

Thames Water Utilities Limited (TWUL)

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# Infrastructure charges 2018-19

**Infrastructure charges and network  
charges for the supply of water and  
wastewater services**



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## 1. Introduction

This booklet forms part of the Charges Schemes made by Thames Water Utilities Limited under the powers conferred by Section 143 of the Water Industry Act 1991 (as amended). It contains the infrastructure charges for 2018-19.

This Charges Scheme has been prepared in accordance with the Charges Scheme Rules for 2018-19.

## 2. Infrastructure charges

You have to pay infrastructure charges when a property is connected to the water and/or wastewater networks for the first time. This is in addition to the charges for making the actual physical connection to the water main and/or public sewer. In the event that you ask us to make the connection, we are entitled to charge you in accordance with our published Charging Arrangements for the connection works in addition to raising infrastructure charges.

Infrastructure charges apply for premises where the supply of water or provision of sewerage services is intended for domestic purposes.

Water for domestic purposes refers to usage for drinking, washing, cooking, central heating and sanitary purposes for which water is supplied to premises. All other purposes (including supplies for a laundry business or for a food or drink take away business), are regarded as non-domestic purposes. The definition is about the usage of the water and not the type of property being supplied.

Domestic sewerage purposes refers to the removal of the contents of lavatories, water which has been used for cooking or washing or surface water from the premises and associated land, with the exception of laundries and take away restaurants. As for water, the definition is not about the type of property.

Please note that a single development may include a combination of supplies for domestic and non-domestic purposes. By way of example, a development may include a number of flats (expected to be for domestic purposes), retail units (expected to be for domestic purposes), a fire-fighting supply (non-domestic purposes) and landlord supplies (non-domestic purposes). Similarly a separate supply requested for a swimming pool or a garden tap is considered to be for non-domestic purposes even if within a residential property.

Supplies for non-domestic purposes are subject to the payment of network charges (see Section 3) instead of infrastructure charges to reflect the different demands on our networks.

Infrastructure charges and network charges are outside the scope of VAT.

### 2.1 Infrastructure charges payable

The published charges are for a single property supplied via a standard sized (25 or 32 mm external diameter pipe) water connection. For other properties, such as student housing, offices or care homes, we apply a multiplier (the Relevant Multiplier as detailed below) to the published charge to reflect the increased impact on our networks.

The calculation of the wastewater infrastructure charge is the same as the water infrastructure charge unless you are able to show that waste and surface water flows are not being discharged to the public sewer.

**Table 2.1 Infrastructure charges**

Infrastructure charges	Charge
Water	£140
Wastewater	£210

The Relevant Multiplier (RM) is a way of working out infrastructure charges for the following types of property:

- Residential properties with a single, shared supply pipe and which are subject to a 'common billing agreement'; this includes sheltered housing, student accommodation and high-rise flats
- Non-residential properties where the supply pipe is larger than the standard size, such as office blocks

### **How the RM is calculated**

Each water fitting (wash basin, bath, shower, etc.) is given a 'loading unit' based on the amount of water it uses. The average number of units per property is taken as 24, equal to an RM of 1.00. We use this as the basis for calculating the RM for each property on a development where the RM applies.

We do this by adding up the loading units for all the water fittings on a development. We divide this by the number of properties to give the average loading units per property. We divide this again by 24 (the average loading units) to give the RM for each property.

Details of the number of loading units assigned to each water fitting are shown below.

For properties subject to a common billing agreement, the RM can be more or less than 1.00. For other properties the minimum is 1.00.

### **Using RM to calculate infrastructure charge**

We use the RM multiplied by the standard charge to give us the infrastructure charge for that property.

### **An example of a residential development**

- Development consists of 20 flats with a common billing agreement and the total loading units are 460
- We divide the total loading units (460) by the number of properties (20) and again by the average (24). This gives an RM for each flat of 0.96 ( $460 \div 20 \div 24 = 0.96$ )
- The infrastructure charge for each flat is the RM of 0.96 multiplied by the standard charges
- The infrastructure charge for the whole development is the RM multiplied by the standard charge multiplied by the number of properties

The water infrastructure charge for the development is therefore

RM 0.96 x 20 properties x £140 standard charge = £2,688.00

The wastewater infrastructure charge for the development is therefore

$$\text{RM } 0.96 \times 20 \text{ properties} \times \text{£}210 \text{ standard charge} = \text{£}4,032.00$$

Network charges may also be payable in respect of supplies for non-domestic purposes within the development such as the irrigation supply and bin store.

