



South Staffs Water

incorporating



Developer Services Charging Arrangements 2021/22

January 2021

About South Staffs Water

South Staffordshire Water PLC ('South Staffs Water') is part of the South Staffordshire Plc group of companies, a privately-owned integrated services group concentrating on regulated water supply and complementary specialist service businesses. We operate across two regions under a single water supply licence, providing clean water services to more than 1.7 million people and around 43,000 businesses in Staffordshire, parts of the West Midlands, and in and around Cambridge. Our South Staffs region extends from Ashbourne in the north to Halesowen in the south, and from Burton-upon-Trent in the east to Kinver in the west. Our Cambridge region stretches from Ramsey in the north to beyond Melbourn in the south, and from Gamlingay in the west to the east of Cambridge city.

Cambridge region



South Staffs region



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1. Introduction

This document sets out the charging arrangements for developers within our South Staffs Water (SSW) and Cambridge Water (CW) operating regions for the period from **1 April 2021 to 31 March 2022**.

The charging mechanisms in this document are based on published advice from the Department for Environment, Food and Rural Affairs (Defra) and Ofwat rules¹. We continue to follow the guiding principles of these organisations and listen to feedback from our developer customers and other key stakeholders in all aspects of these charging arrangements.

Our new connections charges have been set to support the following principles:

- fairness and affordability;
- environmental protection;
- stability and predictability; and
- transparency and customer-focused service

In the build up to the publication of our 2021/22 developer charges we have:

- published and circulated a formal consultation document on our charges for feedback in October 2020
- held engagement sessions with the CCW (17 July 2020 and 5 January 2021), Fair Water Connections (27 July 2020), TDS (25 August 2020 and 13 January 2021), SLPs (16 September 2020, 20 November 2020 and 14 January 2021), NAVs (7 October and 11 December 2020) and developers (21 October 2020 and 15 January 2021).

There have been no significant changes to the charging rules for the 2021/22 charging year. Ofwat issued Information Notice (IN) 20/07² which provided further guidance on the worked examples that water companies should publish alongside their developer charges for 2021/22. Our worked examples are included within this document and comply with the requirements from IN 20/07. Our statement of significant changes which describes the annual changes to our charges for 2021/22 can be seen in appendix 6.

We continue to embed the changes from the 2020/21 charging year which included the following:

- income offset is applied to all new connections, apart from separation and replacement supplies;

¹ Ofwat charging rules: www.ofwat.gov.uk/wp-content/uploads/2019/07/Charging-Rules-for-New-Connection-Services-English-Undertakers-from-April-2020-1.pdf

² Ofwat IN 20/07 www.ofwat.gov.uk/wp-content/uploads/2020/11/IN-2007-Information-notice-on-charging-information-requirements-2021-22.pdf

- income offset is applied to the infrastructure charge rather than against the mains requisition charge; and
- there will no longer be asset payments for self-laid water mains.

The charges within this document will apply consistently across schemes that are delivered either in part or in full by Self Lay providers (SLPs), New Appointments and Variations (NAVs) and ourselves for developers. More information on the providers of new connection services can be seen in chapter 3.

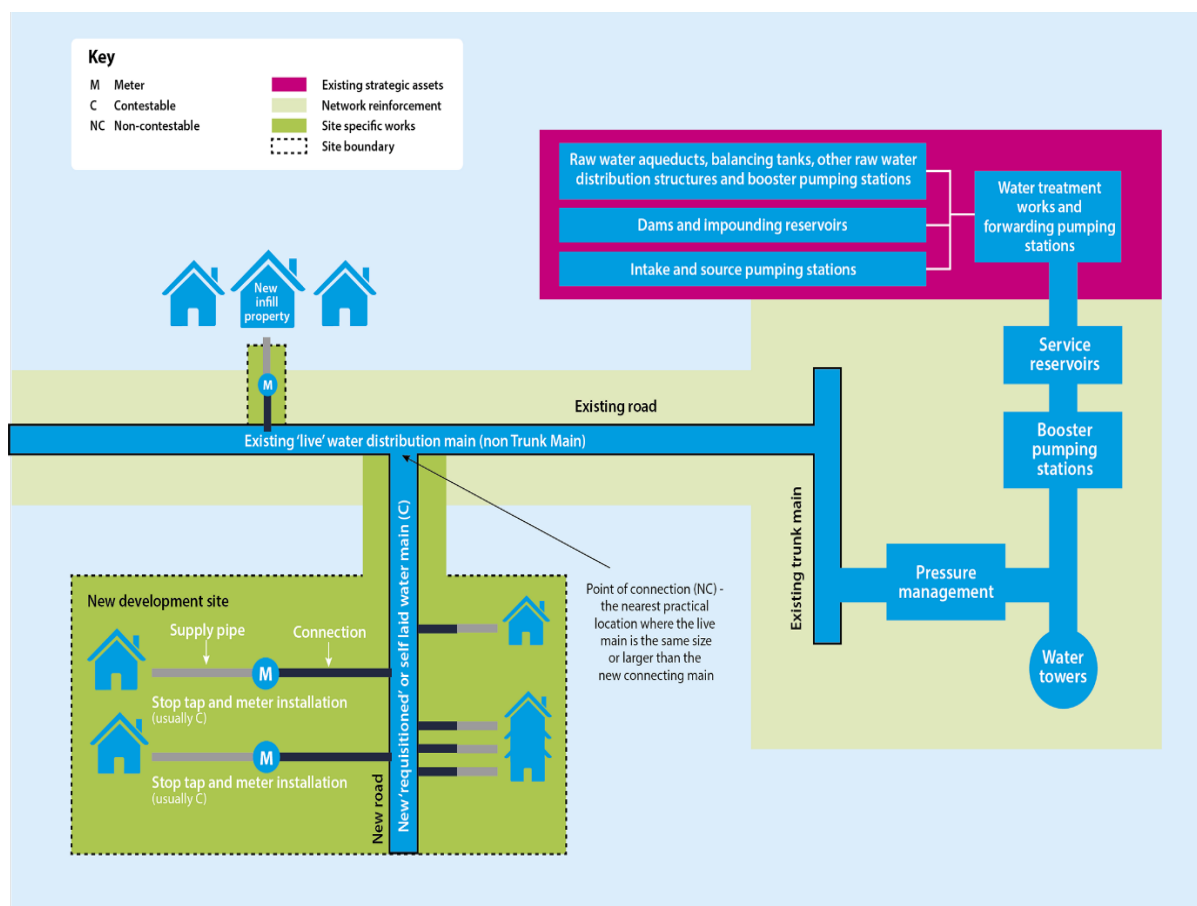
There is also a glossary of the various industry terminology/definitions in appendix 5.

2. Definitions and responsibilities

In this chapter, we set out information related to the different types of work that can be included to establish a new water network and who can complete this work within the industry market. Depending on the type of work that customers want to undertake, there are various responsibilities about the nature, location, payments and who can carry out the different categories of work.

Figure 1 below sets out some of these responsibilities. It illustrates the guidelines produced by Ofwat and Water UK.

Figure 1 Site-specific and reinforcement definition



This diagram shows the responsibility for the provision of assets for new connections and how the costs are owned or recovered by the various organisations. The different work streams can be divided into the following activities and defined as:

- new development (site-specific activity),
- network reinforcement, and
- resources/supplies.

Further details about each work stream are set out below. The contestability of each activity is correct at the time of publication (31 January 2021).

Work stream	Definition
New development	<p>Within a new development, this is site-specific work that includes:</p> <ul style="list-style-type: none"> • the work carried out within the site boundary; and • between the site boundary and the existing water main – including the actual connection to our network (point of connection). <p>The point of connection is the nearest practical location where the live main is the same size or larger than the new connecting main.</p> <p>All these works, apart from the physical point of connection itself, are contestable and can be carried out by:</p> <ul style="list-style-type: none"> • Self Lay providers (SLPs); • New Appointments and Variations (NAV); and • South Staffs Water/Cambridge Water (SSW/CW); <p>Site costs can include design costs.</p>
Network reinforcement	<p>This refers to work that is outside the new development, but is required as a consequence solely of the new development; it is not attributed to other factors within the network.</p> <p>The work must be carried out by SSW/CW.</p> <p>The cost of this work is recovered through the infrastructure charge that is paid by the developer for each connection.</p>
Resilience	<p>We may design/require new development assets to include resilience arrangements which give us greater operating capability once the network is live, resilience costs are not recovered through new connection charges.</p>
Resources/supplies	<p>Outside of the above, the general supply and treatment of potable water is funded through general charges to all water customers.</p> <p>This work must be carried out by SSW/CW.</p> <p>The costs of this work are not recovered through any new connection charges.</p>

3. Who can carry out new connections activity?

New connections activity can be carried out by a number of providers.

3.1 Self Lay providers (SLPs)

- Self Lay providers (SLPs) are contractors that are accredited under the Water Industry Registration Scheme (WIRS) to carry out new connections activity. This typically includes designing and constructing new service connections and laying new water mains. Each incumbent water company will set out which activities it deems as contestable and which are non-contestable each year.

On 1 January 2021 we saw the introduction of a new Self Lay Code for Adoption, to read more about these codes including what activity SLPs can carry out within the South Staffs and Cambridge Water regions and what the requirements of SLPs are please refer to our website³.

For the purposes of our charges, the headline activities which are non-contestable include:

- application fee activities excluding designs,
- the physical connection between a new mains length and our existing network (otherwise referred to as 'source of water' connections).

The charges relating to these activities are signposted within this document.

3.2 New Appointments and Variations (NAVs)

- New Appointments and Variations (NAVs) are limited companies that become the new provider of water and/or sewerage services to an area previously served by the existing incumbent water company. In becoming the new provider NAVs typically receive new connections services from the existing incumbent water company and/or SLP to set up a water supply into the area.

3.3 The incumbent water company

- South Staffs and Cambridge Water (the incumbent water company).

³ Water Codes for Adoption webpage: www.south-staffs-water.co.uk/developer/get-connected/self-lay/water-codes-for-adoption

4. The connection process

This chapter sets out the various steps carried out by the respective parties to complete a water connection, from submitting an application through to establishing an account within the billing system.

Blue steps reflect the developer customer actions.

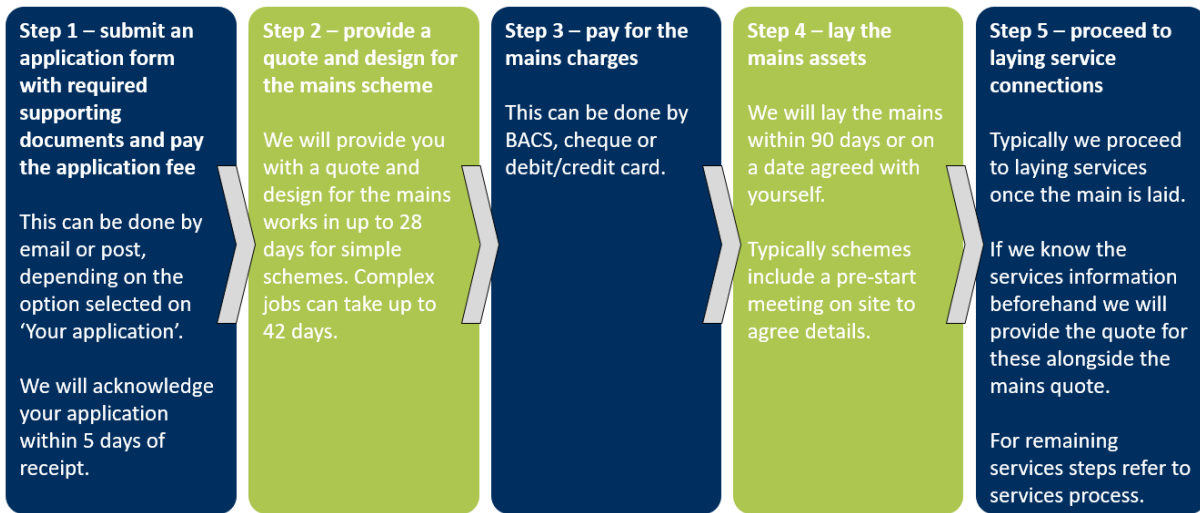
Green steps reflect the actions for South Staffs and Cambridge Water.

