Development Services Charging Arrangements

1 April 2023 to 31 March 2024





About this document

This Charging document is relevant to all of our developer customers and contains details of the charging arrangements associated with new connections for water and sewerage.

Throughout this document, the term "developer" refers to all of our customers who are building and developing properties. It summarises the process that our customers need to follow to get a new connection onto Hafren Dyfrdwy's water and/or sewer network and helps you make an informed choice as to who completes the work.

Charging Year

This Charging document covers the period 1 April 2023 to 31 March 2024

Any questions

If you have any questions about this Charging Arrangement Document, please call the developer services team on 0330 678 1481. Our usual opening hours are Monday to Thursday 9.00am to 4.00pm and Friday 09.00am to 3.30pm.

VAT

Where we've shown charges as being exclusive of VAT we'll add VAT, if applicable, at the appropriate rate.

Broadly the VAT liability of our charges for water connections and mains, or sewer requisitions is determined by the type of properties that will be connected to our network. For example, if you have a new housing development and wish to requisition a new water main that will be used to connect houses during the course of their construction, our charges will be zero rated for VAT purposes. Whereas our charges for laying mains and making connections to existing properties, or commercial properties, will be subject to VAT at the standard rate of 20%. In addition, certificated VAT reliefs may apply to charges for the connection of certain residential or charitable properties and a reduced VAT rate of 5% applies to certain properties that are being renovated or converted for residential use.

HM Revenue & Customs (HMRC)

HMRC introduced a new requirement on 1 March 2021 that affects supplies of construction services made between construction businesses which is called the domestic reverse charge for construction services.

However, HMRC has accepted that this new requirement does not apply to our new connection charging arrangements because the income relates to alterations to Hafren Dyfrdwy's networks which are used to provide clean and waste water services to our customers.

Consequently, our quotations and invoices for charges will remain subject to VAT, when applicable, in the normal manner and do not fall within the scope of the reverse charge arrangements.

Further information is contained in section 18 of HMRC's online technical manual which may be accessed here.

Choice within the connections market

In this section we will illustrate that you can choose the provider who carries out certain works relating to new supply services.

We recognise that the market for new infrastructure for water and sewerage is open to competition and we welcome this. When a developer needs a new water or sewer connection they can choose to get a quotation, or estimate, for their connection charges from any or all of the providers below. This means that the developer can choose the most appropriate cost and delivery mechanism to meet their development needs.



A developer can choose one of the following options (in no particular order of preference):

- Hafren Dyfrdwy to complete the works for water and for example lay a new water main, complete a water service connection, and so on.
- Hafren Dyfrdwy will complete a sewer connection on your behalf if we elect to under S107 of the Water Industry Act 1991, or if you requisition an outfall across third party land under S98 of the Water Industry Act 1991.
- A Self Lay Provider (SLP) to complete the works for water connections

Primarily a SLP completes the works for water mains laying and service connections and to do this they are required to be accredited by <u>Lloyd's Register</u> under the <u>Water Industry Registration Scheme</u> (WIRS) and a list of WIRS accredited contractors can be found <u>here</u>. When a SLP gives a quotation, or estimate, of its charges to a developer it will include the charges of any non-contestable works that Hafren Dyfrdwy will be doing. If the SLP has asked Hafren Dyfrdwy to complete some contestable works these will also be included in the quotation/estimate.

• If you are building a sewer or lateral drain which is intended to connect to one of our public sewers, you must enter in a S104 adoption agreement with Hafren Dyfrdwy before applying to connect to the sewer or beginning construction work related to the sewers.

S106 of The Water Industry Act 1991 sets out the legislation which governs new sewer connections. This was amended by Section 42 of the Flood and Water Management Act 2010, which does not allow any new connection to a public sewer without a S104 adoption agreement in place. This ensures all sewers and lateral drains will be the responsibility of the undertaker and secure their future maintenance. S104 of the Water Industry Act provides the legislation in respect of adoption agreements.

Foul sewers must comply with the standards set out in The Welsh Ministers Standards for Gravity Sewers and Lateral Drains (PDF).

Adoptable foul & surface water pumping stations, surface water sewers and lateral drains should comply with standards set out within Sewers for Adoption 7th Edition, published by WRc, along with the Hafren Dyfrdwy Addendum (PDF).

A New Appointment and Variation (NAV) to complete the works for water and sewer connections.

A developer can apply to a NAV to lay the water and sewer pipework for a development area, provided the site meets criteria set by our regulator Ofwat. The most common criteria is that the site's currently unserved by the incumbent water company. When the developer chooses this route the NAV applies to Ofwat, for a New Appointment or Variation (to their licence) and, if approved, the NAV becomes the local water and/or sewer company for the area of the development. The NAV company has the same

duties and responsibilities as the previous statutory water company, including for the operation and maintenance of the assets, customer service and billing within the area of its appointment.

