



Developer Services **Charging Arrangements**

2020/21



Document revision history

| Rev | Purpose | Date |
|-----|---|------|
| 1 | Annual review of published arrangements for charges related to new development activities | |
| | | |



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1. About this document

This Developer Services Charging Arrangements document is produced in accordance with the Charging Rules for New Connection Services (English Undertakers) published by Ofwat in July 2019. This document also contains information on our infrastructure charge as set out in the Charges Scheme Rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991 published in July 2019.

This document, and the information contained within it, also constitutes our Wholesale Connection Charges in accordance with the Wholesale Charging Rules issued by Water Services Regulation Authority (Ofwat) in December 2018.

The Charging Arrangements come into effect on 1 April 2020.

1.1. Introduction

The Water Industry Act 2014 brought in a number of changes to the legal and regulatory framework for charging for new connection related services.

This document outlines the charges that will apply from 1 April 2020 for services related to the provision of new connections. This document also incorporates the feedback we have received from our recent consultations with customers and other stakeholders on the latest charging rules for new connection services.

We will update these Charging Arrangements at least once a year and welcome any feedback on its application at any point going forward so that we can reflect on it in future updates.

1.2. Content of this document

In this document we:

- Explain the choices available to developers for provision of new site mains and connections.
- Provide explanation to our approach to charging for connections;
- Describe our approach to application fees; connection charges; requisition charges; income offsets and asset payments; diversion charges and infrastructure charges.
- Provide worked examples of typical development bills in accordance with Ofwat's expectations set out in their Information notice IN19/05.

A glossary of terms is provided in Section 13, the Board Assurance Statement can be found in Section 14 and the Statement of Significant Changes, as required by Ofwat in their Information Notice IN19/05, can be found in Section 15.

1.3. Key changes from April 2020

In April 2019 Ofwat issued a consultation in which they confirmed their latest charging rules for new development, to be applied from 1 April 2020. As a consequence of the new charging



rules, all water companies will be changing the way they charge developers that require new connections to their networks. A summary of these changes is shown in Figure 1 below.

Service Connections charges 2019-2020

| cost item | paid by | description |
|----------------------------|-----------|--|
| Fees | Developer | Costs relating the provision of a quotation for mains service connections |
| Infrastructure Charges | Developer | Increased demand for water created by the development has an impact on our existing network and customers. These charges contribute toward reinforcing our network |
| Service Connection Charges | Developer | The cost of each new connection to the new main to supply each new unit or property individually |

NEW Service Connections charges 2020-2021

| cost item | paid by | description |
|----------------------------|-----------|--|
| Fees | Developer | Costs relating the provision of a quotation for mains service connections |
| Infrastructure Charges | Developer | Increased demand for water created by the development has an impact on our existing network and customers. These charges contribute toward reinforcing our network |
| Income Offset | SES Water | The income offset is now applied to all new connections as a discount to the infrastructure charge |
| Service Connection Charges | Developer | The cost of each new connection to the new main to supply each new unit or property individually |



The income offset will now benefit all developments equally by being applied to all new connections through the infrastructure charge discount.

Mains and Service Connections charges 2019-2020

| cost item | paid by | description |
|----------------------------|-----------|---|
| Fees | Developer | Costs relating the provision of a quotation for mains service connections |
| Infrastructure Charges | Developer | Increased demand for water created by the development has an impact on our existing network and customers. These charges contribute toward reinforcing our network |
| Mains Requisition Charges | Developer | The developer contribution toward the installation of the new mains into the development |
| Income Offset | SES Water | The cost borne by the water company to install the new mains into the development, offset by the revenue received from new customers as a result of the new development |
| Service Connection Charges | Developer | The cost of each new connection to the new main to supply each new unit or property individually |

NEW Mains and Service Connections charges 2020-2021

| cost item | paid by | description |
|----------------------------|-----------|--|
| Fees | Developer | Costs relating the provision of a quotation for mains service connections |
| Infrastructure Charges | Developer | Increased demand for water created by the development has an impact on our existing network and customers. These charges contribute toward reinforcing our network |
| Income Offset | SES Water | The income offset is now applied to all new connections as a discount to the infrastructure charge |
| Mains Requisition Charges | Developer | The developer contribution toward the installation of the new mains into the development |
| Service Connection Charges | Developer | The cost of each new connection to the new main to supply each new unit or property individually |

These changes, which affect our developer services customers, Self-Lay Providers (SLP's) and New Appointments and Variations (NAVs), are as a consequence of the new charging rules that have been introduced by our regulator, Ofwat.



Ofwat's new charging rules can be found [here](#).

In summary, the key changes and rules are:

- From 1 April 2020 income offsets may only be applied to infrastructure charges and asset payments will cease to exist.
- Currently, developers pay a proportion of the cost of providing new water mains. The remainder of the cost has been funded by the future water revenue we receive from occupiers of the new homes and buildings that developers connect to our water networks. The use of this future revenue is commonly referred to as an income offset. The new charging rules mean there will no longer be an income offset for requisitioned water mains from 1 April 2020. Thus, where a developer requisitions a water main from us they will be charged the full cost. Where a developer asks an SLP to construct water mains on their behalf and we agree to adopt the mains, we will no longer make an asset payment (equal to the income offset amount) to the SLP or developer. This change enables New Appointment Variations (NAV's) to compete on a 'level playing field' with SLP's and incumbent water companies for the provision of new water mains required to serve new development sites.
- Water companies may continue to apply an income offset however this will be applied as a discount to the infrastructure charge. This means that the income offset will apply to all new connections and not just for those customers connecting a new water main. This makes the charging process more transparent and fairer to all developer customers as the income offset will be applied to all developments irrespective of whether water infrastructure is constructed by a water company, SLP or provided by a NAV.
- Ofwat has indicated that they expect the balance between contributions to costs by developers and existing customers to be broadly maintained.
- Ofwat has confirmed that the infrastructure charge income water companies receive must match their average spend on network reinforcement to meet future demand from new development activity over five consecutive years on a rolling basis.
- Ofwat has introduced a new information requirement to support bill stability and predictability for new connection services in their Information Notice IN 19/05.

In addition to the above changes as a result of the new Ofwat charging rules, we have also incorporated feedback from our consultations on charges for 2020/21, which include extended transition arrangements, payment terms and a review of how we apply our income offset to the infrastructure charge.

1.4. Our position

Our charges are set on the basis that the income from applications fees, new mains, service connections and infrastructure charges will match our costs for supporting the development. We review our costs and charges annually in order to ensure that our charges remain cost reflective. We have continued to use the Discounted Aggregate Deficit (DAD) tool to generate the income offset (see Section 5 below) together with ensuring that our charges are cost reflective and only represent the cost of development to broadly maintain the balance of



charges between developers and other customers. This will be reviewed for the change in the charging rules for 2020/21 as costs and income for these charges are collected to ensure that this balance is maintained for new connection and new development charges in future years.

In accordance with the new Ofwat charging rules, all developer services customers are treated equally. To do this we will no longer apply income offsets against the costs of mains requisitions and we will no longer provide asset payments where an SLP installs the water main. The new income offset will be applied to the infrastructure charge for all customers making a connection to our network.

Our infrastructure charges are set out below and there will now be a discount applied from the new income offset which will benefit all customers.

To comply with the new charging rules, we will offer a discount to all of our customers regardless of a single new connection, or a large housing development requiring new mains. We have applied a flat discount to the infrastructure charge to all new individual connections. This will substantially reduce the infrastructure charge to all, and the flat rate means it will be simple for customers to understand. This discount has been calculated through a review of the water income we will receive from the new customers generated by the development.