4.1 Option 1: to connect a South Staffs Water/Cambridge Water scheme

Figure 2 Developers requiring one or more single service connections

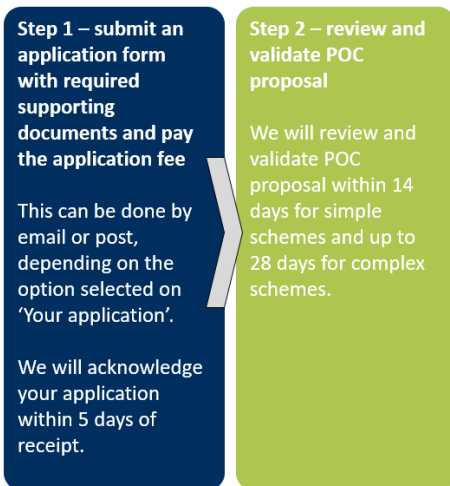


Figure 3 Developers requiring a new mains scheme



4.2 Option 2: to connect a Self-Lay scheme

Figure 4 Self Lay providers Point of Connection (POC) application



Self Lay providers mains laying application:

Figure 5 Application steps where the SLP is completing the design



Figure 6 Application steps where South Staffs Water/Cambridge Water is completing the design



Figure 7 Mains laying steps

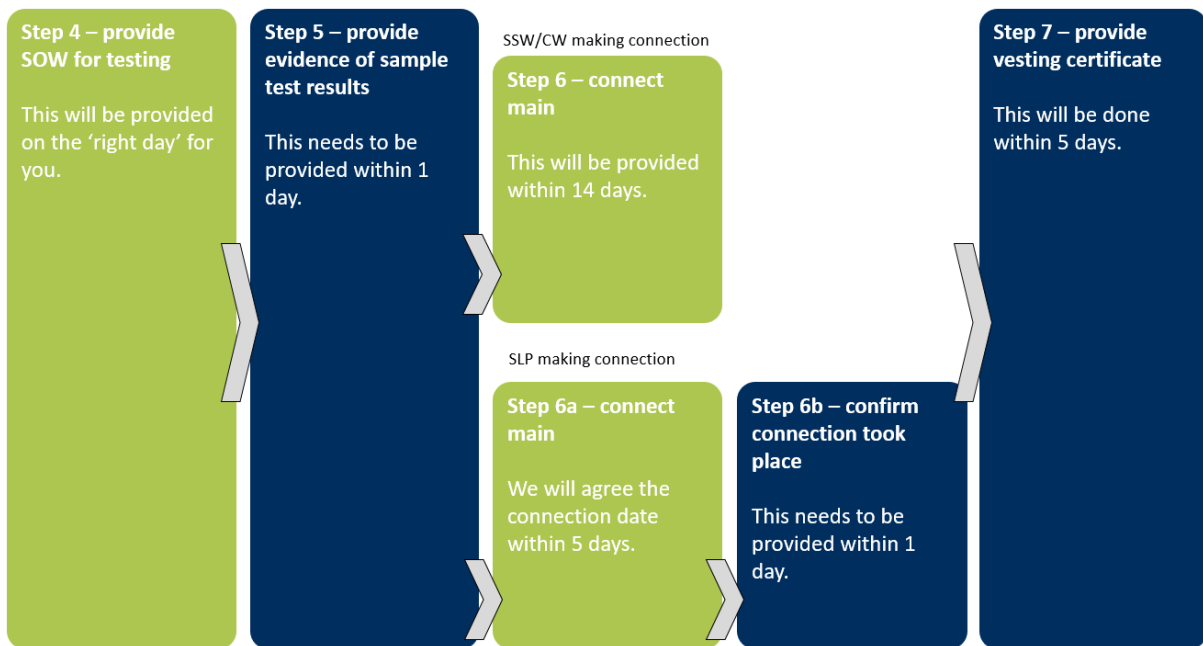
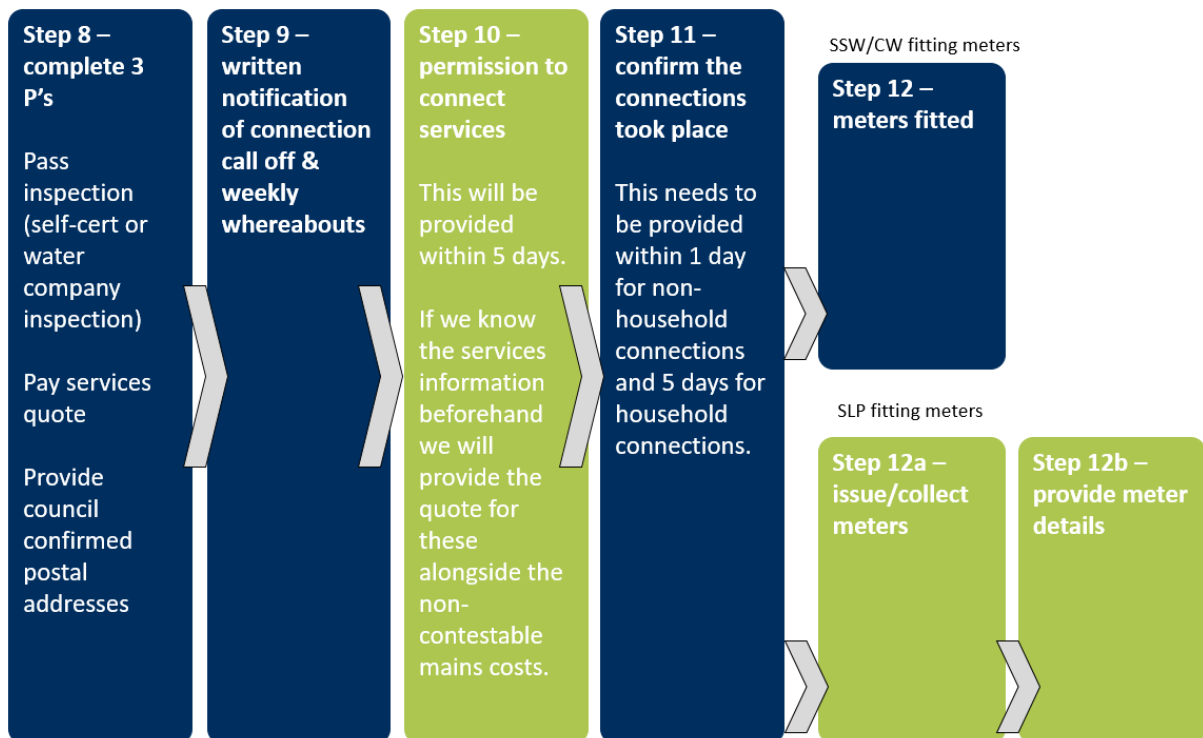


Figure 8 Service connection steps



4.3 Option 3: to connect a NAV

Figure 9 Application steps

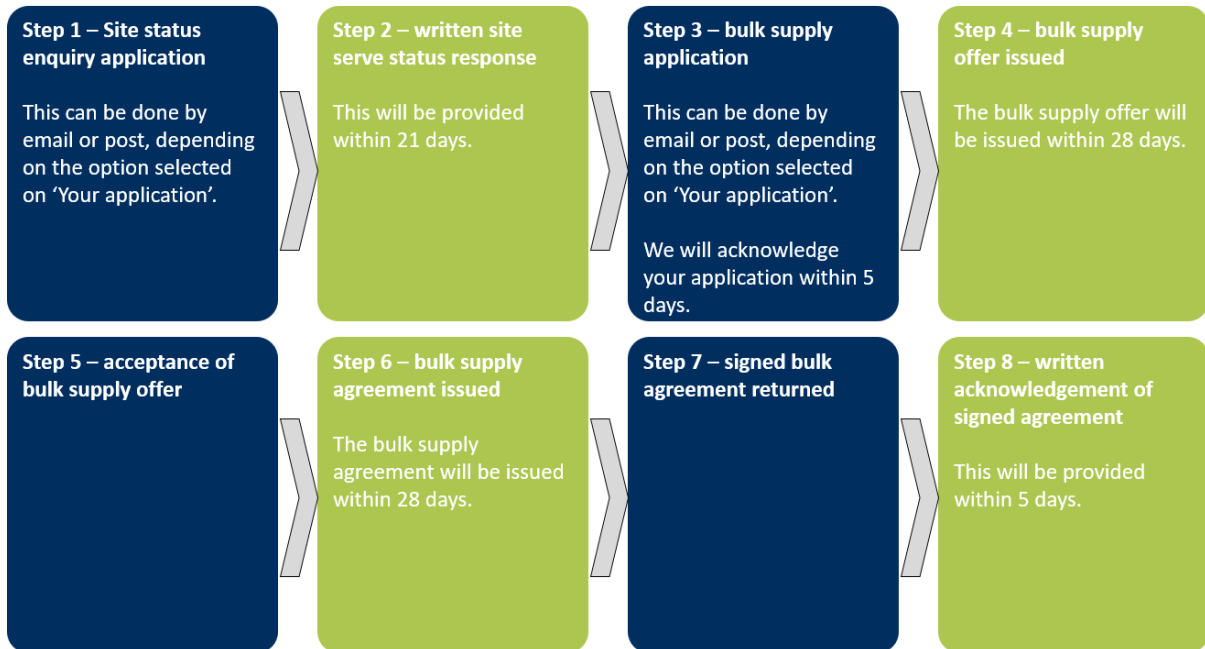
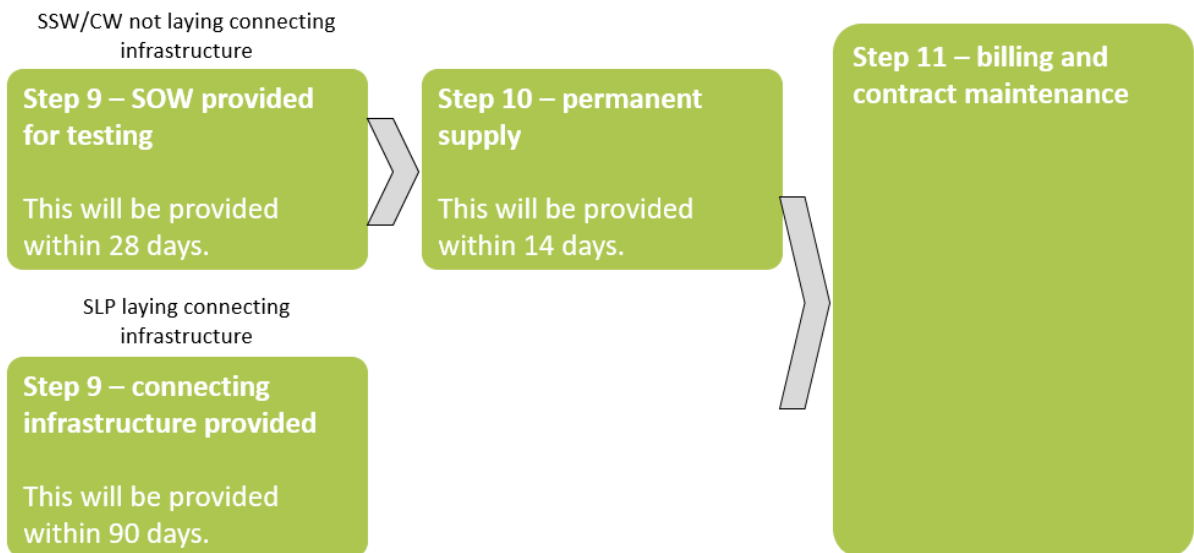


Figure 10 Connecting infrastructure steps



5. Customer charges

This chapter explains our charges and how we have calculated each of them.