A NAV can apply directly, or on behalf of a developer, to Hafren Dyfrdwy for water and sewer connections. This will generally consist of connections from the site boundary to our existing network and is known as a "bulk supply" or "bulk discharge" arrangement for the water supply or waste connection respectively.

You can find our bulk water supply tariff for our NAVs in our Wholesale Scheme of Charges.

To find out more about NAVs - take a look at Ofwat's process and Ofwat's website.

Section 1 – The connections process

Who can apply

It's the owner of the land, or someone who has significant interest in the land, who needs to apply for a new water and/or sewer connection. This may be an individual or a company.

We'll accept an application form from an agent or a consultant working for the applicant, but it's the applicant who is responsible for the content in the application form and must sign the declaration at the end of the form.

How do I apply

All of our new water and sewer connection <u>application forms</u> are on our website. You can email it to us at <u>new.connections@hdcymru.co.uk</u> in a zip file or post it back to us including any supporting documents to:

Hafren Dyfrdwy Cyfyngedig PO Box 5311 Coventry CV3 9FL

Alternatively, please call the developer services team on 0330 678 1481 and they'll send you an application form in the post. Our opening times are 9.00am to 4.00pm Monday to Thursday and 9.00am to 3.30pm on Friday.

As well as application forms we have a number of <u>guidance notes</u> which you may want to read before applying, or use as a reference throughout the new connection process.

How to make a payment

You can pay for any of our charges by credit/debit card, by BACS or by cheque.

Credit/dehit card

We accept all major credit/debit cards and to pay by card simply call us on 0330 678 1481.

Please don't email your credit/debit card details to us.

BACS

You can make a BACS payment to our bank account using the details below:

Bank: Barclays
Sort code: 20-00-00
Account Number: 33604071
UTR Number: GB486985565
Company Registration Number: 054 15325 13168
Reference: <notification number>

The notification number is the reference number that we'll send you when we acknowledge receipt of your application form.

Note - if this isn't provided it may delay your application.

Cheque

Please make your cheque payable to Hafren Dyfrdwy Cyfyngedig and send it to us at:

Hafren Dyfrdwy Cyfyngedig PO Box 5311 Coventry CV3 9FL

How we let you know we've received your application

Once we've received your application form we'll acknowledge receipt and provide you with a reference number. Your application will then be assigned to a member of our team who'll be your point of contact during the quote process.

Validity period of quotes

All of our quotes, agreements and approval notices are valid for **six months** from the date of the covering letter (subject to change at our discretion).

If a quote hasn't been accepted by the applicant (i.e. the agreement signed and the quotation paid) within this six-month period, the quote will be cancelled. If the works are still required after this timeframe the applicant will need to send us a new application form and pay the appropriate application fee as per the published charging arrangement document that is valid at that point in time.

During the validity period of your quotation, if your requirements or design changes, we'll need to provide you with a new quote and new agreement. To receive this, you'll need to make the appropriate requote/redesign fee as per the published charging arrangement document that is valid at that point in time.

Please also note that by accepting and paying for your quotation you are agreeing to commencing/completing works (dependant on type of works) within six months, as set out in your terms and conditions.

Plot connections

Plot connections, associated infrastructure charges and any discounts will be estimated as a lump sum payment for ease of understanding in the overall quote. The costs are not payable however, until you a ready to call off the plots themselves. Please note any associated charges and or discounts will be subject to the charging year you are calling off said plots.

Validity of quotations across charging years

Our quotations are guaranteed for six months, regardless of whether the six-month period crosses over into a subsequent charge year. However, if there is a change required to the specification or design, or if the quote has expired, a new quotation will be required along with the payment of the appropriate fees as per the published charging arrangement document that is valid at that point in time.

Where there have been unforeseen circumstances and a reconciliation of the quote versus actual work undertaken is required, for example because the actual costs incurred by us are materially different to those originally quoted for, we would reconcile using charges from the charge year that was applicable at the time of the original quote acceptance (the individual charges are fixed but the total payable will change here), even when this activity takes place in the subsequent charge year. If the customer has overpaid, we will refund the difference, again based on the original quotation charge year rates.

All quotations are generated and charged based upon the date at which we receive a completed application that includes all of the required information along with the appropriate application fee. Therefore, if a completed application is dated 31 March 2023 the charges used to quote will be those published for the period 2022-2023.

Ensuring accurate and timely account set up

Once a new connection to our network takes place it is essential that new occupant details are provided, along with the meter details. Where these details are not provided we will levy charges for the associated services provided to that property, for example: the fresh water supply as measured by the meter, waste water charges and standing charges.

Section 2 – Service connections charges

Application fee

When you've completed the relevant form please return it with the correct application fee (shown below) and supporting plans showing the property location (i.e. ordinance survey extract). Please note these are non-refundable fees and include VAT at the rate shown for providing a quotation for new water service connections that must be paid at the time you submit your application.

Water service connection - up to 3 connections	Charge	VAT
We'll send you a detailed breakdown of the charges, for a		20%
25/32mm water service connection of up to three connections.	C170.96	
This includes those connections needed for a temporary supply, a	£170.86	
supply for agricultural use and for the splitting of a shared supply.		

