

# Application for a public sewer requisition

Application form and guidance notes

**Please detach and return the application form and retain our guidance notes for reference.**

Please complete all sections of this form including the VAT Development Classification form and use the checklist in Section F to ensure you have included all the information we need. If we do not have all the information requested, your quotation will be delayed.

On completion, the application and accompanying diagrams should be returned to:

Thames Water, Developer Services, Clearwater Court,  
Vastern Road, Reading Berkshire RG1 8DB

[www.thameswater.co.uk/developerservices](http://www.thameswater.co.uk/developerservices)



# Guidance notes

## Requisitioning Public Sewers

Under Section 98 of the Water Industry Act 1991 (the Act) any person entitled under the Act may apply to requisition a sewer to serve premises for domestic drainage purposes. Sewer requisitions will not include connections to serve individual premises to the sewer. A separate application for sewer connections is available on request from our contact centre on 0845 850 2777.

On site sewers should be constructed by the Developer. If the sewers are intended for adoption a separate application form is available on request from our contact centre on the above number.

## Application

The Requisitioner will be required to provide the following information with their application:

- The number of domestic dwellings, or for non-domestic developments the anticipated water consumption.
- The anticipated rate of occupation of dwellings (not the rate of completions).
- The site plan.
- The details of arrangements for drainage within the site.
- A valid planning consent.
- A cheque for £1000, which will be refunded if the application is rejected by Thames Water.

## Funding

An Initial Payment of £1000 (as submitted with the application) to cover the cost of preliminary investigations and the production of preliminary budget estimate. The budget estimate will identify the preferred route, scope of works, principle quantities and a provisional programme. The estimate produced is for indicative purposes only and will be constructed using standard budget estimate rates in the absence of detailed site, soil, utility and design information. This payment will not be refunded if you choose not to proceed with the scheme.

An Interim Payment. This will be 10% of the budget estimate (less the £1000 initial payment) and will allow the scheme to be progressed through to the final design stage. At the end of this stage the applicant will be sent the requisition offer letter outlining the payment options available to enable the scheme to be delivered. If the scheme is abandoned at any time during the design stage, a refund will be made of any money that remains after the costs incurred by Thames Water have been deducted.

Requisition Payment You may choose one of the following three payment options. We are required to offer you the second two options under the provisions of the Water Industry Act 1991 ("the Act"). However, some developers may prefer to choose the first option, which is a commercial arrangement not covered by the Act. The requisition payment takes into account money paid at the initial and interim payment stages.

## Option 1 - Payment by commercial commuted sum

As stated above, this option is not covered by the Act and is a matter for agreement between Thames Water and the developer.

The commercial commuted sum is assessed as a percentage of the scheme cost after taking into account the anticipated annual income from properties to be connected to the sewers.

The sum must be paid in advance of any works commencing, after which no further payment will be requested from you except where variations to the scheme are made at your request subsequent to works commencing. Any increase in costs resulting from such variations will be re-charged at full cost.

Subject to this, we will not re-visit the cost of the works after completion or make any subsequent adjustments to the commercial commuted sum.

Please note that the commercial commuted sum method of payment outlined above is offered at Thames Water's discretion. There may be instances when the commercial commuted sum method cannot be offered and the statutory payment schemes outlined below will be followed.

## Option 2 - Payment by statutory commuted sum

The Act permits developers to pay for sewers by a discounted aggregate deficit method, which is a statutory commuted sum.

The Act states that this sum is an amount equal to the sum of the estimated "relevant deficits" for each of the twelve years following the provision of the sewer. The "relevant deficit" is the amount (if any) by which the sewerage charges payable for the use of the sewer during that year exceed the annual borrowing costs of a hypothetical loan (at a rate of interest prescribed by Ofwat) of the amount required for the provision of the sewers.

Our estimate of the statutory commuted sum must be paid in advance of any works commencing. Alternatively, we will accept a bond for the relevant amount from an acceptable bondsman. We will provide on request the wording we require to be used in such a bond.

On completion of construction, actual project outturn costs will be calculated and if different to our initial assessment of costs, the commuted sum will be recalculated. Calculation of outturn costs can only take place following agreement and settlement of costs with our delivering contractor. Please note, this may be some time after the completion of works on site. Where the recalculated sum is lower than the estimate, we will refund the difference. However, where it is higher, you will be required to pay the extra amount.