Water is scarce in the South East of England and our supply area receives less rainfall per person than Morocco – that's why it's important to save water wherever we can. We invest in our network to minimise leakage and supply interruptions and as a result have one of the lowest levels of leakage in the country. We also recognise that in order to conserve water, we encourage new developments to introduce recognised water efficiency devices to reduce consumption in the home. Therefore, we also offer developers the opportunity to receive a further discount on infrastructure charges where such devices are installed. The basis of calculation of the infrastructure charge and eligibility for reduced infrastructure charges are set out in Section 9.

The charging arrangements have changed significantly, but we are satisfied that overall our proposals are fair and represent a small increase of around 1% on our existing charges when looking at the overall anticipated activity with developers. As the discount is now based on new properties (via a discounted infrastructure charge per property) and not the requisitioned mains costs, larger developers will see an increase in their costs overall. To explain this further, examples of typical developments appear later in this document based on the worked examples set out by Ofwat in their Information Notice IN19/05. Details of the expected bill increases for these typical developments and any required handling strategies for these bill increases can be seen in the Statement of Significant Changes in Section 15 along with the Board Assurance statement in Section 14.

In order to support larger developments requisitioning mains, we would like to discuss individual circumstances to confirm cost estimates in detail and, where appropriate, tailor a phased payment plan.



1.5. Transitioning to the new charging arrangements in April 2020

We appreciate that the new charging arrangements may create some uncertainty for our customers therefore, following feedback from our consultation on our proposals, we have identified transitional arrangements as follows:

- If a quotation is provided, and it is still within the validity period of the quotation, the quotation then remains valid if the developer wishes to proceed.
- If an agreement is already in place, then the terms and conditions contained within that agreement remain valid for the life of the site contained in the agreement.
- If a developer applies between the new charges being published on 31 January 2020 and 30 April 2020, we will present dual offers (under the existing and new arrangements) and the developer can choose which charges scheme they are quoted on. This provides a period of up to three months between February 2020 and 30 April 2020 to decide whether the developer enters into an agreement with our new charging rules in place or the existing charging rules.
- For existing agreements in place, then the conditions within the original agreement, will remain valid for the lifecycle of the agreement.



2. Background

The legal and regulatory framework

The Water Act 2014 (WA14) made provision for the removal of the connection charging methodologies from the Act and introduced a requirement for Ofwat, the economic regulator for the water sector, to set rules that Water Undertakers must comply with when setting charges for new connection related services.

The provisions in WA14 also require that Department for Environment, Food and Rural Affairs (Defra) issues guidance to Ofwat on the content of the rules it publishes. Ofwat must have regard to this guidance when setting its rules.

Defra's guidance

In December 2016 Defra issued guidance to Ofwat. The guidance is structured around the principles that charges should reflect:

- Fairness and affordability
- Environmental protection
- Stability and predictability
- Transparency and customer-focused service.

Ofwat's requirements for Water Undertakers

Following consultation, Ofwat issued its charging rules for new connection services (English Undertakers) and Charges Scheme Rules revised in July 2019.

The rules set out requirements on Water Undertakers to publish charging arrangements that detail the charges, or methods for calculating charges, for new connection related services. In particular:

- Charges must reflect the four principles in Defra's guidance as stated above.
- Charges must promote effective competition for contestable work.
- The present balance of charges between developers and existing customers must be broadly maintained.
- Charges must be explained either through the publication of a fixed value and how that value was obtained or through the publication of a clear and accessible methodology. Where it is not practicable to set a cost-reflective charge in advance, the Water Undertaker may allow for bespoke charges to be applied.
- The document must make it clear which charges are for contestable work and which are for non-contestable work.
- Requisition charges may no longer provide for an income offset. Any income offset is now to be shown as a discount to the infrastructure charge as explained in Section 9.1.
- Asset payments (equal to the income offset) for adopted mains will no longer be made as explained in Section 1.3. above.
- Security can be requested before commencing any work. Interest should be paid on any security held.



3. Developer choice for provision of connection services

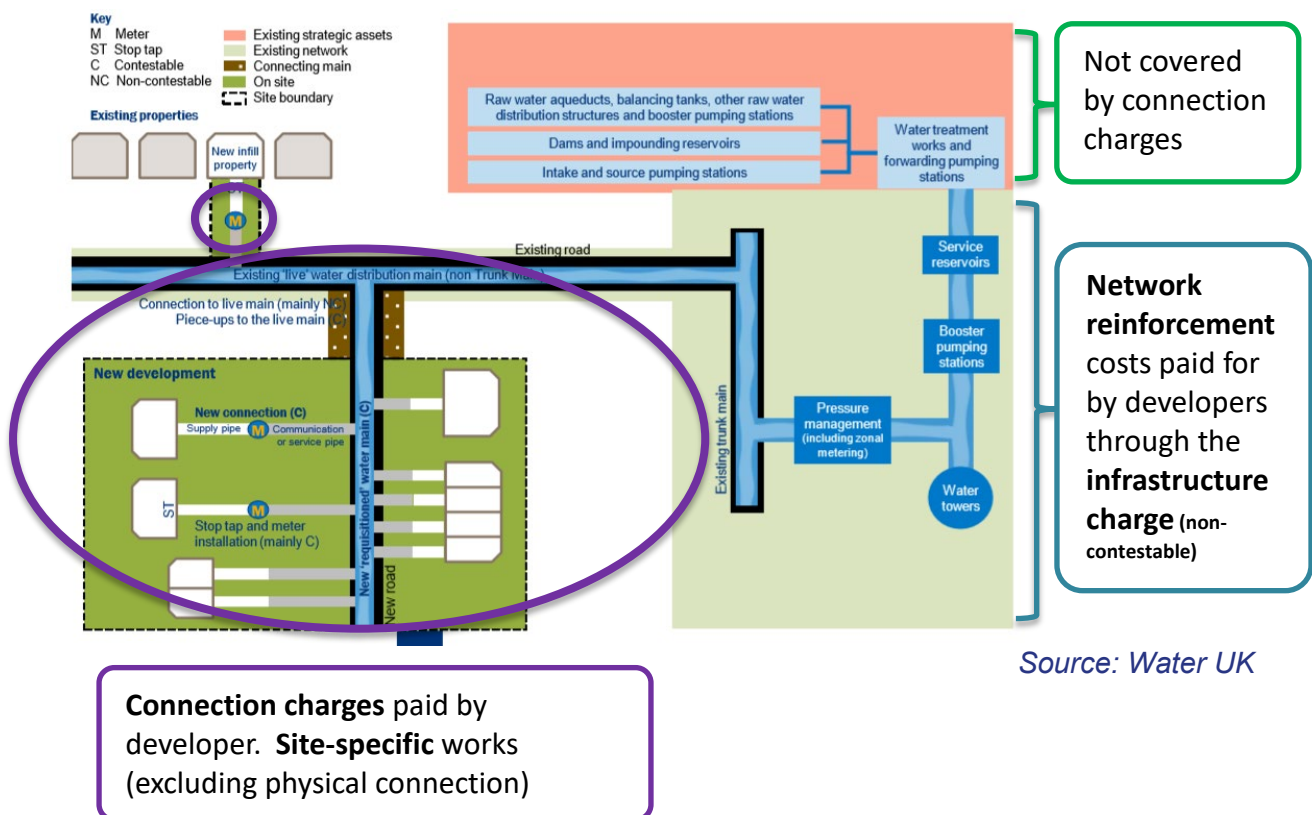
The vast majority of new properties require a connection to the existing water network. We provide a number of different services to developers seeking a connection but developers **can use alternative suppliers**. The scope of work we carry out is dependent on an individual developer's needs.

