



Charging arrangements for new connection services

1 April 2024 to 31 March 2025

Version 1.2

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Charging arrangements

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Other services we offer

Revision history

- V1.0 Published 1 February 2024
- V1.1 Published 9 February - corrections to consent fee in worked examples for alternative provider
- V1.2 Published 19 July 2024 - correction to calculations in worked example 6 and 7, and minor typo corrections to 2 and 4

1. Introduction

Scope

- 1.1 These charging arrangements are made in accordance with the Charging Rules for New Connection Services (English Undertakers), published by Ofwat.

We describe our charges and methods for calculating charges and credits that might apply during the period from 1 April 2024 to 31 March 2025 in relation to:

- the provision of new water mains and new sewers
- the provision of service connections, lateral drains and waste connections
- Adoption agreements and self-lay agreements; diversions and infrastructure charges

- 1.2 These charging arrangements explain our requirements for security in relation to our charges and the times and methods of payment that you can use to pay our charges.
- 1.3 These charging arrangements explain our transitional arrangements.
- 1.4 These charging arrangements are applicable for work quoted between 1 April 2024 and 31 March 2025 and will be updated and published annually.
- 1.5 All charges are stated excluding VAT.
- 1.6 Under the Charging Rules, we are not required to publish charges in these charging arrangements relating to:
- 1.6.1 services not listed in section 1.1 above, such as consents to connect to a public sewer under section 106 of the Water Industry Act 1991. For information purposes only, we have included these additional services on page 76 along with our charges. You can find more details about these services on our website at thameswater.co.uk/developers
- 1.6.2 requests for a supply of water for non-domestic purposes under section 55 of the Act. If we agree to provide a supply of water for non-domestic purposes, the charges for works to enable us to make such a supply, including but not limited to the costs of connection, pipelaying, network reinforcement and/or strategic reinforcement or upgrades, will be calculated on a case-by-case basis and contained in the terms and conditions of our agreement for the specific supply
- 1.6.3 charges relating to work carried out in accordance with the New Roads and Street Works Act 1991 or other legislation. This is where we are required to move our apparatus as a result of transport, bridge, highway or other infrastructure projects. For more information about these changes, see thameswater.co.uk/developers/working-in-the-street
- 1.6.4 charges relating to consents to discharge trade effluent from any trade premises, which are covered in our charges scheme at thameswater.co.uk/help
- 1.6.5 charges relating to requests made by water supply and sewerage licensees under sections 66A and 117A of the Water Industry Act 1991. These are retailers providing water and / or wastewater services to non-household customers
- 1.6.6 charges that may be imposed in relation to bulk supply or bulk discharge agreements with other water and sewerage undertakers. Details of the services we can provide and the charges payable are set out in our wholesale tariff document at thameswater.co.uk/wholesale
- 1.6.7 You can view our assurance statement on our website at thameswater.co.uk/developers

2. You have a choice

- 2.1.1 When getting new pipes or diverting existing ones, we want you to choose the installer that best suits your site needs and timescales. This might not be us.
- 2.1.2 Self-lay providers (SLPs) might be able to offer cost-effective terms and fit in better with construction programmes and might also offer the installation of multiple utilities. Self-lay schemes receive equivalent service from us as all other jobs, and SLPs are accredited to all the standards required for us to adopt the pipework at completion. You can find SLPs to contact for competitive quotes on the Lloyd's Register at lr.org/wirs
- 2.1.3 Self-lay providers can carry out the majority of the work involved in laying new water pipes or diverting existing ones – known as 'contestable' work. 'Non-contestable' work – representing a small portion of water services – remains our responsibility even if you choose to use an SLP, and we will work in partnership with them to carry this out. You can find our approach to the self-lay of water infrastructure at thameswater.co.uk/developers/self-lay
- 2.1.4 As we publish fixed rates for most of the work, you will be able to make a direct comparison between a quote from a self-lay provider and what we are likely to charge you without having to get a quote from us.
- 2.1.5 We do not normally lay or divert new drains or sewers. You are generally able to do this yourself, subject to meeting the requirements for consent and adoption that are detailed on our website. In certain circumstances we may exercise our right to carry out some of the work, such as when a connection is being made to a strategic or trunk sewer.
- You can find more details on our website at thameswater.co.uk/developers
- 2.1.6 You must tell us before making a connection to our water or wastewater networks. Infrastructure charges will be payable to us in addition to the cost of the works, even if you arrange the works yourself.
- 2.1.7 In addition to the option of self-lay, if you are (or you represent) a non-household customer, you have the option of asking your chosen retailer to arrange the connection on your behalf. Developers and large users have the option of entering into an agreement with other water and / or sewerage undertakers (sometimes known as NAVs) to serve a specific geographical area (sometimes known as an inset) within our supply area, in which case they will arrange new connections.

Water charging arrangements



3. Service connections

3.1 Introduction

- 3.1.1 A service connection includes the provision of a connection to a water main, laying a pipe to the boundary of your property (the 'service pipe'), connecting to your supply pipe and usually the installation of a boundary box, an outside stop valve and a meter.
- 3.1.2 The extent of our works in relation to a service connection is shown in orange in diagram 1.
- 3.1.3 A typical home will be supplied by a pipe with an external diameter of either 25mm or 32mm, depending on the number of fittings (such as toilets and washing machines). Properties with higher usage will require larger supply pipes. Properties with higher usage will require larger supply pipes.
- 3.1.4 If you need multiple standard connections with a pipe diameter of 25mm, we may be able to install a manifold. This can provide up to six metered supplies for a lower overall charge than if each was individually connected to the main. However, this is subject to there being sufficient space for the installation of the manifold chamber. Four- and six-port manifolds can only be used for supplies to flats within the same building.

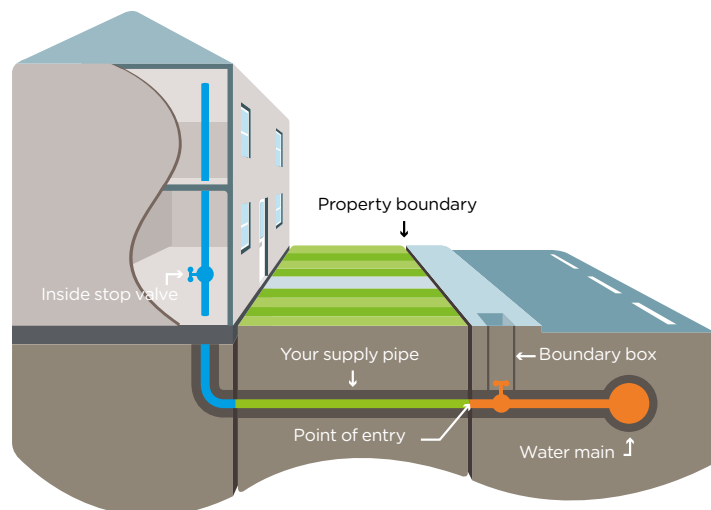


Diagram 1

3.2 Who can carry out the works?

- 3.2.1 Service connections with an external diameter up to 63mm are contestable. This means self-lay providers (SLPs) can carry out these works for you, unless we assess that the condition of the main or the material heightens the risks to existing assets or could affect supplies to existing customers. We are likely to assess the following circumstances as inappropriate for self-lay:
- (a) The main you are connecting to is a trunk main
 - (b) The main you are connecting to is made of asbestos cement, glass reinforced plastic (GRP), polyvinyl chloride (PVC) or molecular-oriented polyvinyl chloride (MoPVC)
- 3.2.2 Service connections with a diameter above 63mm are generally non-contestable, which means they remain our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case-by-case basis, and the decision is entirely at our discretion.
- 3.2.3 For more information about our approach to the self-lay of service connections and our charges, please see section 6.

3.3 How we calculate our charges

- 3.3.1 Our charges for service connections are broken down into four elements:
- (a) A **fixed charge for the connections** to the main and to your pipework, including the first metre of pipework from the water main, installation of a boundary box, installation of the outside stop valve and meter and a Water Regulations inspection. This is shown as a single charge calculated with reference to the diameter of the connecting pipe (for example, 25mm), where we connect to the main (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works (see table at 3.7.1)
 - (b) A **fixed charge for laying additional service pipe** between the connection pipework and the boundary box. This is a per metre charge (rounded up to whole metres) calculated with reference to the size of the connecting pipe, where we lay our pipe and whether or not you carry out the excavation, backfill and reinstatement works (see table at 3.7.1)
 - (c) If there is potential contamination in the ground, you will need barrier pipe. In this case we will charge you based on our fixed charge for barrier pipe connections and pipe laying
 - (d) Ancillary charges (see table at 3.7.2)

3.4 Costs included in our fixed charges

3.4.1 Our fixed charges include the cost of:

- (a) A percentage uplift for traffic management and highway authority charges. We have applied different percentages to the rates for working in the road, footpath and unmade ground to reflect the differing traffic management requirements. There is no percentage uplift for work that does not require us to carry out excavation. We will charge for works in a private road using the rate for works in a footpath. We have set the percentages at a level that aims to recover the overall cost that we incur. We will make no further credits or charges in respect of traffic management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes traffic management, please see Appendix B
- (b) Site visits: Our fixed charges allow for one Water Regulations inspection visit, an enabling site visit and one additional field engineer visit. We will charge you for any additional visits you require, including if your Water Regulations inspection fails

3.4.2 Our fixed charges for service connections are:

- (a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated them based on analysis of the cost of recent service connection work and will review and update them annually. Each year we will also review the percentage uplifts for traffic management and adjust as required to make sure our charges remain cost reflective
- (b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the existing water main is at least the same diameter as your service connection to provide the capacity for your development. We will make no additional connection charge in the event that we need to find an alternative point of connection for capacity reasons or if we need to carry out additional works beyond the point of connection to provide capacity for your development

3.4.3 As shown in our table of ancillary charges, fees apply for processing service connection applications, producing designs and issuing quotes. These fees are payable in advance and non-refundable.

3.5 Ancillary charges

3.5.1 Our ancillary charges include any abortive costs caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

- (a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge
- (b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision

3.5.2 If you choose to carry out the excavation, backfilling and reinstatement work for a service connection, you must provide sufficient space for us to install our pipe and fittings and make sure that on completion of your works, all chambers are dry and clear of debris and all valves are operable. If you do not ensure all chambers are dry and clear of debris and all valves are operable, we reserve the right to take action to clear any water and debris and to repair any damage done to our apparatus, and we will recover from you any costs we incur in relation to this.

3.5.3 We charge for internal fit meters when we provide a bulk supply to a building that serves individually metered properties within that building. The charge is on a supply basis. We reserve the right to take action to repair any damage done to our apparatus, and we will recover from you any costs we incur in relation to this.

3.6 Estimating the charges for your scheme

3.6.1 In order to estimate your charge, you will need to know the parameters of your development, in particular:

- (a) the size of service pipe you require (based on pipe diameter) – please see 3.7.3
- (b) the length of service pipe you require, i.e., the distance from the end of your supply pipe to the existing main to connect to. If you need help identifying the existing mains, you can view the maps for free in our office (specified in the link below) or consult a property search provider: thameswater.co.uk/developers/where-our-pipes-are
- (c) the likely route of the service pipe from the point of service connection to the boundary of your development site
- (d) whether there is contamination present in the land in which the service pipe is to be installed. If you are certain there is no risk of contamination you do not need to use the barrier pipe inclusive rates in your estimate; if not, you should do so

3.7 Fixed connection and pipe laying charges

3.7.1 If the service connections are to be delivered in phases, we will add a phasing charge for the start of each new phase.

| Water connection rates (where barrier pipe is needed) | | | | | | | | |
|---|----------------------|---------|---|---------|--------------------------------|---------|---|---------|
| Connection charge (per connection) | | | | | | | | |
| Internal/external diameter (for PE pipes) | Connection in a road | | Connection in a private road or a footpath | | Connection in unmade ground | | Connection no excavation or with customer excavation | |
| 20/25mm ^C | Single | £4,410 | Single | £2,950 | Single | £1,370 | Single | £690 |
| | 2-port | £4,510 | 2-port | £3,640 | 2-port | £1,850 | 2-port | £950 |
| | 4-port (1 capped) | £6,870 | 4-port (1 capped) | £4,430 | 4-port (1 capped) | £2,720 | 4-port (1 capped) | £1,480 |
| | 4-port | £7,140 | 4-port | £4,670 | 4-port | £2,950 | 4-port | £1,670 |
| | 6-port (1 capped) | £8,790 | 6-port (1 capped) | £6,180 | 6-port (1 capped) | £3,910 | 6-port (1 capped) | £2,260 |
| | 6-port | £9,020 | 6-port | £6,380 | 6-port | £4,100 | 6-port | £2,460 |
| 25/32mm ^C | | £4,780 | | £3,210 | | £1,430 | | £690 |
| 50/63mm ^C | | £7,050 | | £5,030 | | £2,890 | | £1,730 |
| 80/90mm ^{CA} | | £9,710 | | £7,460 | | £5,370 | | £3,790 |
| 100/125mm ^{CA} | | £11,870 | | £8,130 | | £5,750 | | £4,220 |
| 150/180mm ^{CA} | | £15,920 | | £11,080 | | £7,630 | | £5,800 |
| 200/250mm ^{NC} | | £24,080 | | £16,930 | | £12,070 | | £9,110 |
| 300/355mm ^{NC} | | £34,190 | | £25,600 | | £18,360 | | £13,690 |

| Pipe-laying charge (per linear metre) | | | | |
|--|----------------------|---|--------------------------------|---|
| Internal/external diameter (for PE pipes) | Connection in a road | Connection in a private road or a footpath | Connection in unmade ground | Connection no excavation or with customer excavation |
| 20/25mm ^C | £780 /m | £610 /m | £270 /m | £40 /m |
| 25/32mm ^C | £780 /m | £610 /m | £280 /m | £40 /m |
| 50/63mm ^C | £800 /m | £620 /m | £290 /m | £50 /m |
| 80/90mm ^{CA} | £830 /m | £640 /m | £310 /m | £80 /m |
| 100/125mm ^{CA} | £860 /m | £680 /m | £330 /m | £100 /m |
| 150/180mm ^{CA} | £1,050 /m | £890 /m | £440 /m | £130 /m |
| 200/250mm ^{NC} | £1,450 /m | £1,240 /m | £640 /m | £240 /m |
| 300/355mm ^{NC} | £1,980 /m | £1,640 /m | £910 /m | £340 /m |

C = contestable, CA = contestable depending on accreditation, NC = non-contestable

| Water connection rates (where barrier pipe is not needed) | | | | | | | | |
|---|----------------------|---------|---|---------|--------------------------------|---------|---|--------|
| Connection charge (per connection) | | | | | | | | |
| Internal/external diameter (for PE pipes) | Connection in a road | | Connection in a private road or a footpath | | Connection in unmade ground | | Connection no excavation or with customer excavation | |
| 20/25mm ^C | Single | £4,000 | Single | £2,700 | Single | £1,340 | Single | £510 |
| | 2-port | £4,340 | 2-port | £2,920 | 2-port | £1,670 | 2-port | £790 |
| | 4-port (1 capped) | £6,180 | 4-port (1 capped) | £4,060 | 4-port (1 capped) | £2,500 | 4-port (1 capped) | £1,290 |
| | 4-port | £6,530 | 4-port | £4,250 | 4-port | £2,620 | 4-port | £1,470 |
| | 6-port (1 capped) | £8,190 | 6-port (1 capped) | £5,860 | 6-port (1 capped) | £3,550 | 6-port (1 capped) | £2,010 |
| | 6-port | £8,530 | 6-port | £6,040 | 6-port | £3,920 | 6-port | £2,270 |
| 25/32mm ^C | | £4,180 | | £2,870 | | £1,370 | | £530 |
| 50/63mm ^C | | £6,400 | | £4,520 | | £2,740 | | £1,610 |
| 80/90mm ^{CA} | | £9,430 | | £7,320 | | £5,320 | | £2,950 |
| 100/125mm ^{CA} | | £11,280 | | £7,980 | | £5,600 | | £3,370 |
| 150/180mm ^{CA} | | £15,380 | | £10,770 | | £7,460 | | £4,810 |
| 200/250mm ^{NC} | | £20,770 | | £14,590 | | £11,080 | | £7,090 |
| 300/355mm ^{NC} | | £25,700 | | £19,120 | | £14,660 | | £7,710 |

| Pipe-laying charge (per linear metre) | | | | |
|--|----------------------|---|--------------------------------|---|
| Internal/external diameter (for PE pipes) | Connection in a road | Connection in a private road or a footpath | Connection in unmade ground | Connection no excavation or with customer excavation |
| 20/25mm ^C | £640 /m | £480 /m | £220 /m | £30 /m |
| 25/32mm ^C | £670 /m | £490 /m | £230 /m | £30 /m |
| 50/63mm ^C | £710 /m | £570 /m | £250 /m | £40 /m |
| 80/90mm ^{CA} | £750 /m | £600 /m | £260 /m | £60 /m |
| 100/125mm ^{CA} | £800 /m | £630 /m | £290 /m | £80 /m |
| 150/180mm ^{CA} | £1,050 /m | £830 /m | £400 /m | £110 /m |
| 200/250mm ^{NC} | £1,420 /m | £1,140 /m | £560 /m | £180 /m |
| 300/355mm ^{NC} | £1,920 /m | £1,540 /m | £840 /m | £290 /m |

C = contestable, CA = contestable depending on accreditation, NC = non-contestable

Please note that the pipe laying charge where a manifold is used is based on the following external pipe diameters (for PE pipes):

2 port manifold - 32mm

4 port manifold - 63mm if barrier pipe is required, otherwise 50mm

6 port manifold - 63mm

The above charges are subject to VAT at the applicable rate.

