

The Charging Arrangements

New Connection Services 2018-2019



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New Connection Charges

Board assurance statement

The Board of Yorkshire Water understands that it is accountable for the quality and transparency of the information presented. The Board has reviewed the new connection charges and is supportive of the information that is presented. The Board has obtained comfort from the Audit Committee that there are appropriate controls and assurance processes in place regarding this publication.

The Board can confirm that, to the best of their knowledge, having made all due enquiries and based on sources of evidence that:

- a) Yorkshire Water complies with our obligations relating to the Charging Rules
- b) Yorkshire Water has appropriate systems and processes in place to make sure that the information is accurate. This includes an assurance approach in line with our assurance plan that is risk based and uses a method called 'three lines of assurance'. The assurance process includes audit checks and challenges by senior managers and external independent auditors. Findings from these assurance processes have been fully reviewed and actions to address any concerns have been implemented. The Board Audit Committee has received the findings from the completed assurance reviews
- c) The Board has reviewed and assured the explanation on the balance of charges between Developers and other customers and considers that is has been appropriately explained on how this will be broadly maintained
- d) Yorkshire Water has consulted with relevant stakeholders in a proportionate, timely and effective manner. This consultation has included engagement with developers, self-lay operators and new appointee organisations (and their representatives).

So far as the directors are aware, there is no relevant audit information of which the company's independent technical and financial auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's independent auditors are aware of the information.

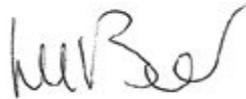
**New Connection Charges Board Assurance Statement
Signed by Yorkshire Water Services Limited Board of Directors**



Anthony Rabin
Chairman



Richard Flint
Chief Executive



Liz Barber
Director of Finance, Regulation & Markets



Pamela Doherty
Director of Service Delivery



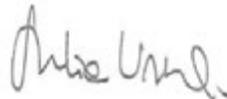
Nevil Muncaster
Director of Asset Management



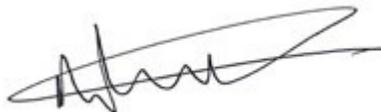
Ray O'Toole
Senior Non-Executive Director



Teresa Robson-Capps
Non-Executive Director



Julia Unwin
Non-Executive Director



Mark Amsden
Company Secretary



Andrew Wyllie
Non-Executive Director



Michael Osborne
Director



Scott Auty
Director



Andrew Dench
Director

The Yorkshire Water Services Limited

Charges Arrangement for New Connection Services

Foreword

This document contains the Yorkshire Water Charges Arrangement for New Connection Services for the year 2018-2019.

This is a separate document from the Yorkshire Water Charges Booklet 2018-2019.

These charging arrangements have been developed in line with the 'Charging Rules for New Connections' document that was published by Ofwat in August 2017.

- These rules were issued by the Water Services Regulation Authority under sections 51CD, 105ZF and 144ZA of the Water Industry Act 1991.
- The rules are supplementary to statutory provisions that apply to relevant undertakers under any enactment, or instrument made thereunder (including the conditions of their appointments). In the event of any conflict between the rules and any statutory provision, the latter shall prevail.

This arrangement provides fees for all new connection services for both water and sewerage.

To ensure that all charges relating to new connections charges can be referenced within the same document we have included within Appendix 1 the Infrastructure connection charges which are included within the Yorkshire Water Charges Booklet 2018 - 2019.

This document contains our signed Board Assurance Statement. The Board Assurance Statement was signed following our assurance of the process in calculating the Charges, which included confirming that the company complies with its obligations relating to the charging rules for new connection services, confirming that the company has appropriate systems and processes in place to make sure that the information contained in the charges arrangement scheme, and the additional information covered by this annex is accurate and explaining how the present balance of charges between developers and other customers is broadly maintained.

Customer Contact Information

Developer Services

Customer Centre: 0345 120 84 82
(0345 numbers are charged at B.T. local rates; calls may be recorded)

Our Customer Centre is open 8am - 5pm Monday - Friday.
Our Customer Centre is closed on weekends and Bank Holidays.

Postal Address:
Yorkshire Water
Developer Services
PO BOX 52
Bradford
BD3 7AD

For any enquires regarding new development activities you can email us on;

Sewerage: technical.sewerage@yorkshirewater.co.uk

Clean Water: wbu.servicecentre@yorkshirewater.co.uk

Existing Water Supply and Sewerage Licensees contract the Wholesale Service Desk

Please call or email us on;

0344 9020228
wholesaleservicedesk@yorkshirewater.com

Yorkshire Water Head Office:
Head Office and Registered Office
Western House
Western Way
Halifax Road
Bradford
BD6 2SZ

Tel: (01274) 691 111



1. Introduction

Historically charges for new connections have been assessed as being unnecessarily complex, not wholly transparent and there has been confusion around different interpretations across the industry.

Defra have provided updated guidance to Ofwat about their expectations for these charges, this enabled Ofwat to set new charging rules for New Connections, which we, and all other water and wastewater companies, must follow when setting charges for connections.

For completeness and transparency as well as the charges developed under Ofwat's the new rules (Charging Arrangements), this document contains 'other charges' relating to other new development functions. The charges and charges methodologies set out include any relevant miscellaneous and ancillary costs such as assessment, inspection, design, legal and supervision charges.

The changes to charges for New Connections will help improve transparency, and provide greater clarity on charging. The changes will also encourage competition within the water sector. Developers have the choice of approaching a New Appointment Variation (NAV) rather than the incumbent water company for the adoption of infrastructure. Developers also have the option of approaching Self Lay Provides (SLP) for contestable work on the delivery of the supply of water.

The new charging rules, which come into effect in April 2018, provided us an opportunity to develop a New Connections charging framework that provides our developer customers with greater predictability for water and sewerage services built on Ofwat's four guiding principles:

1. Fair and affordable
2. Environmental protection
3. Stable and predictable
4. Transparent and customer focused

Yorkshire Water undertook a consultation on the changes to the connection charges and our proposals to comply with the rules. The Water Industry Act (1991) allows water companies to recover costs from its developer customers for providing relevant infrastructure for new developments and connections to the water company's water and sewerage network.

The charges affected by the change in the rules were:

Infrastructure Charge – a developer customer pays an infrastructure charge to us on communicating a property to our water and/or sewerage network.

Requisition Charge – this is the contribution that a developer customer may have to pay when a new water main and/or new sewer is installed by us to provide a new development with water and/or sewerage services.

Connection Charge – this is the charge that a customer pays for the actual connection to a public water main/sewer.

This document has been created to be used alongside the Charges for Connection Services Sector Guidance to Members issued by Water UK.

2. Consultation on Charging Arrangements for New Connection Services

Yorkshire Water undertook a consultation on the changes to the charges for new connection services and our proposals to comply with the rules. The Water Industry Act (1991) allows water companies to recover costs from its developer customers for providing relevant infrastructure for new developments and connections to the water company's water and sewerage network.

The charges particularly affected by the introduction of the rules are:

Infrastructure Charge – a developer customer pays an infrastructure charge to us on communicating a property to our water and/or sewerage network. This is a charge that is applied across the sector. In 1995, the charge was set at £200 per service/property and has increased annually since 1995 in line with the Retail Price Index (RPI).

Requisition Charge – this is the contribution that a developer customer may have to pay when a new water main and/or new sewer is installed by us to provide a new development with water and/or sewerage services. Currently the contribution relates to both the on-site and off-site infrastructure that is needed and is determined through the Discounted Aggregate Deficit (DAD) calculation. Alternatively, the developer may wish to use a Self Lay Provider (SLP) to construct water mains and have the mains adopted by Yorkshire Water. In which case Yorkshire Water provide an Asset Payment for the new water mains.

Connection Charge – this is the charge that a customer pays for the actual connection to a public water main/sewer.

Our Proposal

Taking into account the guiding principles we will ensure our charges are cost reflective, transparent and easy to predict.

Infrastructure charges should be based on the actual costs of developer-driven network reinforcement. As we have developed our proposal our intent is that the total charges due from or to our developer customers broadly maintains the balance with charges they currently pay or receive.

With this in mind our proposal was:

Infrastructure Charge – cost reflective of the amount of monies spent on our existing network as a result of new development. The infrastructure charge per property will be determined by the total cost of work to the existing network over a suitable period of time, divided by the total number of properties served in that period. We have established initial charges for 2018 - 2019 based on our understanding of historic network reinforcement expenditures. The charge is proposed to be a regional average, and we are currently forecasting a proposed combined charge of between £200 - £250. This will be confirmed on publication.

Requisition Charge – this will be cost reflective and will be determined by the actual cost of the works required on and off site to provide water and sewerage for the development. The charge will be the actual cost of providing the network, an Income Off Set (the DAD calculation) will not be provided. Similarly, if a development uses a Self Lay Provider an asset payment will no longer be offered.

Connection Charge – currently this service is already cost reflective and no changes will be made. Defra and Ofwat requires that broadly, a developer should not pay more for a development than they are currently. Therefore, we are developing a set of cost reflective charges and ensuring that the balance rule is not breached. There will no longer be Asset Payments or Income Off Set therefore levelling the 'playing field' between Self Lay Providers (SLP), New Appointments and Variations (NAV), and Water and Waster Water Companies.

Outcome

Notification of the consultation was provided to stakeholders (developers large and small, SLPs and NAVs) inviting comments. We also undertook face to face workshops to canvas opinion of Yorkshire Water's proposals. The workshops were broken down into customer category, large developers, small developers, SLPs and NAVs. We also had the opportunity to present our proposal to the Home Builders Federation (HBF) regional technical meeting.

We asked four specific questions:

1. We welcome your views on our approach?
2. What information do you consider reasonable for companies to provide in their published charges in order to work out a reasonable estimate of charges payable?
3. What is your view on environmental incentives on the water and sewerage charge?
4. What's your view on geographical average infrastructure charge?

Consultees responded:

1. Generally, the proposal was supported, but requests for further clarification were required.

a) A transparent and detailed breakdown of the fees would be required.

The details of the charges are detailed further into this booklet.

b) How will a Self Lay Provider be paid for upsizing of new water mains?

Where a development suitably sizes the new water mains to accommodate other sites, Yorkshire Water will initially pay for the additional capacity to that developer.

c) What are the transitional arrangements?

From January 2018, to the implementation of the new charges scheme a developer may request a quote using either the existing or the proposed charging scheme, after this period the new charges scheme will be used. For sites with an existing valid quote but not started on site, the developer may request a new quote on the new charges scheme. Also, where an existing valid quote is in place and the work has begun on the site the estimate remains the same.

d) Will a Self Lay Provider be able to lay and be paid for local off-site reinforcements?

Unfortunately not, Yorkshire Water will undertake the work required on the existing network.

2. Clear breakdown of all Self Lay Provider costs and charges for non-contestable works. The details of the charges are detailed further into this booklet.
3. Feedback supported the use for environmental incentives. Therefore, we are providing a reduction in the infrastructure charge where positive environmental benefit have been achieved. Please refer to the Infrastructure Charges section within this booklet.
4. Feedback was mixed, some wanted the average charge, others did not, while the majority were ambivalent. Therefore, at this time a Region wide infrastructure charge will be applied.

3. Charges for Developer Services New Connections Services - Water

3.1 Requisition Charges

3.1.1 Chargeable services

If you are building multiple domestic or commercial properties on a site that will have new road access you will probably need a new water main. This main, and the service connections to each property, can either be laid by accredited Self Lay Providers (SLP) or by ourselves.

If you would like us to carry out the main laying of your new development then site specific charges will be payable for all work carried out by us on your development site up to and including point of connection on our existing network. These charges are to cover the costs to provide any new pipework or facilities that are required up to and including the diameter of the existing network.