Some work is non-contestable which means in the area that we supply, only SES Water can carry out this work. **A number of services – contestable work – can be provided by us or another service provider under one of these two options:**

- **Self-Lay Provider:** a developer can either build the necessary infrastructure itself or contract with a third party, such as a SLP. The Water Undertaker then 'adopts' the assets built and, where appropriate, pays the developer or SLP an asset payment.
- **New Appointment and Variation (NAV):** a developer chooses a licensed NAV to build and then operate the infrastructure needed to serve the property or site.

Below we provide a simplified example of a connection and how this relates to the new charging framework. The diagram indicates which work is contestable and which is non-contestable.

Figure 3.1:



Source: Water UK



Areas of costs we incur are split into three categories:

- **Site-specific:** works undertaken within the dark green shaded areas and brown with white dots. Costs of the water mains installed for these works are recovered from developers. Site-specific refers to work on, or the provision of, water structures or facilities located on a development up to a point on the existing network where the connecting pipework is of nominal bore internal diameter no larger than that of our existing network.
- **Network reinforcement works:** works undertaken within the light green area. The costs of these works are recovered by means of infrastructure charges payable by developers.
- **Resources and treatment:** works undertaken in the pink area. These are funded through water charges to customers and are not recovered through new connection charges.

4. Explanation of different charges

The diagram below provides a summary overview of key non-contestable and contestable charges:

Figure 4.1:

Non-contestable charges

For work that can only be carried out by us in order to ensure that we can continue to meet our obligations to existing customers

Application charge

Cost of processing an application and providing a quote, tiered and non-refundable

Infrastructure charge

A cost per new connection to cover existing network reinforcement (cost per new connection) – discounted through income offset. Further discounted where selected water efficiency products are used

Connection charge (Water Company network)

Cost of connecting properties to the existing company water main

Contestable charges

For work that can be carried out by another qualified party, such as accredited developers, Self-Lay Providers (SLP's) or New Appointments and Variations (NAV's)

Requisition charge for site specific mains

The cost of new water mains on a new development

Connection charge (new housing developments)

Cost of connecting properties to the new onsite water main



5. Overview of our charges

Application charge

The cost of an application, design and quotation for a service connection or mains requisition will be charged on the basis of a fixed fee which will be tiered to reflect actual costs. Where a customer would like to employ their own designer, then we can discuss these arrangements and offer discounted fees to suit their requirements, but we would still charge to check and approve such designs. All fees quoted are inclusive of VAT.

Infrastructure charge

All new connections for domestic purposes pay a fixed amount which is used to fund investment in the network needed to meet with new water demand created by new developments. As shown in the diagram in section 3, the charges are used to fund investment for growth in the network but do not cover on-site specific infrastructure (i.e. mains requisitioned).

The charge has been set to cover all network reinforcement work driven by increases in demand from new developments. Infrastructure charges can vary between Water Undertakers as each business has its own challenges to ensure its network can continue to provide consistent water supplies to its customers. This is calculated using a five-year rolling average of forecast network improvement costs. Developers may also be eligible for reduced infrastructure charges from water efficiency and site re-development. The basis of calculation of the infrastructure charge and eligibility for reduced infrastructure charges are set out in Section 9.

Income Offset

The discount on the infrastructure charge will replace the traditional income offset offered to customers requiring new mains. In order to calculate the discount for the infrastructure charge, the income offset will still be calculated based on the cost of mains to be installed on site taking into consideration the expected income to be received over a 12-year period from the new customers connected to the main. We will continue to use the industry recognised [DAD tool](#) to calculate the level of infrastructure discount for 2020/21 charges.

Connection Charges

A charge for the physical connection of a service pipe from a property to a water main. A water service connection generally involves a connection to a water main, pipework to the boundary of the connecting property and a boundary box with a stop-valve and meter. Where a new connection is required directly onto our existing water network, we consider that this can pose a higher risk to the quality of the water supplied to our existing customers and therefore off-site connections are non-contestable. Where the developer has opted for on-site requisitioned water mains to be installed by a suitably qualified developer or SLP, then these on-site works are contestable.

Our Charging Arrangements Calculator tool, which can be found on the 'Getting Connected' page of the SES Water website, will provide upfront guidance on how these charges are set. This will provide estimated costs of the connections to the existing main or new main.

Requisition Charge

If there isn't an existing water main near the new properties, the developer will need a new water main built. The process of a Water Undertaker providing the water main is called a requisition. The costs apply to the infrastructure built to serve a property or development from the existing network to, and on, the development site. The developer is required to pay for the



full cost of the new main. **The main can alternatively be built by a suitably qualified developer, SLP or NAV.**

Diversion Charge

If a developer needs an existing main moved, they can request the undertaker provides a diversion at the developer's cost.

Additional charges

Costs incurred due to aborted site visits, delays, repeat work or unplanned variations to work caused by the developer will now be charged.

Details of our charges for 2020/21 can be found in sections 6 to 11

6. Application and design fees

We will charge a fixed application fee based on the number of connections as per the tables below. The charges have been derived by an assessment of the average time taken by our site surveyors, regulations team, design and administration teams in processing each application. **All fees quoted within table 6.1 are inclusive of VAT.**

Figure 6.1:

| Services | | |
|---|------------|----------|
| Application Fees - based on number of service connections | 1-20 | £ 211.78 |
| | 21-50 | £ 262.20 |
| | 51-250 | £ 403.39 |
| | 251-Above | £ - |
| Re-Quote - Services | 1-500 | £ 121.02 |
| | 501-Above | £ 181.52 |
| Phase Connection works (where continuous access is not available to complete the service connections) | Demobilise | £ 474.53 |
| | Remobilise | £ - |

| Mains | | |
|--|------------|------------|
| Application Fees - Mains/Self Lay/Budget estimate based on number of service connections | 1-250 | £ 605.08 |
| | 251-1000 | £ 927.79 |
| | 1001-Above | £ 1,169.83 |
| Re-Quote - Mains/Self Lay/Budget | 1-500 | £ 322.71 |
| | 501-Above | £ 564.74 |
| Phase Connection works (where continuous access is not available to complete the works) | Demobilise | £ 3,391.45 |
| | Remobilise | £ - |



| Other fees | |
|---|----------|
| Additional Site Meeting | £ 181.52 |
| Additional Regulations inspection (first inspection included in mains and services fee) | £ 90.76 |

Application and design fees are required upfront of any service provision.

All fees except the design element are non-contestable. Developers and customers have the choice to employ their own designer. Where a full design is provided by the developer, a discount will be available to reflect the reduced time required by us. All applications will be required to provide us with a layout of the scheme in the form of a schematic drawing clearly showing all properties, future roads and footpaths with points of entry to properties clearly marked. We are still required to carry out network capacity checks, surveys and water regulation inspections and incur general administration costs, the cost of which is covered by the remainder of the application fee.

7. Connection charge

Connections work

Our Charging Arrangements Calculator will provide an indicative estimate based on the information you enter. Charges are set to recover the costs we incur. The information required is:

- Number of connections
- Road/ground surface type
- Length of pipe
- Diameter of pipe
- Traffic management requirements.

N.B. The calculator provides an estimate, not a full quote.

Property connections are estimated separately from any mains requisition works. Where a development consists of more than 20 properties, we will undertake additional network capacity checks to consider any localised impact on our existing network.

All traffic management outside of the development site is subject to planning and co-ordination with the local Highways Authority in accordance with the New Roads and Streetworks Act 1991, as amended by the Traffic Management Act 2004. As such, works may be subject to additional Highway Authority Conditions and charges associated with any such conditions.

There may be site specific environmental issues associated with a development. The Charging Arrangements Calculator does not take into consideration such site-specific issues and will require a survey and quotation from us. A list of examples of such additional charge scenarios are provided in Section 11. Such issues could include, but are not limited to:

- Ground conditions
- Specialist traffic management
- Protected species habitats
- Archaeology
- Water courses



- Rail/bridge/motorway infrastructure crossings
- Proximity to schools, hospitals or timing with special events.