3.7.2 Table of ancillary charges

| Item | Charge | What the charge covers |
|--------------------------------|--|---|
| Application fee ^{NC*} | £100 + VAT per application | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice |
| Design fee ^{C*} | £100 + VAT for the first property | The cost of considering the application, designing the service connection and producing a quote |
| | £60 + VAT for each additional property | |
| Checking fee ^{NC*} | £60 + VAT for the first property | The cost of considering the application, reviewing the submitted design including validation that it conforms to appropriate standards, carrying out a site survey, liaising with third parties and producing a quote |
| | £40 + VAT for each additional property | The cost of remobilising, site set up and any traffic management |
| Phasing charge ^{NC*} | £3,740 + VAT for the start of each phase | The cost of remobilising, traffic management and administration |

Application and design fees are payable in advance, non-refundable and subject to VAT at the standard rate.

| Item | Charge | What the charge covers |
|-----------------------------|--|--|
| Re-quote fee ^{NC*} | £80 + VAT per quote | The cost of updating any details and recalculating the quote |
| Re-design fee ^{C*} | £60 + VAT for the first property | The cost of redesigning the service connection |
| | £40 + VAT for each additional property | |

*Please see 3.8.1

Requote and re-design fees are non-refundable.

| Item | Charge | What the charge covers |
|--|---|---|
| Additional visit charge ^{NC} | £220 + VAT per quote | The time and travel costs for visiting the site |
| Abortive visit fee ^{NC} | £290 + VAT per visit plus any additional costs we incur from the highway authority plus an administration fee of 30% as detailed in 3.5.1. If we have commenced construction and you wish to cancel the work, we will also charge you the actual costs of any work incurred | The cost of remobilisation and lost time, including associated planning, enabling, plant and supervision. If you cancel the work after construction has commenced, we will also charge you for any actual costs incurred for the work that has been carried out to that point, and to backfill and reinstate any excavation |
| Water Regulations inspection revisit ^{NC} | £165 + VAT per visit | Site revisit to undertake a Water Regulations inspection if first visit does not pass or cannot be completed |
| Permanent disconnection charge | Free for household properties (for non-household disconnections contact your supplier) | |

C = contestable, NC = non-contestable

Internal water meters

The cost of providing an external meter is included in the connection fee. If your development requires internal meters, such as for multiple occupancy buildings, the costs are included in the table to the right. This charge includes the cost of the meter, the fittings for an in-line installation and the administration costs of proving and setting up the account.

Meters will be ordered approximately four to six weeks before installation is required.

Should you wish to order replacement meters, we will charge you for the cost of the meters plus an administration charge.

| Meter size and type | Initial meter charge | Replacement meter charge |
|-------------------------------|----------------------|--------------------------|
| 15mm concentric ^{NC} | £170 | £60 |
| 15mm in line ^{NC} | £180 | £70 |
| 20mm in line ^{NC} | £210 | £100 |
| 25mm in line ^{NC} | £260 | £150 |
| 30mm in line ^{NC} | £280 | £170 |
| 40mm in line ^{NC} | £320 | £210 |
| 50mm in line ^{NC} | £400 | £290 |
| 80mm in line ^{NC} | £480 | £370 |
| 100mm in line ^{NC} | £540 | £430 |
| 150mm in line ^{NC} | £750 | £640 |

The above ancillary charges are subject to VAT at the applicable rate.

Additional visit charges are subject to VAT at the same rate as the works. Other ancillary charges are subject to VAT at the applicable rate.

3.7.3 Sizing your connection

You can estimate the pipe size for your service connection or ask us to do this as part of a quote. As a general guide for indicative purposes only, the typical pipe sizing for a service connection for residential developments will be (stated as the external diameter of a PE pipe):

25mm or 32mm: up to 1 typical house

50mm: up to 16

63mm: up to 40

90mm: up to 100

125mm: up to 230

180mm: up to 700

3.8 Applications and quotes for service connections

3.8.1 If you would like us to construct a service connection for you or modify an existing one, you need to submit a completed application form. You can do this online or by downloading and sending us a form by email or post. You must pay an application fee and a design fee for us to process your application, design the service connection and provide you with a quote. If you arrange your own design through an accredited designer and we accept the design, you will pay the checking fee rather than the design fee.

3.8.2 We base our quote on the information available to us at the time and our fixed charges. If you require a requote as a result of changes to your scheme, a requote fee will be payable. Your requote will be calculated using charges applicable at the time of the requote.

3.8.3 The quote we produce is a fixed charge that will not be automatically reviewed and adjusted on completion, so please ensure you have checked the detail before you accept the quote. We will only review the charge after completion if you ask us to do so, and we will only adjust the charge if there is a change to the location of the connection and / or the number of metres of pipe laid, which will be calculated to the nearest metre. However, if you request a change to the design once we are on-site, you will be asked to sign a variation order to confirm you will pay the cost of the changes – based on our fixed price charges applicable at the date of the works – or we will cancel the job and ask

you to obtain a requote. Abortive charges and charges for additional site visits are not included in our quote and will increase the cost of your service connection where applicable.

3.8.4 Our quote will be valid for 180 calendar days, subject to the conditions set out in 3.8.5 below. If it is not accepted and paid for within this time, you will need a requote. A requote fee will be payable, and your requote will be calculated using charges applicable at the time of the requote.

3.8.5 Once you've accepted and paid for your service connections quote, you must lay all of the supply pipe and pass your Water Regulations inspection within 12 months from the date of the quote. If you have not laid your supply pipe and passed your Water Regulations inspection within the 12-month time period, you will need a requote. A requote fee will be payable, and your requote will be calculated using charges applicable at the time of the requote.

3.8.6 Where it is planned that a service pipe is to run for 30m or more on your side of the property boundary, we may insist that a new water main is laid to ensure that sufficient flow and pressure is achieved at the property. If this is the case, a service quote will accompany a mains extension quote; both will need to be paid and accepted to proceed.

3.8.7 If you are arranging for an SLP to construct your service connection, you need to make an application for a service connection to us and you and your self-lay provider must enter into a self-lay agreement with us and notify us before any connection is made. Please refer to section 6 for more information about self-lay agreements.

3.8.8 For payment terms and security requirements, see section 15.

4 New water mains

4.1 Introduction

- 4.1.1 If there is no public water main near your premises for us to connect you to, you will need a new water main in addition to service connections. The process of asking us to provide a new water main is known as a requisition.
- 4.1.2 The new water main includes providing a connection to our existing supply network, typically including a valve and a washout. Further meterage of new main is then laid up to the agreed point(s) within your development site.
- 4.1.3 You can choose to carry out the excavation, backfill and reinstatement for the new main or ask us to do it. Note that we only backfill and reinstate sites we have excavated ourselves.

4.2 Who can carry out the works?

- 4.2.1 Water main laying is contestable. This means self-lay providers (SLPs) can carry out this work for you, unless we assess that it involves heightened risk to existing assets or could affect supplies to existing customers.
- 4.2.2 Making the connection to the existing water main for connections greater than 180mm is non-contestable, which means it remains our responsibility. For smaller connections, we may allow a suitably accredited SLP to carry this work out if we consider it low risk. We will assess this on a case-by-case basis. Accreditation requirements can be found at thameswater.co.uk/developers/self-lay
- 4.2.3 For more information about our approach to self-laying of water mains and our charges, please see section 6.

4.3 How we calculate our charges

- 4.3.1 The method for calculating the charges for new water mains will depend on whether special circumstances exist.

4.4 Schemes involving special circumstances

- 4.4.1 We categorise special circumstances as works including one or more of the following:
 - (a) where the technical complexity of the work is high, or the type of work required is bespoke or carried out infrequently
 - (b) where third parties can legitimately recover their costs and there is not a reasonable level of certainty of those costs in advance of connection work being undertaken
 - (c) where third parties have rights to protect their assets or interests in a way that affects the construction method, and the third parties' requirements are unknown up front
 - (d) where the work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics
- 4.4.2 Within special circumstances, we also include the connection to or laying of new water mains with an external

diameter above 355mm, as jobs of this sort are carried out infrequently.

- 4.4.3 Full details of what we classify as special circumstances are contained in section 14.
- 4.4.4 If no special circumstances exist, we will calculate our charges for new water mains as set out in 4.5 and on the basis of our fixed charges detailed in 4.11.
- 4.4.5 If special circumstances exist, we will price our charges for new water mains on application as set out in 4.9. You will pay the actual costs we incur in carrying out the work. The price on application is based on our detailed design, which identifies the connection point into the existing network, the sizes, lengths and route of the new water main, the required fittings and any potential traffic management requirements. We will base the quote we issue to you on the estimated cost of these plus the required plant, labour and materials. We will base the final charge on the actual cost of all these items plus any additional costs we may have incurred due to working in or near third party land.

4.5 Calculating our charges where no special circumstances exist

- 4.5.1 Where no special circumstances exist, our charges for providing a new water main are broken down into the following elements:
 - (a) A fixed charge for the connection to the existing water main, including the installation of a valve and washout. This is shown as a single charge calculated with reference to the diameter of the new water main (for example, 125mm), where we connect to the existing water main (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works (please see 4.11.1). Sometimes we may carry out a branch connection in advance of the development, and the cost of this branch connection will be calculated in accordance with our fixed charges
 - (b) A fixed charge for laying pipe from the existing water main to the required end point(s). This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to the diameter of the new water main (for example, 125mm), where we lay our pipe (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works (please see 4.11.1). The composite rate includes all required fittings and materials, and different rates apply according to whether or not barrier pipe is needed
 - (c) If the new water main is to be delivered in phases, we will incur additional costs associated with multiple visits to your site, extra works and extra fittings. To reflect this, we add a phasing charge for the start of each new phase (please see 4.11.3)
 - (d) If the number of phases changes as the project progresses, you will need to pay an additional phasing fee before we will arrange to return
 - (e) Ancillary charges (please see 4.11.3)

4.6 Costs included in our fixed charges

4.6.1 Our fixed charges include the cost of:

- (a) A percentage uplift for traffic management and highway authority charges. We have applied different percentages to the rates for working in the road, footpath and unmade ground to reflect the differing traffic management requirements. There is no percentage uplift for work that does not require us to carry out excavation. We will charge for works in a private road using the rate for works in a footpath. We have set the percentages at a level that aims to recover the overall cost we incur. We will make no further credits or charges in respect of traffic management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes traffic management, please see Appendix B
- (b) Crossing or accessing third party land, in which case we will have to agree compensation with the owner to cover any damage or disruption that may result. We may incur additional costs in dealing with the third party and may have to plan our works differently, including revising our timescales. We have set our fixed charges at a level that recovers the overall cost of working in third party land, so we will make no further credits or charges in respect of this
- (c) Site visits: Our fixed charges allow for one site survey, an enabling site visit, a pre-commencement meeting and a completion meeting. We will charge you for any additional visits you require in accordance with our table of charges

4.6.2 Our fixed charges for new water mains are:

- (a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have calculated these charges based on analysis of the cost of recent new water mains work and will review and update them annually. Each year we will also review the percentage uplifts for traffic management and adjust as required to make sure our charges are cost reflective
- (b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the existing water main is at least the same diameter as the new water main you need to provide the capacity for your development. Please see 4.11 for further information about the charging point of connection

- (a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge
- (b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision

- 4.7.2 If you choose to carry out the excavation, backfilling and reinstatement work for a new water main, you must provide sufficient space for us to install our pipe and fittings and make sure that on completion of your works all chambers are dry and clear of debris and all valves are operable. If you do not ensure all chambers are dry and clear of debris and all valves are operable, we reserve the right to take action to clear any water and debris and to repair any damage done to our apparatus, and we will recover from you any costs we incur in relation to this.

4.8 Estimating the charges for your scheme

- 4.8.1 In order to estimate your charge, you will need to know the parameters of your development, in particular:

- (a) the size of new water main you require (based on pipe diameter)
- (b) the length of new water main you require – for example, the distance to the existing main you are connecting to and in how many phases the pipework will be laid. If you need help identifying the existing mains, you can view the maps for free in our office (specified in the link below) or consult a property search provider: thameswater.co.uk/developers/where-our-pipes-are
- (c) the likely route of the new water main from the point of connection into your development site
- (d) whether there is contamination present in the land in which the new water main is to be installed. If you are certain there is no risk of contamination, you do not need to use the barrier pipe inclusive rates in your estimate; if not, you should do so
- (e) the number of properties that will be connected to the water network as part of the scheme
- (f) whether the scheme has special circumstances. Any scheme involving any of the circumstances set out in section 14 are considered to have special circumstances

4.7 Ancillary charges

- 4.7.1 Our ancillary charges include any abortive costs caused by you or your site not being ready when we attend on an agreed day to carry out our works or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.

4.9 Calculating our charges where special circumstances exist

- 4.9.1 Where special circumstances exist, we will charge you our actual reasonably incurred costs for this element of the work. These could include – but are not limited to – the cost of the works, traffic management, highway authority charges, other third-party charges and ancillary charges. For example, if a new water main crosses a railway, we would charge based on actual cost for the portion in or affected by the railway.
- 4.9.2 We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme, we will provide an account of the costs incurred and credit or invoice you for the difference compared to the design fee you paid.
- 4.9.3 Our indicative quote is not a fixed price quote and will be valid for 180 days. It is subject to change in the event that the requirements of the scheme change. If you need a requote as a result of changes you have made to your development, a requote fee will be payable.
- 4.9.4 On completion of the new water main, we will provide an account of the actual costs incurred and meterage delivered (if relevant) and either credit or invoice you for the difference.
- 4.9.5 For details about how you can get an estimate of the charges payable where special circumstances exist and how we will charge you the actual costs incurred for the works, please see 4.12.

4.10 Network reinforcement

- 4.10.1 We will limit the charge for a new water main to the cost of connecting to the nearest reasonably practicable point on our supply network where the existing main is at least the same diameter as the new water main you require to provide the capacity for your development.
- 4.10.2 We may sometimes need to find an alternative point of connection for capacity reasons, resulting in a longer length of new water main. If so, we will not charge you for the additional length. As this cost is considered to be network reinforcement, we will recover it through infrastructure charges instead.
- 4.10.3 We may sometimes increase the size of the new water main to provide future capacity for other developments in the area. If so, we will not charge you in full for the upsized new water main. Instead, we will charge you based on the proportion of the capacity of the new water main that is actually required for your development. We will calculate this based on anticipated flows for your development compared to the design capacity of the new water main. This will be based on Code for Adoption flow tables.

- 4.10.4 Sometimes the installation of a new water main results in a requirement to install additional capacity in our network upstream from the point of connection to make sure there is sufficient flow and pressure for your development. For example, we may need to provide additional mains or pumps. We consider this to be network reinforcement. We will exclude it from the charge for your new water main but recover it through our infrastructure charges.

4.11 Our fixed charges for new water mains

4.11.1 Tables of connection and pipe laying charges (where no special circumstances exist). Mains greater than 355mm are classed as special circumstances and will be priced on application.

| New mains rates | | | | |
|---|----------------------|--|-----------------------------|-------------------------------------|
| Connection charge (per connection) | | | | |
| Internal/external diameter (for PE pipes) | Connection in a road | Connection in a private road or a footpath | Connection in unmade ground | Connection with customer excavation |
| 80/90mm ^{CA} | £13,180 /m | £9,630 /m | £7,200 /m | £4,150 /m |
| 100/125mm ^{CA} | £13,440 /m | £9,870 /m | £7,440 /m | £4,360 /m |
| 150/180mm ^{CA} | £14,690 /m | £10,820 /m | £8,150 /m | £4,810 /m |
| 200/250mm ^{NC} | £16,640 /m | £12,380 /m | £9,430 /m | £5,750 /m |
| 300/355mm ^{NC} | £20,750 /m | £16,680 /m | £13,030 /m | £8,720 /m |

| Pipe-laying charge (per linear metre) (where barrier pipe is needed) | | | | |
|--|----------------------|--|-----------------------------|-------------------------------------|
| Internal/external diameter (for PE pipes) | Connection in a road | Connection in a private road or a footpath | Connection in unmade ground | Connection with customer excavation |
| 80/90mm ^C | £750 /m | £680 /m | £310 /m | £160 /m |
| 100/125mm ^C | £800 /m | £700 /m | £350 /m | £180 /m |
| 150/180mm ^C | £960 /m | £860 /m | £430 /m | £230 /m |
| 200/250mm ^C | £1,200 /m | £1,110 /m | £600 /m | £360 /m |
| 300/355mm ^C | £1,560 /m | £1,460 /m | £930 /m | £570 /m |

| Pipe-laying charge (per linear metre) (where barrier pipe is not needed) | | | | |
|--|----------------------|--|-----------------------------|-------------------------------------|
| Internal/external diameter (for PE pipes) | Connection in a road | Connection in a private road or a footpath | Connection in unmade ground | Connection with customer excavation |
| 80/90mm ^C | £740 /m | £650 /m | £300 /m | £130 /m |
| 100/125mm ^C | £770 /m | £670 /m | £330 /m | £160 /m |
| 150/180mm ^C | £920 /m | £830 /m | £410 /m | £200 /m |
| 200/250mm ^C | £1,120 /m | £1,000 /m | £560 /m | £280 /m |
| 300/355mm ^C | £1,460 /m | £1,360 /m | £860 /m | £500 /m |

C = contestable, CA = contestable depending on accreditation, NC = non-contestable

Our rates for 'part made ground' apply for works within a development site where the ground has been worked (i.e., the 'unmade ground' rate is not applicable), but the road / footpath has not been surfaced.