Water service connection – additional connections	Charge	VAT
Where more than three connections are required, this additional		
fee will be incurred. This fee is to provide a quote for up to three	£107.70	20%
additional connections required.		

Large diameter Water service connection	Charge	VAT
We'll send you a detailed breakdown of the charges for a 50mm+ water service connection.	£331.74	20%

We'll visit the site if required to assess your requirements including any potential traffic management costs, the impact this will have on our network and what's required to complete the connection. We'll send you a breakdown of the costs for making the connection.

Water service connection – requote (revised quote for a revised specification)

When there is a change to the specification of your development, that no longer mirrors the original agreement, we'll need to send you revised costs and an updated agreement. A requote charge will be applicable, as detailed below. This is a non-refundable charge and includes VAT at the rate shown.

Please note that if your application has simply expired, you'll need to reapply and pay a new application fee, in order to receive an updated agreement.

Requote for a water service connection 25mm-32mm	Charge	VAT
We'll send you updated charges for a 25/32mm water service	£50.79	20%
connection and a revised agreement	150.79	2076

Requote for a water service connection 50mm+	Charge	VAT
We'll send you updated charges for a 50mm+ water service	£140.06	20%
connection and a revised agreement	1140.00	2076

The infrastructure charge

The Water Industry Act (1991) allows water companies to recover costs from its developers for providing or improving its infrastructure in relation to new connections to its water and sewer network.

There are two infrastructure charges – one for water services and one for sewerage services. Both the water and sewerage infrastructure charge pays for all non-site specific network reinforcement work needed as a result of a new development and new connections to our existing water and sewer network and will include works, amongst others, to provide or alter existing water mains, service reservoirs, sewers and pumping stations

Any network reinforcement work needed as a direct result of new domestic development is included in the infrastructure charges, but water for industrial use will be identified in the requisition quotation (along with any programme impact).

In certain situations, when we provide the water supply but not the waste water services we are required to recover infrastructure charges on behalf of other statutory undertakers. In these circumstances we would ask that you please refer to the relevant undertaker's website for infrastructure charges detail.

Therefore, alongside the cost of connection the following charges will also need to be paid:

Infrastructure charges	Charge	Unit	VAT
Water infrastructure charge	£458.91	Per property	0%
Sewerage infrastructure charge	£458.91	Per property	0%

There is no value added tax (VAT) payable on an infrastructure charge.

Water for construction

If you're building new properties on a development site you'll often need water for construction, e.g. to mix concrete, plaster, washing down, etc. Unless you have a temporary metered supply (i.e. a hired standpipe) or are utilising an existing metered supply, we'll charge you a fixed charge for water for construction. Value Added Tax (VAT) is payable.

You'll be charged for water for construction per property when:

- 1. The water service connection is a 25mm-32mm for any newly built household property.
- 2. The water service connection is a large diameter connection for a newly built household property.
- 3. The water service connection is on any non-household property with a 25mm+ connection.

Water for construction	Charge	Unit	VAT
Household property and non-household property with a 25mm-32mm connection.	£96.26	Per property	20%
Non-household property with a 25mm+ connection.	£1.3973	Per unit of	20%
This represents m3 of construction not m3 storage.	L1.33/3	property	20/0

Meters

Part of the new water service connection work includes the installation of a meter - either externally into a boundary box, or internally in a block of flats - and the collection of the meter details, often called the commissioning of the meter, so the billing account for the property can be set up.

The installation and commissioning of the meter is a contestable activity and can be completed by any provider. For a service connection and meter fit that is not being completed by Hafren Dyfrdwy there is a charge for

delivering meters to the development site. For a meter delivery there is a 50 meter limit on the number of meters delivered to site. If a meter is misplaced once we've delivered it to site you can request a new one, but you'll be charged for the lost meter and the additional meter delivery(s).

The setting up of the billing account is a non-contestable activity and therefore can only be completed by Hafren Dyfrdwy.

The charges below are for the installation and commissioning of a meter as part of a standard single water service connection. When installing and commissioning meters alongside the connection activity for a single connection there is no extra cost.

Meter type	Charge	Unit
Install and commission an external 15mm meter in the Boundary Box at the point of connection	£0.00	Per meter
Install and commission an external 22mm meter in the Boundary Box at the point of connection	£0.00	Per meter

The meter charges below cover the circumstances when the meter activity is completed as a standalone activity (i.e. not alongside single connection activity). Carrying out these activities in a standalone fashion does incur additional cost.

Meter type	Charge	Unit
Install and commission an external 15mm meter in the Boundary Box	£28.56	Per meter
Install and commission an external 22mm meter in the Boundary Box	£36.70	Per meter
Install and commission a 15mm or 22mm radio read meter	£87.81	Per meter
To check the installation and commission of a meter	£87.81	Per meter
Provide and install a Pulse Meter Unit <40mm	£52.19	Per meter
Provide and install a Pulse Meter Unit >40mm	£176.13	Per meter
Meter delivery - 50 meter limit for delivery	£56.56	Per delivery
(in addition to the install and commission charges above)	130.30	Per delivery

Mandatory domestic sprinkler systems

A charge will not be levied for water used for firefighting purposes.