Prices are fixed for a period of 12 months and subject to review and change on 1 April each year. Any estimate provided from our Charging Arrangements Calculator, or quotation issued by us will be valid for 90 days.

Additional costs shall be levied for any unplanned phasing of the works, repeat samples and testing, or any unintended restriction of access for the agreed works to be undertaken.

The full cost of the quoted work for connections must be paid prior to works commencing onsite.

To provide indicative basic costs associated with new connections (i.e. not taking into consideration special factors listed above) the following tables provide examples of the cost of installing and connecting a communication pipe between the water main and the boundary of the customer premises:

Figure 7.1a:

| Service connection charges | | | | | | |
|---|-------------|---------------|---------------|------------------|----------------------|-------------------|
| Regular ground conditions | Charge Unit | Unmade Ground | highway verge | Flexible Footway | Flexible Carriageway | Rigid Carriageway |
| Excavate and lay communication pipe diameter 20mm/25mm/32mm/50mm, make connection and include for up to 2 metres of pipe laid to a depth of cover 750mm. Fix stopcock/meter chamber and install meter and connect to customer supply pipe | per item | £341.10 | £514.49 | £624.97 | £679.09 | £737.17 |
| cost per metre over 2 metres | per metre | £60.71 | £61.88 | £96.91 | £110.08 | £151.27 |
| contaminated ground conditions | Charge Unit | Unmade Ground | highway verge | Flexible Footway | Flexible Carriageway | Rigid Carriageway |
| Excavate and lay communication pipe diameter 20mm/25mm/32mm/50mm, make connection and include for up to 2 metres of pipe laid to a depth of cover 750mm. Fix stopcock/meter chamber and install meter and connect to customer supply pipe | per item | £490.92 | £663.43 | £773.91 | £828.03 | £886.11 |
| cost per metre over 2 metres | per metre | £65.24 | £66.41 | £101.44 | £114.61 | £155.80 |

Figure 7.1b:

| Water Meters - Supply of meter device only | | |
|--|----------|---------|
| 15mm in line internal meter with Remote meter read | per item | £53.02 |
| 15mm external boundary screw in meter with remote meter read | per item | £51.23 |
| 15mm external boundary screw in meter | per item | £16.90 |
| 20mm in line meter | per item | £66.96 |
| 25mm in line meter | per item | £60.53 |
| 40mm in line meter | per item | £136.52 |
| 50mm external boundary meter | per item | £73.54 |



Figure 7.1c:

| Water Meters - Supply and install | | |
|--|--|---------|
| Survey property only. This item to be used when during or following the survey it is established that a water meter cannot be fitted and is to include for the submission of a report giving the reasons. | per visit | £20.12 |
| Survey property and fit concentric type meter in to existing meter/stopcock unit - standard screw in type meter | Per item installed | £58.85 |
| Survey property and fit concentric type meter in to existing meter/stopcock unit - screw in type meter with remote meter read | Per item installed | £118.80 |
| Survey property and carry out all work required to install an internal meter within the Customer's premises, including cutting existing rising main up to nominal bore 22mm (3/4") and all jointing and alterations to pipework and other ancillary works to gain sufficient access. ('In line' type meter, first visit) | Per item installed | £336.38 |
| Internal 'in line' type meter replacement. Includes for any minor pipe modifications | No. | £150.18 |
| External 'in line' type meter replacement. Includes for any minor pipe modifications | No. | £245.60 |
| Survey Property, remove existing stopcock assembly. Install new external stopcock unit and concentric type meter on existing charged service up to 22mm (3/4") all as described in the specification and permanent reinstatement (grass and unmade surfaces) standard screw in type meter | Per item installed Soil / unmade ground | £252.89 |
| | Per item installed Footpath / Road | £341.94 |
| Survey Property, remove existing stopcock assembly. Install new external stopcock unit and concentric type meter on existing charged service up to 22mm (3/4") all as described in the specification and permanent reinstatement (grass and unmade surfaces) screw in meter with remote meter read | Per item installed Soil / unmade ground | £312.84 |
| | Per item installed Footpath / Road | £401.89 |

8. New Mains

8.1. Developer Choices

For new mains and connections to be installed on a site, developers have three options for installation:

- The developer has the option to appoint their own accredited Self-Lay Provider (SLP) to undertake the installation of the onsite mains and service connections (contestable works).** We shall work with the developer and SLP to monitor and support compliance for the installation works and shall oversee the process for the final mains connection activity. We shall support with advice and approval for any infrastructure to be installed by an SLP as we will adopt the apparatus upon completion and subsequent approved testing of the mains and connections. The developer will still be required to go through our application process and will still be required to pay infrastructure charges that will be discounted using an income offset. The infrastructure charges can be further discounted through the installation of recognised water saving devices to promote water efficiency. We will be required to undertake the connection to the existing water main, which is known as non-contestable works which may be requisitioned from our Developer Services team and co-ordinated with the SLP.



- **The developer has the option to appoint their own accredited New Appointee Variation (NAV) to undertake the installation of the on-site mains and service connections (contestable works).** We shall work with the developer and NAV to monitor and support compliance for the installation works and shall oversee the process for the final mains connection activity. We shall support with advice and approval for any infrastructure to be installed by an NAV. The developer will still be required to go through our application process and will still be required to pay infrastructure charges that will be discounted using an income offset. The infrastructure charges can be further discounted through the installation of recognised water saving devices to promote water efficiency. We shall be required to undertake the connection to the existing water main, which is known as non-contestable works which may be requisitioned from our Developer Services team and coordinated with the NAV.
- **The developer has the option to requisition the main installation for us to install.** We shall work directly with the developer to discuss requirements and timing of the works and develop a design for the scheme. The developer will pay all costs associated with the requisition of the main and connections to be installed.

We appreciate that each development will have its own unique situation. Under all options, we offer flexible arrangements and timing of payments. For instance, we will discuss and agree phased payments to SLPs/NAVs for staged commissioning of the entire project which would be proportional and representative of works substantially complete.

8.2. New mains Requisition Charges

Our Charging Arrangements Calculator will provide an outline indicative estimate for mains requisition work based on the information you enter. Charges are set to recover the costs we incur. The information required is:

- Number of connections
- Road/ground surface type
- Length of pipe
- Diameter of pipe
- Traffic management requirements.

Property connections are estimated separately from any mains requisition works. Where a development consists of more than 20 properties, we will undertake additional network capacity checks to consider any localised impact on our existing network.

All traffic management outside of the development site is subject to planning and co-ordination with the local Highways Authority in accordance with the New Roads and Streetworks Act 1991, as amended by the Traffic Management Act 2004. As such, works may be subject to additional Highway Authority Conditions and charges associated with any such conditions.

There may be site specific environmental issues associated with a development. The Charging Arrangements Calculator does not take into consideration such site-specific issues and will require a survey and quotation from us. A list of examples of such additional charge scenarios are provided in Section 11. Such issues could include, but are not limited to:

- Ground conditions
- Specialist traffic management



- Protected species habitats
- Archaeology
- Water courses
- Rail/bridge/motorway infrastructure crossings
- Proximity to schools, hospitals or timing with special events.

Prices are fixed for a period of 12 months and subject to review and change on 1 April each year. Any estimate provided from our Charging Arrangements Calculator, or quotation issued by us, will be valid for 90 days.

Additional costs shall be levied for any unplanned phasing of the works, repeat samples and testing, or any unintended restriction of access for the agreed works to be undertaken.

Our standard charges for works items are provided in the following tables.