We assess each application from developers on an individual basis, taking the customer's requirements into account. These can vary from a single connection to our existing network to a large development that requires on-site mains and off-site reinforcement.

We have a number of charges for new connections to our water network. These are:

- a) Application fees;
- b) Water and sewerage infrastructure charges;
- c) Water mains charges;
- d) Water service connection charges; and
- e) Diversion charges.

We discuss each of these in more detail in the following chapters.

5.1 Application fees

Application fees cover the cost we incur when providing the administrative steps at the start of each process. We charge an application fee for requests as set out in the table below.

Table 1 – Application fees

Application	Charge
Service connection application	£154.21
Developer enquiry/speculative enquiry/NAV (site status) enquiry/Self Lay POC (point of connection) application	£154.21
Mains application where SSW/CW are completing the design	£480.38
Mains application where a SLP is completing the design element	£362.67
Diversion application	£480.38
NAV bulk supply application	£480.38

Where a developer customer is seeking a separation/replacement of an existing service connection supply there is no application fee payable.

VAT is applicable for application fees unless you are a Self Lay provider (SLP). VAT is not applicable for application fees for SLPs.

The application fee covers the full process of preparing a quotation. This includes:

- administration fees (including acknowledgement, checking documentation, administrative queries),
- checking the network's capacity,

- production of a design and an on-site estimate of costs associated with delivering the work, which results in the quotation, and
- a plan being issued to the developer customer.

Within the list of services provided for the application fee the design element is **contestable**. We therefore have a reduced mains charge (as shown in the table above) to reflect applications where the SLP is completing the design.

5.2 Validity of estimates

Our quotations are valid for 12 months after the issue date.

Once payment of the quote has been made this quote will be honoured (provided the scope of work does not change).

If a developer customer has paid for the quote but requires an amendment to the quotation that represents a material change to the original design, we will need to recomplete the administrative steps and therefore we will apply the relevant application fee.

In the event that a developer customer has not paid for the quote within 12 months and the offer has expired, they will need to re-apply and the appropriate application fee will be charged again.

5.3 Water metering policy

Water metering is an important consideration on any new development. This is mandatory for new connections regardless of whether we are providing the connections to our network, or an SLP is providing them. Water meters are chargeable for both household and non-household developments, and the charge depends on meter size and configuration. Where a connection is replacing an existing connection this connection does not need to become metered if not already.

The water company bears the bulk meter arrangement costs on a NAV scheme.

5.4 Consumption monitoring for major new sites

For developments of 300 properties or more, we reserve the right to install a new meter chamber, meter and associated logging equipment for the new site. This equipment is required to monitor the consumption data in the new development so that we can make adequate provision to monitor and identify any subsequent leakage levels in the area.

6. Water and sewerage infrastructure charges

6.1 Water infrastructure charges

Depending on the location and scale of a new development, we may need to upgrade our network to meet the supply requirements of the new connections.

Infrastructure charges fund the expenditure required to provide the enhancements to the distribution system that are necessary to meet increased demand resulting from new or additional connections to our water supply system.

All types of connections, household and non-household, incur infrastructure charges regardless of whether a water company, SLP or a NAV delivers the connection.

The infrastructure charge calculation is typically based on forecast data and consists of:

- taking the total cost of developer-driven, non-site specific work to our existing network over the next five-year period to facilitate planned growth, and
- dividing this by the total number of property connections over the same five-year period.

This gives us a 'per property infrastructure charge'.

This mechanism has been in place since 2018/19 and as each charging year closes our projections turn from forecast figures into actual figures. Any variances between our forecast and actual figures need to be incorporated into our future charge calculations to ensure that our reinforcement costs and infrastructure revenues are equal over a rolling period. For this reason, and because we expect a number of our previously forecast schemes to be delayed as a result of COVID19, we are taking the step of reducing our infrastructure charge for 2021/22.

From 1 April 2021 the water infrastructure charge that funds off-site reinforcement works will be **£305 per plot**. This will apply across both our Cambridge and South Staffs regions.

6.2 Infrastructure charge credit

We will apply infrastructure charge credits where the site has been connected to our network within the previous five years. This reflects the reduction in the need for network reinforcement.

We apply the credit by deducting the number of former dwellings connected on the site (within use within the previous five year) or by taking the metered water consumption of the site and equating that to an average dwelling within the company's area to arrive at an

equivalent number of dwellings. In the absence of metered information, we use other reasonable evidence to estimate the previous demand on the network from the site.

6.3 The relevant multiplier

In certain circumstances, if the water is used for purposes other than flats or houses (for example, in commercial premises, schools and hotels), we calculate the infrastructure charge according to the number and type of water fittings installed in the premises. We call this the 'relevant multiplier' or 'RM'.

We calculate the RM totalling the loading units⁴ for all water fittings in the property and dividing that number by 24. This is the total number of loading units for a standard dwelling. We then multiply the RM by the current water and sewerage infrastructure charges to arrive at the total charges for the property.

See table A2 in appendix 1 for more details.

6.4 Sewerage infrastructure charges

We collect all sewerage charges on behalf of either [Anglian Water](#)⁵ (in our Cambridge region) or [Severn Trent Water](#)⁶ (in our South Staffs region). Queries about sewerage infrastructure charges or sewerage discount schemes should be referred directly to these companies.

The same RM, calculated using the methodology described above, will be applied to the sewerage infrastructure charge. As with water infrastructure charges, sewerage infrastructure charges are reviewed by the respective company each year.

⁴ 'Loading units' are loadings attributed to each water fitting.

⁵ www.anglianwater.co.uk/developers/

⁶ www.stwater.co.uk/building-and-developing/overview/

7. Income offset

We use the term ‘income offset’ to describe the reduction in our new connection charges that is applied to reflect the bill-paying income that we will receive from the newly connected properties over a 12-year period. We will apply an income offset amount per property.

Income offset is applied against the infrastructure charge. The purpose of the infrastructure charge and the purpose of income offset are not related however we apply against the infrastructure charge (in line with the new connections charging rules) because it is applicable for all developer customers and therefore it ensures that the offset is applied in all new connection circumstances irrespective of who carries out the works.

For our 2021/22 charges, the income offset value is **£660.00 per plot**. The income offset is greater than the infrastructure charge by **£355.00** and therefore this will be deducted from the balance of all charges due at that point, which may mean that we need to provide a rebate to the developer customer.

Income offset is not applicable for replacement connections.

The worked examples in appendix 4 show how we will apply these fixed charges in practice.

8. Charges for site-specific, network reinforcement and other work

8.1 On-site mains charge

We know from feedback that developers like to know in advance and consistently what they will have to pay for certain activities undertaken at their request. So, this chapter will enable the likely cost to be determined without further reference to us.

The first stage is to determine the likely point of connection (POC) to our network. This can be completed by referencing the local network information, which our asset records department (address in chapter 14) can provide. For anyone wishing to know the point of connection off our network, this information can be requested through a developer enquiry/speculative application as set out on our website.

A suitable point of connection will be any main with a diameter the same size or greater than that of the requisitioned main. Occasionally we may prefer a different point of connection – for example, to ensure no impact on other customers or to facilitate network resilience. If we do, we will not make a charge in respect of any additional costs associated with that new point of connection.

The likely components of the requisitioned main will need to be determined from the mains design. To ensure consistency, if we need to design a mains layout for a site, we will use the latest version of ‘Civil Engineering Specification for Water Industry’ as well as our Design and Construction Specification⁷.

Our mains charges are based on the cost of paying our contract provider to carry out these specific activities plus the cost we directly incur for managing this activity.

Tables A3.1 to A3.11 in appendix 2 illustrates how to calculate the charges according to the nature and number of components within the design.

Thereafter, the charges will be applied on a per metre basis. The charge per metre of the mains length varies according to:

- the diameter of the main,
- the surface in which it is laid, whether it is made (that is, surfaced), unmade, footpath, private land, or part of a development site,
- the material of which the main will be comprised, whether polyethylene or barrier pipe (required in contaminated land),
- the number of trial holes and water fittings required (for example, air valves, washouts, fire hydrants, bends or other fittings), which needs to be assessed. The

⁷ www.south-staffs-water.co.uk/media/3489/sstdesignandconstructionspectification2020final.pdf

cost of installing these can be calculated by reference to tables A3.1 to A3.11 in appendix 2, and

- the necessity for and complexity of traffic management likely to be required, which needs to be assessed.

As previously referenced, the majority of the services provided for mains laying are **contestable**. However, the physical connection between a new main and the existing network is **non-contestable** in the South Staffs and Cambridge Water regions.

8.2 Charges for new or replacement service connections

The charges for new connections depend on a number of factors, including:

- the type of ground in which the pipe is to be installed,
- the length and diameter of the service pipe as it applies to the developer's requirements, which we assess based on the number of water-using appliances or required flow rates,
- whether the ground is contaminated, and
- the traffic management or local authority requirements of any highways that must be crossed.

Our connection charges are based on the cost of paying our contract provider to carry out these specific activities plus the cost we directly incur for managing this activity.

We use a range of standard costs to put together a quotation for the service connection (see appendix 3) as we set out a range of these costs as they relate to the different requirements of a developer's site.

Please note that all connections are subject to us carrying out a regulations inspection of the customer-side pipework (pipework within the boundary of the property) and that all charges are net of VAT, where applicable.

8.3 Non-standard works (main laying)

Because of the varying nature of connections, circumstances sometimes arise where external factors can affect the costs we incur. These external factors may be outside our immediate knowledge or control. In exceptional cases, they could lead to a significant variance in costs.

For this reason, Ofwat has confirmed that water companies should not have to provide fixed up-front charges for mains requisitions in the following situations where it would be unreasonable to expect us to do so.

- The work is technically complex, bespoke, or only carried out infrequently,

- Third parties can legitimately recover their costs and there is not a reasonable level of certainty about those costs before the connection work is carried out,
- The requirements of third parties are not known up front – they have rights to protect their assets or interests in a way that could affect the construction method,
- The work is to be carried out on or close to land that has particular environmental, historical or archaeological characteristics. These characteristics mean that specific measures are required during construction or reinstatement. The details of these measures may not be fully defined before the work starts.

We will use bespoke charges for any non-standard work using the best information available and based on the recovery of reasonable costs.

9. Indicative bulk charges for NAVs

When a NAV is appointed as a water company for a site, it may have its own water supply, which it could use to supply its customers. Alternatively, it may wish to purchase a supply of water from us. This is known as a 'bulk supply'.

We have considered Ofwat's conclusions on the guidance for setting bulk NAV charges published in November 2020. Our approach is set out in detail below:

9.1 Relevant wholesale tariff

The starting position in deriving the bulk charge is the standard volumetric wholesale charge published in our wholesale charges scheme. This charge is the same for both business and residential customers. Our standing charges only represent the cost of the meter and any associated maintenance at the customer's property. This is provided by the NAV and so should not be part of the bulk charge.

9.2 On-site ongoing costs

These are on-site costs that we avoid, as this is the responsibility of the NAV.

In Ofwat's November 2020 decision document, they expressed a preference for a bottom up approach to avoided on-site costs. This involves using specific estimates of the typical costs incurred for different on-site activities, for example water quality sampling.

We are committed to moving to a bottom up approach within the current price control period. For 2021-22 charges, we have continued with our current top-down approach.

