the income offset discount was applied.

For Wastewater Network Reinforcement, overall contribution levels equate to:

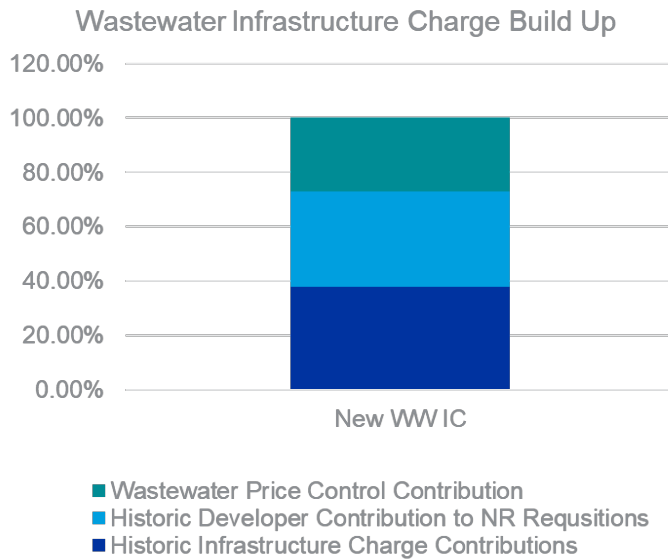
Historic Infrastructure Charge income + Network Reinforcement Requisition income

To achieve an indicative per property charge, we simply divided the total income as calculated above by the number of properties connected over the period (the corresponding 2015 to 2020 period).





Although the higher Infrastructure Charge does allow for the balance of contributions to be maintained, it does not cover the full cost of our Network Reinforcement programme. A contribution still needs to be made by existing bill payers via the wholesale wastewater price control. The overall balance of contribution is approximately 73% Developer Services customer contributions, 27% wider Southern Water customer base.



Following our initial consultation various stakeholders expressed concern about the relatively significant increase in the charge whilst recognising the need within the rules to maintain the balance of contribution. This was especially concerning regarding individual customers and small developers who may not have contributed historically to network reinforcement via requisition contributions.

As a result, we developed a tiered charge of £550 for developments of less than 20 properties and £765 for developments of 20 or more. This ensured that, when combined with the water infrastructure charge, our combined charge was slightly lower than the inflation adjusted historic charges. In this situation, larger developments do pay slightly more than smaller ones. We believe that this is appropriate as larger developments tend to have a larger impact on our network than smaller developments. The tiered charge is set around an average that would recover income in a manner that ‘maintains the balance of contributions’ between Developer Services customers and customers in general paying water services charges.



Register of changes

Changes to our charges for 2019-20

Inflation

All our Site Specific charges have been uplifted by inflation. This is in line with the contractual uplifts that apply within our delivery suppliers' contracts. The inflationary uplift reflects a direct increase in our costs associated with the delivery of this work.

The inflationary uplift for 2019/20 is 2.4%. This reflects a 2.3% increase forecast for next year and a 0.1% adjustment to the forecast that applied to the 2018/19 charges.

The inflationary measure used is CPI.

Traffic Management

Following our post implementation review, it became clear that our traffic management charges were over simplistic and did not account for the combined costs of local authority and contractor charges for single traffic management arrangements (for example road closures).

We have now developed a new suite of charges that better reflect these circumstances. These do reflect an increase over our old charges, particularly in the case of road closures. They are however more cost reflective and therefore meet the consistent feedback received within our consultation.

Water connections

The only changes are the CPI inflationary uplift and the revised traffic management charges. In general charges have increased by 2.4%.

Water mains laying

In the area of water mains laying, our consultation feedback was indicating a strong preference for cost reflectivity, especially by the SLP community. As a result, we reviewed some of the assumptions made when developing our charges, particularly the number and size of connections to the existing mains. This impacted slightly on the mains laying rates because connections include a valve and hydrant as standard. This review slightly adjusted the valve and hydrant allowances within the standard pipe sizes.

We identified a need to update our charges for district meters and pressure monitoring valves to allow for the inclusion of an additional valve per installation.

We had also identified an error in one of the rate category selections for connections to existing mains. This error had a less than 1% impact on the charge but has now been corrected.

We developed new charges for laying water mains in pre-excavated trenches (no-dig) in areas of hardstanding, for example highways or brownfield sites.

We have developed new charges for in-line non-return valves should these be required.

All charges had the 2.4% CPI uplift applied.



The range of changes in charges between 2018-19 and 2019-20 is detailed within the table below.

Installation type	Range of change
Mains installation	-0.4% to 3.2%
Connections to existing mains	2.8% to 3.2%
Meters and PMV's	6.3% to 14.8%

Wastewater New Lateral Drains and Connections

The only change is the CPI inflationary uplift. In general charges have increased by 2.4%.

Wastewater Site Specific Sewers

The only change is the CPI inflationary uplift. In general charges have increased by 2.4%.

Income offset

Following both our consultation and ongoing engagement throughout the year with various stakeholders we have decided to clarify the development timeframe that we will offer an income offset for. This is now the first 5 years of any development. This is both to provide clarity to Developer Services customers and to ensure that the balance of contributions between Developer Services customers and customers in general paying water services charges is not impacted significantly by large scale, long duration developments.

Changes to our Charging Arrangements

Following internal reviews, external assurance and feedback from regulators and our stakeholder consultation, we have also made the following changes to the Charging Arrangements.

- Separated out Section 51 charges into their own tables for increased clarity and ease of use
- Displayed all charges (including application fees) excluding VAT for consistency. Quotations and other correspondence will detail when VAT applies
- Strengthened our descriptions of how our charges have been derived, with a particular focus on the wastewater infrastructure charge
- Clarified when we are referring to Developer Services Customers or existing customers / bill payers more clearly
- Various spelling and grammatical corrections
- Added new sections on Income Offset, Traffic Management, Water Mains Design and VAT to describe our approach in greater detail
- Added in a new section of the potential for commercial agreements between ourselves and customers relating to network reinforcement when the solution is to transfer to the 'point of available capacity'
- Added detail within the newly added Register of Changes relating to the approach to inflationary updated to our Site Specific charges
- Added a note to Transitional Arrangements referencing that validity periods apply to quotations and that a requote may apply if a quote is not taken up with the required period
- Provided further clarity that the income offset is related to the typical annual water and wastewater customer bill over a 12 year period
- Added a section on method and timings of payments
- Added the Register of Changes to track year on year adjustments