Figure 8.2a:

| 1. New Mains connections | | | | | |
|--------------------------|---|-----------------------------|-------------------------------|----------------|---------------|
| | diameter band | 50-100 | 150-200 | 250-350 | surface type |
| | equivalent Cast Iron / Spun Iron | 3"/4" | 6" to 8" | 10" to 14" | |
| | equivalent Ductile Iron | 80mm / 100mm | 150mm / 200mm | 250mm to 350mm | |
| | equivalent Polyethylene | 63mm / 90mm / 110mm / 125mm | 160mm / 180mm / 225mm / 250mm | 315mm / 355mm | |
| | Under pressure Tee connection on live main including valve and hydrant on branch | £ 3,642.93 | £ 4,209.25 | £ 6,634.99 | Hard surface |
| | | £ 3,084.78 | £ 3,603.82 | £ 5,910.38 | unmade ground |
| | Remove hydrant on branch and connect to existing valve | £ 1,459.52 | £ 1,754.55 | £ 3,311.73 | Hard surface |
| | | £ 901.37 | £ 1,149.12 | £ 2,587.12 | unmade ground |
| | Back - Back Connection: remove and recover washouts and duct foots and piece through. | £ 1,456.58 | £ 1,754.55 | £ 3,461.40 | hard surface |
| | | £ 898.44 | £ 1,149.12 | £ 2,736.79 | unmade ground |



Figure 8.2b:

| 2. New Mains laying | | | | |
|---|-----------------------------|-------------------------------|----------------|---------------------------|
| diameter band | 50-100 | 150-200 | 250-350 | surface type |
| equivalent Ductile Iron | 80mm / 100mm | 150mm / 200mm | 250mm to 350mm | |
| equivalent Polyethylene | 63mm / 90mm / 110mm / 125mm | 160mm / 180mm / 225mm / 250mm | 315mm / 355mm | |
| Polyethylene | £190.28 | £228.42 | | hard surface |
| | £78.65 | £107.34 | | unmade ground |
| | £42.12 | £75.85 | | open excavation by others |
| Polyethylene barrier pipe (contaminated ground) | £217.95 | | | hard surface |
| | £106.32 | | | unmade ground |
| | £79.62 | | | open excavation by others |
| Ductile Iron | £193.04 | £222.56 | £291.92 | hard surface |
| | £81.41 | £101.47 | £147.00 | unmade ground |
| | £54.75 | £74.81 | £115.02 | open excavation by others |

Figure 8.2c:

| 3. New Valves / Hydrants / bends on New Mains | | | | | |
|---|-----------|-----------------------------|-------------------------------|----------------|---------------|
| diameter band | Apparatus | 50-100 | 150-200 | 250-350 | surface type |
| equivalent Ductile Iron | | 80mm / 100mm | 150mm / 200mm | 250mm to 350mm | |
| equivalent Polyethylene | | 63mm / 90mm / 110mm / 125mm | 160mm / 180mm / 225mm / 250mm | 315mm / 355mm | |
| Polyethylene | Bend | £225.49 | £308.60 | | hard surface |
| | | £113.86 | £187.51 | | unmade ground |
| | valve | £212.04 | £362.34 | | hard surface |
| | | £100.41 | £241.26 | | unmade ground |
| | hydrant | £176.16 | £305.33 | | hard surface |
| | | £64.53 | £184.24 | | unmade ground |
| Ductile Iron | Bend | £250.51 | £344.64 | £801.78 | hard surface |
| | | £138.88 | £223.55 | £656.86 | unmade ground |
| | valve | £212.04 | £362.34 | £154.63 | hard surface |
| | | £100.41 | £241.26 | £9.71 | unmade ground |
| | hydrant | £176.16 | £305.33 | £450.53 | hard surface |
| | | £64.53 | £184.24 | £305.61 | unmade ground |



Figure 8.2d:

| 4. other potential costs (including Highway Authority charges) | |
|--|-----------|
| Full Road Closure | £2,500.00 |
| Bus Stop Suspension | £250.00 |
| Traffic Light suspension | £483.50 |
| pedestrian crossing suspension | £373.83 |
| Parking bay suspension | £70.00 |
| Permit Charge (varies on region/road) per request for access | £65.00 |
| Three way Traffic Lights (per week) | £502.34 |
| Four way traffic lights (per week) | £561.41 |
| Daily charge for manual operation | £218.59 |
| set out 3 / 4 way lights | £247.01 |

Note - Highway Authority Charges are subject to change - we operate within 8 local highway authorities and each can change there charges at any time. Therefore prices are subject to vary and are indicative only.

9. Infrastructure charge

When water is first made available for domestic usage, then an infrastructure charge is due. This charge is in addition to any charges for connections or site-specific mains and must be paid by the person who pays for the connection. The charge is due as soon as the connection to the main has been made and it is capable of providing water. The purpose of the charge is a contribution to the cost of providing the infrastructure of pipes, pumping stations and treatment works necessary for the provision of water services as a direct consequence of developments. Infrastructure charges do not apply where the water is required solely for process needs.

We apply a single level of infrastructure charge across our supply area, as we plan our water supplies as a single water resource zone and have the ability to supply much of the supply area from more than one treatment works. Therefore, although we considered zonal charging, currently we do not believe it to be appropriate for our community.

An infrastructure charge shall be paid on all new connections where water will be used for domestic purposes. The fixed amount for the infrastructure charge from 1 April 2020 to 31 March 2021 is **£369** per premises. (Please note – we also collect sewage infrastructure charges on behalf of Thames Water where applicable. These prices are set by [Thames Water](#) on an annual basis).

The infrastructure charge is reviewed and set every year. This charge has been calculated based on the overarching principle that infrastructure charges should reflect the costs of the investment we make in the network to increase its capacity to deliver the water needed to supply new properties, while maintaining service levels for all customers. This has been calculated using a five-year rolling average of forecast network improvement costs divided by



the average number of connections over this period in accordance with the Ofwat Charges Scheme Rules. Each year we will reflect on and review our actual out-turn cost of investment and infrastructure income to make any corrections to our forecast expenditure and infrastructure charge calculation. This ensures that current and future expenditure made to the network to cover the demand for new development and growth is reflected fairly and transparently to all customers.

Infrastructure charge discounts

The water infrastructure charge payable on a standard domestic property (i.e. a separately billed house, or flat) requiring a 25mm service connection will be the standard water infrastructure charge. For domestic and non-domestic properties requiring a service connection greater than 25mm, a relevant multiplier will be calculated based upon the number of water fittings and their related loading units where provided.

To calculate the Relevant Multiplier:

- i. Ascertain the total number of water fittings in all the categories specified in the following table
- ii. Calculate the aggregate loading units attributable to that total number of water fittings
- iii. Divide the aggregate loading units by 24.

The resulting number will be the relevant multiplier and will be applied to the standard water infrastructure charge in order to calculate the amount payable for the relevant connection. If the resulting number is less than 1, the relevant multiplier will be 1.

Where no table of loading units is provided but a flow rate is requested. BSEN 806 Part 3 Appendix B shall be used to convert the flow rate to loading units to calculate the relevant multiplier.

Where a table of loading units is provided but a meter and connection size of higher capacity is requested, BSEN 806 Part 3 Appendix B shall be used to convert the maximum continuous flow of the requested meter size to loading units to calculate the relevant multiplier. Alternatively the connection shall be provided with no additional capacity and shall be sized based on the table of loading units provided.