Hafren Dyfrdwy does not have any involvement in the design and installation of fire suppression systems.

Section 3 – Development enquiry

Requesting a copy of our water and sewer network plans

If you need to know where the Hafren Dyfrdwy water and/or sewer network is located around your proposed development site, you can obtain a clean water and waste water map directly from www.digdat.co.uk.

Access for individuals undertaking statutory work is free. You may be required to provide documentary evidence that your access is covered under statutory terms. If you are unsure, please contact the digdat service team for further guidance on 0800 085 8060.

Note: all details must be checked and not assumed to be correct.

The following charges are non-refundable and include VAT at the rate shown:

Water or sewer map	Charge	VAT
We'll send you a map of the Hafren Dyfrdwy water or sewer network within the area you request – size A4 or A3	£24.00	20%
We'll send you a map of the Hafren Dyfrdwy water or sewer network within the area you request – size A2	£25.00	20%
We'll send you a map of the Hafren Dyfrdwy water or sewer network within the area you request – size A1	£30.00	20%
We'll send you a map of the Hafren Dyfrdwy water or sewer network within the area you request – size A0	£45.00	20%
Water and sewer map		
We'll send you a map of the Hafren Dyfrdwy water and sewer	£30.00	20%

Water and sewer map			
We'll send you a map of the Hafren Dyfrdwy water and sewer	£30.00	20%	
network within the area you request – size A4 or A3	150.00	20%	
We'll send you a map of the Hafren Dyfrdwy water and sewer	£40.00	20%	
network within the area you request – size A2	140.00		
We'll send you a map of the Hafren Dyfrdwy water and sewer	£50.00	20%	
network within the area you request – size A1	130.00	20%	
We'll send you a map of the Hafren Dyfrdwy water and sewer	£80.00	20%	
network within the area you request – size A0	100.00	2070	

Pre-planning enquiry

A pre-planning enquiry is used to find out if our existing network can supply your proposed development with water and take away your proposed sewerage flows. It'll also confirm if your development will affect existing Hafren Dyfrdwy assets.

An enquiry is normally for larger development sites prior to full planning permission being granted or for large commercial properties that will have a high water usage.

These charges are non-refundable and include VAT at the rate shown.

Development enquiry water	Charge	VAT
We'll let you know if our network is able to supply your proposed development site with water	£185.22	20%
Development enquiry waste		
We'll let you know if our network is able to receive the flows from your proposed development site	£178.49	20%

Development enquiry water & waste	Charge	VAT
We'll let you know if our network is able to supply your proposed		
development site with water and our network is able to receive	£326.71	20%
the flows from your proposed development site		

Section 4 – New water mains installed by Hafren Dyfrdwy

Application fee

The charges below relate to the installation of a new water main by Hafren Dyfrdwy.

When you've completed the relevant application form, please provide it to us along with the application charge shown in the table below along with any supporting information.

New water main - requisition	Charge	VAT
We'll send you a detailed breakdown of the charges for your chosen lay option. If you haven't yet decided we'll send you the charges for all options allowing you to make an informed decision on how you want to proceed	£1,781.92	20%

Water mains - refresh of existing quote (same design)

When a quote has expired but there's been no change to the design or layout, you'll need make a requote payment, based on the applicable published charge at that point in time, and we'll send you up to date costs and an amended agreement. The refresh charge is non-refundable and includes VAT at the rate shown.

Refresh quote for a water main	Charge	Unit	VAT
We'll send you updated charges and an amended	£613.38	Per	20%
agreement based on the revalidation on the original design	1013.38	application	20%

Refresh quote for a water service connection onto a new main	Charge	Unit	VAT
We'll send you updated charges for a 25/32mm water service connection	£4.36	Per connection	20%

Water mains – redesign of development (revised quote for a revised design)

Where you've changed the water main design layout, that no longer mirrors the original agreement, we'll need to review the revised design, provide an updated quote and send you an updated agreement. A redesign charge will be applicable as detailed below. This is a non-refundable charge and includes VAT at the rate shown.

Redesign charge	Charge	Unit	VAT
We'll send you updated charges and an amended	£721.03	Per redesign	20%
agreement based on the changes made to the design	1/21.03	rei ieuesigii	2070

Section 5 – New water mains not installed by Hafren Dyfrdwy (self lay)

The charges below relate to the installation of a new water main by a self lay provider.

When you've completed the relevant application form please return it with the application fee shown in the table below and include the necessary supporting information.