The starting point is the amount of treated water distribution costs reported in the Annual Performance Report (APR) table 4D. These costs include the maintenance costs for our infrastructure assets.

We deduct power costs, recognising that a NAV is unlikely to provide on-site pumping costs. We also deduct rates as it is not expected that we would avoid any of this cost if a NAV operated a new development.

These costs will inherently include indirect overhead based on our cost allocation methodology we use to complete the APR table 4D.

We then calculate how much of these costs relate to the local network of infrastructure using the length of mains that are less than 320mm in diameter as a percentage of our total length of mains. This figure is then divided by the total volume of water supplied to give a £/m³.

9.3 On-site leakage

Our wholesale tariff is charged on the volume of water delivered to properties. However, the bulk tariff is charged on water delivered to the on-site network, meaning an adjustment is necessary, as we will avoid costs associated with leakage on the NAV site.

We have assumed that the amount of leakage for a new development is 3% of the total water supplied.

We have therefore made a deduction of 3% of the wholesale charge.

9.4 WACC on on-site assets

Ofwat confirm in their decision document that the WACC element is no longer relevant due to the change in charging rules that allow a NAV to receive an income offset.

We have considered whether there should be an additional allowance to reflect the operational risk experienced by NAVs that an incumbent avoids so that an equally efficient NAV is able to earn a profit margin.

The current top down approach to avoided costs inherently include costs which would not be avoided and so provides additional margin for efficient NAVs. We have therefore not made any allowance. We will consider making an allowance as we move to a bottom up approach to avoided costs.

9.5 Depreciation

An allowance should be given for the depreciation of on-site assets that we avoid. Similar to the WACC, the change in charging rules mean that there is no net depreciation on new mains and services as these are fully contributed by the developer.

Any future replacement of these services is already included in our avoided costs as we expense all of this type of activity.

For some sites, there may be a need to build new over-ground assets, for example for on-site pumping or treatment. We will engage with the NAV on the appropriate depreciation adjustment where this is applicable.

We set out our indicative NAV charges for 2021/22 below.

Table 2 Indicative NAV charges, 2021/22

	South Staffs region (£/m ³)	Cambridge region (£/m ³)
Standard wholesale tariff	£1.0892	£0.8777
Less on-site ongoing costs	(£0.2159)	(£0.2159)
Less on-site leakage adjustment of 3%	(£0.0327)	(£0.0263)
NAV bulk charge	£0.8406	£0.6355

Note: As our wholesale tariffs differ across regions due to different treatment and distribution costs, there is a NAV bulk tariff for each region.

10. Diverting water mains

If an existing water main is in the vicinity of planned works, we can divert the main if it is practical for us to do so. We call the process of altering or removing assets in this way a 'diversion'.

In cases where we carry out some or all of the diversion work, we will provide a quotation based on our best estimate of costs; we are only entitled to recover any reasonable costs. All or part of the diversion works may be constructed by a suitably qualified third party contractor (SLP); this applies to contestable elements and requires prior agreement.

10.1 Water company diversion

We will carry out major diversion work as required by highway/transport authorities in accordance with the [New Roads and Streetworks Act 1991](#)⁸. We will provide a response to:

- C2 – Preliminary Enquiries,
- C3 – Budget Estimates, and
- C4 – Detailed Estimates in accordance with the Code of Practice timescales (unless an extension is obtained with mutual agreement).

With a C4 response, this estimate is valid for six months from the date it is issued.

The estimated cost refers only to the scope of works detailed within the request for diversion of apparatus. If the scope of works changes in any way, it is possible that variations will apply. Payment will be in accordance with regulation 8(1), including any adjustments for betterment or deferment where applicable.

10.2 Self-Lay diversion

Developers can choose an accredited SLP to carry out the water main diversion on our behalf. It is necessary for developers to have agreement before the work starts – and that we and the SLP understand clearly the contestable and non-contestable elements of the project, and can work together to deliver this in the required manner.

In all other cases, where we do not receive a C3 and C4 and the required diversion is not covered by the New Roads and Streetworks Act, the allowable costs of the mains diversion work must be paid in full.

⁸ www.legislation.gov.uk/ukpga/1991/22/contents

11. Water efficiency incentives – developer rebates

As an organisation, we recognise the continuing demand on the environment and supply of potable water.

We want to encourage developers across both our South Staffs and Cambridge regions to consider options and innovation in the management of the environment and water usage. As part of our water efficiency campaign we are offering a discount of 40% off the water infrastructure charge if properties are built to achieve 100 litres per person per day (l/p/d).

The predicted increase in population growth, combined with an ambitious programme of development and increasing per capita consumption will have an impact on the environment. Based on experience, we know these targets can be achieved by collaboratively working with our developers and customers and can provide advice (for example, through www.thewatercalculator.org.uk) to facilitate this objective with specific alignment to [Building Regulations Approved Document G \(2016\)](#)⁹.

11.1 What do you need to do?

11.1.1 Application stage

In the first instance we need to know that you intend to build water efficient homes at the application stage. When you submit your application there will be an option to select which notifies us that you are planning to build water efficient homes which qualify for our discount ie 100lpd. We will then cater for this discount within the quote we provide to you.

11.1.2 Connection stage

Once your buildings are complete and ready for connection we will need to see evidence that you have built to the required standards, this can be in the form of:

- Home Quality Mark (HQM) / BREEAM certification,
- outputs from the water calculator,
- another appropriate accreditation.

We will then carry out a check of the evidence to verify the information before providing the discount.

We will next review the water efficiency incentives for 1 April 2022.

⁹ www.planningportal.co.uk/info/200135/approved_documents/69/part_g_-_sanitation_hot_water_safety_and_water_efficiency

12. Payments

12.1 Standard payment terms

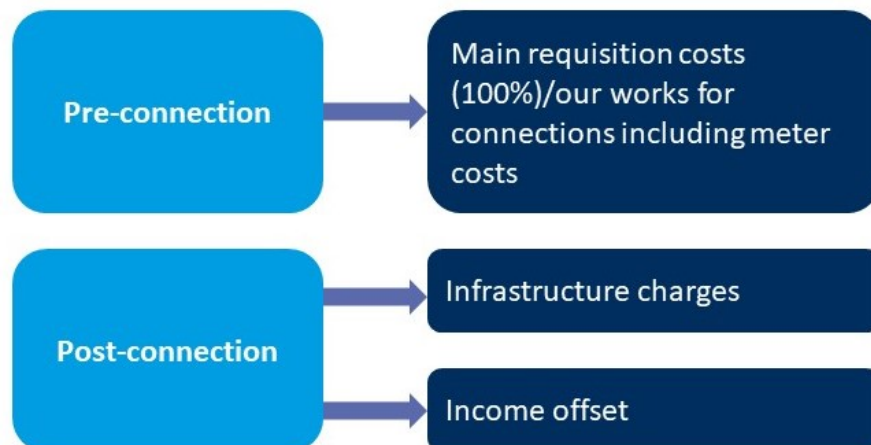
Once we have carried out our surveys, we will provide a quote for our works and meter costs and payment will be required in advance for both water mains (on-site) and service connections before any works are undertaken.

Once the connection has been made the balance from the infrastructure charges and income offset is due. While the infrastructure charges can be paid in advance, the income offset may not be bought forward and will only be payable upon connection.

In addition, where the actual works carried out represent a material change to the works originally quoted for you will be invoiced accordingly for these charges and these will be due immediately.

All charges are subject to the addition of VAT where this is payable under the relevant legislation.

Figure 11 Payment process



12.2 Payment methods

Our preferred payment method is bank transfer (BACS or CHAPS). BACS payments can be made into our account using the details below.

Bank:	HSBC
Sort code:	40-11-18
Account number:	63987183
UTR number:	6751065210
Company registration number:	2662742

We also accept all major debit and credit cards. Payment by card can be made by phoning 0845 456 1030.

We ask developers to quote a reference number when making payments. This should be an application number, job number or scheme number. Applications may be delayed if developers do not provide this information.

In addition, we accept cheques. These should be made payable to 'South Staffs Water' and sent to us at the following addresses.

Cambridge Water
90 Fulbourn Road
Cambridge
CB1 9JN

South Staffs Water
Green Lane
Walsall
WS2 7PD

13. Disputes and complaints

13.1 Measuring our performance

In line with the rest of the water sector, we currently report customer service statistics in accordance with Water UK's requirements. We publish our performance statistics on our [website](#)¹⁰.

We offer a redress scheme, which covers the following metrics. The below can be applied for on request.

SLA measure	Ref no	Service Target days	Voluntary Redress (in addition to target days)			
			1-7days	8-14days	14-30days	30days +
Pre development enquiry	W1.1	21	£15.00	£35.00	£70.00	£150.00
S45 quote acknowledgement	W2.1	5				
S45 prepare quote	W3.1	28	£15.00	£35.00	£70.00	£150.00
S45 connection	W4.1	21	£15.00	£35.00	£70.00	£150.00
Mains design < 500 plots acknowledgement	W5.1	5				
Mains design < 500 plots design and offer	W6.1	28	£15.00	£35.00	£70.00	£150.00
Mains design > 500 plots design and offer	W7.1	90				
S185 main diversion application acknowledgement	W16.1	5				
S185 main diversion quote (without constraints)	W17.1	42	£15.00	£35.00	£70.00	£150.00
S185 main diversion quote (with constraints)	W17.2	By agreement				
S185 main diversion construction/commissioning	W18.1	90	£15.00	£35.00	£70.00	£150.00
SLPOC application acknowledgement	W19.1	5				
Self-lay POC report for < 500	W20.1	21	£15.00	£35.00	£70.00	£150.00
Self-lay POC report for > 500	W21.1	28				
Self-lay design and terms request application acknowledgement	W22.1	5				
Self-lay design and terms request application for <500 plots no off site reinforcement or engineering difficulties	W23.1	14	£15.00	£35.00	£70.00	£150.00
Self-lay design and terms request application for >500 plots no off site reinforcement or engineering difficulties	W24.1	28				
Self-lay signed agreement acknowledgement	W25.1	5				
Self-lay source of water for pressure/bacteriological testing	W26.1	28	£15.00	£35.00	£70.00	£150.00
Self-lay provision of permanent supply of water	W27.1	14	£15.00	£35.00	£70.00	£150.00
Self-lay issue of vesting certificate	W28.1	7				
Self-lay asset payment	W29.1	35				£150.00
Self-lay provision of plot reference and costing details	W30.1	14				

For further details and definition of the above SLA measures go to:
<https://developerservices.water.org.uk/>

13.2 Disputes and complaints

At South Staffs and Cambridge Water we want to provide the best possible service to all of our developer customers. Therefore, if you are dissatisfied with the service that you have received from us we would like to know about this at the earliest opportunity so that we can work with you and look to provide a suitable resolution.

If you are not satisfied with our response to an initial concern, complaints can be made in writing to Developer Services team contact details within chapter 14 of this document.

¹⁰ www.south-staffs-water.co.uk/developer/performance

13.3 Water Redress Scheme (WATRS)

WATRS has been designed to complement CCWater's mediation and investigation. If CCWater is unable to settle a customer's dispute, WATRS will provide a final resolution that is binding upon water and sewerage companies.

14. Contacting us

Our dedicated Developer Services teams can be contacted about any queries relating to current and future water requirements for new developments.