If reinforcement is required to our existing network, the cost for this will be recovered using payments received for infrastructure charges.

For a site specific estimate of costs please complete an application form, this can be found on our website www.yorkshirewater.com/developers Upon receipt of the completed form we will undertake a site survey to identify the work required and produce you with site specific costs.

3.1.2 Construction Costs for Requisitioned Mains and Mains Diversions

You have two options to choose from when the main is to be laid by Yorkshire Water. Diversion options available are subject to the main location.

Option 1 – Yorkshire Water to Lay Water Mains Only

Within the site, Yorkshire Water will lay the water main in the trench excavated by the developer. The developer will be responsible for backfilling and reinstatement of the trench. Outside the site (on the public highway) Yorkshire Water will excavate the trench, lay the water main and reinstate the trench.

Option 2 – Yorkshire Water to Excavate and Lay Water Mains

Within the site, Yorkshire Water will excavate the trench, lay the water main and backfill the trench. The developer will be responsible for final reinstatement. Outside the site (on the public highway) Yorkshire Water will excavate the trench, lay the water main and reinstate the trench.

3.1.3 Time for Payment

Once we have received your application form and issued you with our cost options and you would like to go ahead with the works please fill in the relevant form issued with your estimate.

No work will be undertaken by Yorkshire Water unless prepayment of the appropriate amount in full has been made.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – please ensure the estimate number is clearly written on the reverse of the cheque. Please send your cheque to the address below.
- If you prefer to pay for your estimate by BACS, you will need to provide the following information to avoid any delays in booking in your works.

Please send your payment quoting your company name to:-

Nat West Bank Plc Sort code 57 49 55 Account number 11111111

If only paying one Yorkshire Water estimate, please instruct your Bank to quote the full 15 digit reference number as shown on your estimate.

If paying more than one estimate please send us a remittance advice listing the full estimate numbers and values to be credited or attach our payments slips

Please post, fax or e-mail your remittance advice to the following address:

Customer Payments Centre
PO Box 52
Bradford
BD3 7YD

Fax (01274) 303041

Email: customer.payments.centre@loop.co.uk
(please note this email address is for remittance advice notices only)

3.14 Persons Chargeable

All estimates will be issued in the name of the applicant. All charges will be payable by the applicant.

3.15 Scale of Charges

Charges applicable will be issued to you in the form of an estimate. All site specific costs incurred by us for any work to be carried out will be payable. Costs detailed below are based on cost of construction. These are the costs passed to us from our Service Partners to undertake the work on our behalf.

Yorkshire Water's costs for requisitioned mains are based on two sizes of main, new water main under 160mm in diameter and mains 160mm and above.

The price per metre includes all the fixtures and fittings required for the delivery of the new main.

Onsite Costs

NEW MAINS UNDER 160MM	Per Metre
Lay Only	£39.51
Excavate & Lay (Unmade excluding connection)	£63.97
Excavate & Lay (Made excluding connection)	£127.64
Out of Hours Working	51%
Uplift for Barrier Pipe	£12.83

NEW MAINS CONNECTIONS UNDER 160MM	Each
Connect Only	£514.86
Excavate & Connect (Unmade)	£796.48
Excavate & Connect (Made)	£1641.23
Out of Hours Working	40%

MAINS DISCONNECTION UNDER 160MM	Each
Disconnect Only	£285.47
Excavate & Disconnect (Unmade)	£1,211.59
Excavate & Disconnect (Made)	£1,498.80
Out of Hours Working	40%

MAIN LAYING 160MM & OVER	Per Metre
Lay Only	£49.44
Excavate & Lay (Unmade)	£80.03
Excavate & Lay (Made)	£148.92
Out of Hours Working	40%
Uplift for Barrier Pipe	£23.80

MAINS CONNECTIONS 160MM & OVER	Per Metre
Connect Only	£617.82
Excavate & Connect (Unmade)	£794.48
Excavate & Connect (Made)	£1,641.23
Out of Hours Working	40%

MAINS DISCONNECT 160MM & OVER	Each
Disconnect Only	£308.91
Excavate & Disconnect (Unmade)	£1,575.07
Excavate & Disconnect (Made)	£1948.43
Out of Hours Working	40%

Out of Hours Working percentage increase is applied when increased labour costs are incurred working out of hours.

Off Site Costs

MAIN LAYING UNDER 160MM	Per Metre
Lay Only	£43.46
Excavate & Lay (Unmade)	£70.36
Excavate & Lay (Made)	£248.80
Out of Hours Working	40%
Uplift for Barrier Pipe	£12.83

MAINS CONNECTIONS UNDER 160MM	Each
Connect Only	£566.34
Excavate & Connect (Unmade)	£876.12
Excavate & Connect (Made)	£2300.00
Out of Hours Working	40%

MAINS DISCONNECT UNDER 160MM	Each
Disconnect Only	£314.01
Excavate & Disconnect (Unmade)	£1332.74
Excavate & Disconnect (Made)	£1648.68
Out of Hours Working	40%

MAIN LAYING 160MM & OVER	Per Metre
Lay Only (excluding connection)	£54.38
Excavate & Lay (Unmade) excluding connection	£88.03
Excavate & Lay (Made) excluding connection	£335.29
Out of Hours Working	40%
Uplift for Barrier Pipe	£12.83

MAINS CONNECTIONS 160MM & OVER	Each
Connect Only	£679.60
Excavate & Connect (Unmade)	£876.12
Excavate & Connect (Made)	£2300.00
Out of Hours Working	40%

MAINS DISCONNECT 160MM & OVER	Per Metre
Disconnect Only	£339.80
Excavate & Disconnect (Unmade)	£7932.57
Excavate & Disconnect (Made)	£2143.27
Out of Hours Working	40%

For a site specific estimate of costs please complete an application form. All application forms can be found on our website at www.yorkshirewater.com/developers

Upon receipt of the completed form we will undertake a site survey to identify the work required and produce you with site specific costs. This will show a breakdown of how the costs are calculated.

3.2 Mains Connection Charges - Water

3.2.1 Chargeable services

If you are building multiple domestic or commercial properties on a site that will have new road access you will probably need a new water main. This main, and the service connections to each property, can either be laid by accredited Self Lay Providers (SLP) or by ourselves.

A schedule of accredited Self Lay Providers (SLP) can be found on the Lloyds Register (who act as the accreditation body).

Website - www.lr.org/en/utilities-building-assurance-schemes/uk-schemes/water-industry-registration-scheme/wirs-search.aspx

You have two options to choose from when the main is to be laid by Self Lay Providers.

Option 1 - Yorkshire Water complete the off-site main laying – The Self Lay Provider (SLP) completes the on-site main laying and the on-site service connections.

Option 2 - Yorkshire Water complete the off-site main connection only – The Self Lay Provider (SLP) completes remaining off-site and on-site main laying. SLP completes on-site service connections.

These charges are in addition to any charges payable directly to the SLP for the works they carry out on your behalf. Application fees are payable.

We fully support Self-Lay provision and adopt independently installed mains and services in the highway once they are commissioned so the supply to each property is, regardless of who does the work, always managed by Yorkshire Water.

SLP's are welcome to carry out all elements of work to provide water supplies to New Developments other than those defined as non contestable which are listed in the table below.

Non-Contestable Activities in the Design and Construction of Water Mains

DESIGN

Design work for Network Reinforcement.

Sizing pipes – Water Companies retain responsibility for this part of the design work (see Sections 3.5.3, and 3.6.3).

DESIGN APPROVAL

Approving on-site water distribution systems designs (except where self-certification arrangements are in place).

INSTALLATION

Network reinforcement works (i.e. to secure an adequate supply to the site) whose construction heightens the risk of damage to existing water distribution systems or interrupting supplies to existing customers. (See note below).

Mains connections that involve heightened risk to existing assets or could affect supplies to existing customers. (See note below).

Source of water connections to Water Companies' existing assets.

Service connections larger than 63mm diameter.

Service connections less than 63mm on existing mains where the Water Company assess that the condition of the main or the material heightens the risks to existing assets or could affect supplies to existing customers. (See note below).

COMMISSIONING

Decommissioning redundant mains following a diversion.

Note – Restrictions on SLPs undertaking work apply when the Water Company assesses that the construction works significantly heightens either the risk of damage being caused to their existing assets. For a site specific estimate of costs please complete an application form, the can be found on our website www.yorkshirewater.com/developers Upon receipt of the completed form we will identify the work required and produce you with site specific costs.

3.2.2 Time for Payment

Once we have received your application form and issued you with our cost options and you would like to go ahead with the works please fill in the relevant form issued with your estimate.

Full Payment is required before any work will commence.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – please ensure the estimate number is clearly written on the reverse of the cheque. Please send your cheque to the address below.
- If you prefer to pay for your estimate by BACS, you will need to provide the following information to avoid any delays in booking in your works.

Please send your payment quoting your company name to:-

Nat West Bank Plc Sort code 57 49 55 Account number 11111111

If only paying one Yorkshire Water estimate, please instruct your Bank to quote the full 15 digit reference number as shown on your estimate.

If paying more than one estimate please send us a remittance advice listing the full estimate numbers and values to be credited or attach our payments slips.

Please post, fax or e-mail your remittance advice to the following address:

Customer Payments Centre
PO Box 52
Bradford
BD3 7YD

Fax (01274) 303041

Email: customer.paymentscentre@loop.co.uk
(please note this email address is for remittance advice notices only)

3.2.3 Persons Chargeable

All estimates will be issued in the name of the applicant. All charges will be payable by the applicant. Applications can be submitted by either the developer or the Self Lay Provider.

3.2.4 Scale of Charges

Construction Costs Self Lay Mains.

The following costs are all in relation to on site and off site work.

On-site Costs

MAIN LAYING UNDER 160MM	Per Metre
Lay Only	£39.51
Excavate & Lay (Unmade)	£63.97
Excavate & Lay (Made)	£127.64
Out of Hours Working	40%
Uplift for Barrier Pipe	£12.83

MAINS CONNECTIONS UNDER 160MM	Each
Connect Only	£514.86
Excavate & Connect (Unmade)	£796.48
Excavate & Connect (Made)	£1,641.23
Out of Hours Working	40%

MAIN LAYING 160MM & OVER	Per Metre
Lay Only	£49.44
Excavate & Lay (Unmade)	£80.03
Excavate & Lay (Made)	£148.92
Out of Hours Working	40%
Uplift for Barrier Pipe	£23.80

MAINS CONNECTIONS 160MM & OVER	Per Metre
Connect Only	£617.82
Excavate & Connect (Unmade)	£794.48
Excavate & Connect (Made)	£1,641.23
Out of Hours Working	40%

Out of Hours Working percentage increase is applied when increased labour costs are incurred working out of hours.

Off Site Costs

MAIN LAYING UNDER 160MM	Per Metre
Lay Only	£43.46
Excavate & Lay (Unmade)	£70.36
Excavate & Lay (Made)	£248.80
Out of Hours Working	40%
Uplift for Barrier Pipe	£12.83

MAINS CONNECTIONS UNDER 160MM	Each
Connect Only	£566.34
Excavate & Connect (Unmade)	£876.12
Excavate & Connect (Made)	£2300.00
Out of Hours Working	40%

MAINS DISCONNECT UNDER 160MM	Each
Disconnect Only	£314.01
Excavate & Disconnect (Unmade)	£1332.74
Excavate & Disconnect (Made)	£1648.68
Out of Hours Working	40%

MAIN LAYING 160MM & OVER	Per Metre
Lay Only (excluding connection)	£54.38
Excavate & Lay (Unmade) excluding connection	£88.03
Excavate & Lay (Made) excluding connection	£335.29
Out of Hours Working	40%
Uplift for Barrier Pipe	£12.83

MAINS CONNECTIONS 160MM & OVER	Each
Connect Only	£679.60
Excavate & Connect (Unmade)	£876.12
Excavate & Connect (Made)	£2300.00
Out of Hours Working	40%

MAINS DISCONNECT 160MM & OVER	Each
Disconnect Only	£339.80
Excavate & Disconnect (Unmade)	£7932.57
Excavate & Disconnect (Made)	£2143.27
Out of Hours Working	40%

Following Yorkshire Water's Metering Policy amendment effective April 1st 2014, all Self Lay Providers are to purchase themselves the appropriate specification water meter to be used in conjunction with the installation of any new service connection. Meter details must also be returned to Yorkshire Water using the appropriate New Fix template.