These charges are non-refundable and where applicable include VAT at the rate shown in the tables below

Point of connection enquiry - water	Charge	VAT
We'll let you know if our network is able to supply your proposed	£185.22	20%
development site with water	1105.22	20%

Application charges

When you've completed the relevant application form, please send it to us with the application charge shown in the table below and include the necessary supporting information.

Self Lay services only	Charge	VAT
We'll send you a detailed breakdown of the charges, including those		
for both contestable and non-contestable works, the income offset	£118.09	20%
value, and any other associated charges.		

New water main – Self Lay	Charge	VAT	
Hafren Dyfrdwy design			
We'll send you a detailed breakdown of the charges, including those	C1 701 02	20%	
for both contestable and non-contestable works, the income offset	£1,781.92	20%	
value, and a copy of the approved design we have created			
Self Lay design (approval)			
We'll send you a detailed breakdown of the charges, including those	6250.00	00/	
for both contestable and non-contestable works, the income offset	£250.00	0%	
value, and a copy of your design that we have vetted and approved.			

Refresh of existing quote (same design)

When a quote has expired but there's been no change to the design layout, you'll need to make a requote payment, based on the applicable published charge at that point in time, and we'll send you up to date costs and an amended agreement. The refresh charge is non-refundable and includes VAT at the rate shown.

Self Lay refresh quote for a ST designed water main	Charge	Unit	VAT
We'll send you updated charges and an amended agreement based on the revalidation of the original design	£613.38	Per application	20%
Salf Law refresh quote for a SI design annroyal	Charge	Unit	VAT

Self Lay refresh quote for a SL design approval	Charge	Unit	VAT
We'll send you updated charges and an amended agreement based on the revalidation of the original design vetted	£250.00	Per application	20%

Redesign of development (revised quote for a revised design)

Where you've changed the water main design layout, that no longer mirrors the original agreement, we'll need to review the revised design, provide an updated quote and send you an updated agreement. A redesign charge will be applicable as detailed below. This is a non-refundable charge and includes VAT at the rate shown.

Redesign for a Self Lay water main	Charge	Unit	VAT
We'll send you updated charges and an amended	£721.03	Per	20%
agreement based on the changes made to the design	1/21.03	application	2070

Charges relating to Self Lay service connections

Where you've chosen to use an accredited Self Lay Provider to complete your service connection we'll look to apply an administration charge as detailed below, which is net of VAT. The administration charge applicable when bulk meter deliveries are used reflects the reduced administrative demand on Hafren Dyfrdwy developer services.

Administration charge	Charge	Unit	VAT
Administration charge including meter delivery	£121.56	Per connection	20%
Administration charge excluding bulk meter delivery	Charge	Unit	VAT
Administration charge payable if bulk meter delivery has been selected	£65.00	Per connection	20%
Agreement charge	Charge	Unit	VAT
Supply of revised Agreement	£193.31	Per agreement	0%

Section 6 – New water mains not installed by Hafren Dyfrdwy (NAV)

If you're a NAV company seeking to become the appointee for a site that's currently in our area, you'll need some information from us as the incumbent water and/or waste water company to support your application to Ofwat. This may include confirmation of whether we serve properties within the site, setting up a bulk agreement and providing a bulk connection for water and/or wastewater. The application fees and charges are aligned to the equivalent services provided to other customers.

For NAV related queries, including details of how to apply for the services below, please email NAVenquiries@hdcymru.co.uk

Requesting a copy of our water and sewer network plans

If you need to know where the Hafren Dyfrdwy water and/or sewer network is located around your proposed development site, you can obtain a clean water and waste water map directly from www.digdat.co.uk.

Access for individuals undertaking statutory work is free. You may be required to provide documentary evidence that your access is covered under statutory terms. If you are unsure, please contact the digdat service team for further guidance on 0800 085 8060.

Note: all details must be checked and not assumed to be correct.

The following charges are non-refundable and include VAT at the rate shown:

Water or sewer map	Charge	VAT	
We'll send you a map of the Hafren Dyfrdwy water or sewer	£24.00	20%	
network within the area you request – size A4 or A3	124.00	2070	
We'll send you a map of the Hafren Dyfrdwy water or sewer	£25.00	20%	
network within the area you request – size A2	125.00	20%	
We'll send you a map of the Hafren Dyfrdwy water or sewer	£30.00	200/	
network within the area you request – size A1	130.00	20%	
We'll send you a map of the Hafren Dyfrdwy water or sewer	£45.00	20%	
network within the area you request – size A0	145.00	20%	

Water and sewer map			
We'll send you a map of the Hafren Dyfrdwy water and sewer	£30.00	20%	
network within the area you request – size A4 or A3	130.00	20%	
We'll send you a map of the Hafren Dyfrdwy water and sewer	£40.00	20%	
network within the area you request – size A2	140.00		
We'll send you a map of the Hafren Dyfrdwy water and sewer	CEO 00	200/	
network within the area you request – size A1	£50.00	20%	
We'll send you a map of the Hafren Dyfrdwy water and sewer	£80.00	20%	
network within the area you request – size A0	100.00	20%	

Site served assessment

To support your application to Ofwat under the 'unserved' criteria you will need to understand whether your proposed NAV site is currently served or unserved. If you send us an enquiry, we will check our records and confirm the status.