We will use the rates for 'footpath' for works carried out in private roads, including surfaced but not yet adopted roads within a development.

If the new main is to be delivered in phases, we will add a phasing charge for the start of each new phase.

The above charges are subject to VAT at the applicable rate.

4.11.2 Any work involving special circumstances will be charged in accordance with 4.9 above. The following ancillary charges apply for new water mains featuring special circumstances:

4.11.3 Table of ancillary charges (where no special circumstances exist)

| Item | | Charge | What the charge covers |
|--|--|--|---|
| Application fee ^{NC} | | £180 + VAT per application | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice |
| Design fee ^C | 1-9 properties | £895 + VAT per application | The cost of carrying out surveys and liaising with third parties to produce a detailed design for the scheme and indicative quote |
| | 10-49 properties | £1,790 + VAT per application | |
| | 50+ properties | £3,580 + VAT per application | |
| Checking fee ^{NC} | 1-9 properties | £135 + VAT per application | The cost of considering the application, reviewing the submitted design (including validation that it conforms to appropriate standards), carrying out a site survey, liaising with third parties and producing a quote |
| | 10-49 properties | £275 + VAT per application | |
| | 50+ properties | £550 + VAT per application | |
| Phasing charge ^{NC} | | £4,250 for the start of each phase | The cost of remobilising, site set up and any traffic management |
| Re-quote fee ^{NC} | | £55 + VAT per quote | The cost of updating any details and recalculating the quote |
| Re-design fee ^C | 1-9 properties | £205 + VAT per application | The cost of re-designing the scheme |
| | 10-49 properties | £410 + VAT per application | |
| | 50+ properties | £825 + VAT per application | |
| Re-checking fee ^{NC} | 1-9 properties | £135 + VAT per application | The cost of reviewing the re-submitted design, including validating that it conforms to appropriate standards |
| | 10-49 properties | £275 + VAT per application | |
| | 50+ properties | £550 + VAT per application | |
| Amendment fee ^{NC} | | £205 + VAT per application | The cost of making minor changes to a scheme design |
| Additional visits charge ^{NC} | | £220 + VAT per visit | The time and travel costs of visiting the site |
| Abortive visit fees ^{NC} | | £290 + VAT per visit plus any additional costs we incur from the highway authority plus an administration fee of 30%. If we have commenced construction and you wish to cancel the work, we will also charge you the actual costs of any work incurred | The cost of remobilisation and lost time, including associated planning, enabling, plant and supervision. If you cancel the work after construction has commenced, we will also charge you for any actual costs incurred for the work that has been carried out to that point, and to backfill and reinstate any excavations made |
| | Remobilisation charge without welfare facilities | Plus £2,130 per visit or | |
| | Remobilisation charge with welfare facilities | £4,700 per visit | |

Additional visit charges are subject to VAT at the same rate as the works. Other ancillary charges are subject to VAT at the applicable rate.

4.11.4 Table of ancillary charges (where special circumstances exist)

| Item | Charge | What the charge covers |
|-----------------------------------|---|---|
| Application fee ^{NC} | £180 + VAT for a budget estimate | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice |
| Budget estimate fee ^{NC} | £1,300 + VAT for a budget estimate | The cost of considering the application, carrying out a site survey and producing a high-level design to produce a budget estimate |
| Design fee ^C | 15% of the estimated scheme value on account of the actual cost | The cost of carrying out surveys and liaising with third parties to produce a detailed design for the scheme and indicative quote |
| Re-quote fee ^{NC} | £55 + VAT per quote | The cost of updating any details and recalculating the quote |

The above ancillary charges are subject to VAT at the standard rate.

C = contestable, NC = non-contestable

4.11.5 Sizing the pipework for your new water main

- (a) You can estimate the sizing of the pipework for your new water main or ask us to do this as part of a budget estimate if special circumstances apply. The table below is a general guide for the typical sizing of new water main required for household properties. Please note it is for indicative purposes – once detailed design is carried out, the size required may be different.
- (b) Developments containing both houses and flats will need to be considered on a case-by-case basis.

| Internal / external diameter (for PE pipes) | Typical number of properties supplied |
|--|--|
| 80/90mm | up to 60 houses or 100 flats |
| 100/125mm | up to 130 houses or 230 flats |
| 150/180mm | up to 400 houses or 700 flats |
| 200/250mm | up to 900 houses or 1,500 flats |
| 300/355mm | up to 2,600 houses or 4,500 flats |

4.12 Applications and quotes for new water mains

- 4.12.1 If you would like to apply for a new water main or modify an existing one, you need to submit a completed application form. You can do this online or by downloading and sending us a form by email or post.
- 4.12.2 You must pay an application fee for us to process your application and assess whether special circumstances exist.
- 4.12.3 If you wish us to design the mains scheme, and no special circumstances exist, you must pay a design fee based on the number of properties to be connected as part of the scheme. This covers the cost of producing the design and issuing a quote.
- 4.12.4 If you arrange your own design through an accredited designer, (who must meet WIRS competency requirements for design), we will charge a checking fee to cover the cost of reviewing the design, validating that it conforms to acceptable standards and producing the quote. For details on accreditation requirements, please see the design standards within the Water Industry Registration Scheme (WIRS) – Accredited Entity (WIRSAE). The full document can be found at lrqa.com/en-gb/utilities/wirs-wirsae/search
- 4.12.5 We base our quote on the information available to us at the time and the fixed charges applicable at that date.
- 4.12.6 The quote we produce is a fixed charge (assuming no special circumstances exist). This will not be adjusted upon completion, so ensure you have checked the detail before you accept the quote. However, if you request a change to the design once we are on site, you will be asked to sign a variation order to confirm you will pay the cost of the changes based on our fixed price charges applicable at the date of the works, or we will cancel the job and ask you to obtain a requote. Abortive charges and charges for additional site visits are not included in our quote and will increase the cost of your new water mains where applicable.
- 4.12.7 If you wish us to design the mains scheme but special circumstances exist, you must pay for a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote.
- 4.12.8 Our quote will be valid for 180 calendar days, subject to the conditions in section 4.12.9 below. If it is not accepted and paid for within this time, you will need a requote. A requote fee will be payable, and your requote will be calculated using charges applicable at the time of the requote.
- 4.12.9 Once you've accepted and paid for your quote for mains connections, the phase of mains laying construction must have commenced within 18 months of the quotation date. If it is not, you will require a requote. A requote fee will be payable, and your requote will be calculated using charges applicable at the time of the requote.
- 4.12.10 For payment terms and security requirements, see section 15.
- 4.12.11 Where no special circumstances exist:
- (a) We will carry out a site survey, design the new water main and liaise with third parties to provide you with a quote for the new water main. The quote will be based on our fixed charges and is subject to change if the scheme changes. If you require a requote as a result of changes you have made to your scheme, a requote fee will be payable
- (b) Upon completion, you can ask us to review your scheme to assess whether the size(s) and length(s) of new water main laid were the same as in the quote. If the diameter of the pipework is different, the surface type is different or the length of the pipework is at least three metres more or less than in the quote, we will recalculate the charge for the scheme using our fixed charges and invoice or credit you for the difference. Please note that the rates we use to recalculate the final charges will be the fixed charges applicable on the date we issue the quote if you pay in advance, or the fixed charges applicable at the date of completion of the new water main if you decide to pay in arrears. We charge for abortive and additional visits at published rates applying on the date the charges are incurred
- 4.12.12 As detailed in 4.9, where special circumstances exist, we will carry out the design on payment of a percentage-based fee. We will carry out a site survey, design the new water main and liaise with third parties to provide you with an indicative quote. The quote will not be a fixed price quote. On completion of the new water main, we will provide an account of the actual costs incurred and either credit or invoice you for the difference.

5 Water main diversions

5.1 Introduction

- 5.1.1 Developers with an interest in land that contains a public water main can request its alteration or removal to allow development work to progress. This process of altering or removing a water main and ancillaries such as district meter pillars is known as a diversion, and the work is carried out in accordance with section 185 of the Water Industry Act 1991.
- 5.1.2 Please note that we are under no obligation under the Act to divert any water main or infrastructure which is in, under or over any road or to carry out a diversion where it is unreasonable to require us to do so.
- 5.1.3 If you are planning significant work near our water mains and other assets as part of your development, it is important that you minimise the risk of damage. We will need to check that your development does not reduce capacity, limit repair or maintenance activities or inhibit the services we provide in any other way. No development or structure should be built within five metres of trunk mains or within three metres of distribution mains.
- 5.1.4 If you are planning work in London and intend to develop above any section of the Thames Water Ring Main or Thames Lee Tunnel, you will need to discuss this with us. Please note that we will not divert any section of these structures. If the water main has a diameter above 355mm, you may also need an impact study, as not all mains can be diverted.
- 5.1.5 If your new infrastructure (for example, a gas pipe) will cross a water main, please contact us to discuss your plans. If there is insufficient distance between the two, you may need to carry out an impact study and redesign your infrastructure or else divert our main.

5.2 Who can carry out the works?

- 5.2.1 Water main laying is contestable. This means self-lay providers (SLPs) can carry out this work for you, unless we assess that it involves heightened risk to existing assets or could affect supplies to existing customers.
- 5.2.2 Making connections to the existing water main is non-contestable, which means it remains our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case-by-case basis, and the decision is entirely at our discretion.
- 5.2.3 The decommissioning of the redundant water main is also non-contestable and remains our responsibility. We may allow a suitably accredited SLP to carry this work out. We will assess this on a case-by-case basis, and the decision is entirely at our discretion.
- 5.2.4 If you want an SLP to carry out the diversion for you, you must enter into a Diversion Agreement with us to carry out the work on our behalf (see section 6.2.4).

5.3 How we calculate our charges

- 5.3.1 The charge for a diversion for your development is equal to the reasonable cost we incur in complying with our duty to carry out the diversion. The charges we raise will exclude any cost we incur in making good existing deficiencies in our network or in creating additional capacity.
- 5.3.2 We will review each diversion on completion to assess the actual costs we have incurred in carrying it out. The difference between our indicative quote and our reasonable actual costs incurred will be credited or invoiced to you as appropriate.
- 5.3.3 If you choose to carry out the excavation, backfilling and reinstatement work for a diversion, you must provide sufficient space for us to install our pipe and fittings and make sure that on completion of your works all chambers are dry and clear of debris and all valves are operable. If you do not ensure all chambers are dry and clear of debris and all valves are operable, we reserve the right to take action to clear any water and debris and to repair any damage done to our apparatus, and we will recover any costs we incur in relation to this.
- 5.3.4 Your diversion works may require existing service connections to be diverted or re-laid, and we will include this in your quote.
- 5.3.5 Payment terms and security requirements can be found in section 15.

5.4 Indicative rates for estimating purposes only

- 5.4.1 We are not required to publish fixed charges for diversion work. However, we are required to enable developers to calculate a reasonable estimate of the charge of the diversion work. We will calculate the actual cost of your diversion on a scheme-by-scheme basis, and this will vary from the indicative charges published here.
- 5.4.2 Our indicative charges for diverting mains are broken down into three elements:
 - (a) The charge for each connection to the existing water main, including the installation of a valve and washout. This is shown as a single charge calculated with reference to the diameter of the new main (for example, 125mm), where we connect to the existing main (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works
 - (b) A charge for laying pipe between the two connection points. This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to the size of the new main (for example, 125mm), where we lay our pipe (for example, in the road) and whether or not you carry out the excavation, backfill and reinstatement works.
 - (c) The cost for relocating bespoke ancillary items such as district meter pillars will be priced on application and dealt with as a complex scheme.
 - (d) The cost for decommissioning the redundant main, shown as a rate per metre (rounded up to whole metres)

- 5.4.3 Our indicative charges represent the typical cost for a straightforward scheme and should be used as an estimating tool only. We will not use them to calculate actual charges for diversion work.
- 5.4.4 For re-laying or diverting service connections, you can use the published service connection charges section 3.7.1 on an indicative basis.
- 5.4.5 Indicative pipe laying and connection charges for a new water main in section 4.11.1 above and details of our ancillary charges are included in section 5.7 below.
- 5.4.6 The indicative charges for decommissioning water mains are:

| Pipe diameter | Charge |
|---|---------------|
| Up to and including 300mm ^{NC} | £20 per meter |
| Greater than 300mm ^{NC} | £90 per meter |

5.5 Estimating the charges for your scheme

- 5.5.1 To estimate your charge, you will need to know the parameters of your development, in particular:
- (a) **the size of water main** you are diverting
 - (b) **where the new main will connect** into the existing network
 - (c) **the likely route of the new main** between the two new connection points
 - (d) **whether there is contamination** present in the land in which the diversion is to be built. If you are certain there is no risk of contamination, you do not need to use the barrier pipe inclusive rates in your estimate; if not, you should do so
 - (e) **the nature of service connections** to be diverted or re-laid
 - (f) **the length of water main** to be decommissioned
 - (g) **whether the scheme has special circumstances.**
Any scheme involving any of the circumstances set out in section 14 are considered to have special circumstances

5.6 Applications and quotes for diversions

- 5.6.1 In order to arrange a diversion, you will need to submit an application form to us. You can do this online or by downloading and sending us a form by email or post. You must pay an application fee for us to process your application and assess whether the scheme is complex.
- 5.6.2 For non-complex schemes, you will need to pay a fixed design fee (see ancillary charges in table 5.7.2). We will design the diversion and provide you our indicative quote based on our estimated costs, including the cost of works, management and administration costs, traffic management costs, highway authority charges and costs associated with working in third party land. The works typically involve design work, laying a new main, providing connections at each end into existing mains and decommissioning the redundant main.
- 5.6.3 For complex schemes, we charge a non-refundable, fixed price fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme, we will provide an account of our reasonable costs incurred and credit or invoice you for the difference compared to the application and design fee you paid.
- 5.6.4 The indicative quote is not a fixed price quote and will be valid for 180 calendar days. It is subject to change in the event that the requirements of the diversion change. If a requote is required as a result of changes you have made to your development, a requote fee will be payable.

5.7 Table of ancillary charges

5.7.1 Please note that these charges are fixed and will be payable at the rate below even if your scheme does not progress and the diversion is not required.

5.7.2 Ancillary charges (for non-complex schemes)

For ease of reference, any scheme involving any of the circumstances set out in section 14 is considered complex.

| Item | Charge | What the charge covers |
|-------------------------------|------------------------------|---|
| Application fee ^{NC} | £180 + VAT per application | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice |
| Design fee ^C | £3,580 + VAT per application | The cost of considering the application, carrying out a site survey and liaising with third parties to design the diversion and produce an indicative quote |
| Re-design fee ^{NC} | £895 + VAT per application | The cost of re-designing the scheme |
| Re-quote fee ^{NC} | £55 + VAT | The cost of updating any details and recalculating the indicative quote |

The above ancillary charges are subject to VAT at the standard rate.

C = contestable, NC = non-contestable

All of the above costs are non-refundable, even if the scheme does not go ahead.

5.7.3 Ancillary charges (for complex schemes)

For ease of reference, any scheme involving any of the circumstances set out in section 14 is considered complex.

| Item | Charge | What the charge covers |
|-----------------------------------|---|---|
| Application fee ^{NC} | £180 + VAT per application | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice |
| Budget estimate fee ^{NC} | £1,300 + VAT per application | The cost of considering the application, carrying out a site survey and producing a high-level design in order to produce a budget estimate |
| Design fee ^C | 15% of the estimated scheme value on account of the actual cost | The cost of carrying out surveys and liaising with third parties to produce a detailed design for the scheme and indicative quote |
| Re-quote fee ^{NC} | £55 + VAT | The cost of updating any details and recalculating the quote |

The above ancillary charges are subject to VAT at the standard rate.

C = contestable, NC = non-contestable

All of the above costs are non-refundable, even if the scheme does not go ahead.