**Figure 9:**

| Water Appliance | Loading units |
|---------------------------------|---------------|
| WE flushing cistern | 2 |
| Wash Basin in house | 1.5 |
| Wash Basin Elsewhere | 3 |
| Bath Tap size 20mm nominal | 10 |
| Bath Tap size over 20mm | 22 |
| Shower | 3 |
| Sink Tap size 20mm nominal | 3 |
| Sink Tap size over 20mm | 5 |
| Spray Tap | 0.5 |
| Bidet | 1.5 |
| Domestic Appliances | 3 |
| Commercial /Communal Appliances | 10 |
| Any other water outlet | 3 |

9.1. Reduced charges using income offset

In order to recognise the new application of the income offset to the infrastructure charge, in accordance with the Ofwat Charges Scheme rules we have made provision for a discount on the infrastructure charge for each new property connection. This discount has been calculated by offsetting the income we would receive from these properties. In order to calculate the discount for the infrastructure charge, the income offset will still be calculated based on an estimate of the cost of developer mains to be installed for the year, taking into consideration the expected income to be received over a 12-year period from the new customers connected to the mains. This discount is then shared across all new connections in the form of discount to all connections, regardless of the type of development. The basic fixed discount for 2020-21 has been set at **£165** which reduces the infrastructure charge from **£369** for each premises to **£204** for all standard connections.

Using the DAD tool we have modelled our potential development mains work for 2020-21 and run the total cost of mains and services through the DAD calculator to establish the relevant deficit (cost of borrowing against income). This relevant deficit is usually payable by the customer under the old scheme but the model calculator is used to establish the income offset. We have established the income offset and divided this between the average number of anticipated connections over the same 5-year period used to calculate the infrastructure charge. This has provided us with the reduced infrastructure charge of £204 per premises.



9.2. Reduced charges for water efficient properties

A discount on the infrastructure charge is available for properties built to a higher standard of water efficiency than required by building regulations.¹ We are offering the following further discounts:

- A 15% reduction on the fixed price listed above if all bathroom fittings are 'A'-rated based on the water label **OR** rainwater harvesting or greywater recycling is fitted. This equates to a water usage of around 105 litres/person/day.
- A 30% reduction if all bathroom fittings are 'A'-rated based on the water label **AND** either rainwater harvesting or greywater recycling is fitted. This equates to a water usage of around 80 litres/person/day.

The developer shall provide evidence of the rating of fittings to be installed. Where rainwater harvesting or greywater harvesting is installed we will require evidence that the pipework connections to the system are installed by a plumber qualified under the Watersafe™ scheme.² We also require evidence that these systems are maintained under a management contract to ensure they continue to provide water efficiency savings and to minimise the risk of leakage or water quality issues.

9.3. Reduced charges for redeveloped sites

The infrastructure charge is discounted to zero where a site is developed or re-developed and there were, within the period of five years before the development or redevelopment began on that site, premises with a water connection (direct or indirect) for domestic purposes. Any additional connections will be subject to infrastructure charges and appropriate discounts as previously explained.

9.4. Charge in future years

The infrastructure charge will be updated each year based on a rolling five-year average of the cost of investing in the network from new developments and the additional capacity needed to serve them along with the average of the expected new connections. Payment of infrastructure charges may be paid in arrears upon request but are normally requested prior to the property being occupied and put into charge.

¹ Building requirements are contained in Part G of the Building Regulations, 2010.

² www.watersafe.org.uk



10. Diversion charges

Due to the complexities associated with any diversionary works, costs provided are indicative of a straight section of pipe with simple fittings. A full survey and understanding of the developer's requirements will be needed in order to provide a specific quotation for any works.

All traffic management outside of the development site is subject to planning and co-ordination with the local Highways Authority in accordance with the New Roads and Streetworks Act 1991, as amended by the Traffic Management Act 2004. As such works may be subject to additional Highway Authority Conditions and charges associated with any such conditions.

There may be site specific environmental issues associated with a development. The Charging Arrangements Calculator does not take into consideration such site-specific issues and will require a survey and quotation from us. Such issues could include, but are not limited to:

- Ground conditions
- Specialist traffic management
- Protected species habitats
- Water courses
- Rail infrastructure
- Proximity to schools, hospitals or timing with special events.

Prices are fixed for a period of 12 months and subject to review and change on 1 April each year. Any estimate provided from our Charging Arrangements Calculator, or quotation issued by us, will be valid for 90 days.

Additional costs shall be levied for any unplanned phasing of the works, repeat samples and testing, or any unintended restriction of access for the agreed works to be undertaken. Prices for such work are included in section 3.1.



11. Additional charges

The following table provides a non-exhaustive list of typical examples where additional costs may be identified and included within any such quotation as required.

| | |
|--|---|
| Reinstatement | Compliance with the New Roads and Streetworks Act 1991 Specification for Reinstatement of Openings (SROH) |
| | Additional depth of materials |
| | Road classification |
| | Matching road construction such as concrete |
| Water assets at additional depths | Dewatering |
| | Health and safety considerations |
| | Additional material excavation and reinstatement |
| Hazardous contaminated ground | Survey costs |
| | Disposal costs |
| | Pipework and ancillaries upgraded |
| Construction near other services (e.g. high-pressure gas mains, overhead power cables) | Site surveys |
| | Third party costs |
| | Out of hours work |
| Work near to water sources, bridges and other structures | Site surveys |
| | 3rd party costs |
| | Legal agreements |
| | Out of hours work |
| Crossings such as watercourses, railways and motorways | Site surveys |
| | 3rd party costs |
| | Legal agreements |
| | Out of hours work |
| Invasive flora (e.g. Japanese knotweed, Himalayan Balsam) | Site surveys |
| | Specialist removal/disposal costs |
| Ecological impacts | Ecological surveys |
| | Protected species assessment and mitigation |
| Crossing third party land | Site surveys |
| | Compensation for landowners |
| | Legal agreements |
| Land purchase compensation | Land compensation |
| | Business owner compensation |
| | Property owner compensation |
| Work on strategic mains | Site survey |



| | |
|----------------------------------|-----------------------------------|
| | Design |
| | Large diameter branch connection |
| | Pipework and ancillaries |
| | Out of hours work |
| Access to working area | Site survey |
| | Temporary access road |
| Site clearance and reinstatement | Site clearance |
| | Demolition of existing structures |
| | Landscaping and planting |
| | Tree avoidance or clearance |
| Exceptional ground conditions | Ground stabilisation |
| | Dewatering |
| Security | Fencing |
| | Out of hours working |
| | Manning and patrols |

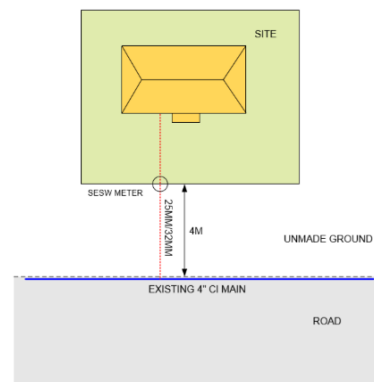


12. Examples and Scenarios

The following scenarios have been developed in accordance with the worked examples of typical developments set out by Ofwat in their Information Notice IN19/05 to provide examples of typical single connections, flats, small, medium and large developments and the associated charges that would accompany the work:

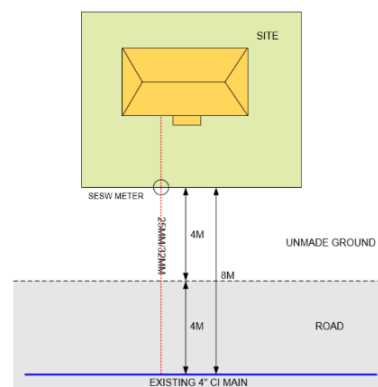
Short Single Communication pipe connection

| No of Plots 1 | |
|--------------------------|---------------|
| Application fees | £212 |
| Requisition Cost | £0 |
| Service Connection Cost | £871 |
| Infrastructure Charges | £369 |
| Income Offset / Discount | -£165 |
| Total | £1,287 |