OTHER	Each
Additional Mains testing and connection	£1146.24

3.3 Diversion Charges

3.3.1 Chargeable Services

Any new development must be located a safe distance from the water main, either by diverting the existing water main or siting the development away from it.

Access to Mains Records

Developers requiring access to the YW web mapping system can do so by following the link.

www.yorkshirewater.com/developers/services/our-self-lay-services#ls5,

Developers can fill in the application form and send the request to: webmapping@yorkshirewater.co.uk
Please allow ten working days for access.

If you find that your proposed development could affect a water main you should consider avoiding it, ensuring your buildings are an appropriate distance away. If this is not possible then you will have to complete an application to divert a public water main. We will normally undertake the diversion of water mains at your expense to ensure the diversion work is undertaken to the appropriate standard, to ensure a long asset life and to safeguard public health. Some aspects of the work can be completed by a Self Lay Provider with the appropriate accreditation.

The diversion work will be carried out on a fully rechargeable basis. Due to site specific conditions all diversions costs will be provided upon application.

3.3.2 Time for Payment

Once we have received your application form and issued you with our cost options and you would like to go ahead with the works please fill in the relevant form issued with your estimate.

Full Payment is required before any work will commence.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – please ensure the estimate number is clearly written on the reverse of the cheque. Please send your cheque to the address below.
- If you prefer to pay for your estimate by BACS, you will need to provide the following information to avoid any delays in booking in your works.

Please send your payment quoting your company name to:-

Nat West Bank Plc Sort code 57 49 55 Account number 11111111

If only paying one Yorkshire Water estimate, please instruct your Bank to quote the full 15 digit reference number as shown on your estimate.

If paying more than one estimate please send us a remittance advice listing the full estimate numbers and values to be credited or attach our payments slips.

Please post, fax or e-mail your remittance advice to the following address:

Customer Payments Centre
PO Box 52
Bradford
BD3 7YD

Fax (01274) 303041

Email: customer.payments.centre@loop.co.uk
(please note this email address is for remittance advice notices only)

3.3.3 Persons Chargeable

All estimates will be issued in the name of the applicant. All charges will be payable by the applicant.

3.3.4 Scale of Charges

The diversion work will be carried out on a fully rechargeable basis. Due to site specific conditions all diversions costs will be provided upon application.

3.4 Other Charges - Service Connections

3.4.1 Chargeable Services

Service Connections are pipes laid from a main to the boundary of the property or the street where an external stop tap is normally located. This section of the pipe is referred to as the communication pipe. For a site specific estimate of costs please complete an application form, these can be found on our website www.yorkshirewater.com/developers

Upon receipt of the completed form we will undertake a site survey to identify the work required and produce you with site specific costs. This will show a breakdown of how the costs were calculated.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – please ensure the estimate number is clearly written on the reverse of the cheque. Please send your cheque to the address on the next page.
- If you prefer to pay for your estimate by BACS, you will need to provide the following information to avoid any delays in booking in your works.

Please send your payment quoting your company name to:-

Nat West Bank Plc Sort code 57 49 55 Account number 11111111

If only paying one Yorkshire Water estimate, please instruct your Bank to quote the full 15 digit reference number as shown on your estimate.

If paying more than one estimate please send us a remittance advice listing the full estimate numbers and values to be credited or attach our payments slips

Please post, fax or e-mail your remittance advice to the following address:

Customer Payments Centre
 PO Box 52
 Bradford
 BD3 7YD

Fax (01274) 303041

Email: customer.payments.centre@loop.co.uk
 (please note this email address is for remittance advice notices only)

3.1.3 Persons Chargeable

All estimates will be issued in the name of the applicant. All charges will be payable by the applicant.

3.4.4 Scale of Charges - Service Connection - Standard Charges

CHARGES RELATING TO COMMUNICATION PIPES	By YW with unmade surface £ excl VAT	By YW with made surface £ excl VAT
Installation of Communication Pipes, Meter/AMR and Chamber		
Connection of one communication pipe up to 25mm and 2 metres of pipe	762.42	763.17
Connection of each additional communication pipe, meter/MR & chamber within the same trench up to 25mm and 2 metres in length	170.11	170.11
Additional charge per metre over 2 metres of pipe	28.86	46.98
Reinstatement charge per linear metre	21.88	n/a
Reinstatement in a verge	21.88	n/a
Reinstatement in a footpath	n/a	49.24
Reinstatement in a minor road	n/a	87.54
Reinstatement in a major road	n/a	131.31
Change for abortive visit that had been agreed	319.12	319.12

FERRULE CONNECTION	Where all excavation and backfilling is undertaken by the Developer/Applicant or where trenching ducting is available	
	Cost Excluding VAT £	VAT (see note below)
Ferrule Only - new household	£355.79	ZR
Ferrule Only - non-household	£355.79	
Ferrule only in contaminated land - new household	£385.16	ZR
Ferrule only in contaminated land - non-household	£385.16	
Charge for abortive visit that had been agreed	£319.12	

Note - VAT - The charges are subject to the addition of any VAT chargeable except where indicated otherwise:
Zero Rated (ZR) Outside Scope (OS)

Out of Hours Working percentage increase (40%) is applied when increased labour costs are incurred working out of hours

Service Connections outside Standard 25mm Charges

The below table shows the maximum cost for each diameter pipe with its corresponding meter including the first two metres of excavation

Meter Size	Pipe size inc 1st 2 metres						
	Less than 63mm			63mm and greater			
	25mm	32mm	63mm	90mm	110mm	125mm	160mm
15mm	£1,025.78	1,821.27	N/A	N/A	N/A	N/A	N/A
20mm	£1,025.78	£1,921.84		N/A	N/A	N/A	N/A
25mm	N/A	£1,963.93		N/A	N/A	N/A	N/A
30mm	N/A	N/A	£2,252.07	£2,253.63	£2,314.02	N/A	N/A
40mm	N/A	N/A	£2,359.57	£2,361.13	£2,421.51	N/A	N/A
50mm	N/A	N/A	£2,499.83	£2,501.38	£2,561.77	N/A	N/A
80mm	N/A	N/A	N/A	£2,680.77	£2,741.17	£2,742.19	£2,800.85
100mm	N/A	N/A	N/A	N/A	£2,888.70	£2,889.73	£2,948.39

Additional excavation and reinstatement per metre

Excavation per extra metre		Reinstatement per extra metre	
25mm/Made	£46.97	Major	£130.88
32mm/Made	£46.97	Minor	£87.25
50mm/Made	£46.97	Footpath	£48.82
63mm/Made	£119.76	Unmade	£21.87
90mm/Made	£119.76		
110mm/Made	£192.55		
125mm/Made	£192.55		
160mm/Made	£248.04		

Meter costs excluding delivery

Supply of meter	
15mm MSM	£34.89
15mm inc housing unit	£48.90
20mm PSM	£56.37
25mm PSM	£96.65
30mm PSM	£104.77
40mm PSM	£125.41
50mm	£231.09
80mm	£328.73
100mm	£391.90

Meter delivery costs

Delivery of less than 30 housing units	£96.07
Delivery of metre than 30 housing units	£192.15

Meter installations on existing supplies

With excavation	Install meter only					
	15mm	20mm	25mm	30mm	40mm	50mm
	£369.48	£474.19	£577.06	£583.36	£668.81	£896.05
Inc 1m major reinstatement	£500.36	£605.07	£707.94	£714.24	£799.69	1,026.93
Inc 1m minor reinstatement	£456.73	£561.44	£644.31	£670.61	£756.06	£983.30
Inc 1m f/path reinstatement	£418.30	£523.01	£625.88	£632.18	£717.63	£944.87
Inc 1m unmade reinstatement	£391.35	£496.06	£598.93	£605.23	£690.68	£917.92
No Excavation	£326.42	£368.71	£409.23	£415.30	£585.32	£687.05

Out of Hours Working percentage increase (40%) is applied when increased labour costs are incurred working out of hours.

Traffic Management Costs

Road Closure Costs

Road works directly or indirectly affect everyone, The National Permit Scheme is intended to deliver public benefits by minimising the inconvenience and disruption caused by road works to all road users.

The Permit scheme affects certain streets within some Local Authorities areas. If road works are carried out on a permit street, a fee is payable to the Local Authority. If changes are made during the course of the works a variation fee may also be payable.

Road closure charges are set by each highway authority and not Yorkshire Water, please check the Local Authority website for details.

Charges range between £1500 - £3000 depending on the Local Highways Authority

PROVISION OF TRAFFIC LIGHTS	
3 or 4 way Lights / week	£ 471.23
Temporary Decommissioning Traffic Lights	£ 600.00

3.5 Other Charges – Administration fees

3.5.1 Chargeable Services

The following charges are costs relating to connections and additional fees due to administrative tasks

3.5.2 Time for Payment

Once we have received your application form and issued you with our cost options and you would like to go ahead with the works please fill in the relevant form issued with your estimate.

Full Payment is required before any work will commence.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – please ensure the estimate number is clearly written on the reverse of the cheque. Please send your cheque to the address on the following page.
- If you prefer to pay for your estimate by BACS, you will need to provide the following information to avoid any delays in booking in your works.

Please send your payment quoting your company name to:-

Nat West Bank Plc Sort code 57 49 55 Account number 11111111

If only paying one Yorkshire Water estimate, please instruct your Bank to quote the full 15 digit reference number as shown on your estimate.

If paying more than one account please send us a remittance advice listing the full estimate numbers and values to be credited or attach our payments slips.

Please post, fax or e-mail your remittance advice to the following address:

Customer Payments Centre
PO Box 52
Bradford
BD3 7YD

Fax (01274) 303041

Email: customer.payments.centre@loop.co.uk
(please note this email address is for remittance advice notices only)

3.5.3 Persons Chargeable

All estimates will be issued in the name of the applicant. All charges will be payable by the applicant.

3.5.4 Scale of charges-Administration Fees

The following fees are applicable for new development applications.

Application Fees

APPLICATION FEES	Fee
New Connection - Replace Joint Supply	£155.60
New Connection - Up to 6 New connections	£155.60
New Connection - Commercial or Mixed Use	£155.60
Permanent Disconnection	£155.60
Self Lay Water Main & Service Connection	£155.60
Self Lay Point of Connection	£155.60
Development Enquiry Form	£139.99
Lead Supply Replacement	£155.60
Mains Diversion	£155.60
New Estimate (No Survey)	£62.03
New Estimate (survey required)	£106.25

Design and Administration Fees

		Contestable Work	Comment
Design of Mains Scheme		Yes	
Design of Mains Scheme 1-100 properties	£1223.29	Yes	
Design of Mains Scheme 101-200 properties	£1542.41	Yes	
Design of Mains Scheme 200+ properties	£2021.08	Yes	
Redesign (First 50 properties)	£226.63	Yes	In addition to changes to estimate
Redesign (Subsequent 50 properties from above)	£33.43	Yes	In addition to changes to estimate
Design of Diversions	£221.16	No	
Fire Service Liaison	£38.62	Yes	
Legal Agreement Fees	£40.11	No	
Easements	£791.02	No	
Mains Testing, Disinfection and Commissioning, back to back (between phases)	£798.28	Yes	
Water Sampling and Analysis	£141.25	Yes	
Plan Charge	£77.53	No	

Redesign fee - This covers the cost of redrawing the scheme, amending the instructions to our contractors and any recalculations in the cost of construction.