### An example of a commercial development

- Development consists of 1 office and the total loading units are 340
- We divide the total loading units (340) by the number of properties (1) and again by the average (24). This gives an RM for the office of 14.17 ( $340 \div 1 \div 24 = 14.17$ )
- The infrastructure charge for the office is the RM of 14.17 multiplied by the standard charges

The water infrastructure charge for the development is therefore

$$\text{RM } 14.17 \times \text{£}140 \text{ standard charge} = \text{£}1,983.80$$

The wastewater infrastructure charge for the development is therefore

$$\text{RM } 14.17 \times \text{£}210 \text{ standard charge} = \text{£}2,975.70$$

Network charges may also be payable in respect of supplies for non-domestic purposes within the development such as the irrigation supply and bin store.

**Table 2.2 Loading units for calculating the Relevant Multiplier**

Water fitting	Loading units
WC flushing cistern	2
Wash basin in house	1.5
Wash basin elsewhere	3
Bath (tap nominal size $\frac{3}{4}$ " / 20mm)	10
Bath (tap nominal size larger than $\frac{3}{4}$ " / 20mm)	22
Shower	3
Sink (tap nominal size $\frac{1}{2}$ " / 15mm)	3
Sink (tap nominal size greater than $\frac{1}{2}$ " / 15mm)	5
Spray tap	0.5
Bidet	1.5
Domestic appliance (subject to a minimum of 6 L.U.s per house/flat)	3
Commercial or communal appliance	10
Internal or external tap	3
Any other water fitting or outlet but excluding a urinal or water softener	3
Urinal	3

## 2.2 Paying the infrastructure charge

The developer pays the charges for any new properties connected to our water or wastewater networks.

- Only for premises which are already occupied as private dwellings immediately before the connection is made, you have the option to pay in twelve annual instalments (including interest) following the property becoming connected, in which case your payments will be due within 14 days of each invoice
- For connections we made or for connections you arranged and notified us of prior to making the connection, you must pay within fourteen days of us invoicing you
- Infrastructure charges are payable at the rates published and in effect on the date of connection. This may be different to the rate on a quote we issue or the rate applying when you begin your development. In order to provide you with the opportunity of price certainty, we invite you to pay infrastructure charges as set out in the quote within the validity period of such quote, in which case the rate will become fixed at that point. No additional infrastructure charges will become payable unless the information you provided is found to be incorrect or you change your development.

## 2.3 Redevelopments

We will reduce the total infrastructure charge for a redeveloped site, if there were any properties connected to the water main or wastewater system during the five years before the development began. For example, if a block of 15 flats is replaced by a block of 20 flats, the developer only pays infrastructure charges for the extra five flats.

If the previous connection was not a house or flat, we will calculate a credit based on the average annual consumption of the previously connected property compared to the average annual consumption for a dwelling. This gives us a count of infrastructure charges (subject to a minimum of one) to credit against the infrastructure charges payable for the new development.

### 3. Network charges

Network charges help pay for developing our network to meet the increased demands of connections for non-domestic purposes. You have to pay network charges on top of the cost of connecting a property to the water main and/or wastewater system. The developer pays the charges for any new properties. Due to the requirement of increasing the size of the supply pipe, existing customers will have to pay the charges for an increase in demand at their property. The charge is payable before the property is connected. The charge is based on meter size.

**Table 3.1 Network charges**

Meter size (mm)	Meter size (inches)	Water	Wastewater
15	0.50	£140	£210
20	0.75	£310	£470
25	1.00	£560	£840
30	1.25	£870	£1,310
40	1.50	£1,260	£1,890
50	2.00	£2,240	£3,360
65	2.50	£3,500	£5,250
80	3.00	£5,040	£7,560
100	4.00	£8,960	£13,440
125	5.00	£14,000	£21,000
150	6.00	£20,160	£30,240
200	8.00	£35,840	£53,760
250	10.00	£56,000	£84,000
300	12.00	£80,640	£120,960

If a new property needs an additional supply or treatment facilities by special arrangement, the charges may be more than shown in the table.

Most developments with non-domestic use connections also need a water and wastewater service for domestic use. They will have to pay infrastructure charges as in Section 2 above.



## Contact us



Further information:

[developers.thameswater.co.uk](https://developers.thameswater.co.uk)

Email us at:

[developer.services@thameswater.co.uk](mailto:developer.services@thameswater.co.uk)



**0800 009 3921**

Monday to Friday, 8am to 5pm



Thames Water Developer Services

Clearwater Court

Vastern Road

Reading

RG1 8DB