6 Adoptions and self-lay

6.1 Introduction

6.1.1 An accredited self-lay provider (SLP) can carry out at least the contestable work to connect your development to the water network, construct new service connections and new water mains or carry out a diversion. You may find it more convenient to use an accredited SLP rather than to ask us to carry out the work for you.

6.1.2 For service connections, anything up to 63mm is contestable. Over 63mm (up to and including 180mm) may be contestable, depending on individual SLP accreditation, risk to customers and SLP performance in our area. The decision on whether service connections over 63mm and up to 180mm can be undertaken by an SLP is made on a case-by-case basis, and the decision is made entirely at our discretion. Anything over 180mm is non-contestable. You can find more information about our self-lay connection criteria at thameswater.co.uk/developers/self-lay

6.1.3 For new water mains requisitions, all pipelaying is contestable. Main connections up to 63mm are contestable. Main connections over 63mm (up to and including 180mm) may be able to be undertaken by SLPs in certain circumstances. The decision on whether mains connections over 63mm and up to 180mm can be undertaken by an SLP is made on a case-by-case basis and the decision is made entirely at our discretion. Only connections that can be made under pressure and do not pose an unacceptable risk to existing customer supplies will be considered appropriate to be undertaken by an SLP. Connections to GRP and PVC mains will always be non-contestable. Any mains connection over 180mm is non-contestable.

You can find more information about our self-lay connection criteria at thameswater.co.uk/developers/self-lay

6.1.4 If you would like an SLP to carry out any of the work described in 6.1.1, you and your SLP will need to enter into a Self-Lay/Adoption Agreement for new connections and new mains work or a Diversion Agreement for diversion works with us before any work is carried out.

6.1.5 SLPs can carry out most works involved in laying of mains and services. The following elements are deemed not appropriate to be undertaken by SLPs:

- (a) design work for network reinforcement and/or diversions
- (b) sizing pipes: we retain responsibility for this part of the design work
- (c) approving on-site water distribution systems designs (except where self-certification arrangements are in place)
- (d) Network reinforcement works (i.e., to secure an adequate supply to the site) where the construction heightens the risk of damage to existing water distribution systems or interrupting supplies to existing customers
- (e) mains connections that involve heightened risk to existing assets or could affect supplies to existing customers

- (f) connection, commissioning and/or decommissioning of diverted network
- (g) Service connections on existing mains where we assess that the condition of the main or the material heightens the risk to existing assets or could affect supplies to existing customers
- h) assessment of network risk and operating live network

6.1.6 Non-contestable works are our responsibility. If we consider the works to be low risk, we may allow a suitably accredited SLP to carry them out. We will assess this on a case-by-case basis, and the decision is entirely at our discretion.

6.2 Our financial arrangements for self-lay schemes

6.2.1 The financial arrangements for self-lay schemes vary according to the type of work being undertaken.

6.2.2 Service connections

- (a) If you are arranging for an SLP to construct your connection, you will need to make an application for the design of the connection so we can assess the suitability of the connection, risk assess the connection work to ensure the work is not deemed to be high risk, and provide you with a quote for the meters and infrastructure charges that may be applicable. Please refer to section 3 for information on new connections.

6.2.3 New water mains

- (a) You may be arranging for an SLP to design your schemes or construct some or all of the new main, including the source of water connection to our existing assets if we have agreed to this.
- (b) The works we carry out typically include the source of water connection to our water main and main laying outside of your development site (off-site works). Our charges for these works will be the same as those that apply for new water mains, as detailed in section 4.
- (c) You will need to pay for any work we are carrying out before we schedule any works.

6.2.4 Water main diversions

- (a) You may want to arrange for an SLP to construct some or all of the new water main, including the source of water connections and decommissioning of the redundant main. If we have agreed to this, you and your SLP must enter into a Diversion Agreement with us.
- (b) If we carry out any works, such as the source of water connection, main laying outside of your development site (off-site works) or decommissioning of the redundant main, we will calculate our charges in the same way as we calculate those for diversions. As detailed in section 5.3, we will provide an indicative quote for our works, which will be an estimate of the cost of the works that need to be carried out. You (or your SLP) will need to pay the charges to us in advance or else provide security in accordance with section 11 before we schedule the works. On completion of our works, we will review our actual costs as set out in 5.3.2.
- (c) For complex schemes, fees for budget estimates and for design will be payable as detailed in 5.7.2.

6.2.5 Additional services

- (a) As part of a self-lay scheme, we are sometimes asked to carry out additional services such as sampling. Although these are not services we are obliged to provide, we have published charges for the services that we offer below.

6.2.6 Terms of payment and security

- (a) If you carry out non-contestable works by agreement with us, you will need to provide an unlimited indemnity to us for any potential losses, damages and claims that may occur as a result of your works. As an alternative, we will consider any reasonable request to provide security to cover these risks
- (b) We do not require security in respect of contestable works you carry out
- (c) We will send you an invoice for any charges associated with Self-Lay/Adoption Agreements and Diversion Agreements. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date

6.3 Our charges for self-lay water schemes

6.3.1 Service connections

- (a) We will charge for any service connections works on the same basis as set out in section 3
- (b) If you choose to obtain a comparative quote for your service connection, application and design fees will be payable as detailed in 3.7.2
- (c) If you require a Water Regulations inspection, fees will be payable as detailed in 6.3.6
- (d) We will charge the following for water meters:

| Meter size and type | Initial meter charge | Replacement meter charge |
|-------------------------------|----------------------|--------------------------|
| 15mm concentric ^{NC} | £170 | £60 |
| 15mm in line ^{NC} | £180 | £70 |
| 20mm in line ^{NC} | £210 | £100 |
| 25mm in line ^{NC} | £260 | £150 |
| 30mm in line ^{NC} | £280 | £170 |
| 40mm in line ^{NC} | £320 | £210 |
| 50mm in line ^{NC} | £400 | £290 |
| 80mm in line ^{NC} | £480 | £370 |
| 100mm in line ^{NC} | £540 | £430 |
| 150mm in line ^{NC} | £750 | £640 |

C = contestable, NC = non-contestable

The costs in the table above include the cost of the meter, the fittings for an in-line installation and the administration costs of proving and setting up the account. Meters will be ordered approximately four to six weeks before installation is required.

Application fees, design fees and charges for meters are subject to VAT at the standard rate.

Should you wish to order replacement meters, we will charge you for the cost of the meters and an administration charge.

6.3.2 New water mains

- (a) We will charge for our works on the same basis as set out in section 4. We will use fixed charges where no special circumstances exist or price the works on a combination of fixed charges and actual costs incurred if special circumstances exist. Please refer to our methods for calculating charges and our charging tables in sections 4.5, 4.9 and 4.11 for details about our charges for water mains work
- (b) If you need us to make the connection between your new main and our new main (also known as the piece through or the back-to-back), we will charge you a fee to cover the cost of attending the site and making the connection as per table 6.3.6
- (c) Application fees will be payable for water mains scheme featuring special circumstances, as detailed in section 4.9.2
- (d) If you need us to carry out sampling, fees for the visit and the sampling analysis are as per table 6.3.6

6.3.3 Diversions

- (a) We will charge for our works using the same method as set out in 5.3 and 5.6
 - (b) You will also need to pay a legal fee for negotiating the Diversion Agreement, which could be up to £5,000
- 6.3.4 If you arrange for a new water main to be designed by an accredited designer, we will charge you for reviewing and agreeing the design based as per the checking fees outlined in the table in section 4.11.4.
- 6.3.5 If you need project management or technical support for your self-lay scheme, we will charge you based on hourly rates for the type of person required. This is an optional service we may be able to provide subject to agreement.

6.3.6 Table of ancillary charges

| Item | Charge | What the charge covers |
|---|-----------------------|--|
| Water Regulations inspection ^C | £165 + VAT per visit | One site visit to undertake a Water Regulations inspection |
| Piece through (back to back) ^C | £1,100 per connection | The cost of attending site and making the connection |

The above ancillary charges are subject to VAT at the standard rate.

C = contestable, NC = non-contestable

Wastewater charging arrangements



7 Waste connections and new lateral drains

7.1 Introduction

- 7.1.1 A lateral drain (shown in yellow in Diagram 2) is the part of a drain located outside the boundary of a single building or buildings within the same boundary that connects the private drain to the public sewer.
- 7.1.2 Pipework that connects the public sewer to multiple properties (shown in orange in Diagram 2) is classed as a sewer. For information on our charges for constructing new sewers, please see section 8. Note sewers constructed after July 2011 are likely to be private unless they are shown on our public sewer records.
- 7.1.3 We do not construct pipework on your land that serves only your building(s) (shown in blue). This is your responsibility.
- 7.1.4 Under section 107 of the Water Industry Act 1991, we also have the right to make the connection from your lateral drain or sewer to the public sewer instead of you. We call this a waste connection.

7.2 Who can carry out the works?

- 7.2.1 We expect you to construct your own lateral drains for your development or engage a competent contractor to carry this out on your behalf. A lateral drain includes the connection to the public sewer.
- 7.2.2 If you arrange the construction of your lateral drain, you must apply for consent to connect under section 106 of the Water Industry Act 1991 before making any communication with the public sewer. For details on how to do this, see thameswater.co.uk/developers/how-to-connect-to-a-sewer
- 7.2.3 Under section 106(8) of the Water Industry Act 1991, we have an absolute right to refuse connections in Greater London to any public sewer that is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains. We call these trunk sewers.
- 7.2.4 If we elect to make the waste connection, we will notify you of our intention to do so within 14 calendar days of receiving your application for a consent to connect. In practice, we only exercise this right when your connection is to a trunk or strategic sewer, or the connection works have health and safety implications for our workforce. We only do this after we have exhausted all alternative and low-risk options for connecting.
- 7.2.5 Before we proceed with any new lateral drain or waste connection, we will charge you an application fee covering our administration costs, a topographical survey, utility searches and manhole surveys. This will enable us to confirm the point of connection to the public sewer and the route from your boundary to that point of connection, which in turn confirms what we will charge you for making the connection.
- 7.2.6 Where we exercise the right to make a waste connection between your lateral drain and the public sewer, you may carry out the associated lateral drain laying or ask us to do this on your behalf. Where we exercise the right to make a waste connection between your sewer and the public sewer, we will only make the connection and will not carry out any associated sewer laying. If you need us to provide the whole of the new sewer you should apply, we will charge you in accordance with section 8.
- 7.2.7 If you want us to adopt any lateral drain that you build, it must be constructed to a standard that we accept. For more information on adoptions, please refer to section 10.

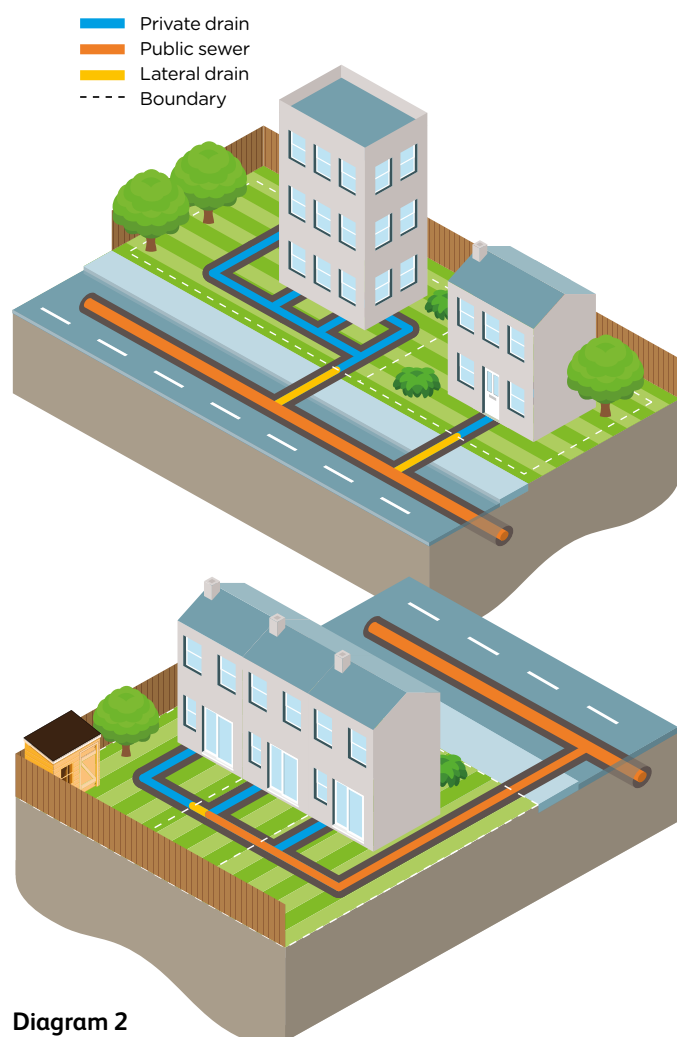


Diagram 2

7.3 How we calculate our charges if we provide the new lateral drain or waste connection

- 7.3.1 Our charges for the provision of a new lateral drain are broken down into four elements:
- (a) A non-refundable application fee in line with section 7.2.5 above and as set out in the table at 7.7.2
 - (b) A fixed charge for the connection to the public sewer. This is shown as a single charge calculated with reference to the depth (for example, up to five metres) of the connection (see table in 7.7.1)
 - (c) A fixed charge for laying additional pipe from the end of the connection to the sewer up to your property boundary. This is shown as a per metre charge (rounded up to whole metres) calculated with reference to the diameter of the connection (for example, 150mm) (see table at 7.7.1)
 - (d) Any other ancillary charges (see table at 7.7.2)
- 7.3.2 Our charges for waste connections are broken down into three elements:
- (a) A non-refundable application fee in line with section 7.2.5 above and as set out in the table at 7.7.2
 - (b) A fixed charge for the connection to the public sewer. This is shown as a single charge calculated with reference to the depth (for example, up to five metres) of the connection (see table at 7.7.1)
 - (c) Ancillary charges (see table at 7.7.2)

7.4 Costs included in our fixed charges

- 7.4.1 Our fixed charges include the cost of:
- (a) A percentage uplift for traffic management and highway authority charges. We have set the percentages at a level that aims to recover the overall cost that we incur. We will make no further credits or charges in respect of traffic management or highway authority charges for schemes charged using our fixed rates, unless associated with abortive charges. For more information on what constitutes traffic management, please see Appendix B.
 - (b) Crossing or accessing third party land, in which case we will have to agree compensation with the third party to cover any damage or disruption that may result. We may incur additional costs in dealing with the third party and may have to plan our works differently, including revising our timescales. We have set our fixed charges at a level that recovers the overall cost of working in third party land, so we will make no further credits or charges in respect of this.
 - (c) Site visits: Our quote includes one enabling site visit and one additional field engineer visit. We will charge you for any additional visits you require.
- 7.4.2 Our fixed charges for lateral drains and waste connections are:
- (a) based on the typical cost we expect to incur to carry out each of the specified elements of work. We have

calculated them based on analysis of the cost of recent work where possible, otherwise we have estimated them based on what we think the typical cost might be. We will review and update the charges annually

- (b) limited to the cost of connecting to the nearest reasonably practicable point on the network where the sewer is at least the same diameter as your connection. There will be no additional charge if we need to find an alternative point of connection for capacity reasons or if we need to carry out additional works beyond the point of connection to provide capacity for your development

7.5 Ancillary charges

- 7.5.1 Our ancillary charges include any abortive costs caused by you or your site not being ready when we attend on an agreed day to carry out our works, or where you cancel an agreed appointment. This includes situations where we consider the site to be unsafe, for example due to insufficient working space, proximity to scaffolding, existence of trip hazards or movement of plant.
- (a) If you cancel an agreed appointment at any time or your site is not ready, we will recover from you all additional costs we have to pay to the highway authority to re-book any permits, suspensions or closures, plus a 30% administrative charge
 - (b) If we receive less than two working days' notice of cancellation or your site is not ready, we will invoice you an abortive charge to cover remobilisation and lost time, including associated planning, enabling, plant and supervision
- 7.5.2 If you need a requote that can be prepared using the survey information we obtained for your original application, we will charge you a requote fee. If we have to carry out new surveys, you must submit a new application and pay the application fee.
- ### 7.6 Estimating the charges for your scheme
- 7.6.1 To estimate your charge, you will need to know the parameters of your development, in particular:
- (a) the size of waste connection or new lateral drain you require (based on pipe diameter)
 - (b) the depth of the public sewer you are connecting to
 - (c) the length of pipework you require for your new lateral drain, for example the distance to the existing public sewer you are connecting to. If you need help identifying where the existing sewers are located, you can view the maps for free in our office (specified in the link below) or consult a property search provider: thameswater.co.uk/developers/where-our-pipes-are
 - (d) the likely route of the new lateral drain from the point of connection into your development site

7.7 Our charges for waste connections and new lateral drains

7.7.1 Table of fixed connection and pipe laying charges ³

| Waste connections and lateral drains – Connection charges | | Depth ² | |
|---|----------------|--------------------|---------------------------------|
| | | Less than 5 metres | 5 metres to less than 10 metres |
| Connection charge ¹ | Per connection | £126,860 | £143,280 |

1 = Connection to a trunk sewer is non-contestable; connection to a public sewer is contestable

2 = Depth greater than 10m are special circumstances and will be priced on application

| Waste connections and lateral drains – Pipelaying charges | | Internal pipe diameter | | |
|---|-----------|------------------------|-----------|---------|
| | | 100/150mm | 225/250mm | 300mm |
| Pipelaying charge | Per metre | £8,700 | £11,250 | £14,550 |

The above charges are subject to VAT at the applicable rate.