3.6 Transitional Arrangements

The below arrangements have been taken from the Water UK Charges for Connections Services – Sector Guidance to Members.

Moving to new charging arrangements presents uncertainty for customers, particularly where they may have already committed to a development based on previous charging arrangements. Transitional arrangements are provided for in:

The WA2014 commencement order no.9 13 (provides that agreements relating to Site Specific work made on the basis of the old rules, are to continue to apply in some circumstances until 1st April 2023).

- a. Condition C of company licences (requires that where connections are made to assets which were requisitioned under the old rules, the old infrastructure charge will continue to apply to those connections).
- b. Individual companies' Charging Arrangements (will outline the approach companies will take to transition arrangements).

Water UK has therefore worked with stakeholders to agree a set of principles by which water companies will base their charges during the transition period. The transition principles are set out below.

In addition, individual water companies will ensure that their consultations and Charging Arrangements make stakeholders aware of the transition to the New Connections Charges.

Water UK transition principles – Site Specific work

1. Quotations for some Site Specific work provided under the old rules¹⁴, and accepted before 1st April 2018 are to continue to apply until 1st April 2023 unless the customer and the company agree to vary the quotation.
2. Where a legal agreement is already in place in relation to charges for Site Specific work carried out as part of an adoption, then the charges defined within that agreement remain valid for the life of the agreement unless the customer and the company agree to vary those charges.
3. Charges relating to the old charging rules, will be adjusted by inflation if the quotation or legal agreement includes an appropriate provision for adjusting the charges.
4. Applications received between 1st February 2018, and the 31st March 2018 for Site Specific work that will be carried out after 1st April 2018, will be quoted on either the old rules, or the New Charging Rules. Developers and SLPs will be invited to choose their preferred method.
5. Developers or SLPs that have received a quotation or draft adoption agreement under the old rules, but have not formally accepted can re-apply after the 1st February 2018 for a quotation in accordance with the New Charging Rules. ^{13 S14}

Water UK Transition Principles - Infrastructure Charges

1. After 1st April 2018, connections made to a main or sewer that was provided as a requisition under s98 or s41 of the WIA 1991 between 1991, and April 2018 will be charged using the old infrastructure charge in accordance with licence condition C. The charges recovered in accordance with licence condition C are capped at the method outlined in the condition.
2. After 1st April 2018, connections made to assets other than those above will be charged in accordance with the new Infrastructure Charge as defined in the Charges Scheme Rules.
3. Companies can provide transition arrangements between the old infrastructure charges, and the new Infrastructure Charges providing the contributions from developers cover the cost of network reinforcement in accordance with the Charging Scheme Rules.

4. Charges for New Connections Services - Sewerage

4.1 Requisition Charges (Section 98)

4.1.1 Chargeable Services

In many instances, it is possible for a developer to request Yorkshire Water to provide off site public sewers between the proposed development site and the existing public sewer network. This service is used by developers generally to cross third party land to facilitate the draining of a site.

4.1.2 Time of Payment

The cost of the work is paid for by the applicant. Due to site specific conditions and the viable nature of the cost of the works a feasibility study is required to produce a robust cost estimate.

The feasibility study details include a cost break down of the solution and we will offer terms to enter into a sewer requisition agreement. The developer can then make an informed decision on whether to progress with the requisition.

4.1.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.1.4 Scale of Charges

Up front non refundable deposit for the Feasibility Study from £8,000.00 + VAT

This initial fee could rise dependant on the scale and complexity of the system.

Up front Cost of Works/Agreement Full amount to be confirmed following application.

4.2 Connection Charges (Section 106)

4.2.1 Chargeable Services

This fee relates to an application to connect to the public sewer under S106 and S108 of the Water Industry Act 1991. The fee is applied per connection application. This fee is payable on submission of an application form. Yorkshire Water will not undertake the work for a connection, but reserve the right if we so wish to do so. This fee only applies to administration and inspection of the developer led connection.

Please note that receiving an approval to connect to the public sewer, is not approval to work in third party land.

4.2.2 Time of Payment

Upfront fee is required at time of application.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – Please ensure the reference number is clearly written on the reverse of the cheque

Once Technical Approval has been issued the supervision fee and bond monies will be invoiced to the applicant.

4.2.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.2.4 Scale of Charges

- For new residential buildings / flats, the standard rate of VAT is not applicable
- For commercial / industrial premises and extensions to existing buildings, the standard rate of VAT is applicable

Per Connection Charge (during the hours of 0800 – 1800, weekdays only)

Connection with lateral drain adoption	£522.92
Connection only	£150.97
Additional out of ours charge	£103.88

Yorkshire Water reserves the right to undertake the connection work ourselves, under Section 107 of the Water Industry Act 1991. The cost of which depends on site specific conditions, please contact Developer Services for an estimate of cost. However, in the vast majority of situations after discussions with Developer Services a suitable discharge point may be agreed to facilitate a developer led connection. Please contact us to discuss this.

Infrastructure charges will also be charged on all new domestic connections.

4.3 Diversion Charges (Section 185)

4.3.1 Chargeable Services

If an existing sewer needs diverting / altering to a different location due to its existing position being affected by the planned works, the following charges will apply. All diversions should be contained within the applicant's land or a full formal diversion agreement may be required. A diversion can range from simply moving a manhole to diverting a large diameter public sewer, so to reflect the different complexities we have three diversion types.

4.3.2 Time of Payment

See 4.3.4

4.3.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.3.4 Scale of Charges

- For new residential buildings / flats, the standard rate of VAT is not applicable
- For commercial / industrial premises and extensions to existing buildings, the standard rate of VAT is applicable

Minor Alteration for the Diversion of Lateral Drains and Sewers within Curtilage

For non-critical pipework, up to 225mm diameter. Generally located within back gardens / side of property only. The upfront fee is based on technical assessment and inspection, with the developer undertaking the work.

Technical Assessment, Agreement and Inspection	£369.00
Additional Technical Assessments	£70.00 per hour + VAT

Agreement of Diversion (Minor Diversion)

For non-critical pipework, 225mm or greater in diameter. The upfront fee is based on technical assessment and inspection, with the developer undertaking the work.

Technical Assessment, Agreement and Inspection	5% of cost of works or £600.00 minimum
Bond	100% of cost of works or £5,000.00 minimum

- Cash bond or surety is acceptable
- 100% of the bond will be held until all works are complete
- 90% of the bond will be refunded with the issue of the Provisional Certificate. Twelve months after the Final Inspection, the remaining bond will be released, if no remedial action is required.

Agreement of Diversion (Major Diversion)

For critical public sewer systems, which will also include rising mains. These will need to be diverted / altered by Yorkshire Water. Please contact Developer Services to establish the method of type of diversion.

The cost of the work is paid for by the developer. Due to site specific conditions and the viable nature of the cost of the works a feasibility study is required to produce a robust cost estimate.

The feasibility study details include a cost break down of the solution and we will offer terms to enter into a sewer diversion agreement. The developer can then make an informed decision on whether to progress with the diversion.

Upfront none-refundable deposit for the Feasibility Study from £8,000.00 + VAT

This initial fee could rise dependant on the scale and complexity of the system.

Upfront Cost of Works/Agreement Full amount to be confirmed following application.

For off-site diversions that require works on third party land, Yorkshire Water will meet the land agent / compensation costs, however, these will be recharged to the developer at cost.

4.4 Other Charges - Pre Planning Sewerage Enquiry

4.4.1 Chargeable Services

This service is designed to give customers information before they purchase a site or apply for planning approval. For a reasonable fee, we will supply written observations concerning our view on the current availability of the existing public sewer network with any restrictions on discharge, points of discharge and building near to public sewers. These fees are to provide developers with potential drainage solutions.

4.4.2 Time of Payment

Upfront charge is applicable at time of application.

How to pay

- Please call 0345 12084 82 to pay by credit or debit card.
- To pay by cheque – please ensure the reference number is clearly written on the reverse of the cheque.

4.4.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.4.4 Scale of Charges

With more complex sites, additional hydraulic modelling is required to determine the impact of foul flows from the development on the existing catchment.

Technical Assessment £158.93 + VAT

Hydraulic Model Check Please contact us for a price to undertake the work

4.5 Other Charges - Adoption of Sewers, Lateral Drains and Disposal Works

4.5.1 Chargeable Services

Post Construction Sewer Adoption (Section 102)

Section 102 of the Water Industry Act 1991 allows the owners of a private sewerage system to apply for the adoption of their system by Yorkshire Water.

4.5.1.2 Time of Payment

Charges applicable once it has been established the network may be adopted.

4.5.1.3 Persons Chargeable

The applicants are responsible for the charge of the service.

4.5.1.4 Scale of Charges

Technical Assessment: Residents (per application)	£0
Technical Assessment: Developers / Contractors (per application)	2.5% of cost of works or £500.00 minimum
CCTV (Review of Report)	£103.88 + VAT or £70.00 per hour + VAT
Pumping Station Locks (per pump station)	£519.40 + VAT

4.5.2 Chargeable Services

Pre Construction (Section 104)

Where a developer is considering adoption of their proposed drainage network prior to construction.

4.5.2.2 Time of Payment

Upfront fee is required at time of application. The supervision fee and bond/surety fee will be required prior to entering the adoption agreement.

How to Pay

Application fee

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque – Please ensure the reference number is clearly written on the reverse of the cheque.

Once Technical Approval has been achieved the supervision fee and bond monies will be invoice to the applicant.

4.5.1.3 Persons Chargeable

The applicants are responsible for the charge of the service.

4.5.2.4 Scale of Charges

An upfront fee is to be paid with all S104 applications. This upfront fee is not an additional fee as it will be deducted from the final 2.5% vetting / supervision fee. The upfront fee is non-refundable and is to cover our costs for work carried out should a scheme not progress. The balance will be invoiced when the offer of adoption is issued.

Supervision Fees	
Upfront Fee	£500.00
Supervision Fee	2.5% of cost of works or £500.00 minimum
Bond / Surety	10% of cost of works or £5,000.00 minimum
Administration Fees	
S104 Agreement (to include up to 3 parties in the Agreement)	£312.00
S104 Agreement (additional copies per party)	£104.00 per copy
Copy of S104 Agreement (including copy of original plan)	£104.00 per copy
Copy of S104 Agreement (excluding plan)	£52.00 per copy
Alterations to Agreement Requested	£70.00 per hour + VAT
Additional Checks to be Undertaken	£70.00 per hour + VAT
Pumping Station Locks (per pump station)	£519.40 + VAT
Technical Assessment: Sewerage Treatment Works	Bespoke Charge
Technical Assessment: Detention Basin	Bespoke Charge
Technical Assessment: Structural Checks	£1,500.00 + VAT (to send to external consultants) £70.00 per hour + VAT (administration charge)
Inspection Fees	
Pre Start Inspection (prior to issue of Technical Approval)	£1,550.00 (non-refundable)
Additional Inspections (development site)	£103.88 + VAT (per visit) minimum
Additional Inspections (pumping station, detention basin or sewerage treatment works)	£207.76 + VAT (per visit) minimum
Unwanted site inspections need to be cancelled at least 24 hours in advance of the appointment, otherwise aborted site visit charges will apply.	
Aborted Site Inspection	£155.82 + VAT

Legal Requirements

Additional legal charges are applicable in addition to these fees

Variation of Agreement	£260.00 minimum or £70.00 per hour + VAT
Deed of Novation	£260.00 minimum or £70.00 per hour + VAT
Land Transfer (pumping station, detention basin or sewerage treatment works)	£260.00 minimum or £70.00 per hour + VAT
Deed of Grant of Easement	£260.00 minimum or £70.00 per hour + VAT
Right in Perpetuity to Discharge	£260.00 minimum or £70.00 per hour + VAT

4.6 Sewer Closure or Abandonment of Sewers (Section 116)

4.6.1 Chargeable Services

Where a public sewer traverses a development site it may sterilize land regarding building restriction over and adjacent to it. At times if the sewer is no longer required or redundant it may be possible for the developer to request that the sewer be closed, and therefore removed to facilitate development of the site.