Please note that any variations to the scheme resulting from your requirement will be charged at full cost.

The calculation of the estimate is based on the build profile provided in your application. Consequently, any variations to that programme will affect the final figure.

Interest will accumulate on deposits made at a rate prescribed by Ofwat for each three month period that the deposit is held by Thames Water.

### Option 3 - Undertaking with security

You may give an undertaking under Section 99 of the Act to pay the “relevant deficit” (as defined above) for each year of a twelve year period following provision of the sewer.

We will require security for these annual payments. In most cases the security will be no more than the estimated statutory commuted sum, although there may be cases where we consider that the risk justifies a greater level of security. The security can be paid by way of a deposit of money and this will accumulate interest at a prescribed rate. Alternatively, we will accept a bond for the relevant amount from an acceptable bondsman. We will provide on request the wording we require to be used in such a bond.

### Project Design

The exact nature and extent of works required to provide off-site sewerage is decided by Thames Water. If the works are to connect to existing public sewers, the point, mode and manner of connection are determined, taking into account existing and proposed flows. In some cases, the nearest reasonable point of connection will not be the nearest public sewer. It may be possible by agreement, to provide a nearer point of connection and incorporate the necessary sewerage improvements in the locality in the requisitioned scheme.

The works may be designed to cater for flows not arising from the requisitioner’s development. The costs attribute to those additional works will be borne by Thames Water.

### Contract and Final Contribution

Requisition projects are normally procured through Thames Water’s Alliance Contracts with major civil engineering contractors. The Alliance Contracts were competitively tendered in accordance with EC Regulations. The Alliance Contract reduces the need to individually tender each project and therefore simplifies the design process, generally saving time and allowing an earlier construction start date.

Other legitimate expenses, which may be added to the accepted construction cost, include; design and supervision fees, site investigation costs, service diversion costs, land access, easement and discharge consent costs, surveyor and legal costs, compensation and administration.

In the event that the Requisitioner fails to pay the necessary Final Payment Contribution within the offer validity period (28 days), it may be necessary to include a cost adjustment.

Connection Charges and Infrastructure Charges are payable in addition to the costs for the requisitioned works. These relate to works that are not covered by the requisition arrangements, for example treatment plants, however are deemed essential for providing the service. Information on Connection and Infrastructure Charges can be obtained from our contact centre on 0845 820 2777 or alternatively download from our website at [www.thameswater.co.uk/developerservices](http://www.thameswater.co.uk/developerservices).

# Requisition for a public sewer

## Section 98 Water Industry Act 1991

Please read the Guidance Notes and complete all sections of this form. Please write clearly in BLOCK CAPITALS.

### Section A Applicants details

Title	_____	Surname	_____
Forename	_____	Address	_____
Contact name	_____		_____
Tel no.	_____		_____
Mobile no.	_____		_____
Fax no.	_____	Postcode	_____

### Section B Agents details (if different to above)

Company name	_____	Surname	_____
Title	_____	Address	_____
Forename	_____		_____
Tel no.	_____		_____
Mobile no.	_____		_____
Fax no.	_____	Postcode	_____

Are you the owner of the site?

Yes

No

If no, please include a letter authorising you to requisition on the owner's behalf with your application.

### Section C Site address

Name	_____	Surname	_____
Local authority	_____	Address	_____
			_____
			_____
			_____
		Postcode	_____

**Section D Development description** (including number of dwellings, floor area of offices, number of industrial units and any other relevant information.)

**Section E Other details**

Is the requisition for Surface or Foul Water?      Yes       No

Will a Trade Effluent Consent be required?      Yes       No

**Key dates**

Anticipated first occupation date \_\_\_\_\_

Anticipated date of final occupation \_\_\_\_\_

**Section F Checklist and declaration**

The following information should accompany your application form:

- 1 A site plan
- 2 Statutory Undertakers information
- 3 Soils or borehole information (if available)
- 4 Cheque for £1000 made payable to Thames Water Utilities Limited
- 5 Valid Planning Consent
- 6 Letter of Authorisation from the owner (if applicable)
- 7 VAT Development Classification form

Failure to include any of the above information will be deemed as an incomplete application and may result in the application being delayed or returned.