14.1 Cambridge region

Developer Services
Cambridge Water
90 Fulbourn Road
Cambridge
CB1 9JN

Phone: 01223 403115

Website: www.cambridge-water.co.uk/developers

Email: for all application, administrative, mains laying and service connection activity within the Cambridge region please contact: CamNetDev@south-staffs-water.co.uk

For asset plans/map enquiries please contact: mapenquiries@south-staffs-water.co.uk

14.1.1 Sewerage enquiries – Cambridge region

Anglian Water
Lancaster House
Lancaster Way
Ermine Business Park
Huntingdon
PE29 6YJ

Phone: 0345 60 66 087

Website: www.anglianwater.co.uk/developers/

14.2 South Staffs region

Developer Services
South Staffs Water
Green Lane
Walsall
WS2 7PD

Phone: 0345 345 1399

Website: www.south-staffs-water.co.uk/developer

Email: for applications, designs, soil reports, plot reference details, inspection requests or providing certification of inspections, weekly whereabouts (SLPs), confirmations that service connections have been completed (SLPs) and meter fit requests (SLPs) please contact:

Servicerequests@south-staffs-water.co.uk

For returning agreements, requesting vesting certificates or asset payments and other payment items please contact: developerservices@south-staffs-water.co.uk

For mains laying activity such as arranging pre start meetings, arranging the delivery of mains laying on site (including for SLP non-contestable activity) and discussing sample results please contact: technicalservices@south-staffs-water.co.uk

For asset plans/map requests or to provide 'As Laid' drawings please contact:

recordsenquiries@south-staffs-water.co.uk

14.2.1 Sewerage enquiries – South Staffs region

Severn Trent Water
Severn Trent Centre
2 St Johns Street
Coventry
CV1 2LZ

Phone: 0800 707 6600

Website: <https://www.stwater.co.uk/building-and-developing/overview/>

Appendix 1: Loading units calculator

Table A1 Loading units calculator

Water fitting/appliance	Loading units
WC flushing cistern	2
Urinal	3
Wash basin in a house	1.5
Wash basin elsewhere	3
Bath (tap nominal size $\frac{3}{4}$ "/20mm)	10
Bath (tap nominal size $>\frac{3}{4}$ "/20mm)	22
Shower	3
Sink (tap nominal size $\frac{1}{2}$ "/15mm)	3
Sink (tap nominal size $>\frac{1}{2}$ "/15mm)	5
Spray tap	0.5
Bidet	1.5
Domestic appliance	3
Communal or commercial appliance	10
Any other waste fitting or outlet	3

Notes:

1. 'Any fitting' includes any plumbing, outlet, dedicated space or planning, or other provision for that fitting.
2. 'House' means any building or part of a building which is, or will be, occupied as a private dwelling. This includes flats/apartments.
3. 'Wash basin elsewhere' is not within a house (including in communal facilities).
4. 'Bath' includes whirlpool baths or Jacuzzis.
5. 'Domestic appliance' means an appliance (including dishwashers, washing machines and waste disposal units) in a house; 'communal or commercial appliance' means an appliance (including dishwashers, washing machines and waste disposal units) in somewhere other than a house (including in communal facilities).
6. A minimum of six loading units is included for each house for domestic appliances (whether or not the house has any such appliances). This does not apply where neither a washing machine nor a dishwasher can be provided (and there is no plumbing, outlet, dedicated space, or planning or other provision for either appliance) in the house.
7. Where premises have only a sewerage connection and there are no water fittings, the relevant multiplier is one.

Table A2 Relevant multiplier calculation – example

The example in the table below shows how the RM is used on a new development – in this case, a 20-bedroom hotel in our Cambridge region.

Water fitting/appliance	Number required	Loading units	Total proposed no. of loading units
WC flushing cistern	30	2	60
Urinal	3	3	9
Wash basin in a house	25	1.5	37.5
Wash basin elsewhere	3	3	9
Bath (tap nominal size $\frac{3}{4}$ "/20mm)	5	10	50
Bath (tap nominal size $>\frac{3}{4}$ "/20mm)	–	22	0
Shower	20	3	60
Sink (tap nominal size $\frac{1}{2}$ "/15mm)	3	3	9
Sink (tap nominal size $>\frac{1}{2}$ "/15mm)	–	5	0
Spray tap	–	0.5	0
Bidet	–	1.5	0
Domestic appliance	–	3	0
Communal or commercial appliance	–	10	0
Any other waste fitting or outlet	–	3	0
Total			234.5
Relevant Multiplier (Total number of loading units divided by 24)			9.77

In this example, the water infrastructure charge would be $9.77 \times \text{£}305.00 = \text{£}2,979.85$. We will review this charge each year.

Appendix 2: Mains charges

To keep this list to a manageable size we have modified some of the item values to take account of the differing cost of materials for hydrant and sluice valve installations. You should note that 63mm mains are only available within the Cambridge region because of the minimum 90mm fire service requirements in the South Staffs region.

Within our mains laying activity the physical connection between a new main and our existing network is **non-contestable**. The charges for this activity are primarily those shown in Tables A3.6 and A3.9 below. However, in carrying out the connection itself we often require other chargeable items such as fittings, a short length of pipework, traffic management and therefore these charges will form part of the **non-contestable** costs when associated with a physical connection but are **contestable** when associated with other activities for example general mains laying. This is demonstrated within the worked examples later in this document.

Table A3.1 Pipework charges on a development site (unmade ground)

Location	Condition	Material	OD size (mm)	Cost per m (£)
Development Site	Pipework Non Contaminated	HPPE	63	£39.13
		HPPE	90	£40.10
		HPPE	125	£45.91
		HPPE	180	£56.03
		HPPE	225	£121.51
		HPPE	280	£148.33
Development Site	Pipework Contaminated	ALPE	63	£51.66
		ALPE	90	£54.07
		ALPE	125	£73.61
		ALPE	180	£85.95
		ALPE	225	£204.04
		ALPE	280	£173.76

Table A3.2 Fittings charges on a development site (unmade ground)

Location	Condition	OD size (mm)	Each (£)
Development Site	Fittings eg. sluice valve, wash out, bends	63	£288.06
		90	£235.68
		125	£370.06

Location	Condition	OD size (mm)	Each (£)
		180	£504.98
		225	£636.69
		280	£791.50

Table A3.3 Back to back connection charges on a development site (unmade ground)

Location	Condition	OD size (mm)	Each (£)
Development Site	Back to Back Connection	63	£448.57
		90	£455.07
		125	£662.75
		180	£699.78
		225	£786.18
		280	£1,008.38

Table A3.4 Pipework charges in a footpath or carriageway (made ground)

Location	Condition	Material	OD size (mm)	Cost per m (£)
Footpath	Pipework Non Contaminated	HPPE	63	£93.42
		HPPE	90	£81.85
		HPPE	125	£87.66
		HPPE	180	£97.79
		HPPE	225	£179.89
		HPPE	280	£206.71
Footpath	Pipework Contaminated	ALPE	63	£93.42
		ALPE	90	£95.83
		ALPE	125	£115.36
		ALPE	180	£127.70
		ALPE	225	£262.42
		ALPE	280	£232.15
Carriageway	Pipework Non Contaminated	HPPE	63	£103.70
		HPPE	90	£92.14
		HPPE	125	£97.95
		HPPE	180	£108.08
		HPPE	225	£182.79

Location	Condition	Material	OD size (mm)	Cost per m (£)
		HPPE	280	£190.75
Carriageway	Pipework Contaminated	ALPE	63	£103.70
		ALPE	90	£106.12
		ALPE	125	£125.65
		ALPE	180	£137.99
		ALPE	225	£265.32
		ALPE	280	£235.04

Table A3.5 Fittings charges in a footpath or carriageway (made ground)

Location	Condition	OD size (mm)	Each (£)
Footpath/Carriageway	Fittings eg. sluice valve, wash out, bends	63	£288.06
		90	£235.68
		125	£291.27
		180	£504.98
		225	£636.69
		280	£791.50

Table A3.6 Connection charges

Item	Condition	Material	OD size (mm)	Each (£)
Connect to existing main	Non Contaminated	HPPE	63	£448.57
		HPPE	90	£455.07
		HPPE	125	£662.75
		HPPE	180	£699.78
		HPPE	225	£786.18
		HPPE	280	£1,008.38
Connect to existing main	Contaminated	ALPE	63	£448.57
		ALPE	90	£457.84
		ALPE	125	£477.03
		ALPE	180	£489.37
		ALPE	225	£542.66
		ALPE	280	£512.39

Table A3.7 Trial hole charges

Item	Location	Size limited to	Each (£)
Trial Hole	Unmade	1m3	£176.99
	Footpath	1m3	£272.49
	Carriageway	1m3	£521.19

Table A3.8 Line stop charges

Item	Single/double	Size of existing main	Each (£)
Line Stop	Single	≤ 150mm n.b.	£3,484.32
		>150mm ≤200mm n.b.	£3,919.28
		>200mm ≤300mm n.b.	£10,439.04
		>300mm ≤450mm n.b.	POA
		>450mm ≤600mm n.b.	POA
		>600mm ≤900mm n.b.	POA
		>900mm ≤1200mm n.b.	POA
	Double	≤ 150mm n.b.	£6,969.80
		>150mm ≤200mm n.b.	£7,838.56
		>200mm ≤300mm n.b.	£20,878.07
		>300mm ≤450mm n.b.	POA
		>450mm ≤600mm n.b.	POA
		>600mm ≤900mm n.b.	POA
		>900mm ≤1200mm n.b.	POA

Table A3.9 Under pressure connection charges

Under pressure connections	Made ground	Unmade ground
63mm diameter	£926.63	£744.73
80mm diameter	£926.63	£744.73
90mm diameter	£975.09	£793.19
100mm diameter	£975.09	£793.19
110mm diameter	£1,042.05	£860.15
125mm diameter	£1,042.05	£860.15
150mm diameter	£1,042.05	£860.15

160mm diameter	£1,690.73	£1,398.46
180mm diameter	£1,833.98	£1,541.71
200mm diameter	£1,833.98	£1,541.71
225mm diameter	£1,912.84	£1,620.57
250mm diameter	£1,912.84	£1,620.57
280mm diameter	£1,947.17	£1,654.90
300mm diameter	£1,947.17	£1,654.90
315mm diameter	£3,473.76	£2,323.02
350mm diameter	£3,795.75	£2,645.01
355mm diameter	£3,795.75	£2,645.01
400mm diameter	£3,943.82	£2,793.08
450mm diameter	£4,183.62	£3,032.88
500mm diameter	£4,328.47	£3,177.72
600mm diameter	£4,457.23	£3,306.48

Table A3.10 Chlorination and pressure testing charge

Chlorination and pressure testing
£405.96

At the point that this document was published SLPs cannot operate valves on our existing network or in a position where the valve operation could impact existing customers in our region (see our Annual Contestability Summary¹¹). However should we review this stance we would require SLP operatives to attend industry accredited calm networks training. We have our own training and the charge for this is shown below (per person). This charge reflects the cost we incur when a South Staffs Water/Cambridge Water employee attends this training as well as the cost incurred by our contractors if they attend this training.

Table A3.11 Calm networks training charge

Calm networks training charge
£300.00

¹¹ www.south-staffs-water.co.uk/media/3488/sstannualcontestabilitysummary.pdf

Appendix 3: Service connection charges

A3.1 Service connections up to 32mm

These connections are best suited for in-fill or small new developments, or on larger sites that connect to existing mains.

A standard service connection applies to connections in adopted and other surfaced roads. The developer excavates and lays the service pipe to the highway boundary, leaving at least one metre of labelled pipe to be connected to the main. We then:

- provide and fit a boundary box,
- excavate to the main,
- lay the service pipe,
- tap the main,
- backfill and reinstate the highway, and
- fit the meter.

Table A4.1 Standard service connections up to 32mm

Standard service connection in the highway, up to 32mm	Made ground	Unmade ground
Single connection, up to 2m in length	£836.88	£356.73
Each additional metre of pipe work	£190.61	£107.35
Single connection, up to 2m in length (contaminated ground)	£884.28	£397.05
Each additional metre of pipe work (contaminated ground)	£193.52	£109.87

Note: The rates above do not include meter costs, see table A4.4 for meter charges.