7.7.2 Table of ancillary charges

| Item | | Charge | What the charge covers |
|---------------------------------------|---|--|---|
| Application fee ^{NC} | Connection to trunk sewer | £11,400 per application ³ | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice. This includes considering the application, carrying out a site survey and producing a high-level design and budget estimate, as well as carrying out surveys and liaising with third parties to produce a detailed design for the scheme and indicative quote. A topographical survey, utility searches and manhole surveys will also be carried out. These are more expensive than for a public sewer because of complexity, average depth and the number of manhole surveys required |
| | Connection to other public sewer | £3,800 per application | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice. This includes considering the application, carrying out a site survey and producing a high-level design and budget estimate, as well as carrying out surveys and liaising with third parties to produce a detailed design for the scheme and indicative quote. A topographical survey, utility searches and manhole surveys will also be carried out |
| Requote fee ^{NC} | Original surveys remain valid | £80 + VAT per quote | The cost of updating any details and recalculating the indicative quote |
| | New surveys needed | Application fee as above | The same costs as the application fee |
| Abortive visit fees ^{NC} | | £290 + VAT per visit plus any additional costs we incur from the highway authority plus an administration fee of 30%. If we have commenced construction and you wish to cancel work, we will also charge you the actual costs of any work incurred | The cost of remobilisation and lost time, including associated planning, enabling, plant and supervision. If you cancel work after construction has commenced, we will also charge you for any actual costs incurred for the work that has been carried out to that point, and to backfill and reinstate any excavations made |
| | Remobilisation charge without welfare facilities | Plus £2,130 per visit or | |
| | Remobilisation charge with welfare facilities | £4,700 per visit | |
| | | Plus any additional costs we incur from the highway authority plus an administration fee of 30% as detailed in 4.7.1 | |
| | Additional visit charges are subject to VAT at the applicable rate | | |
| Additional visit charge ^{NC} | | £220 + VAT per visit | The time and travel costs of visiting the site |
| | Additional visit charges are subject to VAT at the same rate as the works | | |

C = contestable, NC = non-contestable

3 = If special measures are needed to undertake the work, such as de-watering, we will notify you before proceeding and charge at actual cost

7.8 Applications and quotes for waste connections and new lateral drains

- 7.8.1 As we only carry out waste connections in response to applications for consent to connect under section 106 of the Water Industry Act 1991, there is no specific application process. We will discuss the requirements with you and quote for the works required. Although we expect you to construct your own lateral drain (as detailed in 7.2.1), you can complete a separate application form if you want us to do it for you. For details on how to do this, see thameswater.co.uk/developers/requisitioning-a-sewer
- 7.8.2 We will carry out a site survey and liaise with third parties to provide you with a quote for the works. We will base the quote on our fixed charges. The quote is subject to change in the event that the scheme changes. If a requote is required as a result of changes you have made to your scheme, a requote or new application fee will be payable.
- 7.8.3 The quote we produce is a fixed charge unless special circumstances apply. This will not be adjusted upon completion, so please ensure you have checked the detail before you accept the quote. However, if you request a change to the design once we are on site, you will be asked to sign a variation order to confirm that you will pay the cost of the charges based on our fixed price charges applicable at the date of the works, or we will cancel the job and ask you to obtain a requote. Abortive charges and charges for additional site visits are not included in our quote and will increase the cost of your work where applicable.
- 7.8.4 Our quote will be valid for 180 calendar days. In the event that you require a requote, a requote or new application fee will be payable. Once you've accepted and paid for your quote, the phase of sewer laying construction must have commenced within 18 months of the quotation date. If it is not, you will require a requote. A requote fee will be payable, and your re-quote will be calculated using charges applicable at the time of the requote.
- 7.8.5 If you or your contractor are making a connection to the public sewer, you must apply to us for consent to connect under section 106 of the Water Industry Act 1991.
- 7.8.6 Payment terms and security requirements can be found in section 15.

8 New sewers (sewer requisitions)

8.1 Introduction

- 8.1.1 A public sewer (shown on our map of public sewers, in orange in Diagram 2 in 7.1 and noted in 7.1.2) carries wastewater from multiple properties and can be on private or public land. If there is no public sewer near to your property or your site has no means to connect your sewer or lateral drain due to third party land, you can requisition (formally request) a public sewer or lateral drain under Section 98-101 of the Water Industry Act 1991. As soon as the requisition work is completed by Thames Water, the pipe works will also immediately vest in Thames Water.

8.2 Who can carry out the works?

- 8.2.1 We expect you to construct sewers for your own development or engage a competent contractor to carry out the works on your behalf. In principle, all sewer works can be carried out by you or your contractor subject to meeting required standards.
- 8.2.2 You will also make your own connections to the public sewer network unless we exercise our right to make the connection under section 107 of the Water Industry Act 1991 (please see section 7). If you arrange to construct your own sewers, you must apply for consent to connect under section 106 of the Act before making any communication with the public sewer. For details on how to do this, see thameswater.co.uk/developers/how-to-connect-to-a-sewer
- 8.2.3 Under section 106(8) of the Water Industry Act 1991, we have an absolute right to refuse connections in Greater London to any public sewer that is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains. We call these trunk sewers.
- 8.2.4 The construction of your sewers must be to a standard we accept if you want us to adopt them. For more information about adoptions, please see section 10.

8.3 How we calculate our charges

- 8.3.1 We will price our charges for new sewers on application and you will pay the actual costs incurred by us in carrying out the work.
- 8.3.2 The price on application is based on our detailed design, which identifies the connection point into the existing network, the sizes, lengths and route of the new sewer, the required fittings and any potential traffic management requirements.
- 8.3.3 We will base the estimate we issue you on the estimated cost of these plus the required plant, labour and materials.
- 8.3.4 We will base the final charge to you on the actual cost of all these items plus any additional costs we may have incurred due to working in or near third party land.

8.4 Indicative rates for estimating

- 8.4.1 To estimate your charge, you will need to know the parameters of your development, in particular:
- (a) the size of new sewer you require (based on pipe diameter)
 - (b) the length of new sewer you require – for example, the distance to the existing public sewer to connect to and in how many phases the pipework will be laid. If you need help identifying where the existing sewers are located, you can view the maps for free in our office (specified in the link below) or consult a property search provider: thameswater.co.uk/developers/where-our-pipes-are
 - (c) the likely route of the new sewer from the point of connection into your development site
 - (d) the number of properties that will be connected to the waste network as part of the scheme
- 8.4.2 We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage-based fee to design the scheme and produce a detailed cost estimate. If you do not proceed with the scheme, we will provide an account of the costs incurred and credit or invoice you for the difference compared to the design fee you paid.
- 8.4.3 Our detailed cost estimate is not a fixed price quote and will be valid for 180 calendar days. It is subject to change in the event that the requirements of the scheme change. If you require a requote as a result of changes you have made to your development, a requote fee will be payable.
- 8.4.4 The indicative rates for pipelaying and connection charges are shown in 8.6.1. These indicative rates represent the cost of a straightforward scheme and should be used as an estimating tool only, and will not be used to produce budget estimates or calculate actual charges for sewer work.
- 8.4.5 Details of our ancillary charges are shown in 8.6.2.

8.5 Network reinforcement

- 8.5.1 We will limit the charge for a new sewer to the cost of connecting to the nearest reasonably practicable point on the network where the existing sewer is at least the same diameter as the new sewer you require to provide the capacity for your development.
- 8.5.2 We may sometimes need to find an alternative point of connection for capacity reasons, resulting in a longer length of new sewer. If so, we will not charge you for the additional length of new sewer. As this cost is considered to be network reinforcement, we will recover it through infrastructure charges instead.
- 8.5.3 We may also sometimes increase the size of the new sewer to provide future capacity for other developments in the area. If so, we will not charge you in full for the upsized new sewer. Instead, we will charge you based on the proportion of the capacity of the new sewer that is actually required for your development. We will calculate this based on anticipated flows for your development compared to the design capacity of the new sewer.
- 8.5.4 Sometimes the installation of a new sewer results in a requirement to install additional capacity in our network downstream from the point of connection to make sure there is sufficient flow and pressure for your development. For example, we may need to provide additional sewers or pumps. We consider this to be network reinforcement. We will exclude it from the charge for your new water main but recover it through our infrastructure charges.

8.6 Our indicative rates for new sewers

- 8.6.1 Tables of connection and pipe laying charges (where no special circumstances exist)

The below charges are subject to VAT at the applicable rate.

| Sewer requisitions and diversions Internal pipe diameter | Road | | | Private road or footpath | | | Unmade ground | | |
|---|---------|--------|--------|--------------------------|--------|--------|---------------|-------|--------|
| | 150mm | 225mm | 300mm | 150mm | 225mm | 300mm | 150mm | 225mm | 300mm |
| Connection charge per connection ^c | £33,130 | | | £32,330 | | | £26,330 | | |
| Pipelaying charge per metre ^c | £1,680 | £1,970 | £2,210 | £1,120 | £1,320 | £1,480 | £800 | £940 | £1,050 |

8.6.2 Table of ancillary charges

| Item | Charge | What the charge covers |
|-------------------------------|---|---|
| Application fee ^{NC} | £1,300 + VAT for a budget estimate | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice. This also includes a high-level design and production of a budget estimate |
| Design fee ^{NC} | 15% of the estimated scheme value on account of the actual cost | Carrying out surveys and liaising with third parties to produce a detailed design for the scheme and detailed estimate |
| Requote fee ^{NC} | £80 + VAT | The cost of updating any details and recalculating the detailed estimate |

C = contestable, NC = non-contestable

The above ancillary charges are subject to VAT at the standard rate.

8.7 Applications and quotes for new sewers

- 8.7.1 To obtain a new sewer, you will need to submit an application form to us. Please read this section in conjunction with section 15 (payment terms and security).
- 8.7.2 If you would like an estimate of the charges for a new sewer, you can apply for a budget estimate. A budget estimate is not capable of acceptance and is provided without carrying out a site visit, doing a detailed design or discussing the scheme with the relevant highway authority.
- 8.7.3 Our budget estimates are valid for 180 calendar days.
- 8.7.4 If you wish to progress after receiving a budget estimate, we will carry out the design on payment of a percentage-based fee. For this we will carry out a site survey, design the new sewer work and liaise with third parties to provide you with a detailed estimate for the new sewer. The detailed estimate will not be a fixed price quote.
- 8.7.5 On completion of the new sewer, we will provide an account of the actual costs incurred and either credit or invoice you for the difference.
- 8.7.6 Payment terms and security requirements can be found in section 15.

9 Sewer diversions

9.1 Introduction

- 9.1.1 Developers with an interest in land that contains a public sewer can request the alteration of the sewer to allow development work to progress. This process of altering (and removing the diverted sewer) is known as a diversion and the work is carried out in accordance with section 185 of the Water Industry Act 1991.
- 9.1.2 Please note that we are under no obligation under the Act to divert any sewers which are in, under or over any road or where it is unreasonable to do so.
- 9.1.3 If you are planning significant work near our sewers or other assets as part of your development, it is important that you minimise the risk of damage. We will need to check that your development does not reduce capacity, limit repair or maintenance activities or inhibit the services we provide in any other way.
- 9.1.4 If you are building within three metres of a public sewer or within one metre of a public lateral drain, you need our approval before work begins. There are some cases in which we won't allow you to build over a sewer – these include rising mains, manholes and strategic sewers. In these cases, you will need to modify your design or arrange for our sewer to be diverted. You can apply to build within three metres of a public sewer or lateral drain under our 'building over a sewer' process.
- 9.1.5 If you are planning work in London and intend to develop above any section of the Thames Lee Tunnel or the Thames Water Ring Main, you will need to discuss this with us. Please note that we will not divert any section of these structures. If the water main has a diameter above 300mm, you may also need an impact study, as not all mains can be diverted.
- 9.1.6 If your new infrastructure (for example, a gas pipe) will cross a sewer, please contact us to discuss your plans. If there is insufficient distance between the two, you may need to carry out an impact study and redesign your infrastructure or else divert our main.

9.2 Who can carry out the works?

- 9.2.1 In principle, all sewer diversion works and the decommissioning of redundant pipework can be carried out by you or your contractor subject to meeting required standards.
- 9.2.2 If you want to divert a public sewer with an internal diameter up to 160mm that only serves domestic properties, we call this a minor diversion, and it is typically undertaken as part of domestic extensions. You will need to apply to us, pay an application fee and provide security until the works are completed to our satisfaction.
- 9.2.3 If you want to divert a public sewer that is longer than 20 metres or has an internal diameter above 160mm, or any sewer that does not serve domestic properties exclusively and is not a strategic sewer, you can apply to enter into a hybrid adoption and abandonment agreement under sections 104 and 116 of the Water Industry Act 1991. You will need to apply to us and pay agreement fees.
- 9.2.4 The adoption element of your agreement with us will be subject to the charges set out in section 10. You will need to provide us with a cash security equal to 100% of our estimate of the cost of the works until the works are completed to our satisfaction.
- 9.2.5 If you want to carry out other diversions, you will have to pay an application fee for us to approve your proposals and provide you with an indicative quote for us to monitor your works. You will need to enter into a Diversion Agreement with us to enable you to carry out the work on our behalf. You will be liable to legal costs and will have to provide security equivalent to 100% of our estimate of the cost of the works until the works are completed to our satisfaction.
- 9.2.6 For any work that you ask us to carry out, we will charge you in accordance with the following sections on diversion charges. Any additional services you ask us for, such as project management and technical support, will be by agreement. We will invoice you for any charges payable. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

9.3 How we calculate our charges

- 9.3.1 The charge you will pay for us to carry out a diversion for the purpose of your development is equal to the reasonable cost we incur in complying with our duty under section 185 of the Water Industry Act 1991. The charges we raise exclude any cost we incur in making good existing deficiencies or in creating additional capacity.
- 9.3.2 To arrange for us to carry out a diversion, you will need to submit an application form to us. We will design the diversion and provide you our indicative quote based on our estimated costs, including the cost of works, management and administration costs, traffic management costs, highway authority charges and costs associated with working in third party land. The works typically involve laying a new sewer, providing connections at each end into existing sewers and decommissioning the redundant sewer. For rising mains, we may also have to relocate pumps.
- 9.3.3 We charge a non-refundable, fixed price application fee to produce a budget estimate and a further percentage based fee to design the scheme and produce an indicative quote. If you do not proceed with the scheme, we will provide an account of our reasonable costs incurred and credit or invoice you for the difference compared to the application and design fee you paid.
- 9.3.4 The indicative quote is an estimate only and not a fixed price quote and will be valid for 180 calendar days. The quote is subject to change if the requirements of the diversion changes. If a requote is required as a result of changes you have made to your development, a requote fee will be payable.
- 9.3.5 We will review each diversion when we have completed the works to assess the actual costs that we have incurred in carrying out the diversion. The difference between our quote and our reasonable actual costs incurred will be credited or invoiced to you as appropriate.
- 9.3.6 Your diversion works may require existing connections to be diverted or re-laid, which we will include in your quote.
- 9.3.7 Payment terms and security requirements can be found in section 15.

9.4 Indicative rates for estimating

- 9.4.1 We are not required to publish fixed charges for diversion work. However, we are required to enable developers to calculate a reasonable estimate of the charge of the diversion work. These rates are for estimating only and will not be used for charging. These can be found in table 8.6.1. They are based on the average costs of straightforward diversions and do not take account of issues that may arise on complex schemes. We will calculate the actual cost of your diversion on a scheme-by-scheme basis, and these will vary from the indicative charges published here.
- 9.4.2 To estimate your charge, you will need to know the parameters of your development, in particular:
- (a) the size of sewer you are diverting
 - (b) **where the new sewer will connect** in to the existing network
 - (c) **the likely route of the new sewer** between the two new connection points (which needs to be hydraulically viable)
 - (d) **the length of sewer** to be decommissioned
- 9.4.3 Our indicative charges for the diversion of a sewer are broken down into three elements:
- (a) The charge for each connection to the existing sewer, represented as a single charge calculated with reference to where we connect to the existing sewer (for example, in the road)
 - (b) A charge for laying pipe between the two connection points. This is shown as a per metre composite charge (rounded up to whole metres) calculated with reference to where we lay our pipe (for example, in the road)
 - (c) The cost for decommissioning the redundant sewer, shown as a rate per metre (rounded up to whole metres)
- 9.4.4 Our indicative charges represent the typical cost for a straightforward scheme and should be used as an estimating tool only and will not be used to calculate actual charges for diversion work.
- 9.4.5 For complex diversion schemes, hydraulic modelling may be required. If applicable, fees can be found in table 9.6.1.
- 9.4.6 For re-laying or diverting connections, you can use the published lateral drain or indicative new sewer charges (as appropriate) – see section 7.7.
- 9.4.7 The indicative rates for pipe laying and connection charges are the same as for new sewers in 8.6 above and details of our ancillary charges are included in the table below.
- 9.4.8 The indicative charges for decommissioning sewers are:

| Pipe diameter | Charge |
|---------------------------|---------------|
| Up to and including 300mm | £20 per metre |
| Greater than 300mm | £90 per metre |

9.5 Applications and quotes for sewer diversions

- 9.5.1 To arrange a sewer diversion, you will need to submit an application form to us. You can do this online or by downloading and sending us a form by email or post.
- 9.5.2 We will assess which type of diversion is required and advise the relevant application fees and security payments.
- 9.5.3 If you are carrying out a minor diversion, you will have to pay an application fee, which is non-refundable even if your scheme does not progress. You will also be required to pay a fixed security deposit that will be returned to you once the works are completed to our satisfaction. See table of ancillary charges 9.6.