Please do send us a plan showing the NAV site boundary on an OS background, stating the services requiring assessment (i.e. water, wastewater, surface water). On brownfield development sites, if there are existing premises within the NAV boundary, please provide any available details of the properties and disconnection plans. Please send all enquiries to NAVenquiries@hdcymru.co.uk

Site served assessment	Charge
We will send you a letter confirming whether the site is served	£0.00

Pre-development/Pre-planning enquiry

These charges are non-refundable and include VAT at the rate shown.

Point of connection enquiry - water	Charge	VAT
We'll let you know if our network is able to supply your proposed development site with water	£185.22	20%
Point of discharge enquiry - waste		
We'll let you know if our network is able to receive the flows from your proposed development site	£178.49	20%
your proposed development site		
Point of connection enquiry - water & waste	Charge	VAT
We'll let you know if our network is able to supply your proposed		
development site with water and our network is able to receive	£326.71	20%
the flows from your proposed development site		

Bulk agreements

If we're providing bulk water and/or wastewater connections to supply your site, we'll need to enter into a bulk supply and/or bulk discharge agreement. You can send us a request and we will complete and issue a bulk agreement.

You can request a bulk agreement by emailing us at NAVenquiries@hdcymru.co.uk

Bulk agreements	Charge
We'll prepare and send you a bulk agreement	£0.00

Bulk water connection – mains application

When you're ready for your bulk connection you'll need to make a separate mains requisition application to obtain an offer letter containing a design and quotation for the offsite work required to provide the bulk connection to your boundary. When you've completed the application form, please send it to us along with the application charge shown in the table below accompanied with any supporting information.

New water main – requisition / bulk water connection	Charge	VAT
We'll send you a design and quotation for the offsite works	£785.34	20%
necessary to bring a bulk connection to your site boundary		20%

Refresh of existing quote (same design)

When a quote has expired but there's been no change to the design layout, you'll need to make a requote payment, based on the applicable published charge at that point in time, and we'll send you up to date costs and an amended agreement. The refresh charge is non-refundable and includes VAT at the rate shown.

NAV refresh quote for a water main	Charge	Unit	VAT
We'll send you updated charges and an amended	£613.38	Per	20%
agreement based on the revalidation of the original design	1013.36	application	2076

Redesign of development (revised quote for a revised design)

Where you've changed the water main design layout, that no longer mirrors the original agreement, we'll need to review the revised design, provide an updated quote and send you an updated agreement. A redesign charge will be applicable as detailed below. This is a non-refundable charge and includes VAT at the rate shown.

Redesign for a NAV water main	Charge	Unit	VAT
We'll send you updated charges and an amended	£721.03	Per	20%
agreement based on the changes made to the design	1/21.03	application	2076

Bulk discharge – sewer connection applications

Our response to your initial NAV enquiry will identify a suitable point of discharge for your site. When you are ready to make your bulk sewer connection to our network, you'll need to apply for approval to connect using the S106 sewer connection application process. When you've completed the application form, please send it to us along with the application charge shown in the table below accompanied with any supporting information.

These charges are non-refundable and where applicable include VAT at the rate shown in the tables below.

Sewer connection	Charge	VAT
Connection to a public sewer when the connection is in the public		0%
highway.		
Approval of a connection with 1 length of lateral drain or sewer (1	£420.08	
length is 15 metres).		
Complete 2 inspections of the sewer connection during normal		
working hours Monday to Friday 9am to 5pm		
Connection to a public sewer when the connection is not in the		0%
public highway.	f228.14	
Complete 2 inspections of the sewer connection during normal	1220.14	0%
working hours 9am to 5pm		

Agreement charge	Charge	VAT
Supply of revised agreement	£193.31	0%

Charges relating to NAV service connections

On notification by the NAV that the service has been connected, we'll look to apply a processing fee to reflect the costs incurred, to Hafren Dyfrdwy developer services, in administration of this activity.

NAV service fee	Charge	VAT
Administration of a NAV service connection	£65.00	20%

Charges relating to metering and associated equipment when connecting off a trunk main

When determining a point of connection, we review all options available and will exhaust all other points of connection prior to concluding that connecting from a strategic/trunk main is required.

Consistent with our company design standards manual, offtakes from a trunk main require a meter. This requirement is in place to maintain the integrity of our wider network and protect all customers. The need for a meter only arises because of the new development i.e. if the development did not occur, we would not have an offtake off the main and hence the meter. In this circumstance, that only occurs in a small number of cases, the driver of the cost is the new development. Therefore, consistent with setting charges that are fair and ensuring that the balance between contributions to costs by Developers and other customers is broadly maintained, we do not believe that the generality of customers should bear this (shallow) connection cost and will therefore make a charge to our NAV customer for the meter.