A3.2 Manifold service connections

These are best suited to situations where a number of new service connections are required on in-fill or small new developments. To avoid the need for multiple service connections, we will use a manifold in the form of a twin, four-way or six-way connection.

Table A4.2 Manifold service connections

Manifold service connection	Made ground	Unmade ground
Twin connection, up to 2m in length	£974.42	£444.52
Each additional metre of pipe work (32mm)	£190.81	£107.35
Twin connection, up to 2m in length (contaminated ground)	£1,050.29	£540.79
Each additional metre of pipe work (contaminated ground) (32mm)	£193.55	£109.87
Four-way connection, up to 2m in length	£1,796.11	£1,766.50
Each additional metre of pipe work (63mm)	£224.01	£107.95
Four-way connection, up to 2m in length (contaminated ground)	£1,847.05	£1,789.25
Each additional metre of pipe work (contaminated ground)(63mm)	£259.83	£120.43
Six-way connection, up to 2m in length	£2,126.28	£2,036.53
Each additional metre of pipe work (63mm)	£224.01	£114.31
Six-way connection, up to 2m in length (contaminated ground)	£2,183.18	£2,059.28
Each additional metre of pipe work (contaminated ground) (63mm)	£259.83	£120.43

Note: The rates above do not include meter costs, see table A4.4 for meter charges.

A3.4 Services connections larger than 32mm

These connections are most suitable for commercial premises or where water for firefighting may be a requirement. For these connections, we will install a temporary hydrant to allow for charging of the new pipe, and pressure and water quality testing by the customer. Once the tests have been completed successfully, we will remove the temporary hydrants and make the final connection to the premises.

Table A4.3 Service connections larger than 32mm

Service connections in the highway, larger than 32mm	Made ground	Unmade ground
40–63mm single connection, up to 2m in length	£1,989.57	£1,316.88
Each additional metre of pipe work	£234.84	£114.79
40–63mm single connection, up to 2m in length (contaminated ground)	£2,138.79	£1,412.22

Service connections in the highway, larger than 32mm	Made ground	Unmade ground
Each additional metre of pipe work (contaminated ground)	£256.87	£165.64
90–125mm connection, up to 2m in length	£2,082.80	£1,719.57
Each additional metre of pipe work	£230.97	£53.66
Brick Chamber	£1,000.00	
Non Return Valves – Fire supplies only		
63mm	£211.42	
80mm	£123.49	
100mm	£138.95	
150mm	£222.70	
200mm	£380.85	
250mm	£670.05	
300mm	£833.00	

Note: The rates above do not include meter costs, see table A4.4 for meter charges.

A3.5 Meters

Our service connection charges above do not include for the cost of a meter. The charges in the table below cover this cost. The meter fitting charge is only applicable where we are attending site to solely fit meters, where we are already attending site to lay the service connection we will not charge a meter fitting charge.

Table A4.4 meter charges

Meter	Charge
Standard size 15mm meter (internal or external)	£38.61
20mm meter (where larger demands are present)	£53.32
25mm meter (where larger demands are present)	£87.86
30mm meter	£138.33
40mm meter	£141.42
50mm meter	£261.41
80mm meter	£336.10
100mm meter	£380.15
Meter fitting charge	£44.81

A3.6 Traffic management

The following traffic management costs apply both to the service connections completed in the highway and mains laying schemes, where appropriate.

Table A4.5 Traffic lights

Traffic management – lights	Cost	Weekday out of hours (+33%)	Weekend out of hours (+52%)
Two-way lights	£236.25	£314.21	£359.10
Three-way lights	£542.08	£720.97	£823.96
Four-way lights	£591.72	£786.99	£899.41

Table A4.6 Traffic lights under manual control

Traffic management	Per day	Weekday out of hours (+33%)	Weekend out of hours (+52%)
Two-way lights (under manual control)	£350.10	£465.63	£532.15
Three-way lights (under manual control)	£892.18	£1,186.60	£1,356.11
Four-way lights (under manual control)	£941.82	£1,252.62	£1,431.57

Table A4.7 Site-specific charges

Lights to be suspended (per switch on/off)	Cost	Weekday out of hours	Weekend out of hours
CAD	£110.40	N/A	N/A
Stop/Go boards (2 operatives)	£409.92	£545.19	£623.08
Diversion cost (set up and dismantle)	£719.24	£956.59	£1,093.24
Diversion daily charge	£22.61	N/A	N/A
AWS signs	£115.20	N/A	N/A
Parking cones – one side of the road x 2 hrs	£81.60	£108.53	£124.03
Both sides of the road x 2 hrs	£81.60	£108.53	£124.03
Road plates (2 plates per day)	£60.36	N/A	N/A
Replace liner road marking (per m)	£16.51	N/A	N/A

Replace letter/symbol road marking (each)	£265.44	N/A	N/A
Replace speed bump (per m ²)	£283.18	N/A	N/A
Take up and relay existing edging kerb (per m)	£9.78	N/A	N/A
Take up and dispose existing edging kerb supply and lay new (per m)	£13.86	N/A	N/A
Weekend team (day)	£2,534.28	N/A	N/A
Reinstatement of block pavers	£562.50	£562.50	£830.36
Trench support up to 2.5m (per m)	£74.54	N/A	N/A
JCB – large (per day)	£415.01	£475.03	£509.59
Anti-skid tarmac (per m ²)	£155.67	N/A	N/A
Restricted access (per day)	£421.47	£560.55	£640.63
UPT/Drill up to 8" (per day)	£400.00	N/A	N/A
UPT/Drill over 8" (per day)	£2,000.00	N/A	N/A

A3.7 Local authority costs

In addition to our charges there may also be local authority costs when working in the highway, typically for road closures. We will include these costs within our quotes however we do not publish these as the costs for each local authority vary and they can change within a charging year. Please consult directly with your local authority to understand what their highway charges are.

A3.8 Miscellaneous charges

Table A4.7 Miscellaneous charges

Miscellaneous charges	Cost
Re-inspection fee where pipe work does not meet regulations or is not ready for inspection	£40.80
Aborted site visit to carry out a service connection	£600.00
Charge for late supply of meter details (to reflect the charge SSW/CW incurs from entering account information into the non-household market late as a result)	£40.00

A3.8.1 Defects

Where defects are identified on site and where we are required to carry out work to correct defects (after the developer customer has had the chance to correct already) we will charge for this activity and this charge will be specific to the activity undertaken.

A3.8.2 Section 58

There are circumstances where the local council place specific reinstatement requirements on work within the highway. Where this is the case, we will typically let you know at the quote stage and these charges will be specific to the activity undertaken.

Appendix 4: Worked examples

We have prepared the following examples to show the typical charges paid by developer customers for each scenario. The examples have been produced in line with the Ofwat Information Notice 20/07 and provide a granular break down of the total charges payable.

The examples below also show the change in charge values from 2020/21 to 2021/22. Annual increases and decreases in our developer charges have been explained within our Statement of Significant Changes document.

Wastewater charges have not been included as we are a water only company.

Single connection – short

Based on:

- 4m road surface in PE pipe,
- 25mm diameter pipe.

Single connection – short		2020/21 charges	2021/22 charges
Application fee		£90.00	£154.21
Service connections charge	Connection including 2m pipework in made ground	£836.88	£836.88
	2m additional pipework in made ground (2 x £190.61)	£381.22	£381.22
	Meter	£38.61	£38.61
	Traffic management Two way lights	£236.25	£236.25
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
Infrastructure charge (water only)		£381.00	£305.00
Income offset		-£599.00	-£660.00
Total		£1,409.96	£1,337.17

Single connection – long

Based on:

- 4m road surface in PE pipe,
- 4m in unmade surface in PE pipe,
- 25mm diameter pipe.

Single connection – long		2020/21 charges	2021/22 charges
Application fee		£90.00	£154.21
Service connections charge	Connection including 2m pipework in made ground	£836.88	£836.88
	2m additional pipework in made ground (2 x £190.61)	£381.22	£381.22
	4m additional pipework in unmade ground 2020/21: (4 x £155.97) 2021/22: (4 x £107.35)	£623.88	£429.40
	Meter	£38.61	£38.61
	Traffic management Two way lights	£236.25	£236.25
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
Infrastructure charge (water only)		£381.00	£305.00
Income offset		-£599.00	-£660.00
Total		£2,033.84	£1,766.57

New block of 10 flats – short

Based on:

- 4m road surface in PE pipe,
- Manifold connections – 63mm (4 port and 6 port).

Block of flats (short)		2020/21 charges	2021/22 charges
Application fee		£90.00	£154.21
Service connections charge	Four-way manifold including 2m pipework in made ground	£1,796.11	£1,796.11
	Six-way manifold including 2m pipework in made ground	£2,126.28	£2,126.28
	2m additional pipework in made ground (2 x £224.01)	£448.02	£448.02
	Meter (10 x £38.61)	£386.10	£386.10
	Traffic management Two way lights	£236.25	£236.25
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
Infrastructure charge (water only) 2020/21: (10 x £381.00) 2021/22: (10 x £305.00)		£3,810.00	£3,050.00
Income offset 2020/21: (10 x -£599.00) 2021/22: (10 x -£660.00)		-£5,990.00	-£6,600.00
Total		£2,947.76	£1,641.97

New block of 10 flats – long

Based on:

- 4m road surface in PE pipe,
- 4m in unmade surface in PE pipe,
- Manifold connections – 63mm (4 port and 6 port).

Block of flats (long)		2020/21 charges	2021/22 charges
Application fee		£90.00	£154.21
Service connections charge	Four-way manifold including 2m pipework in made ground	£1,796.11	£1,796.11
	Six-way manifold including 2m pipework in made ground	£2,126.28	£2,126.28
	2m additional pipework in made ground (2 x £224.01)	£448.02	£448.02
	4m additional pipework in unmade ground 2020/21: (4 x £167.72) 2021/22: (4 x £114.31)	£670.88	£457.24
	Meter (10 x £38.61)	£386.10	£386.10
	Traffic management Two way lights	£236.25	£236.25
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
Infrastructure charge (water only) 2020/21: (10 x £381.00) 2021/22: (10 x £305.00)		£3,810.00	£3,050.00
Income offset 2020/21: (10 x -£599.00) 2021/22: (10 x -£660.00)		-£5,990.00	-£6,600.00
Total		£3,618.64	£2,099.21

Small housing development of 10 properties – water company laid assets

Based on:

- SSW/CW completing the design (incorporated within application fee)
- 10 service connections which are:
 - 3m in unmade ground,
 - in PE pipe
- New mains which is 50m made up of:
 - 90mm connection in road surface (connection into 180mm PE existing main),
 - 90mm diameter for 10m in PE and in road surface,
 - 90mm diameter for 20m in PE and in unmade ground,
 - 63mm diameter for 20m in PE and in unmade ground,
 - We do not have a site-specific design to indicate fittings requirement and therefore we have assumed five fittings (valves, bends etc) required across length of new mains pipework,
 - We have included for road plates and the use of a JCB. These items are not always required however these are common miscellaneous costs which might be included for within a mains quote,
 - The traffic management for this example has been assumed as a road closure and we have selected the local authority costs for Birmingham. Local authority costs vary between regions and can also change within the charging year therefore this figure is indicative of typical road closure costs and has been maintained consistent for 2020/21 and 2021/22.