- 9.5.4 If you are carrying out a non-strategic sewer diversion, you will have to pay for the adoption and abandonment elements of the diversion agreement. These fees are non-refundable even if your scheme does not progress. See table of ancillary charges 9.6
- 9.5.5 If you are carrying out other diversions or wish for us to carry out the work, you will have to pay an application fee, which is non-refundable even if your scheme does not progress. See table of ancillary charges 9.6.

9.6 Table of ancillary charges

- 9.6.1 Please note that these charges are fixed.

| Item | | Charge | What the charge covers |
|--|-------------------------------------|---|---|
| Minor diversion (self-lay) | Application fee ^{NC} | £520 per application | Logging and reviewing proposals, technically assessing foundation and building proximity, design and method, impact on our network and issuing a formal response (consent or refusal). Registering buildover on our public records. Undertaking and assessing pre-and post-construction CCTV surveys |
| | Security deposit ^{NC} | £2,000 per application | |
| Non-strategic sewer diversion (self-lay) | Hybrid adoption ^{NC} | £1,340 per agreement | Processed in line with a section 104 adoption application |
| | Abandonment Agreement ^{NC} | £305 per agreement | The legal fees for preparing relevant legal documents |
| | Security deposit ^{NC} | 100% of our total cost estimate | |
| Other diversions (self-lay) | Application fee ^{NC} | £1,300 + VAT per application for an indicative quote to monitor works | The cost of processing the application, including logging, clarifying the application details, creating the job reference, processing payment and creating an invoice. This also includes a high-level design and production of an indicative quote |
| | Legal Agreement ^{NC} | Up to £5,000 | The legal fees for preparing relevant legal documents |
| | Security deposit ^{NC} | 100% of indicative quote | |
| Other diversions (Thames Water to do the work) | Application fee ^{NC} | £1,300 + VAT per application for a budget estimate | The cost of updating any details and recalculating the indicative quote |
| | Design fee ^C | 15% of the estimated scheme value on account of the actual cost | The same costs as the application fee |
| | Modelling assessment ^C | £15,000 + VAT on account of the actual cost | All reasonable costs incurred by Thames Water to undertake the modelling assessment, which includes, but isn't limited to: Data gathering ^C (CCTV surveys, flow monitoring, rain gauges) Data analysing ^{NC} (model calibration and verification, diversion assessment, optioneering) The final costs will be trued up or down on completion |
| | Legal Agreement ^{NC} | Up to £5,000 | The legal fees for preparing relevant legal documents |
| | Requote fee ^{NC} | £80 + VAT per application | The cost of updating any details and recalculating the indicative quote |

C = contestable, NC = non-contestable

10 Adoptions

10.1 Introduction

- 10.1.1 In principle, you can carry out all sewer laying and connection work except where we exercise our rights under section 107 of the Water Industry Act 1991 to make the connection (please see section 7).
- 10.1.2 Legislation covering the adoption of newly constructed sewers, drains and sewage disposal works is contained in section 104 of the Act, which refers to Adoption Agreements. If a newly constructed sewer or drain is constructed in accordance with an Adoption Agreement under section 104, it will, subject to the terms of the Adoption Agreement, become vested in us as a public sewer and be our responsibility to maintain.
- 10.1.3 We accept the standards that are described in the latest edition of the Water UK-published Design and Construction Guide, in accordance with Ofwat's Code for Adoptions Sewerage. This guide is free to download on Water UK's website.
- 10.1.4 This section does not apply to the adoption of existing infrastructure under section 102 of the Act.

10.2 Charges for a sewer, drain and sewage disposal work adoption

- 10.2.1 When you apply to have a sewer or drain adopted under section 104 of the Water Industry Act 1991, you must complete and submit the application form together with copies of all relevant plans and a non-refundable fee for reviewing your application.
- 10.2.2 A separate application form for any connections to the public sewerage system (as required by section 106 of the Act) together with the appropriate consent fee should also be submitted following our consent process. For more information, see thameswater.co.uk/developers/how-to-connect-to-a-sewer
- 10.2.3 Where a consent to discharge from the Environment Agency, the Canal & River Trust, Land Drainage Authority or Network Rail is required, you must not agree to any conditions without prior approval from us. If you agree any such conditions, we may not be able to adopt the sewer or drain or may have to ask you to pay an amount to us that covers the cost of meeting any commitments made.

- 10.2.4 Assuming your proposals are acceptable, we will write to you confirming this. We will set out our estimate of the cost of your scheme and our fee, which will be a percentage of our estimate of the construction cost and cover the processing, assessment and inspection of the works. See ancillary charges table 10.3.1.
- 10.2.5 In order to progress the adoption, you must enter into an Adoption Agreement with us subject to providing a security deposit. This security can either be a legal security bond provided by a bank or the NHBC or a cash deposit. See ancillary charges table 10.3.1.
- 10.2.6 The security is released on expiry of the 12-month maintenance period that follows the issue of the provisional certificate of completion of the sewer, assuming any remedial work has been carried out. We will deduct from the security deposit any reasonable costs we incur in making good any notified defects. If the costs exceed the deposit, we will invoice you for the excess.
- 10.2.7 A legal fee is also payable on signing of the Adoption Agreement. If an easement is required, an additional easement fee is payable. See ancillary charges table 10.3.
- 10.2.8 As part of a self-lay waste scheme, we are sometimes asked to provide additional services such as project management or technical support. Assuming we agree to provide these services, we will assess them on a case-by-case basis and charge based on an hourly or daily rate to be agreed.
- 10.2.9 Where the Adoption Agreement relates to lateral drains, you will need to install a chamber at the boundary of the property for maintenance purposes. The materials used for the connection must be to the standard set out in 10.1.3.
- 10.2.10 We will send you an invoice for any charges associated with Adoption Agreements. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.

10.3 Table of ancillary charges

| Item | Charge | What the charge covers |
|---|---|---|
| Application fee ^{NC} | £1,340 per application | The cost of processing the application, including logging, clarifying the application details, a full technical assessment of your design proposals and advice or response to any required design alterations |
| Project management and inspection fee ^{NC} | 1.4% of the estimate of the construction cost using our indicative rates published in table 8.6.1 | The cost of arranging and undertaking all onsite inspections of the works, provision of inspection reports, reviewing 'as built' and CCTV surveys and issuing of all certificates |
| Security deposit ^{NC} | Greater of £5,000 or 10% of the construction cost estimate | Any reasonable costs we could incur in making good any notified defects. This deposit is released on expiry of the 12-month maintenance period |
| Legal fee ^{NC} | £1,050 | The legal costs of arranging the adoption agreement |
| Easement fee ^{NC} | £905 | The legal costs of arranging and registering a formal Deed of Easement to secure appropriate access rights to our new sewers |
| Certificate of title | 50% of the applicable fixed fee (S104 agreement or Buildover agreement) | A supplemental fee where the solicitor acting for the developer refuses to provide us with a certificate of title, where the agreement is commercial |
| New engrossment | £250 | Additional fee each time we are required to issue new engrossments |
| Complex amendment | £175 per hour | This covers cases where the industry standard S104 or build over deed is not accepted/appropriate, and/or any change of circumstance that may result in a change to the standard documents and/or negotiations required |

Infrastructure charges



11 Infrastructure charges

- 11.1. This scheme, which revokes all previous infrastructure charges schemes made by Thames Water, is made by Thames Water Utilities Limited under Section 143 of the Act and in accordance with the Charging Rules and shall operate from 1 April 2024 until 31 March 2025 inclusive.

11.2 General

- 11.2.1 Charges payable under this scheme are fixed in accordance with the provisions of the Licence, the Act and the Charging Rules, and are shown in the Infrastructure Charges Schedule. Any taxes imposed by law on the making of such charges shall be recoverable in addition to such charges.
- 11.2.2 It is intended that the charges made under this scheme, will, with any other relevant sources of revenue, supply income necessary for the costs of network reinforcement that Thames Water reasonably incurs over a rolling five-year period in accordance with the Charging Rules and before the application of any income offset or environmental discount.
- 11.2.3 Rates for water infrastructure charges have been derived by dividing the average expected spend on water network reinforcement for the years 2024/25 to 2028/29 by the expected number of water infrastructure charges payable for the same period.

11.3 Charges

- 11.3.1 Subject to the provisions of Condition C of the Licence, when a customer requests Thames Water to make a connection to a water main of any one or more premises that have never at any previous time been connected to a supply of water provided for domestic purposes by Thames Water or any statutory predecessor to it, or where the customer otherwise makes arrangements for such a connection, the charge shown in the Infrastructure Charges Schedule (less any Related Amount) shall be payable to Thames Water in respect of each such premises. When calculating the total premises for this charge, any premises on the same site that were separately connected to the water supply at the date of the calculation or within the previous period of five years will be deducted from the total. Each separately connected premises shall be deducted only once while calculating the total.

- 11.3.2 Subject to the provisions of Condition C of the Licence, when a customer requests Thames Water to make a connection to a public sewer of one or more premises which have never at any previous time been connected to a sewer used for the drainage for domestic purposes of those premises by Thames Water or any statutory predecessor to it, or where the customer otherwise makes arrangements for such a connection, the charge shown in the Infrastructure Charges Schedule (less any Related Amount) shall be payable to Thames Water in respect of each such premises.

- 11.3.3 When calculating the total premises for this charge, any premises on the same site that were separately connected to a public sewer at the date of the calculation or within the previous period of five years shall be deducted from the total. Each separately connected premises shall be deducted only once while calculating the total.

11.4 Infrastructure charges payable

- 11.4.1 The published charges are for a single property supplied via a standard sized (25 or 32mm 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.
- 11.4.2 The wastewater infrastructure charge is calculated on the same basis 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.
- 11.4.3 Standard infrastructure charges are shown in Table 1 below.

11.5 Table 1 Infrastructure charges

| Infrastructure charges | Charge |
|------------------------|--------|
| Water | £885 |
| Wastewater | £455 |

- 11.5.1 The relevant multiplier (RM) is a way of working out infrastructure charges for the following types of property:
- 11.5.2 Residential properties with a single, shared supply pipe that are subject to a 'common billing agreement'; this includes sheltered housing, student accommodation and high-rise flats
- 11.5.3 Non-residential properties where the supply pipe is larger than the standard size, such as office blocks

11.6 How the RM is calculated

- 11.6.1 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 it applies.
- 11.6.2 Details of the number of loading units assigned to each water fitting are shown below in Table 2.
- 11.6.3 **Table 2 Loading units for calculating the RM**

| Water fitting | Loading units |
|--|---------------|
| WC flushing cistern | 1 |
| Wash basin | 1 |
| Bath (tap nominal size $\frac{3}{4}$ " / 20mm) | 4 |
| Non-domestic bath | 8 |
| Shower | 2 |
| Sink (tap nominal size $\frac{1}{2}$ " / 15mm) | 2 |
| Non-domestic sink | 8 |
| Bidet | 1 |
| Domestic appliance | 2 |
| Commercial or communal appliance | 5 |
| External tap | 5 |
| Urinal | 3 |

- 11.7.1 We add 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.
- 11.7.2 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.

11.8 Using the RM to calculate infrastructure charge

- 11.8.1 We use the RM multiplied by the standard charge to give us the infrastructure charge for that property.
- 11.8.2 Example of a residential development
The development consists of 20 flats with a common billing agreement and the total loading units are 460.

11.9 Infrastructure charges

- 11.9.1 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 ($460 \div 20 \div 24 = 0.96$)
- 11.9.2 The infrastructure charge for each flat is the RM of 0.96 multiplied by the standard charges
- 11.9.3 The infrastructure charge for the whole development is the RM multiplied by the standard charge multiplied by the number of properties
- 11.9.4 The water infrastructure charge for the development is therefore:
 $RM\ 0.96 \times 20\ properties \times £885\ standard\ charge = £16,992$
- 11.9.5 The wastewater infrastructure charge for the development is therefore
 $RM\ 0.96 \times 20\ properties \times £455\ standard\ charge = £8,736$
- 11.9.6 Infrastructure charges relate to supplies for domestic purposes. If your development needs water for other ancillary purposes relating to the development, such as for irrigation or bin stores, we may also raise additional charges to cover the general cost of network reinforcement for such supplies. These costs (commonly referred to as network charges) will be confirmed at the time of application. Network charges are shown in table 3 below.

11.10 **Table 3 Network charges loading units for calculating the RM**

| Meter size mm | Meter size inches | Water | Waste |
|---------------|-------------------|----------|----------|
| 15 | 0.5 | £885 | £455 |
| 20 | 0.75 | £1,990 | £1,020 |
| 25 | 1 | £3,540 | £1,820 |
| 30 | 1.25 | £5,530 | £2,840 |
| 40 | 1.5 | £7,970 | £4,100 |
| 50 | 2 | £14,160 | £7,280 |
| 65 | 2.5 | £22,130 | £11,380 |
| 80 | 3 | £31,860 | £16,380 |
| 100 | 4 | £56,640 | £29,120 |
| 125 | 5 | £88,500 | £45,500 |
| 150 | 6 | £127,440 | £65,520 |
| 200 | 8 | £226,560 | £116,480 |
| 250 | 10 | £354,000 | £182,000 |
| 300 | 12 | £509,760 | £262,080 |

12 Income offset

- 12.1 We are not obliged to offer an income offset against infrastructure charges. Historically, we have offered income offsets, which have helped to maintain the balance of contributions paid by developers and other customers at a level comparable to the balance that was in place prior to 1 April 2018. However, since 2022-23, we have not offered an income offset. Instead, we aim to maintain the balance of charges through our environmental discount below.

13 Environmental discounts

- 13.1.1 You may be eligible for a discount under our environmental incentives scheme if your development meets certain qualifying criteria, as set out below. Please note that this discount will be offset against your infrastructure charges for the development. You will remain liable for all other new connections services charges outlined in these charging arrangements where applicable.
- 13.1.2 These environmental discounts are only applicable to quotes produced from 1st April 2024, and evidence demonstrating compliance with the criteria must be provided alongside your application for new services connections. We will assess whether your development meets the criteria at the application stage. If the development does qualify for the discount, details of the amount of the discount will be provided in your quote. We will not apply this discount at any later stage.
- 13.1.3 NAV customers can submit evidence alongside 6 monthly notifications of connections made. This can be accepted by us when raising your infrastructure charges invoice. Only connections made between 1 April 2024 and 31 March 2025 will be eligible for these environmental discounts. Properties that have previously locked in income offset discounts will not be eligible for environmental discounts.
- 13.1.4 When we are not the water provider for a customer, we are notified of connections made to our waste network through Licence condition D notification from the incumbent water company. We will therefore accept evidence from these developers or self-lay providers once we have received this notification for connections made between 1 April 2024 and 31 March 2025. We will attempt to contact you to obtain this evidence ahead of processing the infrastructure charge invoice.
- 13.1.5 When you apply for an environmental discount, you are also consenting to us carrying out an audit of your development to ensure the criteria for the relevant discount have been satisfied. Should your development fail our audit, then you will be liable to repay the full discount given.

13.2 Water efficiency incentives

- 13.2.1 Our supply area is classified as 'seriously water stressed' by Defra. Our forecasting shows a significant future supply-demand deficit. To mitigate this, we're striving to:
- Reduce leakage by 50% by 2050
 - Roll out smart meters to all household and non-household connections by 2035
 - Deliver large-scale water efficiency interventions across household and non-household properties to achieve Water Resource Management Plan targets
- 13.2.2 With the population set to increase in our supply area, further pressure will be added to an already stressed water resource situation. Reducing the water demand of new developments is vital, through the strengthening of building regulations (i.e., Future Homes Standard) and the introduction of new initiatives with developers and planning authorities.
- 13.2.3 Our water environmental incentives will assist developers in achieving a high standard of water efficiency performance as a baseline, while driving enhanced performance to reduce the pressure on water availability.
- 13.2.4 We are introducing a tiered approach to our water efficiency incentives. Each tier must be achieved to unlock the next tier option. The discounts do not accumulate. If you qualify for tier 2 or tier 3, the discount available is the rate stated for that tier only.