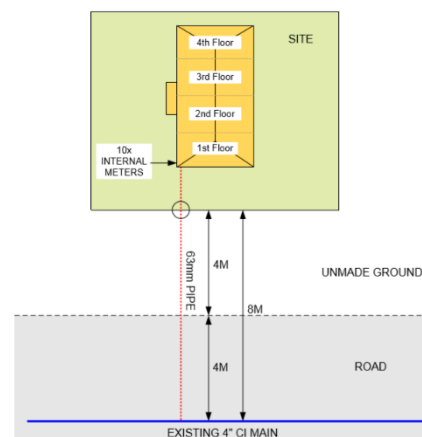
Long single Communication pipe connection

| No of Plots 1 | |
|--------------------------|---------------|
| Application fees | £212 |
| Requisition Cost | £0 |
| Service Connection Cost | £1,224 |
| Infrastructure Charges | £369 |
| Income Offset / Discount | -£165 |
| Total | £1,640 |



Single Connection 10 flats

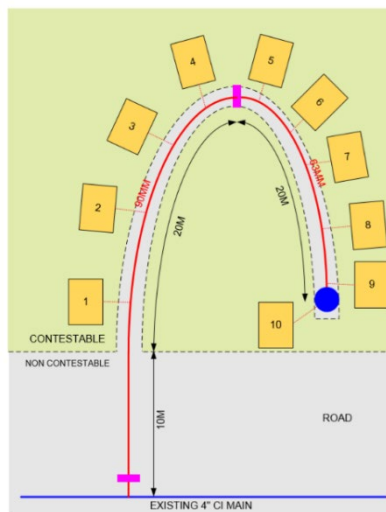
| No of Plots 10 | |
|--------------------------|---------------|
| Application fees | £212 |
| Requisition Costs | £0 |
| Service Connection costs | £4,860 |
| Infrastructure Charges | £3,690 |
| Income Offset / Discount | -£1,654 |
| Total | £7,108 |





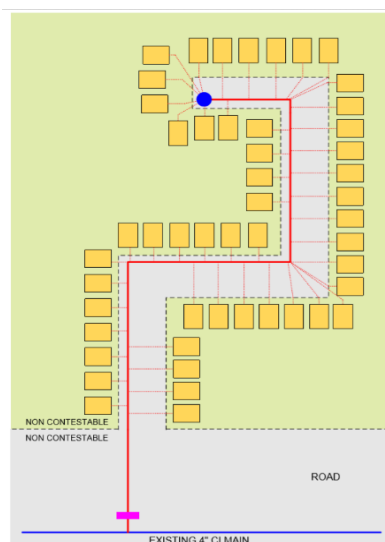
| SES Water | |
|--|----------------|
| Small development 10 properties | |
| No of Plots 10 | |
| Application fees | £605 |
| non contestable connection | £5,692 |
| contestable mains | £5,417 |
| contestable service Connections | £5,061 |
| Infrastructure Charges | £3,690 |
| Income Offset / Discount | -£1,654 |
| Total | £18,811 |

| SLP Alternative | |
|--|---------------|
| Small development 10 properties | |
| No of Plots 10 | |
| Application fees | £605 |
| non contestable connection | £5,692 |
| contestable mains | SLP |
| contestable service Connections | SLP |
| Infrastructure Charges | £3,690 |
| Income Offset / Discount | -£1,654 |
| Total | £8,333 |



| SES Water | |
|---|----------------|
| Medium development 50 properties | |
| No of Plots 50 | |
| Application fees | £605 |
| non contestable connection | £6,602 |
| contestable mains | £28,380 |
| contestable service Connections | £25,306 |
| Infrastructure Charges | £18,449 |
| Income Offset / Discount | -£8,269 |
| Total | £71,073 |

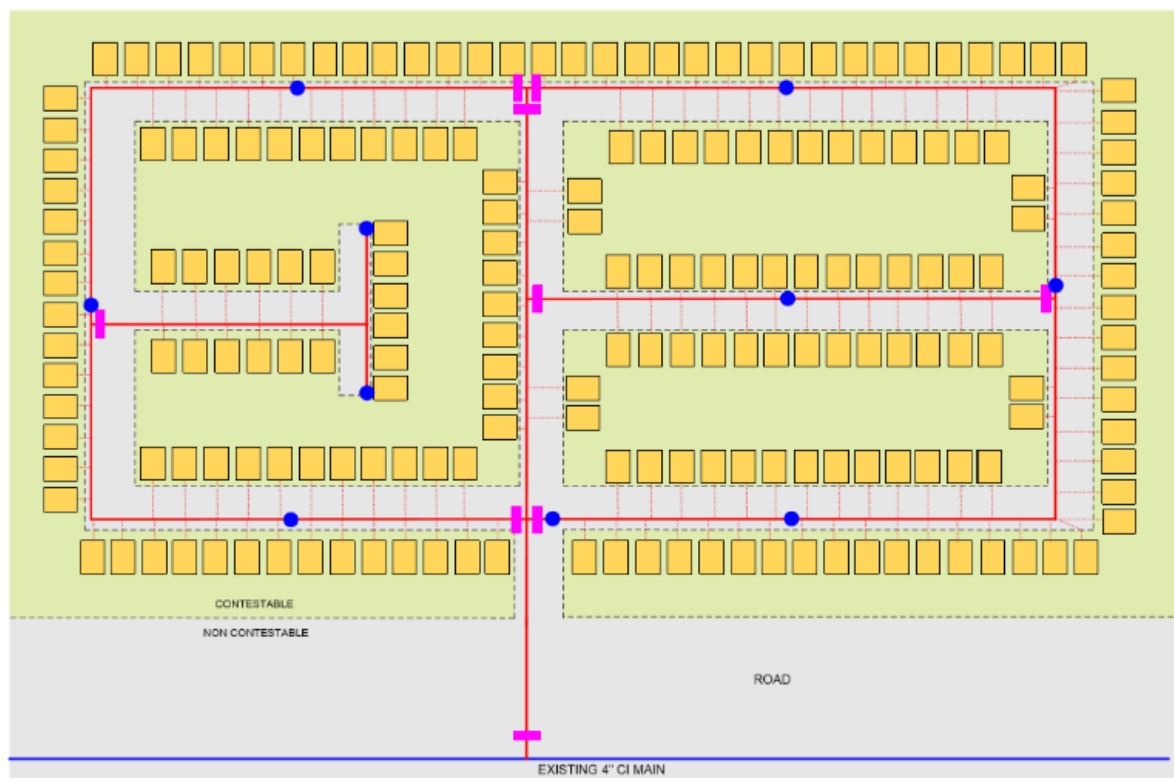
| SLP Alternative | |
|---|----------------|
| Medium development 50 properties | |
| No of Plots 50 | |
| Application fees | £605 |
| non contestable connection | £6,602 |
| contestable mains | SLP |
| contestable service Connections | SLP |
| Infrastructure Charges | £18,449 |
| Income Offset / Discount | -£8,269 |
| Total | £17,387 |





| SES Water | | |
|----------------------------------|----------|--|
| Large development 200 properties | | |
| No of Plots 200 | | |
| Application fees | £605 | |
| non contestable connection | £6,602 | |
| contestable mains | £89,171 | |
| contestable service Connections | £101,224 | |
| Infrastructure Charges | £73,794 | |
| Income Offset / Discount | -£33,078 | |
| Total | £238,318 | |

| SLP Alternative | | |
|----------------------------------|----------|--|
| Large development 200 properties | | |
| No of Plots 200 | | |
| Application fees | £605 | |
| non contestable connection | £6,602 | |
| contestable mains | SLP | |
| contestable service Connections | SLP | |
| Infrastructure Charges | £73,794 | |
| Income Offset / Discount | -£33,078 | |
| Total | £47,923 | |