4.6.2 Time of Payment

Up front charge is applicable for the technical assessment.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque - Please ensure the reference number is clearly written on the reverse of the cheque.

4.6.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.6.4 Scale of Charges

Basic charge required on application, where the closure becomes complex the net amount will be invoiced at the end of the process.

Technical Assessment (basic closure)	£211.91 + VAT
Technical Assessment (complex closure)	£211.91 + VAT plus £70.00 per hour thereafter

4.7 Other Charges - Building Regulation Enquiry- Sewerage

4.7.1 Chargeable Services

If you are proposing to construct, extend or underpin a building within your property boundary you must check whether any public sewers or disposal mains are close by. For an upfront fee, we can advise you on the acceptability of your development.

4.7.2 Time of Payment

Up front charge is applicable for the technical assessment.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque - Please ensure the reference number is clearly written on the reverse of the cheque.

4.7.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.7.4 Scale of Charges

Technical Assessment (with no site visit)	£32.20 + VAT
Technical Assessment (with one site visit)	£136.08 + VAT

4.8 Other Charges - Formal Build Over Agreement

4.8.1 Chargeable Services

Where the building over of a public sewer is acceptable to Yorkshire Water, but is outside the guidance of Part H4 of Building Regulations 2000 a formal agreement will be required.

4.8.2 Time of Payment

Once the build over has been agreed in principle the agreement fee will be required prior to signing of the legal agreement.

How to Pay

- Please call 0345 1208482 to pay by credit or debit card.
- To pay by cheque - Please ensure the reference number is clearly written on the reverse of the cheque.

4.8.3 Persons Chargeable

The applicant will be responsible for the payment of the service.

4.8.4 Scale of Charges

Additional legal fees will also apply to this charge

Formal Agreement	£519.40 + VAT
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4.9 Other Charges - Highway Agreement (Section 115)

4.9.1 Chargeable Services

The public sewer network is for domestic sewage purposes. This generally means foul water for domestic purposes and, where a suitable surface water or combined sewer is available, surface water from the roofs of buildings together with surface water from paved areas of land appurtenant to those buildings. Highway drainage does not have the automatic right of connection to the public sewer network.

If it can be demonstrated, through satisfactory evidence, that SuDS are not a viable option, there are no watercourses or highway drains available and if capacity is available within the public sewer network, highway drainage discharges to the public sewer network may be permitted. In this event, the Highway Authority/developer may be required to enter into a formal agreement with Yorkshire Water under Section 115 Water Industry Act 1991 to discharge non-domestic flows into the public sewer network.

4.9.2 Time of Payment

Up front charge is applicable for the technical assessment. The technical assessment will determine if a discharge in principle is acceptable, and will indicate if a certificate or a formal agreement is required.

How to Pay

- Please call 0345 12084 82 to pay by credit or debit card.
- To pay by cheque - Please ensure the reference number is clearly written on the reverse of the cheque.

4.9.3 Persons Chargeable

The applicant will be responsible for payment of the service. It is expected that this service will be prominently used by the Highways Authority.

4.9.4 Scale of Charges

Technical Assessment	£158.93 + VAT
Additional charge for complex sites	£70.00 per hour + VAT
Formal Agreement (up to two connections)	£530.82 + VAT
Certificate (for one connection only)	£162.05 + VAT
Each Subsequent Connection	£105.95 + VAT

5. Wholesale Charging

5.1 Wholesale Charging

Water Competition is a key government strategy for encouraging innovation in the water industry. More Innovation is seen as essential if water companies are to cope with growing challenges of climate change and an ever-increasing population. From April 2017 all businesses and other non-household customers in England can choose a retailer that provides both water and sewerage services. The water coming out of your taps will still be abstracted, stored, treated and distributed by Yorkshire Water as Wholesaler for the Yorkshire region. Similarly, sewerage services, collection, treatment and disposal, will also be provided by Yorkshire Water as Wholesaler. However, you may choose a Retailer which will provide you your customer services, billing, quires and complaints.

Yorkshire Water as the wholesaler will bill the retailer for whole sale services, and the retailer will bill their customers. The Retailer may act on behalf of their customers and make new connection services applications. Whether you're a domestic customer or a retailer the charges for our Charging Arrangements services are the same.

The Wholesale Connection Charges in these Charging Arrangements ensure that developers and other customers that request new connection services through a retailer, benefit from these Charging Arrangements made in accordance with Ofwat's charging rules for new connection services. These Charging Arrangements incorporate the Wholesale Connection Charges that apply to retailers. This scheme has been produced in accordance with the Wholesale Charging Rules issued by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991. The rules apply to the charges that may be imposed by: a) a water undertaker under a section 66D agreement where a water supply licensee with a retail authorisation is a party to that agreement; and b) a sewerage undertaker under a section 117E agreement where a sewerage licensee with a retail authorisation is party to that agreement. For the avoidance of doubt, in order to act on behalf of a developer or other customer in regard to new connection services under these Charging Arrangements, a retailer (water supply and sewerage licensee) must have entered into, and maintain, a Wholesale Contract for Wholesale Services with Yorkshire Water."

The Wholesale Connection Charges shall be the same as the charges for new connection services outlined previously. Retailers should refer to the relevant provisions of the Operational Terms within the Wholesale Retail Code in regard to applications for new connection services to Yorkshire Water as the wholesaler. Payment terms – Payment terms for Wholesale Connection Charges are laid out within these Charging Arrangements under 'Time of payment', relevant to the service being charged for. Please note, in many cases this requires a payment to be made to Yorkshire Water before any works will commence. Where these are not specified, payment terms will be made in accordance with the Wholesale Retail Code.

Appendices



Infrastructure connection charges

The Water Infrastructure Charge

A. The Charge

(1) The Water Infrastructure Charge is payable for the connection to a water supply of premises which have never at any previous time been connected to a supply of water provided for domestic purposes by a water undertaker or by any other authority or body which at that time provided supplies of water in the course of carrying out functions under any enactment. The Water Infrastructure Charge may also be payable where a site is redeveloped including by means of conversion of a building or buildings on it and the redevelopment results in a greater demand from the site than in the previous 5 years. The Water Infrastructure Charge has been developed and applied in accordance with the appropriate Charges Scheme Rules (ie Rules 26-33).

(2) In this part of the Scheme –

“The Instalment Amount” means the aggregate amount which would fall to be paid in the relevant year by way of payments of interest and repayments of capital if an amount equal to the Water Infrastructure Charge payable for the relevant connection had been borrowed by Yorkshire Water on terms

(a) requiring interest to be paid and capital to be repaid in twelve equal annual instalments; and

(b) providing for the amount of the interest to be calculated at such rate, and in accordance with such other provision, as may have been determined either by Yorkshire Water with the approval of the Water Services Regulation Authority or, in default of such determination, by the Water Services Regulation Authority.

“House” means any building or part of a building which is occupied as a private dwelling house or which, if unoccupied, is likely to be so occupied and, accordingly, includes a flat;

(3) Infrastructure Charges have been determined in accordance with the principle that the charges should reflect: fairness and affordability; environmental protection; stability and predictability; and transparency and customer-focused service. Infrastructure Charges have been determined in accordance with the principle that the amount of such charges will - over a reasonable historic consecutive period of 5-10 years - broadly cover the costs of developer-driven Network Reinforcement.

From the Charging Year ending on 31 March 2023, and thereafter, the consecutive averaging period will reduce to, and be fixed at, 5 years (as required by rule 28 of the current Charges Scheme Rules).

‘Infrastructure Charges do not relate to the costs of reinforcing, upgrading or otherwise modifying existing network infrastructure in order to address pre-existing deficiencies in capacity or in capability unrelated to a requisition under sections 41(1) or 98(1), to the adoption of infrastructure under a section 51A or 104 agreement or to connections described in section 146(2) of the Water Industry Act 1991.

B. Time for Payment

- (1) Subject to paragraph (2) below liability for the Water Infrastructure Charge arises at the time the application for the connection to the said water supply is made or at the time the said connection is made whichever shall be the earlier and is due and payable in full within 28 days.
- (2) In the cases of such a connection of a water supply being made to premises which are occupied as a house immediately before the connection is made
 - (a) the Water Infrastructure Charge shall be due and payable in full within 28 days after the connection is made; or
 - (b) at the option of the person liable to pay the Water Infrastructure Charge an amount equal to the Instalment Amount shall be due and payable within 28 days of the connection being made with further such amounts being due and payable on the subsequent eleven anniversaries of the connection being made subject only to that person giving such undertakings to that effect as Yorkshire Water may reasonably require; or
 - (c) special payment arrangements can be agreed in other circumstances.
 - (d) While we strive to ensure that all bills for charges are correct, in the case of error we reserve the right to make retrospective adjustments. This will always happen if the adjustment is in the customer's favour. We will not make retrospective adjustments in our favour if there is clear evidence, other than the incorrect bills, that undercharging has been due to a failure or error on our part.
- (3) While we strive to ensure that all bills for charges are correct, in the case of error we reserve the right to make retrospective adjustments. This will always happen if the adjustment is in the customer's favour. We will not make retrospective adjustments in our favour if there is clear evidence, other than the incorrect bills, that undercharging has been due to a failure or error on our part.

C. Persons Chargeable

The Water Infrastructure Charge is payable by

- (1) the person who makes the application for connection to a water supply as aforesaid; or
- (2) the person other than Yorkshire Water (or its agent or contractor) who makes the connection to a water supply as aforesaid; or
- (3) the occupier of the premises so connected;

except where a person not included in (1), (2) or (3) above is liable by agreement with Yorkshire Water. Where there is more than one occupier then such occupiers shall be jointly and severally liable.

D. The Scale of Charges

- (1) For the year commencing 1 April 2018 the Standard Amount is £75 per property connected. The Water Infrastructure Charge due for each property will be calculated for each relevant connection in accordance with the following formula, whereby the Infrastructure Charge payable will either be the Standard Amount or a multiple of that amount as calculated by reference to the Relevant Multiplier.

The "Relevant Multiplier" of a/b means a number (which may be one or more or less than one) calculated in a manner set out below.

Household water infrastructure charging formula:

$$SA * \frac{a}{b}$$

Where: -

SA is the Standard Amount, set at £75 per property connected for 2018-19

a = the estimated water consumption of a new dwelling in litres per person per day, calculated in accordance with a methodology (such as the water efficiency calculator) approved by the Secretary of State.

b = 125 litres per person per day, the maximum potential consumption of wholesale water by persons occupying a new dwelling as set out in current Building Regulations.

Non-household water infrastructure charging formula:

$$SA * \frac{a}{b}$$

Where: -

SA is the Standard Amount set at £75 per property connected for 2018-19

a = Total Number of "Loading Units" per non-household property.

b = 24 is the typical number of loading units per household property.

For non-household properties, the Relevant Multiplier can be more or less than 1.

The Water Infrastructure Charge for each property connected – household or non-household - is the Standard Amount multiplied by the Relevant Multiplier.

The Water Infrastructure Charge bill for a whole development is the sum of the individual property Infrastructure Charges.