13.3 Tier 1: Basic water efficiency performance

13.3.1 You'll need to submit evidence that your development has been designed (as per the planning application) to achieve the 'Optional Requirement' of 110 litres/person/day, using the 'Fittings Approach' as outlined in Part G2 of the Building Regulations 2010 Approved Document G. Maximum levels of fittings consumption values are listed in paragraph 2.12, Table 2.2 of G2 of the Building Regulations 2010 Approved Document G.

We can apply the fittings consumption values (as per Table 2.2 of G2 of the Building Regulations 2010 Approved Document G) to applications made for both standard household dwellings and multi-occupancy buildings such as student accommodation, nursing homes or hotels.

13.3.2 You'll need to submit evidence that the total of the water fittings to be installed do not exceed the consumption levels listed in Table 2.2.

Table 2.2 Building Regulations Part G

| Water fitting (Table 2.2 Building Regulations) | Maximum consumption (Table 2.2 Building Regulations) | Description of your development's water fitting (device name and / model) | Water performance value of your development's fittings (litres/min, kg) |
|---|---|---|---|
| WC | 4/2.6 litres dual flush | | |
| Shower | 8L/min | | |
| Bath | 170 litres | | |
| Basin taps | 5L/min | | |
| Sink taps | 6L/min | | |
| Dishwasher | 1.25L per placesetting | | |
| Washing machine | 8.17L/kilogram | | |

13.3.3 Tier 1: Incentive discount: £400 per property

13.3.4 Note: achieving the Optional Requirement of 110 l/p/d using the Fittings Approach is already a requirement in the Greater London Authority area through the London Plan.

13.4 Tier 2: Rainwater harvesting and greywater recycling / reuse

13.4.1 To help drive the use of technologies that capture and/or reuse water, we are offering an incentive payment for when any of the following water provision technologies are included in your development.

- Rainwater harvesting
- Greywater recycling

13.4.2 To be eligible to apply for a Tier 2 discount, you must also be able to demonstrate compliance with the criteria for the Tier 1 discount.

13.4.3 For the Tier 2 discount to be approved, in addition to evidencing compliance with the criteria for Tier 1, please also send us your planning application and evidence to demonstrate that either of the following water reuse technologies are being installed and that the following requirements are met. The application of any of the water reuse options outlined below can be made on standard household dwellings and multi-occupancy buildings such as student accommodation, nursing homes or hotels.

If **Rainwater Harvesting (RWH)** is incorporated into the building, the system needs to capture water from the development's roof or other suitable area. A minimum of tank storage capacity of 4,000 litres must be provided for single house dwellings. This minimum tank size requirement aims to provide an enhanced level of water supply resilience for the dwelling. For all other dwellings (such as apartments), the British Standard BSEN 16941 methodology must be used. The RWH tank must be plumbed back into the house and the RWH water must be at least the primary water source feeding the dwellings' total WC water usage. These requirements are applicable to individual homes or large-scale housing and multi-occupancy developments. The RWH system specified and installed must comply to British Standards BSEN 16941/1. The RWH reuse system must have a mains top-up to comply with BS EN 16941-1 & 2.

If a **Grey Water Recycling (GWR)** system is incorporated into the building, the system specified and installed must comply to British Standards BSEN 16941/2. The GWR reuse system could capture greywater from the dwelling's showers and hand wash basins, and should demonstrate that this grey water will be at least the primary water feed to the dwelling's WCs. The GWR reuse option outlined above can be made on standard household dwellings and multi-occupancy buildings such as student accommodation, nursing homes or hotels.

- 13.4.3 For the Tier 2 discount to be approved, in addition to evidencing compliance with the criteria for Tier 1, please also send us your planning application and evidence to demonstrate that the technologies meet the requirements detailed above.

13.4.4 Tier 2: Incentive discount: £2,500 per property

(This is the total discount if you achieve tier 2 and is not in addition to tier 1)

13.5 Tier 3: Water neutrality

- 13.5.1 A water neutral development does not add additional water demand pressures to its water resource zone supply needs. This is achieved by making the development as water efficient as possible (by adhering to Tiers 1 and 2) and then offsetting the development's remaining water demand through savings made on existing homes and businesses in the same water resource zone.
- 13.5.2 The delivery of water savings in your development's surrounding areas (within the same water resource zone) can be achieved through the retrofitting of water saving devices and fixing internal plumbing 'wastage' leaks across existing homes and businesses.
- 13.5.3 To be eligible for a Tier 3 Water Neutrality discount, you must first be able to demonstrate compliance with the criteria for both Tiers 1 and 2. This ensures that all reasonable efforts have been made to reduce the new development's baseline water demand before commencing any water offsetting activity. Achieving Tier 3 will enable your development to achieve water neutral status.
- 13.5.4 The achievement of Tier 1 (Optional Requirement and 'Fittings Approach' as per Table 2.2 of G2 of the Building Regulations 2010 Approved Document G) and Tier 2 (evidence of water reuse system) would reduce a property's forecasted baseline average daily water demand. Using our calculations based on large-scale water efficiency programme delivery, offsetting a single new development requires an in-home water efficiency retrofitting service on approx. 6.4 existing homes within the same water resource zone.
- 13.5.5 To achieve Tier 3 Water Neutrality, the retrofitting of existing homes could be delivered through either of the following two mechanisms:
- a) Using your own in-house or contracted teams to deliver water efficiency retrofitting and internal 'wastage' leaks on existing housing stock, or
 - b) Utilising Thames Water's 'Smarter Homes and Business Visits' programme to undertake the delivery of water savings activities. This option would require a contribution of £500 per new property but would deliver the required water savings without new work streams to be set up by you.

13.5.6 Tier 3: Incentive discount: £3,200 per property

(This is the total discount if you achieve tier 3 and is not in addition to tier 1 or 2)

13.5.7 Charge to developer if option b) selected: £500 plus VAT per property

- 13.5.8 If you choose to use your own in-house or contracted workforce to deliver water efficiency retrofitting visits to the surrounding existing homes, evidence of these visits would need to be provided to Thames Water. Our Water Efficiency team will assess and confirm that the required volume of water has been saved to offset your new development's demand requirements.
- 13.5.9 We will require you to fill in the table we supply to you, which captures details on visit location, devices installed, wastage leaks fixed and behaviour change advice provided to the resident of the existing home.
- 13.5.10 Any water savings devices must be installed by the developer/contractor and not just provided to the existing resident.
- 13.5.11 Thames Water will use the address details to undertake site visit audits on a sample to the total homes retrofitted.

13.6 Sustainable surface water incentives

- 13.6.1 We are introducing a wastewater incentive for reducing the surface water run-off leaving your development into our sewerage network. There are two options for achieving this discount:
- a) Reduction of surface water run off discharged to the Thames Water network: the development utilises SuDS, which reduces the overall volume discharged to our network by 95% or more, based on a 1-year return period
 - b) Removal of all surface water run off discharged to the Thames Water network: the development has no surface water connection to our network or utilises SuDS so that all surface water flows outfall to ground/watercourse and ultimately the development discharges zero flows to our network
 - c) should Defra implement Schedule 3 of the Floods and Water Management Act 2010, making installation of SuDS mandatory as part of your planning consent, you will not be eligible for this discount

13.6.2 Incentive discount: £280 per property

To apply for this incentive, please submit evidence that your development's planning consent and associated drainage strategy meet the requirements above. To aid with speed of processing, please highlight where within your drainage strategy this information is outlined.

General charging arrangements



14 Special circumstances

- 14.1 Under new connections charging rules, we are not obliged to publish fixed charges for new water mains and sewers where and to the extent it would be unreasonable for us to do so. We must take into account the practicality of setting cost-reflective upfront fixed charges and the benefit to customers of doing so. This exemption does not apply to service connections and new gravity fed lateral drains, which are all charged for based on our fixed charges. It also does not apply to diversions, which are all charged for based on the reasonable cost we incur.
- 14.2 We have determined that the following circumstances, which we describe collectively as special circumstances, fall within this exemption. If the following special circumstances affect your site, our published fixed charges will not apply to all of the construction of your new water main. We expect there to be very few schemes featuring special circumstances, which arise where the technical complexity of the work is high, the type of work required is bespoke or carried out infrequently or we are exposed to third party rights.
- 14.3 Special circumstances have been defined by Water UK as including one or more of the following circumstances:
- a) the technical complexity of the work is high, or the type of work required is bespoke or carried out infrequently
 - b) third parties can legitimately recover their costs and there is not a reasonable level of certainty of those costs in advance of work being undertaken
 - c) third parties have rights to protect their assets or interests in a way that affects the construction method, and the third parties' requirements are unknown up front
 - d) the work is to be carried out on or close to land with particular environmental, historical or archaeological characteristics. Specific examples are:
- 14.3.1 Projects involving new water mains with an external diameter above 355mm
 - 14.3.2 Projects requiring us to incur additional cost due to working in or in proximity to one or more of the following:
 - (a) Railway infrastructure
 - (b) Major roads (trunk roads, dual carriageways, motorways)
 - (c) Surface or buried waterways, ponds, reservoirs and water or wastewater storage
 - (d) Bridges
 - 14.3.3 Projects involving crossing or running adjacent to other utilities' infrastructure where their consent is required (applies to strategic assets only), if this is expected to result in additional costs
 - 14.3.4 Projects involving accessing existing third party service tunnels (London area)
 - 14.3.5 Site-specific features for which additional charges may apply if one or more of the following are present:
 - (a) Special security or protection requirements
 - (b) Special requirements applying to the site (for example, Crown land, listed buildings or sites designated as a nature reserve)
 - (c) Requirement to remove hedgerows (planning authority consent required), thick scrub / vegetation, Japanese knotweed or giant hogweed
 - (d) Distinctive surface type (for example, mosaic or Chinese granite setts) or where the highway authority imposes special reinstatement conditions (for example, Whitehall)
 - (e) Non gravity lateral drains or lateral drains where the depth is 10m or more
 - 14.3.6 Discovery or disturbance of archaeological remains
 - 14.3.7 With the exception of archaeological remains, where any of these special circumstances apply, we will price your new water main or lateral drains on application. Our quote will be an estimate only, and you will be charged an amount equal to the costs we incur.
 - 14.3.8 We expect you to address any potential for archaeological remains as part of your development and to carry out any excavations, surveys or other activities as may be required before we carry out our works. If archaeological remains are discovered during our works, we will agree with you how best to proceed, and all reasonable costs incurred by us will be charged to you.
 - 14.3.9 Where we use the term 'complex' in this document, we are referring to situations where special circumstances apply.

15 Payment terms and security

15.1 Introduction

- 15.1.1 We quote our charges for new connections services using the rates in effect on the date of the quote and on the basis of the information you provide to us in your application form or otherwise. You have the option of paying in advance or in arrears for our new connections services.
- 15.1.2 The amount you pay may be different if you pay in arrears. Application, design/checking and requote fees are always payable with your application and cannot be deferred.
- 15.1.3 Payment terms and security requirements for Adoption Agreements, Self-Lay Agreements and Diversion Agreements are as detailed in sections 6, 9 and 10 above. The terms set out in this section do not apply to these schemes.
- 15.1.4 Customers on our Priority Services Register, details of which can be found on our website at thameswater.co.uk/priority, or who are subject to the maximum charge set out in the WaterSure tariff or on our WaterHelp scheme, should contact us to discuss payment options where the connection is required to maintain an essential service.

15.2 Payment in advance new connections

- 15.2.1 If you choose to pay in advance for the new connections services charges, you need to select this option and provide full payment when you accept our quote and do so within the validity period of that quote. You will need to pay the full charge for the works as shown on the quote.
- 15.2.2 If there is a credit or additional charge due on completion of the works, we will calculate this using the rates in effect on the date of the quote and will send you an invoice. Any queries or disputes in relation to charges must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.
- 15.2.3 Please note that if you opt to pay in advance, we will only schedule works after we have received full payment for those works. Please refer to sections 3.8.5 and 4.12.9 for expiry periods on accepted quotes.

15.2.4 Payment terms for infrastructure charges, income offsets and environmental discounts are set out in section 15.4.

15.2.5 Payments in advance are not deposits, and we therefore do not pay interest on any advance payment.

15.2.6 If there is a VAT rate change that takes effect on a date after:

- a) you have received our quote but before we have received your payment in advance for new connections services, we are obliged to charge you VAT at the new rate that comes into force on that date and we will send you an invoice for the increased or decreased VAT payable, as applicable; or
- b) we have received your payment in advance for new connections services but have not yet completed the new connections services, we will charge you VAT in accordance with the VAT shown on our quote

15.3 Payment in arrears for new connections

- 15.3.1 You may choose to pay in arrears for your new connections services charges if you provide security equal to the expected charges for the works (including an inflation allowance). If you choose this option, you need to make this clear when you accept our quote and do so within the validity period of that quote. The security we accept is:
 - a) A bank guarantee in our favour issued by a bank or building society registered and operating in the United Kingdom, appearing in the list of banks or building societies as compiled by the Bank of England and having an investment grade credit rating
 - b) A letter of credit in our favour issued by a bank or building society registered and operating in the United Kingdom, appearing in the list of banks or building societies as compiled by the Bank of England and having an investment grade credit rating
 - c) An on-demand bond or guarantee issued in our favour by a third party having an investment grade credit rating

The expected value of the charges for new connections services works and therefore of the security includes an allowance for inflation of our charges calculated with reference to forecast RPI.

- 15.3.3 We will provide the required value and wording for each of the security documents on request. Please note that if the provider of the security specifies an expiry date, you will need to make sure that you provide replacement security of a value and form acceptable to us at least 30 calendar days before the expiry date. If you do not provide replacement security, we reserve the right to claim against the security you have provided to obtain payment for costs incurred to date and to suspend works until new security is provided.
- 15.3.4 We will not schedule any new connections services works until we have received acceptable security. You should allow a reasonable amount of time for the form of your security to be agreed to avoid any unnecessary delay to your works.

- 15.3.5 It is possible that, having accepted our quote on the basis of providing security, you instead choose to pay in advance. If so, you will need to apply for a requote. There is no fee for cancelling your acceptance of our original quote, although you will pay a requote fee and we will only schedule your works once you have accepted the new quote and we have received full payment. Please note that the requote will be different to our original quote if our published charges have changed.
- 15.3.6 On completion of the new connections services works, we will send you an invoice. As you are paying in arrears, we will calculate charges using the rates published and in effect when the works are completed. Any queries or disputes must be raised within seven calendar days of the invoice date. Payment of undisputed charges is due within 14 calendar days of the invoice date.
- 15.3.7 If you choose to pay in arrears for your new connections services and there is a VAT rate change that takes effect on a date after:
- a) you have received our quote but before we have completed or invoiced you for the new connections services, we are obliged to charge you VAT at the new rate that comes into force on that date and we will send you an invoice showing the increased or decreased VAT payable, as applicable; or
 - b) we have completed the new connections services works but have not yet issued you with an invoice, we will charge you VAT in accordance with the new rate introduced by the VAT rate change
- 15.3.8 On receipt of full payment for your works, we will return the security to you.
- 15.3.9 You can pay any charges by credit card, debit card, bank transfer or cheque. We do not accept cash.

15.4 Payment of infrastructure charges and environmental discounts

- 15.4.1 The charges shall become due and payable after the connection has been made and within 14 days after demand is made by Thames Water.
- 15.4.2 For information, it should be noted that the charges payable under this scheme are in addition to the charges for making the actual physical connection to the water main and/or public sewer. In the event that Thames Water makes the connection, we are empowered by the Act to charge the customer in accordance with the charging arrangements for the connection works in addition to raising infrastructure charges under this scheme.

- 15.4.3 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. To provide you with the opportunity of price certainty, we invite you to pay infrastructure charges as set out in the quote for the service connection within the validity period of such quote and then to meet the requirements of passing water regulations within 12 months of the quote as set out in section 3.8.5 above (or for an SLP to have completed the connection within 12 months of the quote or for a NAV 12 months from the appointment by Ofwat for the site quoted). If these requirements are met, the rate will become fixed at the rate quoted. No additional infrastructure charges will become payable unless the information you provided to us about the development is found to be incorrect or you change your development. For NAV or SLP customers who do not pay upfront, or if the connection will be made more than 12 months after the date of the quote or appointment by Ofwat, the charges are payable at the rate in effect on the date of connection.

- 15.4.4 The developer will receive the environmental incentive discount at the same time they pay the infrastructure charges. If infrastructure charges have been paid as set out in a quote, within the validity period of that quote, and meet the 12 months requirements as set out in 15.4.3, the environmental incentive discount rate will become fixed at the rate quoted unless the information you provided to us about the development is found to be incorrect or you change your development. An upfront payment will not be made if the net total is such that a payment is due from Thames Water. If this is the case, it will be paid once the connection has been made. For NAV and SLP customers who do not pay upfront, or if the connection will be made more than 12 months after the date of the quote, the environmental incentive discount will be set at the rate in effect on the date of connection and will be applied at the same time as the infrastructure charge is billed.