If Hafren Dyfrdwy or another party was providing the service, they would also be charged for the meter. This consistency is critical to maintain a level playing field and support the development of effective markets.

Trunk mains

A trunk main (referenced as a strategic asset) is defined as a water main that interconnects source(s), water treatment works, service reservoirs and/or supply areas, normally with no/or minimum direct customer connections. Trunk mains will often be pipelines of 300mm nominal diameter or greater, although smaller sized pipes may operate as trunk mains.

Trunk mains are critical for the transfer of water making up the arteries of our network, therefore it is critical that offtakes are firstly kept to a minimum and secondly always metered. Any event on a trunk main, due to its size and importance, can impact huge areas and thousands of customers so metering is key to an effective response.

The design criteria for connecting from a trunk main is different to connecting from a distribution main in that meters must be provided at all off-takes. These are installed to ensure there are clear visibility of flows through our mains which are integral to our network. Our design standards also dictate that certain ancillaries be installed as part of the design specification, such as non-return valves and meter bypasses. Bypasses are installed so that the meter and NRV can be maintained while ensuring the customer does not lose supply. Design standards are aligned to our principles of good distribution management and always on philosophy. It is also important to enable a clear delineation between who owns what, with the ability to ensure that problems can be easily identified.

Section 7 – Diversions

Application fee

A developer can ask Hafren Dyfrdwy to alter or move a water asset so as to allow the development of a site. The charges for the diversion of a water asset are made up of those elements needed to recover the reasonable costs incurred by Hafren Dyfrdwy as a result of completing the diversion.

When you've completed the relevant application form please return it with the application fee shown:

Diversion of a water asset – please refer to appendix 1	Charge	VAT
Budget estimate – we'll send you an indicative cost estimate for the diversion works. This will need to be upgraded to a full cost estimate if you wish to proceed to construction or require a	£758.22	20%
drawing showing the proposed diversion route		
Full cost estimate – we'll send you a drawing showing the proposed route of the diversion and an estimate which needs to		
be accepted and paid to progress to construction. If you have had a budget application, you'll only be required to pay the difference	£1,781.92	20%
to uplift to a full cost estimate		

Diversion of a sewer asset – please refer to appendix 1	Charge	VAT
When you apply to divert a sewer we will complete an assessment		
of your proposals and advise if a diversion can be undertaken.		
We'll also tell you if you can complete the diversion under a self-		
lay agreement. If your diversion can be completed in this manner,	£636.39	20%
we'll assess your proposed design and provide comments.		
Once any necessary design amendments have been completed		
we'll send you Technical Compliance and advice of fees.		
Should your diversion be defined as high risk (definitions on our		
website within sewer diversion guidance) and need to be		
completed by Hafren Dyfrdwy directly, we will complete a		
desktop review and provide an offer which details our costs and	£2,978.68	20%
timescales to further develop the design and produce s		
construction cost. (Note: this would be a further charge to the		
non-high risk cost above if not submitted directly)		

Section 8 – Sewer connection charges

The charges below apply to lateral drain and sewer connections self-constructed by the applicant. Please note that legislation in Wales mandates that you may not connect to the public sewer until you have a S104 agreement in place. Please see our website for further information. The fees in this section cover the costs of progressing your application and where required by law, adopting the sewer or lateral drain.

When you've completed the relevant application form, please return it with the correct application fee (shown below) and information required.

Sewer requisition	Charge	VAT
We'll complete a preliminary investigation and design and send	£3.309.28	20%
you a quote for the bespoke charges	15,509.20	2070

Sewer connection	Charge	VAT
Connection to a public sewer when the connection is in the public		
highway.		0%
Approval of a connection with 1 length of lateral drain or sewer (1	£420.08	
length is 15 metres).	1420.06	
Complete 2 inspections of the sewer connection during normal		
working hours Monday to Friday 9am to 5pm		
Connection to a public sewer when the connection is not in the		
public highway.	f228.14	0%
Complete 2 inspections of the sewer connection during normal	1220.14	076
working hours 9am to 5pm		
Application for an indirect connection to a private drain, with the		
owner's permission, that discharges to the private sewer.	£97.76	0%
Approval of an in-direct sewer connection		

Build over (Sewer only)	Charge	VAT
Self-certification	£65.00	0%
Build Over Agreement	£169.50	0%
Class 1 - Up to and including 150mm diameter sewers	1109.50	U%
Build Over Agreement	£194.70	0%
Class 2 - 225mm diameter sewers	£194.70	U70
Build Over Agreement	Bespoke	0%
Class 3 – please contact the office for further guidance	резроке	U%

We are unable to provide retrospective build over approvals but we may be able to provide you with a statement about the sewer condition. However, to do so requires us to undertake several activities to determine if the asset is acceptable. Associated costs need to be recovered by Severn Trent and therefore a fee is payable, as shown below:

Sewer condition statement	Charge	VAT	
Sewer condition statement	£186.45	0%	
Class 1 – up to and including 150mm diameter sewers	1100.43	076	
Sewer condition statement	C214.17	00/	
Class 2 - 255mm diameter sewers	£214.17	0%	

Repeat inspection	Charge	Unit	VAT
Repeat inspection within normal working hours Monday to Friday	£98.81	Per	0%
9am – 5pm	190.01	inspection	
Repeat inspection outside of normal working hours Monday to	£131.30	Per	00/
Friday before 9am and after 5pm	1131.30	inspection	0%

Sewer connection - reapplying

When an approval has expired or there has been a change in detail and design, you'll need to send us another application form so that we can send you up to date charges. Again, this is a non-refundable.