I/we requisition a public foul/surface water sewer to serve the new development site detailed in this application form and shown edged green on the attached 1:25000 Ordnance Survey extract.

I/we have no rights to cross or drain through third party land and I/we have/have not been in negotiation with those affected third party landowners.

I/we have read the Guidance Notes issued with this application and enclose the initial payment of £1000 (zero rated VAT for 100% new houses, or VAT at the current rate for commercial sites), made payable to Thames Water Utilities Limited.

I/we understand that any cancelled application will result in a minimum charge to cover abortive costs.

I / We have read and completed VAT Development Classification form and enclose it with this application.

**Declaration**

I confirm to the best of my knowledge that the information in this application is complete and correct.

Your signature

Your full name  
in BLOCK CAPITALS

Your role in the  
company or job title

Date

Please note that Thames Water reserves the right to make the final connection to its water network. Illegally connecting to the water network is a criminal offence.

Please complete the form making sure you supply any additional information using the checklist in Section F and return it to:  
Thames Water, Developer Services, Clearwater Court,  
Vastern Road, Reading, Berkshire RG1 8DB

# VAT Development Classification

This document should be completed as part of your application. It is important that the information you give us here is accurate, as this is how we will determine the correct rate VAT to apply to your work. Please read through the property type definitions and the 'How we apply VAT' matrix on the reverse side of this form before answering the question below.

## VAT and Developer Services

We use HM Revenue & Customs' interpretation of VAT legislation as our guide on how to correctly charge VAT on the services we provide. Our work attracts a different rate of VAT according to the type of service we are supplying, the type of property involved and where the work is being carried out.

Certain elements of work such as infrastructure charges and various application fees do not attract VAT and are classed as 'outside the scope'.

## Property type definitions

The following definitions are taken from Notice 708 Customs: Building and Construction (February 2008). A copy of this document can be found on HM Revenue & Customs website [www.hmrc.gov.uk/vat](http://www.hmrc.gov.uk/vat).

### New build properties

A new house or flat designed solely for residential or domestic use. Permanent residential caravan parks are also included in this definition.

### Existing properties

An existing house or flat designed solely for residential or domestic use.

### Commercial properties

A site designed for any form of business activity, including agricultural.

### Relevant residential or charitable property

We might be able to apply a zero rating to works involving properties constructed for relevant residential or charitable purposes. A detailed explanation of the terms 'relevant residential' and 'relevant charitable' properties can be found in Notice 708 Customs: Building and Construction (February 2008). This document also lists examples of these property types and explains how to complete the certificate you would need to submit to us to demonstrate that the building is eligible.

### Listed buildings

An existing building which is on the Statutory List of Buildings of Special Architectural or Historic Interest.

We might be able to apply a zero rating to work involving a listed building provided it can be classified as a residential, relevant residential or charitable property although cases of this nature will be dealt with individually. You will need to provide evidence that the building is listed, and that your proposed alterations have received Listed Building Consent.

### Conversions

An existing property which is in the process of being converted into residential accommodation, for example, a house into flats or bedsits, or a building into a relevant residential property.

The lower 5 per cent rate of VAT for certain conversions can only apply to our work if carried out within the property boundary. Our works are usually carried out on or outside the property boundary meaning that the current interpretation by HM Revenue & Customs of VAT legislation does not allow us to apply the lower rate in the majority of cases. However, there might be instances where we have to work within the property boundary and in these cases, we can apportion the VAT.

### Mixed

A development or building that comprises more than one property type. For example, this could be a new build housing development with commercial facilities, or new build commercial premises with a residential flat above. In some cases, we can apportion the VAT on a fair and reasonable basis to reflect the types of properties being served. If your development falls into this category, we might need to contact you for further information.

### Other

It is likely that if your property type is not mentioned above, it will be treated in the same way as a commercial property.

Please choose which category best fits your development:

- New build house or flat
- Relevant residential or charitable
- Commercial, existing or other
- Listed
- Conversion
- Mixed

# How we apply VAT

The table below gives examples of how we apply VAT to a selection of our services.