(2) In the case of a property subject to a Common Billing Agreement, the Standard Amount is multiplied by the Relevant Multiplier for each individual House and the property Infrastructure Charge is the sum of these individual House based calculations;

(3) For the purposes of this charge

(a) "Common Billing Agreement" means an agreement between Yorkshire Water and any other person under which that person has undertaken to pay, on terms agreed between them, charges for water supply or sewerage services, or both, in respect of two or more Houses which have a common Supply Pipe;

(b) "Supply Pipe" means any part of a service pipe which Yorkshire Water could not be, or have been required to lay under Section 45 of the Water Industry Act 1991.

(4) The details of the Loading Units for non-households are as follows: -

Each water fitting is assigned a "Loading Unit" which is based upon the amount of water it uses and is detailed in the table below.

The total number of Loading Units is estimated by adding up the loading units for all the water fittings in the non-household property.

DESCRIPTION	LOADING UNITS
25. WATER FITTING (NOTE 1)	
WC flushing cistern	2
Wash basin in a house	1.5
Wash basin elsewhere	3
Bath (tap nominal size $\frac{3}{4}$ "20mm)(note2)	10
Bath (tap nominal size larger than $\frac{3}{4}$ "20mm)(note2)	22
Shower	3
Sink (tap nominal size $\frac{1}{2}$ "15mm)	3
Sink (tap nominal size larger than $\frac{1}{2}$ "15mm)	5
Spraytap	0.5
Bidet	1.5
Household appliance (minimum of 6 loading units per house) (notes 3)	3
Communal or commercial appliance (note 3)	10
Any other water fitting or outlet (including a tap and a urinal but excluding a water softener)	3

Notes:

- 1) Reference to any fitting includes reference to any plumbing, outlet, dedicated space or planning or other provision for that fitting;
 - 2) "Bath" includes a whirlpool bath or a jacuzzi;
 - 3) "Household appliance" means an appliance (including a dishwasher, a washing machine and waste disposal unit) in a House and "communal or commercial appliance" means an appliance (including a dishwasher, a washing machine and a waste disposal unit) elsewhere than in a House (including in communal facilities);
 - 4) In the case of any premises with a sewerage only connection and no water fittings, the Relevant Multiplier will be one.
 - 5) (a) Subject to (b) below where a site is developed or redeveloped (including by means of conversion of a building or buildings on it) the total amount of Water Infrastructure Charges which may be recovered in respect of Houses and other premises on the site resulting from the development or redevelopment shall not exceed the Standard Amount multiplied by X, where X equals –
 - (i) the aggregate of the Relevant Multipliers for all those premises less
 - (ii) the maximum number of premises with water connections on the site at any time in the period of 5 years before the development or redevelopment began
- (b) For the purpose of calculating the amount of the limit imposed by this paragraph –
- (i) each premise to which the Standard Amount applies shall be deemed to have a Relevant Multiplier of 1;
- and
- (ii) where Yorkshire Water would need to charge more in respect of any premises resulting from the development or redevelopment than the level otherwise applying under the limit shall be increased by the amount of the excess.

The Sewerage Infrastructure Charge

A. The Charge

- (1) The Sewerage Infrastructure Charge is payable for the connection to a public sewer of premises which have never at any previous time been connected to a sewer used for the drainage for domestic purposes of those premises by a sewerage undertaker or by any other authority or body which at that time provided sewerage services in the course of carrying out functions under any enactment. The Sewerage Infrastructure Charge may also be payable where a site is redeveloped including by means of conversion of a building or buildings on it and the redevelopment results in a greater demand from the site than in the previous 5 years. The Sewerage Infrastructure Charge shall be developed and applied in accordance with the appropriate Charges Scheme Rules as issued by Ofwat under sections 143(6A) and 143B of the Water Industry Act 1991 (ie Rules 26-33).
- (2) In this part of the Scheme
“The Instalment Amount” means the aggregate amount which would fall to be paid in the relevant year by way of payments of interest and repayments of capital if an amount equal to the Sewerage Infrastructure Charge payable for the relevant connection had been borrowed by Yorkshire Water on terms
 - (a) requiring interest to be paid and capital to be repaid in twelve equal annual instalments; and
 - (b) providing for the amount of the interest to be calculated at such rate, and in accordance with such other provision, as may have been determined either by Yorkshire Water with the approval of the Water Services Regulation Authority or in default of such a determination, by the Water Services Regulation Authority;

“House” means any building or part of a building which is occupied as a private dwelling house or which, if unoccupied, is likely to be so occupied and, accordingly, includes a flat.
- (3) Infrastructure Charges have been determined in accordance with the principle that the charges should reflect: fairness and affordability; environmental protection; stability and predictability; and transparency and customer-focused service. Infrastructure Charges have been determined in accordance with the principle that the amount of such charges will - over a reasonable historic consecutive period of 5-10 years - broadly cover the costs of developer-driven Network Reinforcement.

From the Charging Year ending on 31 March 2023, and thereafter, the consecutive averaging period will reduce to, and be fixed at, 5 years (as required by rule 28 of the current Charges Scheme Rules).

Infrastructure Charges do not relate to the costs of reinforcing, upgrading or otherwise modifying existing network infrastructure in order to address pre-existing deficiencies in capacity or in capability unrelated to a requisition under sections 41(1) or 98(1), to the adoption of infrastructure under a section 51A or 104 agreements or to connections described in section 146(2) of the Water Industry Act 1991.

B. Time for Payment

- (1) Subject to paragraph (2) below liability for the Sewerage Infrastructure Charge arises at the time the application for the said connection to the public sewer is made, at the time the said connection is made or at the time the Water Infrastructure Charge liability arises whichever shall be the earlier and is due and payable in full within 28 days.
- (2) In the case of such a connection to a public sewer of premises which are occupied as a house immediately before the connection is made
 - (a) the Sewerage Infrastructure Charge shall be due and payable in full within 28 days after the connection is made; or

- (b) at the option of the person liable to pay the Sewerage Infrastructure Charge an amount equal to the Instalment Amount shall be due and payable within 28 days of the connection being made with further such amounts being due and payable on the subsequent eleven anniversaries of the connection being made subject only to that person giving such undertakings to that effect as Yorkshire Water may reasonably require; or
- (c) special payment arrangements can be agreed in other circumstances.
- (d) While we strive to ensure that all bills for charges are correct, in the case of error we reserve the right to make retrospective adjustments. This will always happen if the adjustment is in the customer's favour. We will not make retrospective adjustments in our favour if there is clear evidence, other than the incorrect bills, that undercharging has been due to a failure or error on our part.

C. Persons Chargeable

The Sewerage Infrastructure Charge is payable by

- (1) the person who makes the application for connection to the public sewer as aforesaid; or
- (2) the person other than Yorkshire Water (or its agent or contractor) who makes the connection to the public sewer as aforesaid; or
- (3) the occupier of the premises so connected; except where a person not included in (1), (2) or (3) above is liable by agreement with Yorkshire Water.

Where there is more than one occupier then such occupiers shall be jointly and severally liable.

D. The Scale of Charges

- (1) For the year commencing 1 April 2018 the Standard Amount of £175 per property connected is split into two separate Standard Amounts – for the foul sewage service the Standard Amount is £50 per property connected and for surface water drainage service the Standard Amount is £125 per property connected. The Sewerage Infrastructure Charge due for each property will be calculated for each relevant connection in accordance with the following formula, whereby the Infrastructure Charge payable for each service will either be the Standard Amount or a multiple of that amount as calculated by reference to the Relevant Multiplier. The “Relevant Multiplier” of a/b means a number (which may be one or more or less than one) calculated in a manner set out below.

Household foul sewage infrastructure charging formula:

$$SA * \frac{a}{b}$$

Where: -

SA is the Standard Amount, set at £50 per property connected for 2018-19

a = the estimated water consumption of a new dwelling in litres per person per day, calculated in accordance with a methodology (such as the water efficiency calculator) approved by the Secretary of State plus any further contributions, in litres per person per day, from rainwater harvesting activities.

b = 125 litres per person per day, the maximum potential consumption of wholesome water by persons occupying a new dwelling as set out in current Building Regulations.

Non-household foul sewage infrastructure charging formula:

$$SA * \frac{a}{b}$$

Where: -

SA is the Standard Amount set at £50 per property connected for 2018-19

a = Total Number of "Loading Units" per non-household property.

b = 24 is the typical number of Loading Units per household property.

For non-household properties, the Relevant Multiplier can be more or less than 1.

Household and non-household surface water drainage infrastructure charging formula:

$$SA * \frac{a}{b}$$

Where: -

SA is the Standard Amount set at £125 per property connected for 2018-19

a = actual property chargeable area (as defined in section 7 part 6b and 6c).

b = average property chargeable area in the Yorkshire Water region.

For 2018-19 the actual property chargeable area is to be assumed to be equal to the average company property chargeable area and the value of the Relevant Multiplier (a/b) is set to 1 for all connected properties. However, if a property does not require a drainage service the Relevant Multiplier is set to 0.

The charge for the foul sewage service and/or the surface water drainage service for each property connected – household or non-household – is the Standard Amount multiplied by the Relevant Multiplier. The Sewerage Infrastructure Charge for each property connected – household or non-household – is the sum of these two service component infrastructure charges.

The Sewerage Infrastructure Charge bill for a whole development is the sum of the individual property Sewerage Infrastructure Charges.

(2) In the case of a property subject to a Common Billing Agreement, the Standard Amount is multiplied by the Relevant Multiplier for each individual House and the property Infrastructure Charge is the sum of these individual House based calculations;

(3) For the purposes of this charge

(a) "Common Billing Agreement" means an agreement between Yorkshire Water and any other person under which that person has undertaken to pay, on terms agreed between them, charges for water supply or sewerage services, or both, in respect of two or more Houses which have a common Supply Pipe;

(b) "Supply Pipe" means any part of a service pipe which Yorkshire Water could not be, or have been required to lay under Section 45 of the Water Industry Act 1991.

(4) The details of the Loading Units for the foul sewage service to non-households are as follows: -

Each water fitting is assigned a "Loading Unit" which is based upon the amount of water it uses and is detailed in the table below.

The total number of Loading Units is estimated by adding up the loading units for all the water fittings in the non-household property.

DESCRIPTION	LOADING UNITS
26. WATER FITTING (NOTE 1)	
WC flushing cistern	2
Wash basin in a house	1.5
Wash basin elsewhere	3
Bath (tap nominal size $\frac{3}{4}$ "20mm)(note2)	10
Bath (tap nominal size larger than $\frac{3}{4}$ "20mm)(note2)	22
Shower	3
Sink (tap nominal size $\frac{1}{2}$ "15mm)	3
Sink (tap nominal size larger than $\frac{1}{2}$ "15mm)	5
Spraytap	0.5
Bidet	1.5
Household appliance (minimum of 6 loading units per house) (notes 3)	3
Communal or commercial appliance (note 3)	10
Any other water fitting or outlet (including a tap and a urinal but excluding a water softener)	3

Notes:

- 1) Reference to any fitting includes reference to any plumbing, outlet, dedicated space or planning or other provision for that fitting;
- 2) "Bath" includes a whirlpool bath or a jacuzzi;
- 3) "Household appliance" means an appliance (including a dishwasher, a washing machine and waste disposal unit) in a House and "communal or commercial appliance" means an appliance (including a dishwasher, a washing machine and a waste disposal unit) elsewhere than in a House (including in communal facilities);
- 4) In the case of any premises with a sewerage only connection and no water fittings, the Relevant Multiplier will be one.
- (5) (a) Subject to (b) below where a site is developed or redeveloped (including by means of conversion of a building or buildings on it) the total amount of Sewerage Infrastructure Charges which may be recovered in respect of Houses and other premises on the site resulting from the development or redevelopment shall not exceed the Standard Amount multiplied by X, where X equals –
 - (i) the aggregate of the Relevant Multipliers for all those premises less
 - (ii) the maximum number of premises with sewerage connections on the site at any time in the period of 5 years before the development or redevelopment began.
- (b) For the purpose of calculating the amount of the limit imposed by this paragraph –
 - (i) each premise to which the Standard Amount applies shall be deemed to have a Relevant Multiplier of 1; and
 - (ii) where Yorkshire Water would need to charge more in respect of any premises resulting from the development or redevelopment than the level otherwise applying under the limit shall be increased by the amount of the excess.