Small housing development		2020/21 charges	2021/22 charges
Application fee (incorporating design element worth £117.71)		£90.00	£480.38
Service connections charge	Connections including 2m pipework in unmade ground 2020/21: (10 x £301.22) 2021/22: (10 x £356.73)	£3,012.20	£3,567.30
	1m additional pipework in unmade ground 2020/21: (10 x £155.97) 2021/22: (10 x £107.35)	£1,559.70	£1,073.50
	Meter (10 x £38.61)	£386.10	£386.10
Mains laying charge	180mm under pressure connection	£1,581.16	£1,833.98

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

	2020/21: (£761.12 + £820.04)		
	UPT drill for 2 days (2 x £400.00)	£800.00	£800.00
	2 x 90mm fittings at connection in footpath/carriageway 2020/21: (2 x £203.19) 2021/22: (2 x £235.68)	£406.38	£471.36
	1 x back-to-back	£392.34	£455.07
	10m of 90mm pipework in carriageway 2020/21: (10 x £79.44) 2021/22: (10 x £92.14)	£794.40	£921.40
	Road plates for 3 days (3 x £60.36)	£181.08	£181.08
	JCB use for 3 days (3 x £415.01)	£1,245.03	£1,245.03
	Traffic management Road closure - Birmingham	£2,415.15	£2,415.15
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
	Advanced warning signs	£115.20	£115.20
	20m of 90mm pipework in unmade ground 2020/21: (20 x £34.57) 2021/22: (20 x £40.10)	£691.40	£802.00
	20m of 63mm pipework in unmade ground 2020/21: (20 x £33.74) 2021/22: (20 x £39.13)	£674.80	£782.60
	Fittings on length of pipework 2020/21: (5 x £248.35) 2021/22: (5 x £288.06)	£1,241.75	£1,440.30
	Chlorination and pressure testing	No charge	£405.96
	Infrastructure charge (water only) 2020/21: (10 x £381.00) 2021/22: (10 x £305.00)	£3,810.00	£3,050.00

Income offset		
2020/21: (10 x -£599.00)		
2021/22: (10 x -£660.00)	-£5,990.00	-£6,600.00
Total	£13,451.69	£13,871.41

Medium housing development of 50 properties – water company laid assets

Based on:

- SSW/CW completing the design (incorporated within application fee)
- 50 service connections which are:
 - 3m in unmade ground,
 - in PE pipe,
- New mains which is 300m made up of:
 - 180mm connection in road surface (connection into 180mm PE existing main),
 - 180mm diameter for 10m in PE and in road surface,
 - 180mm diameter for 90m in PE and in unmade ground,
 - 125mm diameter for 100m in PE and in unmade ground,
 - 90mm diameter for 100m in PE and in unmade ground,
 - We do not have a site-specific design to indicate fittings requirement and therefore we have assumed 20 fittings (valves, bends etc) required across length of new mains pipework,
 - We have included for road plates and the use of a JCB. These items are not always required however these are common miscellaneous costs which might be included for within a mains quote,
 - The traffic management for this example has been assumed as a road closure and we have selected the local authority costs for Birmingham. Local authority costs vary between regions and can also change within the charging year therefore this figure is indicative of typical road closure costs and has been maintained consistent for 2020/21 and 2021/22.

Medium housing development		2020/21 charges	2021/22 charges
Application fee (incorporating design element worth £117.71)		£90.00	£480.38
Service connections charge	Connections including 2m pipework in unmade ground	£15,061.00	£17,836.50

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

	2020/21: (50 x £301.22) 2021/22: (50 x £356.73)		
	1m additional pipework in unmade ground 2020/21: (50 x £155.97) 2021/22: (50 x £107.35)	£7,798.50	£5,367.50
	Meter (50 x £38.61)	£1,930.50	£1,930.50
Mains laying charge	180mm under pressure connection 2020/21: (£761.12 + £820.04)	£1,581.16	£1,833.98
	UPT drill for 2 days (2 x £400.00)	£800.00	£800.00
	2 x 180mm fittings at connection in footpath/carriageway 2020/21: (2 x £435.37) 2021/22: (2 x £504.98)	£870.74	£1,009.96
	1 x back-to-back	£603.32	£699.78
	10m of 180mm pipework in carriageway 2020/21: (10 x £93.18) 2021/22: (10 x £108.08)	£931.80	£1,080.80
	Road plates for 3 days (3 x £60.36)	£181.08	£181.08
	JCB use for 3 days (3 x £415.01)	£1,245.03	£1,245.03
	Traffic management Road closure - Birmingham	£2,415.15	£2,415.15
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
	Advanced warning signs	£115.20	£115.20
	90m of 180mm pipework in unmade ground 2020/21: (90 x £48.31) 2021/22: (90 x £56.03)	£4,347.90	£5,042.70
	7 x 180mm fittings 2020/21: (7 x £435.37)	£3,047.59	£3,534.86

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

	2021/22: (7 x £504.98)		
	100m of 125mm pipework in unmade ground 2020/21: (100 x £39.58) 2021/22: (100 x £45.91)	£3,958.00	£4,591.00
	7 x 125mm fittings 2020/21: (7 x £319.05) 2021/22: (7 x £370.06)	£2,233.35	£2,590.42
	100m of 90mm pipework in unmade ground 2020/21: (100 x £34.57) 2021/22: (100 x £40.10)	£3,457.00	£4,010.00
	6 x 90mm fittings 2020/21: (6 x £203.19) 2021/22: (6 x £235.68)	£1,219.14	£1,414.08
	Chlorination and pressure testing	No charge	£405.96
Infrastructure charge (water only) 2020/21: (50 x £381.00) 2021/22: (50 x £305.00)		£19,050.00	£15,250.00
Income offset 2020/21: (50 x -£599.00) 2021/22: (50 x -£660.00)		-£29,950.00	-£33,000.00
Total		£41,031.46	£38,879.88

Large housing development of 200 properties – water company laid assets

Based on:

- SSW/CW completing the design (incorporated within application fee)
- 200 service connections which are:
 - 3m in unmade ground,
 - in PE pipe,
- New mains which is 1000m made up of:
 - 180mm connection in road surface (connection into 180mm PE existing main),
 - 180mm diameter for 10m in PE and in road surface,
 - 180mm diameter for 290m in PE and in unmade ground,
 - 125mm diameter for 300m in PE and in unmade ground,
 - 90mm diameter for 400m in PE and in unmade ground,

- We do not have a site-specific design to indicate fittings requirement and therefore we have assumed 50 fittings (valves, bends etc) required across length of new mains pipework,
- We have included for road plates and the use of a JCB. These items are not always required however these are common miscellaneous costs which might be included for within a mains quote,
- The traffic management for this example has been assumed as a road closure and we have selected the local authority costs for Birmingham. Local authority costs vary between regions and can also change within the charging year therefore this figure is indicative of typical road closure costs and has been maintained consistent for 2020/21 and 2021/22.

Large housing development		2020/21 charges	2021/22 charges
Application fee (incorporating design element worth £117.71)		£90.00	£480.38
Service connections charge	Connections including 2m pipework in unmade ground 2020/21: (200 x £301.22) 2021/22: (200 x £356.73)	£60,244.00	£71,346.00
	1m additional pipework in unmade ground 2020/21: (200 x £155.97) 2021/22: (200 x £107.35)	£31,194.00	£21,470.00
	Meter (200 x £38.61)	£7,722.00	£7,722.00
Mains laying charge	180mm under pressure connection 2020/21: (£761.12 + £820.04)	£1,581.16	£1,833.98
	UPT drill for 2 days (2 x £400.00)	£800.00	£800.00
	2 x 180mm fittings at connection in footpath/carriageway 2020/21: (2 x £435.37) 2021/22: (2 x £504.98)	£870.74	£1,009.96
	1 x back-to-back	£603.32	£699.78
	10m of 180mm pipework in carriageway 2020/21: (10 x £93.18) 2021/22: (10 x £108.08)	£931.80	£1,080.80
	Road plates for 3 days	£181.08	£181.08

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

	(3 x £60.36)		
	JCB use for 3 days (3 x £415.01)	£1,245.03	£1,245.03
	Traffic management Road closure - Birmingham	£2,415.15	£2,415.15
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
	Advanced warning signs	£115.20	£115.20
	290m of 180mm pipework in unmade ground 2020/21: (290 x £48.31) 2021/22: (290 x £56.03)	£14,009.90	£16,248.70
	15 x 180mm fittings 2020/21: (15 x £435.37) 2021/22: (15 x £504.98)	£6,530.55	£7,574.70
	300m of 125mm pipework in unmade ground 2020/21: (300 x £39.58) 2021/22: (300 x £45.91)	£11,874.00	£13,773.00
	15 x 125mm fittings 2020/21: (15 x £319.05) 2021/22: (15 x £370.06)	£4,785.75	£5,550.90
	400m of 90mm pipework in unmade ground 2020/21: (400 x £34.57) 2021/22: (400 x £40.10)	£13,828.00	£16,040.00
	20 x 90mm fittings 2020/21: (20 x £203.19) 2021/22: (20 x £235.68)	£4,063.80	£4,713.60
	Chlorination and pressure testing	No charge	£405.96
	Infrastructure charge (water only) 2020/21: (200 x £381.00) 2021/22: (200 x £305.00)	£76,200.00	£61,000.00
	Income offset 2020/21: (200 x -£599.00) 2021/22: (200 x -£660.00)	-£119,800.00	-£132,000.00
	Total	£119,530.48	£103,751.22

Self Lay provider examples

As described earlier in this document, within our mains laying activity the physical connection between a new main and our existing network is **non-contestable**. The charges for this activity are primarily those shown in Tables A3.6 and A3.9 earlier in this document. However, in carrying out the connection itself we often require other chargeable items such as fittings, a short length of pipework, traffic management, line stops, over riders and therefore these charges will form part of the **non-contestable** costs when associated with a physical connection but are **contestable** when associated with other activities eg general mains laying. This is demonstrated within the worked examples below.

Small housing development of 10 properties – Self Lay provider laid assets

Based on:

- SLP completing the design,
- SSW/CW carrying out new mains connection only (non-contestable activity):
 - 90mm connection in road surface (connection into 180mm PE existing main),
 - The traffic management for this example has been assumed as a road closure and we have selected the local authority costs for Birmingham. Local authority costs vary between regions and can also change within the charging year therefore this figure is indicative of typical road closure costs and has been maintained consistent for 2020/21 and 2021/22,
- SSW/CW fitting the meters.

Small housing development		2020/21 charges	2021/22 charges
Application fee (excluding design element)		£75.00	£362.67
Mains laying Non-contestable charge	180mm under pressure connection 2020/21: (£761.12 + £820.04)	£1,581.16	£1,833.98
	UPT drill for 2 days (2 x £400.00)	£800.00	£800.00
	2 x 90mm fittings at connection in footpath/carriageway 2020/21: (2 x £203.19) 2021/22: (2 x £235.68)	£406.38	£471.36
	1 x back-to-back	£392.34	£455.07
	Traffic management Road closure - Birmingham	£2,415.15	£2,415.15

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
	Advanced warning signs	£115.20	£115.20
Meter and meter fits (10 x £38.61) + (10 x £44.81)		£834.20	£834.20
Infrastructure charge (water only) 2020/21: (10 x £381.00) 2021/22: (10 x £305.00)		£3,810.00	£3,050.00
Income offset 2020/21: (10 x -£599.00) 2021/22: (10 x -£660.00)		-£5,990.00	-£6,600.00
Total		£4,484.43	£3,782.63

Medium housing development of 50 properties – Self Lay provider laid assets

Based on:

- SLP completing the design,
- SSW/CW carrying out new mains connection only (non-contestable activity):
 - 180mm connection in road surface (connection into 180mm PE existing main),
 - The traffic management for this example has been assumed as a road closure and we have selected the local authority costs for Birmingham. Local authority costs vary between regions and can also change within the charging year therefore this figure is indicative of typical road closure costs and has been maintained consistent for 2020/21 and 2021/22,
- SSW/CW fitting the meters.