	New build house or flat only	Relevant residential or charitable only	Commercial, existing or other	Listed only	Conversion only	Mixed
Infrastructure charges	Outside the scope – VAT does not apply					
Network charges	Outside the scope – VAT does not apply					
New water supply connection - application fee	Standard rated in all cases					
New water supply connection - services and mains	Zero-rated <sup>1</sup>	Zero-rated <sup>1</sup>	Standard rated	Zero-rated <sup>1</sup>	Lower rated <sup>2</sup>	Standard rated <sup>5</sup>
Pre-development enquiry application fee	Standard rated in all cases					
Network capacity investigations	Standard rated in all cases					
Water for building purposes (SIC 1-5)	Standard rated in all cases					
Self lay - all elements	Standard rated in all cases					
Water main and sewer requisitions	Zero-rated <sup>1</sup>	Zero-rated <sup>1</sup>	Standard rated	Zero-rated <sup>1</sup>	Lower rated <sup>2</sup>	Standard rated <sup>5</sup>
Section 102 and 104 sewer adoption application fee, build over application fee (Class I, II and III), Section 106/107 sewer connection costs	Outside the scope – VAT does not apply					
Section 102 and 104 sewer adoption additional services - remedial works payments and 'As built' drawings	Standard rated in all cases					
Section 106/107 sewer connection - construction costs	Zero-rated <sup>1</sup>	Zero-rated <sup>1</sup>	Standard rated	Zero-rated <sup>1</sup>	Lower rated <sup>2</sup>	Standard rated <sup>5</sup>
Sewer diversion returnable bonds	Outside the scope – VAT does not apply					
Water main and sewer diversions	Zero-rated <sup>1</sup>	Zero-rated <sup>3</sup>	Standard rated	Zero-rated <sup>3</sup>	Lower rated <sup>2</sup>	Standard rated <sup>5</sup>
Protection of our assets as requested by customer	Zero-rated <sup>1</sup>	Zero-rated <sup>1</sup>	Standard rated	Zero-rated <sup>1</sup>	Lower rated <sup>2</sup>	Standard rated <sup>5</sup>
Disconnection	Standard rated in all cases <sup>4</sup>					

- Where VAT is stated as zero-rated, this is subject to the provision of evidence that the building is eligible. On occasion, there may be parts of the work on which we have to charge a standard rate of VAT.
- Where VAT is stated as lower-rated, this will only apply to works carried out within the property boundary. Otherwise, a standard rate of VAT will apply.
- Where VAT is stated as zero-rated, this will only apply to works that are carried out within the site. A standard rate of VAT will apply in all other circumstances, including diversions in the public highway.
- Although VAT applies to disconnections at a standard rate, Thames Water carries out this service free of charge.
- On mixed developments we might be able to apportion the VAT between standard and zero but usually, we would only do this at the customer's request.

# Getting in touch with us

For enquiries regarding this application or any other questions relating to your building or development work please contact us on:

**0845 850 2777**

Monday - Friday 8.00am-5.00pm

You can write to us at

**Thames Water, Developer Services, Clearwater Court, Vastern Road,  
Reading, Berkshire RG1 8PR**

Alternatively you can email us on [developer.services@thameswater.co.uk](mailto:developer.services@thameswater.co.uk)  
or visit our website address at [www.thameswater.co.uk/developerservices](http://www.thameswater.co.uk/developerservices)

**You can contact Thames Water 24 hours a day, 365 days a year.  
We record all our calls to ensure that we always give you a quality service.**

**0845 9200 888**

- Queries relating to your bill
- Change of address
- Meter readings

Minicom service if you are deaf or hard of hearing  
0845 7200 899

**0845 9200 800**

- For emergencies
- Other non-billing enquiries
- Literature

Minicom service if you are deaf or hard of hearing  
0845 7200 898

To contact us from abroad:  
+44 1793 366011

If you prefer you can write to us at:  
Thames Water PO Box 286  
Swindon SN38 2RA

Visit the Thames Water website at  
[www.thameswater.co.uk](http://www.thameswater.co.uk)

Have you any comments about this leaflet?

We will be happy to hear from you regarding this or any other matter where you feel our service to you could be improved.

**This leaflet can be supplied in  
braille or audio-tape upon request.**