13. Glossary of terms

| Term | Description |
|-----------------------|---|
| Asset payment | The amount described in section 51CD (3) of the Water Industry Act 1991 in relation to a section 51A agreement with a Water Undertaker. This is a payment made to a developer who has selected a Self-Lay Provider to lay its mains and connections to properties. It is the water company's contribution to the mains construction costs. |
| Charging arrangements | This document which outlines the approach to charging for connections, including income offsets and asset payments. |
| Connection charge | A charge for the physical connection to the water main. |
| Contestable | Work that can be carried out by a party other than the Water Undertaker. |
| Diversion charge | A charge for moving an existing water main. |
| Domestic purposes | As defined in The Water Industry Act 1991. |
| Income offset | A discounted sum of money offset against the infrastructure charges that would otherwise be applied in recognition of revenue likely to be received by the Water Undertaker in future years for the provision of supplies of water to premises connected to the new water main. |
| Infrastructure charge | A charge to cover network reinforcement driven by increased demand from new developments. |
| Non-contestable | Work that can only be carried out by the relevant Water Undertaker. |
| Requisition charge | If there isn't an existing water main near the new properties to connect to, the developer will need a new water main built. The process of a Water Undertaker providing the water main is called a requisition and there is a charge. |
| Water main | Any pipe, not being a pipe for the time being vested in a person other than the Water Undertaker, which is used or to be used by a Water Undertaker or licensed water supplier for the purpose of making a general supply of water available to customers or potential customers of the Water Undertaker or water supply licensee, as distinct from for the purpose of providing a supply to particular customers. This definition includes tunnels or conduits which serve as a pipe and any accessories for the pipe. |
| Water Undertaker | A company appointed under the Water Industry Act 1991 to provide water services to a defined geographic area and which owns the supply system and other infrastructure. |



14. Board Assurance Statement

Ofwat, the economic regulator for the water sector, requires the Company's Board of Directors to make a statement regarding assurance of the information in the charging arrangements document. This assurance statement is copied below.

Statement of Assurance on Charging Arrangements for 2020/21

We confirm that the Company's Developer Services charging arrangements for 2020/21 has been reviewed and approved under the governance arrangements approved by the Board.

The Board certifies that:

1. The Company considers that it has complied with its obligations relating to Ofwat's charging rules for new connection services (English Undertakers) published in July 2019.
2. The Company has appropriate systems and processes in place to make sure that the information contained in the charging arrangements is accurate.
3. The Company has ensured that the balance of charges between developers and other customers will be broadly maintained when the charging arrangements come in to effect.
4. The Company has assessed the effects of the new charges on customer bills for a range of different type of development, and has approved the handling strategy as detailed on page 29 where bill increases for particular developer types exceed 10%.

In making this statement of assurance the Board has relied on:

1. The Company's well-established risk management, monitoring and control systems and processes described in the Company's Strategic Report which can be found on pages 28 and 29 of the Company's 2019 Annual Report, available on the Company's website.
2. The evidence presented by the Company to demonstrate that the approach to calculating connection and requisition charges has changed in line with the latest Ofwat charging rules and that they are set in a manner to recover the costs incurred and broadly maintain the balance of charges between developers and other customers.
3. The evidence presented by the Company that the approach to setting the infrastructure charge ensures that the charge paid moves annually in line with the costs incurred by the Company in maintaining its level of services for all customers.
4. The report from the provider of independent assurance of charges for 2020/21 which highlighted no issues or concerns with the procedures followed and the resulting charges contained in the Developer Services Charging Arrangements.

Signed on behalf of the Board of Directors on 31 January 2020.

Paul Kerr

(Finance and Regulation Director)

Murray Legg

(Senior Independent Non-Executive Director and Chair of the Audit Committee)



15. Statement of Significant Changes

Statement of significant changes in charges for new connections and new developments

Ofwat, the economic regulator for the water sector, requires the Company's Board of Directors to make a statement as part of the charging arrangements for new connection services setting out any significant changes to bills for typical developments. The required information for this statement is contained in the Ofwat Information notice IN 19/05.

The required information in this statement of significant changes include:

1. Worked examples of typical developments for new connection services;
2. That the Board of Directors has assessed the effects of the new charges on customers' bills for a range of different types of development, and approves the impact assessments and handling strategies developed in instances where bill increases of particular development types exceed 10%;
3. Confirmation of whether the Company is expecting there to be any bill increases of more than 10% from the previous year (for a given type of development) and, if such increases are expected:
 - what size increase is expected
 - what types of typical developments are likely to be affected; and
 - the handling strategies adopted by the Company or why the Company considered no handling strategies are required

Statement of Significant changes on Charging Arrangements for 2020/21

A summary of the worked examples of typical developments for new connection services are shown in the Table of Worked Examples below, further details of the breakdown of the charges making up these worked examples can be seen in the Charging Arrangements for 2020/21. This table shows the typical developer and self-lay provider scenarios that have total bill increases of more than 10%.

In the Table of Worked Examples it can be seen that the charge before the new infrastructure discount decreases year on year for all developer scenarios and self-lay providers. In addition, when reviewing these charges across all developer and self-lay customers the change in the total of new connections and new developments charges remains broadly the same (less than a 1% increase).

The increase in total bills more than 10% in the Table of Worked Examples for small, medium and large development scenarios represent less than 2% of the total expected development schemes for 2020/21. The increase in total bills has come about as a result of the changes to the Ofwat charging rules for income offsets. This increase in total bills for the small number of development scenarios will be for 2020/21 only due to the basis of charges changing from the old to the new charging rules; henceforth charges will be compared under the new charging rules.

The Company will as a handling strategy discuss changes to the charging rules and consequential bill increases with the small number of customers affected. We will review their individual circumstances to confirm cost estimates in detail and, where appropriate, tailor a phased payment plan to mitigate the impact of these increases.



Table of Worked Examples

This table demonstrates the changes in charges between 2019/20 and 2020/21 for the scenarios shown in Section 12.

| Scenario | 2019/20 | 2020/21 | Difference | |
|--|---------|---------|------------|------|
| | £ | £ | £ | % |
| Short single communication pipe connection | | | | |
| Bill before income offset/infrastructure discount | 1,475 | 1,452 | (23) | -2% |
| Bill after income offset/infrastructure discount | 1,475 | 1,287 | (188) | -13% |
| Long single communication pipe connection | | | | |
| Bill before income offset/infrastructure discount | 1,842 | 1,805 | (37) | -2% |
| Bill after income offset/infrastructure discount | 1,842 | 1,640 | (202) | -11% |
| Single Connection 10 flats | | | | |
| Bill before income offset/infrastructure discount | 8,783 | 8,762 | (21) | 0% |
| Bill after income offset/infrastructure discount | 8,783 | 7,108 | (1,675) | -19% |
| Small development 10 properties | | | | |
| Bill before income offset/infrastructure discount | 20,689 | 20,465 | (224) | -1% |
| Bill after income offset/infrastructure discount | 10,378 | 18,811 | 8,433 | 81% |
| Medium development 50 properties | | | | |
| Bill before income offset/infrastructure discount | 81,028 | 79,342 | (1,686) | -2% |
| Bill after income offset/infrastructure discount | 47,538 | 71,073 | 23,535 | 50% |
| Large development 200 properties | | | | |
| Bill before income offset/infrastructure discount | 276,023 | 271,396 | (4,627) | -2% |
| Bill after income offset/infrastructure discount | 184,339 | 238,318 | 53,979 | 29% |
| SLP Scenario – small development 10 properties | | | | |
| SLP charges | 6,620 | 6,297 | (323) | -5% |
| SLP Scenario – medium development 50 properties | | | | |
| SLP charges | 7,568 | 7,207 | (361) | -5% |
| SLP Scenario – large development 200 properties | | | | |
| SLP charges | 7,568 | 7,207 | (361) | -5% |

N.B. For the SLP scenarios, the relevant SLP charges (non-contestable connections and fees) are shown.