Approval following a design change or second submission	Charge	VAT
We'll send you a new approval	£119.46	0%

We'll visit the site if required to assess your requirements including any potential traffic management costs, the impact this has on our network and what's required to complete the connection. We'll send you a breakdown of the costs for making the connection.

Section 9 – Development sewerage charges

Where you need to offer a sewer for adoption under S104, divert a sewer under S185 or request that we requisition you a sewer under S98, you can find the relevant charges below.

When you've completed the relevant application form please return it with the correct application fee (shown below) and information required.

Initial deposit for sewer/lateral drain requisitions	Charge	VAT
We'll complete a preliminary investigation and design and send you a quote for the bespoke charges.	£3,309.28	20%

Diversion of a public sewer	Charge	VAT
When you apply to divert a sewer we will complete an assessment of your proposals and advise if a diversion can be undertaken. We'll also tell you if you can complete the diversion under a self-lay agreement. If your diversion can be completed in this manner, we'll assess your proposed design and provide comments.	£636.39	20%

Once any necessary design amendments have been completed		
we'll send you Technical Compliance and advise of fees.		
Should your diversion be high risk and need to be completed by		
Hafren Dyfrdwy directly, we'll may request a further payment.	£2,978.68	20%
We'll then complete a design review and provide an offer		20%
detailing our costs and timescales for delivery.		

The fees are non-refundable once we have completed the assessment but will become part of the final cost of the completed sewer diversion once constructed.

Sewer/lateral drain adoption fees

Inspection fees	Charge
Estimated cost of construction less than £20,000	£500.00
Estimated cost of construction more than £20,000	2.5% of estimated
	construction cost
Estimated cost of construction less than £10,000	£254.47
Estimated cost of construction more than £10,000	1% of estimated
	construction cost
Pumping station on site	2% of estimated
	construction cost

CCTV charges	Charge	Unit	VAT
One further viewing of a developer's CCTV survey	£61.16	Per survey	0%

Bond or cash deposit paid instead of surety for S104 multiple property adoptions and S185 diversions	Charge
Estimated cost of construction less than £50,000	£5,000.00
Estimated cost of construction more than £50,000	10% of estimated
	cost
Confirmation to bondsman that bond has been released	£152.68

Bond or cash deposit paid instead of surety for S104 single property lateral drain adoptions	Charge
Estimated cost of construction less than £50,000	£1,000.00

Locks & signs	Charge	Unit	VAT
Installation of locks and signs at pumping station	£934.22	Per station	0%
Legal agreements	Charge	Unit	VAT
Legal agreements To produce and provide a legal agreement for a section 104	Charge f214.77	Unit Per	VAT

Pumping station telemetry

PS Telemetry	Charge	Unit	VAT
Provision and installation of an outstation (including 12 months listening service) This charge covers one survey visit and the installation	£4,535.75	Per outstation	0%
Any additional visits required to complete work on the outstation	£420.00	Per visit	0%

Listening service	Charge	Unit	VAT
Listening services over and above initial 12 months	£589.49	Per annum	0%

Appendix 1 - Exceptions to standard charging

Due to the nature of development works, there are circumstances where the cost incurred by companies is affected by external factors. These external factors may be outside of the immediate knowledge or control of the water company and, in a limited set of exceptional circumstances, could lead to significant cost variance. For this reason, Ofwat has agreed that companies are not required to provide fixed upfront charges in respect of the following:

- 1. Diversion works (see s185 of the Water Industry Act), and;
- 2. Water and sewerage infrastructure work requested by the developer (see S41 and S98 of the Water Industry Act) where "it would be unreasonable to expect an undertaker (i.e. Water Company) to do so."

For standard water and sewage connections no such exception applies, and these must therefore be subject to fixed charges.

In principle, having consulted stakeholders, water companies consider that in the following circumstances, it may not be reasonable for them to provide an upfront fixed charge for the work:

- a. The technical complexity of the work is high, or the type of work required is bespoke or carried out infrequently, or;
- b. 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, or;
- c. 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, or;
- d. 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, companies will be unable to provide a fixed upfront charge for the entire works, and should provide a budget estimate comprising a mixture of:

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

Water companies anticipate that there will be occasions where providing an indicative estimate is not possible or where the estimate will not meet the degree of confidence desired by the customer. In such cases, the parties will need to decide how to proceed.