Appendix 2



Definitions

a) "Asset Payment" means:

i. in relation to a section 51A agreement with a water undertaker, the amount described in section 51CD(3) of the Water Industry Act 1991; and

ii. in relation to a section 104 agreement with a sewerage undertaker, the amount described in section 105ZF(3) of the Water Industry Act 1991.

b) "Charging Arrangements" means a document setting out the charges, Income Offsets and Asset Payments, and/or the methodologies for calculating those, applied by the water or sewerage undertaker in accordance with these rules.

c) "Charging Year" means a calendar year running from 1 April in a given year to 31 March in the following year.

d) "Communication Pipe" means any part of a Service Pipe which a water undertaker could be, or have been, required to lay under section 46 of the Water Industry Act 1991.

e) "Connection Charges" has the meaning given by paragraph 31 below.

f) "Contestable Work" means work or services that either the relevant undertaker or persons other than the relevant undertaker may do or provide.

g) "Developer" means any person or business which is responsible for a Development.

h) "Development" means premises on which there are buildings, or on which there will be buildings when proposals made by any person for the erection of any buildings are carried out, and which require connection with, and/or modification of, existing water or sewerage infrastructure.

i) "Diversion Charges" has the meaning given by paragraph 42 below.

j) "Fixed Charges" mean charges set for a given Charging Year which are fixed in amount or which are calculated by reference to a predetermined methodology set out in the undertaker's Charging Arrangements, the application of which allows calculation at the outset of the total amount owing in that Charging Year in respect of the charges in question. Such charges are to be fixed for a Charging Year, as defined above. For the avoidance of doubt, and subject to the above, undertakers may impose Fixed Charges by reference to a unit measurement (for example, per mega-litre). Furthermore, undertakers may offer more than one Fixed Charge in charging for a service provided in accordance with the present rules (for example, by differentiating between different geographic areas).

k) "Income Offset" means a sum of money offset against the charges that would otherwise be applied for the provision of a Sewer or Water Main in recognition of revenue likely to be received by the relevant undertaker in future years for the provision of:

i. supplies of water to premises connected to the new Water Main; or

ii. sewerage services to premises connected to the new Sewer.

and "Income Offsetting" shall be construed accordingly.

l) "Lateral Drain" means (a) that part of a drain which runs from the curtilage of a building (or buildings or yards within the same curtilage) to the sewer with which the drain communicates or is to communicate; or (b) (if different and the context so requires) the part of a drain identified in a declaration of vesting made under section 102 of the Water Industry Act 1991 above or in an agreement made under section 104 of this Act.

- m) "Network Reinforcement"** refers to work other than Site Specific Work, as defined below to provide or modify such other:
- i. Water Mains and such tanks, service reservoirs and pumping stations, or
 - ii. Sewers and such pumping stations as is necessary in consequence of the Site Specific installation or connection of Water Mains, Service Pipes, Public Sewers and Lateral Drains pursuant to a duty imposed on the undertaker by the Water Industry Act 1991, whether by requisition (under sections 41(1), 98(1) or 98(1A)), under an agreement for adoption (under sections 51A or 104), pursuant to section 45(1) (Duty to make connections with main) or in accordance with another duty imposed by the Act, or in consequence of the exercise of rights under section 106(1) (Right to communicate with public sewers). It also includes the additional capacity in any earlier water main or sewer that falls to be used in consequence of the provision or connection of a new main or sewer.
- n) "New Appointee"** means a company holding an appointment as a relevant undertaker where the conditions of that appointment limit the charges that can be fixed under a charges scheme by reference to the charges fixed by one or more other relevant undertakers.
- o) "Non-contestable Work"** means work or services that only the relevant undertaker (or an agent acting on their behalf) can do or provide.
- p) "Public Sewer"** means a sewer for the time being vested in a sewerage undertaker, whether under the Water Act 1989, the Water Industry Act 1991 or otherwise.
- q) "Requisition Charges"** has the meaning given by paragraph 23 below.
- r) "Service Pipe"** means so much of a pipe which is, or is to be, connected with a water main for supplying water from that main to any premises as — (a) is or is to be subject to water pressure from that main; or (b) would be so subject but for the closing of some valve, and includes part of any service pipe.
- s) "Sewer"** includes all sewers and drains (not being drains within the meaning given by section 219(1) of the Water Industry Act 1991) which are used for the drainage of buildings and yards appurtenant to buildings. This definition includes tunnels or conduits which serve as such a pipe and any accessories for such a pipe.
- t) "Site Specific"** refers to work on, or the provision of, water or sewerage structures or facilities located on a Development as well as work to provide and connect a requested Water Main, Sewer, Communication Pipe or Lateral Drain on, to or in the immediate vicinity of, the Development and "Site Specific Work" shall be construed accordingly. It does not refer to costs or work required as part of Network Reinforcement as defined above.
- u) "Small Company"** means a New Appointee or Cholderton and District Water Company Limited.
- v) "Undertaker"** means a water undertaker or sewerage undertaker.
- w) "Water Main"** means any pipe, not being a pipe for the time being vested in a person other than the 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 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.
- x) "Wholesale Connection Charges"** has the meaning given by the wholesale charging rules issued on 16 March 2018 by the Water Services Regulation Authority under sections 66E and 117I of the Water Industry Act 1991.

Appendix 3



Charges Rules Compliance Review

Charges 2018-19 – Yorkshire Water Charges rules compliance review

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
1 - 6	Introduction and interpretation	n/a	
	Consumer		
7	Undertakers must determine what types of charges covered by these rules may or may not be imposed, and the amount of such charges, in accordance with the principle that changes to charges covered by these rules should only be made after proportionate, timely and effective consultation with groups of persons likely to be significantly affected by the proposed Charging Arrangements (or their representatives) and any other persons the undertakers consider it appropriate to consult.	Compliant	In order to get feedback on our proposals, we contacted over a 130 developers, SLP and NAVs where contacted to let them know the consultation was available to view and comment on. Also we posted the consultation on social media and invited comments. We hosted a number of workshops over October and November 2017, targeting the various developer affected parties, including; small developers; large developers; self lay providers and NAVs. Whilst the workshops were not particularly well attended we also presented our proposals to the Home Builders Federation, which was well received. Although our proposal was well received during the workshops formal written responses to the consultation was disappointing with only 2 received. One being from Fair Water Connections, representing SLP, which was supporting but also critical regarding how the consultation was presented. Overall the consensus of opinion was support of our proposals.
	Publication and transparency		
8	Relevant undertakers must publish charges developed under these rules in a single document (the Charging Arrangements). The Charging Arrangements must be published on the undertaker's website and in any other manner the undertaker considers appropriate for the purpose of bringing the Charging Arrangements to the attention of persons likely to be affected by it.	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.
9	The maximum amount of any charge that may be imposed by an undertaker under the provisions of the Water Industry Act 1991 covered by these rules shall be the amount set out in, or calculated in accordance with, the Charging Arrangements published by that undertaker. For the avoidance of doubt, the charges and charging methodologies set out in the Charging Arrangements must therefore include any relevant miscellaneous and ancillary costs such as assessment, inspection, design, legal and supervision charges that the undertaker is entitled to recover, unless there is a different legal basis for the recovery of such costs.	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.
10	The Charging Arrangements must be published no later than two months before the period in relation to which they have effect. Charging Arrangements must be published at least once in every year from 2018 onwards.	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
11	The Charging Arrangements must explain how each charge has been calculated or derived. Where an undertaker determines the applicable charges other than by Fixed Charges, the methodology for the calculation of such charges must be explained clearly in the Charging Arrangements	Compliant	"Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.
12	The Charging Arrangements are to be written and presented in a clear and accessible manner, which takes due account of the varying levels of expertise of all Developers or other customers who may rely on the Charging Arrangements. Undertakers should consider publishing worked examples where this could aid customers' understanding.	Compliant	"Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.
13	Charges must be published with such additional information or explanation as is necessary to make clear what services are covered by each charge.	Compliant	We are also arranging additional charges workshops to be held in March 2018 to demonstrate the actual cost impact of the proposed changes on various development scenarios."
14	Undertakers must publish the charges covered by these rules in such a way that a Developer or other customer can confidently work out a reasonable estimate of the charges payable if they know the relevant parameters of a Development.	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.
15	The Charging Arrangements must identify which charges are associated with Contestable Work and Non-contestable Work.	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018.
16	Undertakers must provide a reasonable choice of times and methods of payment of the charges and set these out in the Charging Arrangements.		
Small companies			
17	These rules apply to a Small Company subject to the following provisions:	N/A	These rules do not apply to YW as we are not classed as being a small company
	a) a Small Company is not required to publish one or more of the charges or Asset Payments covered by these rules (or a methodology for calculating them) where it would be unreasonable to expect the company to do so (having had regard to the number of requests for the relevant services that the company would reasonably expect to receive);	N/A	These rules do not apply to YW as we are not classed as being a small company
	b) the charges imposed, or Asset Payments made, by a Small Company under the provisions of the Water Industry Act 1991 covered by these rules must be calculated in accordance with the principles and requirements set out in these rules whether or not they are published in Charging Arrangements and this includes, where relevant, requirements to provide the option of upfront Fixed Charges;	N/A	These rules do not apply to YW as we are not classed as being a small company

	<p>c) paragraph 9 of these rules does not restrict the maximum amount of a charge imposed by a Small Company if Charging Arrangements published by that company do not include relevant charges or charging methodologies;</p>	<p>N/A</p>	<p>These rules do not apply to YW as we are not classed as being a small company</p>
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RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
	d) paragraph 10 of these rules does not apply to a Small Company – instead, a Small Company must publish any Charging Arrangements no later than five weeks before the period in relation to which they have effect; and	N/A	These rules do not apply to YW as we are not classed as being a small company
	e) for the avoidance of doubt, this paragraph does not exempt a Small Company from the requirement in paragraph 46 of these rules to clearly set out in its Charging Arrangements requirements for security in relation to any charges to be applied.	N/A	These rules do not apply to YW as we are not classed as being a small company

General charging principles

18	Relevant undertakers must determine what types of charges may or may not be imposed and the amount of any charges that may be imposed in accordance with the principle that charges covered by these rules should reflect:	Compliant	Considerable work has been undertaken to ensure the proposed charges fairly reflect the work being undertaken. Charges will also be calculable in advance of development which will ensure that they are transparent and predictable.
	(a) fairness and affordability;		
	(b) environmental protection;		
	(c) stability and predictability; and		
	(d) transparency and customer-focused service.		