Medium housing development		2020/21 charges	2021/22 charges
Application fee (excluding design element)		£75.00	£362.67
Mains laying Non-contestable charge	180mm under pressure connection 2020/21: (£761.12 + £820.04)	£1,581.16	£1,833.98
	UPT drill for 2 days (2 x £400.00)	£800.00	£800.00

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

	2 x 180mm fittings at connection in footpath/carriageway 2020/21: (2 x £435.37) 2021/22: (2 x £504.98)	£870.74	£1,009.96
	1 x back-to-back	£603.32	£699.78
	Traffic management Road closure - Birmingham	£2,415.15	£2,415.15
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
	Advanced warning signs	£115.20	£115.20
	Meter and meter fits (50 x £38.61) + (50 x £44.81)	£4,171.00	£4,171.00
	Infrastructure charge (water only) 2020/21: (50 x £381.00) 2021/22: (50 x £305.00)	£19,050.00	£15,250.00
	Income offset 2020/21: (50 x -£599.00) 2021/22: (50 x -£660.00)	-£29,950.00	-£33,000.00
	Total	-£223.43	-£6,297.26

Large housing development of 200 properties – Self Lay provider laid assets

Based on:

- SLP completing the design,
- SSW/CW carrying out new mains connection only (non-contestable activity):
 - 180mm connection in road surface (connection into 180mm PE existing main),
 - The traffic management for this example has been assumed as a road closure and we have selected the local authority costs for Birmingham. Local authority costs vary between regions and can also change within the charging year therefore this figure is indicative of typical road closure costs and has been maintained consistent for 2020/21 and 2021/22,
- SSW/CW fitting the meters.

South Staffordshire Water PLC
Developer Services charging arrangements 2021 to 2022

Large housing development		2020/21 charges	2021/22 charges
Application fee (excluding design element)		£75.00	£362.67
Mains laying Non-contestable charge	180mm under pressure connection 2020/21: (£761.12 + £820.04)	£1,581.16	£1,833.98
	UPT drill for 2 days (2 x £400.00)	£800.00	£800.00
	2 x 180mm fittings at connection in footpath/carrageway 2020/21: (2 x £435.37) 2021/22: (2 x £504.98)	£870.74	£1,009.96
	1 x back-to-back	£603.32	£699.78
	Traffic management Road closure - Birmingham	£2,415.15	£2,415.15
	Council permit South Staffs region Non-sensitive area	£45.00	£45.00
	Advanced warning signs	£115.20	£115.20
	Meter and meter fits (200 x £38.61) + (200 x £44.81)		£16,684.00
Infrastructure charge (water only) 2020/21: (200 x £381.00) 2021/22: (200 x £305.00)		£76,200.00	£61,000.00
Income offset 2020/21: (200 x -£599.00) 2021/22: (200 x -£660.00)		-£119,800.00	-£132,000.00
Total		-£20,410.43	-£47,034.26

In response to feedback, we are also providing you with what the water efficiency values would be on the three examples above if the development complies with our stated requirements.

Small housing development	
Discount 10 x 40% x £305	£1,220.00
Medium housing development	
Discount 50 x 40% x £305	£6,100.00
Large housing development	
Discount 200 x 40% x £305	£24,400.00

Appendix 5: Glossary

Application fee	Charges which cover the cost of the water company carrying out administrative activities including designs and quoting.
Back to back connection	A connection to commission a section of newly laid, tested and cleansed main. Work would normally involve the removal of temporary hydrants and test end and installation of short length of pipe with a straight coupling at either end.
Carriageway	Ground where the predominant use is for vehicle movements typically tarmac covered.
Charging Arrangements	A document setting out the charges and/or the methodologies for calculating them, applied by the water or sewerage undertaker in accordance with these rules.
Charging rules	The Charging Rules for New Connection Services (English Undertakers) issued under sections 51CD, 105ZF and 144ZA of the Act.
Charging year	A calendar year running from 1 April in a given year to 31 March in the following year.
CCW	A statutory consumer body for the water industry in England and Wales.
Contestable charges	Charges for work that an accredited organisation can carry out.
Developer	Any person or business which is responsible for a development
Developer customers	Any customer that receives new connection services from SSW/CW which include builders, developers, SLPs and NAVs
Development	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.
Diversion	The realignment of an existing main.
Existing main/network	A main that was in operation before development commenced.
Footpath	Ground where the predominant use is for pedestrian movements, typically concrete or tarmac covered.

Household	Any premises used wholly or partly as a dwelling or intended for household/domestic use.
Income offset	A reduction in the developer customer bill to account for future bill-paying revenue from the newly connected properties
Infrastructure charges	These charges cover the cost of reinforcing our network to cater for the increased demand of new developments.
Infrastructure credit	A reduction (or cancelling off) of infrastructure charges where a new connection is serving a location where there is an existing/previous demand
Line stop	<p>A line stop is the term given to a technique used to isolate flow where convenient sluice valves may not be available. It enables flow stop to be inserted and creates a temporary point of isolation. Customer interruptions are minimised because the flow stop is installed under pressure.</p> <p>When a second line stop is installed downstream of the first the section in the middle (between the line stops) is isolated from continuous flow and can be cut into to allow the installation of new fittings without interrupting the serviceability of the water main outside of the section between the line stops.</p> <p>Some considerations to be aware of is that if the single/double line stop is on a single feed water main or on a main that is of a critical nature then a bypass around the line stop(s) would need to be installed to maintain the required flow. This is achieved by additional under pressure tees outside of the line stop locations and a bypass main installed to achieve the required flow. The provision of thrust blocks to restrain these fittings should also be considered dependent upon, working pressure, existing main material, and existing main diameter.</p>
Made ground	A maintained road or footpath where a permanent reinstatement will be required.
Mains charges	Charges which cover the cost of laying/constructing a new water main to an existing main.
Manifold	A fitting which can distribute a single connection from the existing main into a series of supply feeds. Often used when multiple connections are required in a small proximity.
New appointments and variations	New appointment and variations provide water and/or sewerage services to customers in an area previously served by the incumbent monopoly provider. A new appointment is made when

	<p>Ofwat appoints a company for the first time to provide services for specific geographic area. A variation is where an existing appointment is varied to extend the areas served.</p>
Non-contestable charges	<p>Charges for work that accredited organisations cannot carry out.</p>
Non-household	<p>Any premises used wholly or partly as a dwelling or intended for non-household/commercial use.</p>
Off-site	<p>Works carried out or proposed to be carried out outside the site boundary.</p>
Ofwat	<p>The Water Services Regulation Authority (Ofwat) is the economic regulator of the water sector in England and Wales.</p>
On-site	<p>Works carried out or proposed to be carried out within the site boundary.</p>
PE pipework	<p>Pipework made from polyethylene which is used as standard in non-contaminated ground.</p>
Per property/per plot	<p>Charges which are structured such that one charge applies per property or plot</p>
Point of connection	<p>The point of connection – or POC – is the point on the water network where the connection of mains/connections can be accommodated.</p>
Protective pipe work	<p>Protective pipework, also referred to as barrier pipe, is used in contaminated land.</p>
Rebate	<p>A refund or discount against the developer bill.</p>
Requisition	<p>A request for a new main to serve a development.</p>
Self-certification	<p>A process whereby the installation of underground (service connection) pipework is inspected, checked and certified by fully qualified plumbing engineers working for, or on behalf of the equipment installers</p>
Self-lay provider	<p>An accredited operative who can lay the pipework for a new water main or sewer rather the infrastructure being laid by the water company. The water company will take over responsibility for self-laid pipes that meet the terms of its agreement.</p>
Service connection	<p>Also referred to as communication pipes, are small diameter (typically 25-32mm) lengths of pipework which run between the</p>

supply pipe of the premises (pipe within the property boundary) and the existing water company network.

Service connection charges

Charges which cover the cost of laying/constructing a new service connection to an existing main.

Site-specific work

Work located on a development as well as work to provide and connect a requested water main or service connection to the development. Charges for site specific work relate to the provision of service connections and water mains located on a development up to the nearest practical point on the existing network where the connecting pipework is of a nominal bore internal diameter no larger than that of our existing network. They do not refer to costs or work required as part of network reinforcement.

Unmade ground

Ground which does not have a surface (typically grass and topsoil) or ground that will not be finally reinstated at the time the works are carried out.

VAT

The current rate of VAT may apply in certain circumstances and will be added, as appropriate, to the prices shown. New household properties are zero rated for VAT.

WACC

The weighted average cost of capital. It is the rate that a company is expected to pay on average to all its investors to finance its assets. The WACC is determined by the external market, not a company's management.

Water efficiency incentive/discount

A discount provided by SSW/CW against the infrastructure charge to promote water efficient home building

Water main

A large diameter pipe (typically 90mm and above) which is used to circulate water around a water network. Smaller pipework, known as service connections or communication pipes, typically connect into water mains to provide the individual supplies to properties.

Water meter

A device for measuring water consumption.

Appendix 6: Statement of Significant Changes

SOUTH STAFFORDSHIRE WATER PLC

2021-22 CHARGES

STATEMENT OF SIGNIFICANT CHANGES TO DEVELOPER CHARGES

Under the charges scheme rules for new connection services issued by the Ofwat, we are required to include a statement in the charging arrangements for new connection services setting out any significant changes to bills for typical developments when publishing those arrangements for 2021-22. This is set out below:

(a) Worked examples of typical development bills for new connection services.

We have included a list of typical examples as set out by Ofwat in appendix 4 of this document.

(b) Confirmation of whether the water company is expecting there to be any bill increases of more than 10% from the previous year (for a given type of development) and, if such increases are expected:

- what size increase is expected;
- what types of typical developments are likely to be affected; and
- the handling strategies adopted by the water company or why the water company considered that no handling strategies are required.

Our mains requisition charges are increasing by c15% in 2021/22 compared to 2020/21. This increase in value reflects increased administrative costs. This change is necessary as it ensures our revenue for mains activity, which sits within a competitive market, is cost reflective. We do not expect that this change will cause the overall bill for developer customers requiring new mains to increase by more than 10% as our infrastructure charge is reducing for 2021/22 alongside an increase in the income offset rebate.

In terms of mitigating controls specifically for mains charges, developer customers have the option to choose a Self Lay provider to carry out new mains activity. In addition, our quotes are valid for up to 12 months and therefore developer customers have this period to take up quotes based on our 2020/21 charges.

Our application fees are also increasing in 2021/22. We currently have a charge of £90.00 per application for all types of work. For mains scheme applications where a Self Lay provider is completing the design element our current charge is £75.00. In 2021/22 we will have separate application fee charges for service connection applications (£154.21), full mains applications (£480.38) and mains applications where the SLP is completing the design element (£362.67). These increases are

being made to reflect the administrative costs we incur when providing the steps involved in managing applications. Whilst the individual increases appear significant the application fee only forms a small part of the overall developer bill (construction charges are much larger) and therefore we do not expect these increases to cause a 10% annual increase in the overall developer bill.

In contrast to the increases above, our infrastructure charge will be decreasing in 2021/22 from £381.00 to £305.00 per plot in line with the information shared in the Board Assurance Statement. Likewise, our income offset rebate is increasing from £599.00 per plot to £660.00 (bigger reduction in the overall bill for all developer customers).

We are making no changes to our overall service connection charge values for 2021/22. We have, however, simplified our charges for connections in unmade ground conditions into a single table which were previously set out separately for the South Staffs and Cambridge regions.

We have held a number of virtual meetings with developers, SLPs, including their trade body Fair Water Connections, and NAVs and CCW to consult on our charges, communicate the impact and take into account any further comments.

Based on the above, the Board of Directors has assessed the effects of the new charges on customers' bills for a range of different types of development, and approves the impact assessments and handling strategies developed in instances where bill increases for particular developer types exceed 10%;



Andy Willicott
Managing Director
South Staffordshire Water PLC