Principles for Determining the Nature and Extent of All Charges Covered by these Rules

19	In setting charges in accordance with the present rules, undertakers should take reasonable steps to ensure that the present balance of charges between Developers and other customers prior to the implementation of these rules is broadly maintained. An undertaker may only depart from this general requirement where (and to the extent that) this is rendered necessary by circumstances providing clear objective justification for doing so. Any such justification must be clearly identified in any Charging Arrangements prepared pursuant to these rules.	Compliant	Considerable investigation into the current charge scheme over the past several years. We are in balance between the generality of the YW customer base and developers. New Development activities are not paid for by the generality of customers it is funded through developer charges. Moving forward this will be maintained by cost reflective charges on new development activities. We have established full cost reflective charging at heart of our approach. We have also offered reduction/incentive in our infrastructure charge, and creating environmental signalling to our customers.
20	Consistent principles and approaches must be applied to the calculation of charges and when they are payable for different classes of customer. For the avoidance of doubt, this includes the calculation of charges and when they are payable for Non-contestable Work, whether or not a person other than the undertaker is carrying out Contestable Work.	Compliant	We are endeavouring to treat all customers equally, in the calculation of charges, ensuring a level playing field is maintained.
21	Charges (including any Income Offsets), any Asset Payments and arrangements for when they are each payable must be set in accordance with the principle that they should promote effective competition for Contestable Work.	Compliant	Our assurance process has confirmed that the our proposed charging scheme for new connection services is fully cost reflective. This has been achieved by removing all income offsets from the calculations to ensure a fair and transparent system being implemented.
22	For the avoidance of doubt, in charges covered by these rules undertakers may recover reasonable administrative expenses and other overheads incurred in discharging any rights or obligations under the		relevant provisions of the Water Industry Act 1991.

Compliant

The charges have been developed to ensure all reasonable costs are recovered.

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
Charges for the Requisition of Water Mains and Public Sewers			
23	Each undertaker shall set out in its Charging Arrangements charges that will be imposed by that undertaker for work carried out by it in accordance with the duties imposed by section 41(1) (provision of requisitioned Water Main) and section 98(1) (provision of requisitioned public sewer) of the Water Industry Act 1991 (together, "Requisition Charges").	Compliant	Our charges only include site specific activities.
24	These charges are concerned with the cost to the undertaker of providing Site Specific infrastructure necessary for the provision of a Water Main and/or Public Sewer.	Compliant	as above, site specific charges only
25	In relation to Requisition Charges, an undertaker:		
	a) must provide for the option of upfront Fixed Charges in respect of any work carried out by the undertaker; and	Compliant	Rule 48 that an up front fixed charge is not required.
	b) may also provide for other alternative methods for calculating charges but, where it does so, each alternative method must be explained clearly in the Charging Arrangements.	Compliant	Water mains fixed and bespoke charges will be offered. YW will not be providing a fixed quote for sewerage due to the variable nature of the function. A bespoke charge based on a study for each scheme will be provided. Developers in most instances construct the sewer in third party land, however they do have the option of a sewer requisition. The number of sewer requisitions are low, generally below 10 per year.
26	Requisition Charges must relate to the costs of providing the requisitioned Water Main and/or Public Sewer. Such charges may not include any amount for Network Reinforcement costs.	Compliant	Requisition charges will only be site specific and will not include any network enhancement.
27	Any Requisition Charges imposed by an undertaker:		
	a) must relate only to Site Specific Work carried out and costs incurred by the undertaker in order to meet its duties under sections 41(1) or 98(1) of the Water Industry Act 1991; and	Compliant	Requisition charges will only be site specific and will not include any network enhancement
	b) must not relate to work needed or desired to modify or enhance existing network infrastructure in order to address pre-existing deficiencies or to enhance network flexibility, in capacity or capability, unrelated to requirements associated with the requisition.	Compliant	Requisition charges will only be site specific and will not include any network enhancement
28	Where an undertaker provides a Water Main or Public Sewer pursuant to a requisition and, in so doing, decides to increase the capacity of pipes or other infrastructure beyond that which is needed to meet the undertaker's duty under section 41(1) or section 98(1) of the Water Industry Act 1991, the costs of this work shall, if this increases the costs of the work, be apportioned so that the person making the requisition only pays costs which are in proportion to the particular capacity required by his or her requisition.	Compliant	Suitably sizing a new pipe for further development will not be in the site specific charge, but will be incorporated into the infrastructure charge.

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
29	In setting Requisition Charges an undertaker may (but is not required to) provide for an Income Offset.	Compliant	As mentioned above, the proposed YWS charging arrangement, that has been designed to be fully cost reflective, will remove any income offset.
30	As regards the methodology for the calculation of Income Offsetting arrangements:		
	a) Each undertaker has discretion as to the methodology to be applied to calculate an Income Offset. Such methodology must, however, be clearly explained in the applicable Charging Arrangements;	Compliant	The new charges scheme is more cost reflective and an income offset will not be applicable.
	b) In addition as regards Water Mains, the methodology for the calculation of any Income Offset applied in respect of requisitioning charges must be equivalent to the methodology applied in calculating any Asset Payment an undertaker may make in respect of the adoption of Water Mains and	Compliant	The new charges scheme is more cost reflective and an income offset will not be applicable.
	c) Nothing in these rules prevents an undertaker from providing for Income Offsetting arrangements in relation to the requisition of Public Sewers if it does not make any Asset Payments in respect of the adoption of Sewers. But if the undertaker does make Asset Payments in respect of the adoption of Sewers or Lateral Drains then the methodology for the calculation of any Income Offset applied in respect of Requisition Charges must be equivalent to the methodology applied in calculating any such Asset Payment.	Compliant	The new charges scheme is more cost reflective and an income offset will not be applicable.
Charges for the Provision of Lateral Drains, the Connection of Water Mains and Communications with Public Sewers and for Ancillary Works			
31	Each undertaker shall set out in its Charging Arrangements charges that will be imposed by that undertaker for work carried out by it in accordance with the duties (or rights) created by the following provisions of the Water Industry Act 1991: section 45(1) (connection with Water Main); section 46(1) (ancillary works for purposes of making a domestic connection); section 98(1A) (provision of lateral drains); section 101B (construction of lateral drains following construction of a public sewer) or section 107(1) (right of undertakers to make communication with Public Sewer) (together, "Connection Charges").	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018. The charging scheme is detailed in this document
32	In relation to Connection Charges an undertaker:		
	a) must provide for the option of upfront Fixed Charges in respect of any work carried out by the undertaker; and	Compliant	Fixed charges are provided. With one exception; Sewerage connections: on the very rare occasions (once in the last 14 years) where YW elect to make the connection a bespoke charge will be applicable.
	b) may also provide for other alternative methods for calculating charges but, where it does so, each alternative method must be explained clearly in the Charging Arrangements.	Compliant	A bespoke charging service is detailed in the charges document, based on site survey bespoke charge

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
33	Any Connection Charges imposed by an undertaker must relate only to Site Specific Work carried out and costs incurred by the undertaker pursuant to sections 45(1), 46(1), 98(1A), 101B or 107(1) of the Water Industry Act 1991.	Compliant	Connection charges will only be site specific work.
34	Undertakers shall not provide for Income Offsets in setting Connection Charges.	Compliant	No Income off set applicable.

Charges and Asset Payments in respect of an Agreement under Section 51A or 104 of the Water Industry Act 1991

35	Each undertaker shall set out in the applicable Charging Arrangements the charges to be imposed and the Asset Payments, if any, to be made in respect of an agreement under section 51A or section 104 of the Water Industry Act 1991.	Compliant	Adoption charges are detailed in this document.
36	These charges are concerned with the cost of Site Specific Work necessary as part of the adoption or connection of a Water Main, Communication Pipe, Public Sewer and/or Lateral Drain. Such charges may not include any amount for Network Reinforcement costs.	Compliant	Site specific charges applicable only, no network reinforcement is applied.
37	Any charges imposed by an undertaker in respect of an agreement under section 51A or section 104 of the Water Industry Act 1991:		
	a) must relate only to Site Specific Work carried out and costs incurred by the undertaker in order to meet its duties under such an agreement; and	Compliant	Site specific charges applicable only
	b) must not relate to work needed or desired to modify or enhance existing network infrastructure in order to address pre-existing deficiencies, in capacity or capability, unrelated to requirements associated with the agreement.	Compliant	Site specific charges applicable only
38	Insofar as section 51A agreements are concerned, water undertakers shall provide for Asset Payments where the undertaker calculates the requisition charge for a Water Main to include an Income Offsetting arrangement.	Compliant	Similar to income offset, no asset payment will be applicable. This will essentially level the playing field between WaSCs, NAVs and SLPs and make the charging structure much more simple.
39	Insofar as section 104 agreements are concerned, sewerage undertakers may provide for Asset Payments for the adoption of a Sewer.	Compliant	Currently and proposed no asset payments for sewer adoptions.
40	Where an undertaker provides for Asset Payments in respect of the adoption of a Water Main pursuant to an agreement under section 51A of the Water Industry Act 1991, or the adoption of a Sewer pursuant to an agreement under section 104 of the Water Industry Act 1991, the calculation of any Asset Payment must be equivalent to the methodology applied in calculating an Income Offset applied in respect of Requisition Charges.	Compliant	No asset payments will be provided

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
41	Undertakers shall not provide for Asset Payments for the adoption of a Communication Pipe or Lateral Drain.	Compliant	No asset payments will be provided

Charges for Diversions of Pipes and other Apparatus under Section 185 of the Water Industry Act 1991

42	Each undertaker must set out in its Charging Arrangements its method(s) for calculating the charges imposed by that undertaker pursuant to section 185(5) of the Water Industry Act 1991 (“Diversion Charges”). In relation to Diversion Charges an undertaker:		
	a) may provide for the option of upfront Fixed Charges in respect of any work carried out by the undertaker; and	Compliant	Water main diversions will not have a fixed charge, and a bespoke charge will be available. The majority of sewerage diversions are developer led, where a fixed charge will be applicable, however capital diversions will be undertaken by YW and a bespoke charge applied.
	b) may also provide for other alternative methods of calculating charges but, where it does so, each alternative method must be explained clearly in the Charging Arrangements.	Compliant	The charges document details the charging regime for diversions, both fixed and bespoke.
43	Charges levied pursuant to section 185(5) must be calculated by reference to the principle that the undertaker is only entitled to recover costs reasonably incurred as a result of complying with the duty imposed by section 185(1) of the Water Industry Act 1991.	Compliant	The charges document details the charging regime for diversions, both fixed and bespoke.
	Security/Deposit Arrangements		
44	An undertaker is allowed to require security prior to commencing work, whether in the form of a sum deposited with the undertaker or otherwise:		
	a) under section 42(1)(b), 47(2)(a), 99(1)(b), 101B(3A), 107(3)(b)(ii) or 185(4); or	Compliant	Developer may be required to provide a cash bound or surety. The charges documents details when it is required
	b) for the purposes of any charges imposed under an agreement under section 51A or section 104 of the Water Industry Act 1991.	Compliant	Developer will be required to provide a cash bound or surety. The charges documents details when it is required

RULE NUMBER	SCHEME RULE	ARE WE COMPLIANT?	EVIDENCE
45	The type and amount of security should not be unduly onerous, taking into account the risk to be borne by the undertaker in carrying out the work in question. Where undertakers require security, the type and amount of security and the payment of interest on the security should reflect the general charging principles set out in paragraph 18.	Compliant	We confirm that the type and amount of security is consistent with national guidance, as follows; a) 100% sewer diversion until beneficially completed reduced to 10% for 12 months maintained period b) sewer adoption 30 % bound required
46	The undertaker must clearly set out requirements for security in relation to any charges to be applied in its Charging Arrangements.	Compliant	Amounts detailed in the charges document.
47	Undertakers are not required to provide for the option of upfront Fixed Charges in accordance with paragraphs 25 (Requisition Charges) of these rules, or to comply with paragraph 14, where, and to the extent that, it would be unreasonable to expect an undertaker to do so (having had regard to the practicality of setting a cost-reflective upfront Fixed Charge and the benefit to customers of producing such a charge).	Compliant	See rule 25
48	Where paragraph 47 applies, an undertaker must set out, and explain clearly, in its Charging Arrangements the alternative method or methods that will apply for calculating charges.	Compliant	Our 'Charging Arrangements for new connection services' charging scheme will be published on the YW website by the 31 January 2018. Detailed in the document

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