15.5 Agreements

- 15.5.1 The provisions of this scheme are without prejudice to the power of Thames Water to enter into an agreement with a customer as to the terms on which any charges due in respect of the connection of any premises to a water supply or a public sewer system shall be paid to Thames Water, including in particular any agreement to make a lump sum payment (whether or not in advance of the connection or connections being made) in respect of such charges.

16 Transition arrangements

- 16.1.1 These charging arrangements come into effect from 1 April 2024.
- 16.1.2 Although the new charging rules come into effect for work quoted on or after 1 April 2024, Thames Water recognises that some work will be quoted prior to this date. These quotes would have been drawn up using previous charging arrangements. We will use the following rules to determine whether the 2023/24 or 2024/25 charging arrangements apply.
- 16.1.3 Payment terms and security requirements for Adoption Agreements, Self-Lay Agreements and Diversion Agreements are as detailed in sections 6, 9 and 10 above. The terms set out in this section do not apply to these schemes.

16.2 Quotes issued prior to 1 April 2024

- 16.2.1 Before 1 April 2024, all quotes issued will be done so under 2023/24 charging arrangements.
 - a) If your work has commenced, you cannot ask for a requote under 2024/25 arrangements.
 - b) If your work has not commenced, you can ask for a requote under 2024/25 arrangements after 1 April 2024.
- 16.2.2 2023/24 quotes are still valid if:
 - a) they are paid within their 180-calendar day validity period even if this is after 1 April 2024 and
 - b) the parameters of the scheme do not change and
 - c) the relevant SLP/NAV agreements are signed (if applicable)

16.3 Quotes issued on or after 1 April 2024

- 16.3.1 For work quoted for and commencing on or after 1 April 2024, the charges in these charging arrangements will apply unless the following conditions are met:
 An application for a new water main or new sewer was received on or before 17 February 2024 and the customer requests that 2023/24 charging arrangements be applied
 An application for new water connections, waste connections or lateral drains was received on or before 3 March 2024 and the customer requests that 2023/24 charging arrangements be applied

16.4 Requotes on or after 1 April 2024

- 16.4.1 If a developer accepts and pays a quote issued under 2023/2024 charging arrangements and then requires a requote on or after 1 April 2024, the 2024/25 charging arrangements will be used to calculate the requote.
- 16.4.2 If an SLP or NAV signs an agreement issued under 2023/24 charging arrangements and then requires a variation on or after 1 April 2024, the 2024/25 charging arrangements will be used as the new basis for the agreement.
- 16.4.3 If customers ask for a requote at any time, Thames Water will apply requote fees as normal.

16.5 Expiry date for accepted service and mains connections quotes

- 16.5.1 It's important that our works are cost reflective and customers who have different planning horizons aren't negatively impacted by our payment terms. Because of this, we introduced a 12-month validity period for paid service connection quotations and an 18-month validity period for paid mains and sewers quotations from 1 April 2022.
- 16.5.2 This means that once you've accepted and paid for your quote:
 - a) for service connections, you have 12 months from the date of quote to progress the works to connection stage by passing your Water Regulations inspection
 - b) for mains and sewers, the phase of mains laying construction must have commenced within 18 months of the quotation date
- 16.5.3 If you have not progressed to the required stage within the required period, your quotation will no longer be valid (even if you've made payment) and you'll need a requote if you'd still like to proceed with the works. A requote fee will be payable, and the requote will be issued in accordance with the latest charging arrangements at the time, which means the price may have changed.
- 16.5.4 We will refund any jobs where we cannot confirm you require a requote. If this happens, you will need to make a new application if you then choose to proceed with the connection.

17. Maintaining the broad balance of charges

- 17.1 When setting the charges for new service connections, new lateral drains, new water mains, new sewers, diversions, Self-Lay Agreements and Adoption Agreements, we are required to take reasonable steps to ensure that the balance of charges between developers and other customers prior to the implementation of the Charging Rules is broadly maintained.
- 17.2 We may only depart from this requirement where this is rendered necessary by circumstances, providing clear objective justification for doing so. Any such justification must be clearly identified in these charging arrangements.
- 17.3 We no longer make asset payments and will no longer offer income offset against infrastructure charges.
- 17.4 We will maintain the balance of charges as follows:
 - 17.4.1 The provision of a service connection and new lateral drain continues to be fully chargeable. If you self-lay your connection, this also continues to be at your expense.
 - 17.4.2 The provision of a diversion continues to be fully chargeable. If you self-lay your diversion, this also continues to be at your expense.
 - 17.4.3 New water mains and new sewers have now become fully chargeable, as income offset is no longer applied to these requisitions.
- 17.5 In addition to charges for new connections services, developers pay infrastructure charges.
 - 17.5.1 Before the implementation of the new Charges Scheme Rules published by Ofwat in December 2016, infrastructure charges were fixed in real terms at a historical charge set out in Condition C of our Instrument of Appointment. It was expected that while developers would be charged for local reinforcement of the networks, wider reinforcement and strategic investment would be funded by infrastructure charges.
 - 17.5.2 In accordance with the Charging Rules, we set our own level of infrastructure charges to cover the network reinforcement expenditure that we incur over a rolling 5-year period. For 2023-24, Ofwat clarified that the methodology required to calculate the infrastructure charges is a forward-looking 5 years only and historical imbalances cannot be considered. The tighter definition of network reinforcement in the Charging Rules means that a proportion of the investment we make to provide capacity for development is excluded, including strategic schemes to provide future capacity.
 - 17.5.3 Consequently, the level of infrastructure charge contribution changed following the implementation of the Charging Rules and resulted in a change in the balance of charges between developers and other customers.
 - 17.5.4 Following an amendment to the Charges Scheme Rules in July 2019, the income offset was offset against infrastructure charges effective from April 2020.
 - 17.5.5 Historically we have set our level of income offset so that the financial contribution from 2020/21 onwards was the same as the average we contributed towards requisitions in the three years prior to 2018/19. This overall contribution was maintained in line with the volume of connected properties and inflation.
 - 17.5.6 Consequently, we have maintained the balance of charges in this respect.
 - 17.5.7 From 2023-24, we will no longer be offering an income offset but will maintain the balance of charges by way of an environmental incentive discount as detailed in section 13.

Appendices

Appendix A: Worked examples

We have put together some worked examples to illustrate how our charges are built up. As you look at them, please be aware:

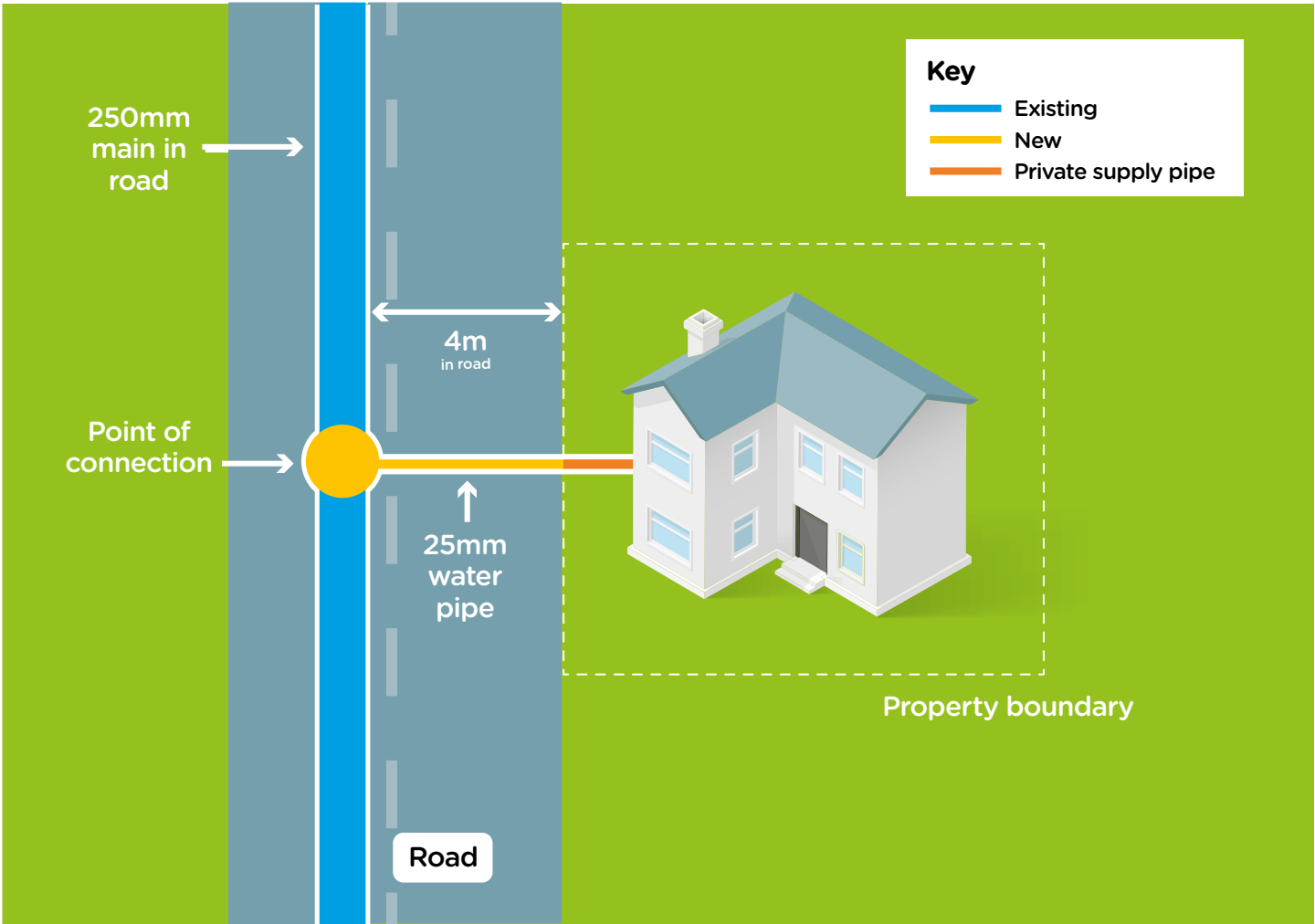
- These are **not real schemes, just illustrations** to help you understand our charges
- All stated figures **exclude VAT**
- In the water examples we have labelled the different aspects of the connection work as **contestable** and **non-contestable** to make it clear which parts of the work can be done by self-lay providers

For the purpose of these examples:

- they are all on **greenfield** (previously undeveloped) land, and so no infrastructure charge credits are due in respect of previous connections
- **no special circumstances** (as defined earlier) apply in the new main and sewer examples

Example 1: New water connection to a single home – short length of pipe

In this example we consider a single service connection to a property with a total of 4m of pipelaying. Barrier pipe is not required.

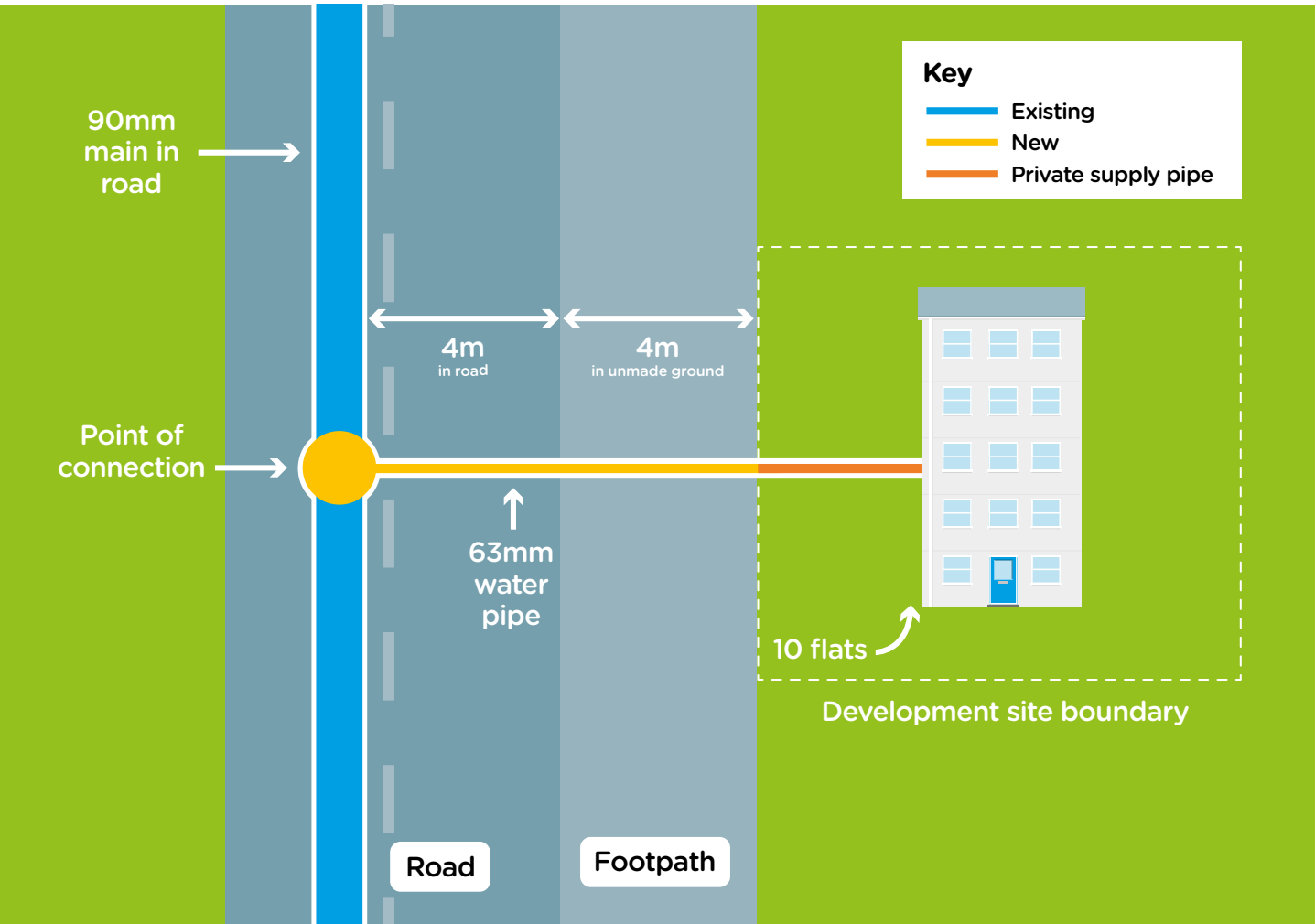


Example 1 charges: New water connection to a single home – short length of pipe

| Thames Water delivered | | | | | | | | Alternative delivery method | |
|---|--|-----------------|----------------|---------|---------------|--------------------------|---------------------------|-----------------------------|-----------------|
| | | | | 2024/25 | | | | 2024/25 | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge | Self-lay rate | Self-lay charge |
| Pre-construction charges | | | | | | | | | |
| Application fee | N | per application | 1 | £100 | £100 | £100 | £100 | £100 | £100 |
| Administration fee | Not charged by Thames Water | | | | | | | | |
| Design fee (Design checking for self-lay) | Y | per property | 1 | £100 | £100 | £100 | £100 | £70 | £60 |
| Subtotal | | | | | £200 | | £200 | | £160 |
| Construction charges | | | | | | | | | |
| Connection 25/32mm | Road | Y | per connection | 1 | £4,180 | £4,180 | £4,780 | | |
| Pipe 25/32mm | Road | Y | per connection | 3 | £670 | £2,010 | £780 | | |
| Traffic management | Included in connection and pipelaying fees | | | | | | | | |
| Meters | Meter included in connection fee | | | | | | | | |
| Subtotal | | | | | £6,190 | | £7,120 | | £0 |
| Other charges | | | | | | | | | |
| Consent to connect (foul water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 |
| Subtotal | | | | | £540 | | £540 | | £540 |
| Infrastructure charges | | | | | | | | | |
| Infrastructure charge (water) | N | per property | 1 | £885 | £885 | £885 | £885 | £885 | £885 |
| Infrastructure charge (wastewater) | N | per property | 1 | £455 | £455 | £455 | £455 | £455 | £455 |
| Subtotal | | | | | £1,340 | | £1,340 | | £1,340 |
| Income offset | | | | | | | | | |
| Income offset (water) | N | per property | 1 | £0 | £0 | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | N | per property | 1 | £0 | £0 | £0 | £0 | £0 | £0 |
| Subtotal | | | | | £0 | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | £8,270 | | £9,200 | | £2,040 |
| Environmental discount Water Tier 1 | N | per property | 1 | -£400 | -£400 | -£400 | -£400 | -£400 | -£400 |
| Environmental discount Waste | N | per property | 1 | -£280 | -£280 | -£280 | -£280 | -£280 | -£280 |
| Subtotal | | | | | -£680 | | -£680 | | -£680 |
| Total scheme cost before environmental incentive | | | | | £7,590 | | £8,520 | | £1,360 |

Example 2: New water connection to a block of 10 flats

In this example we consider a single service connection to a property with 8 meters of pipelaying. Barrier pipe is not required.

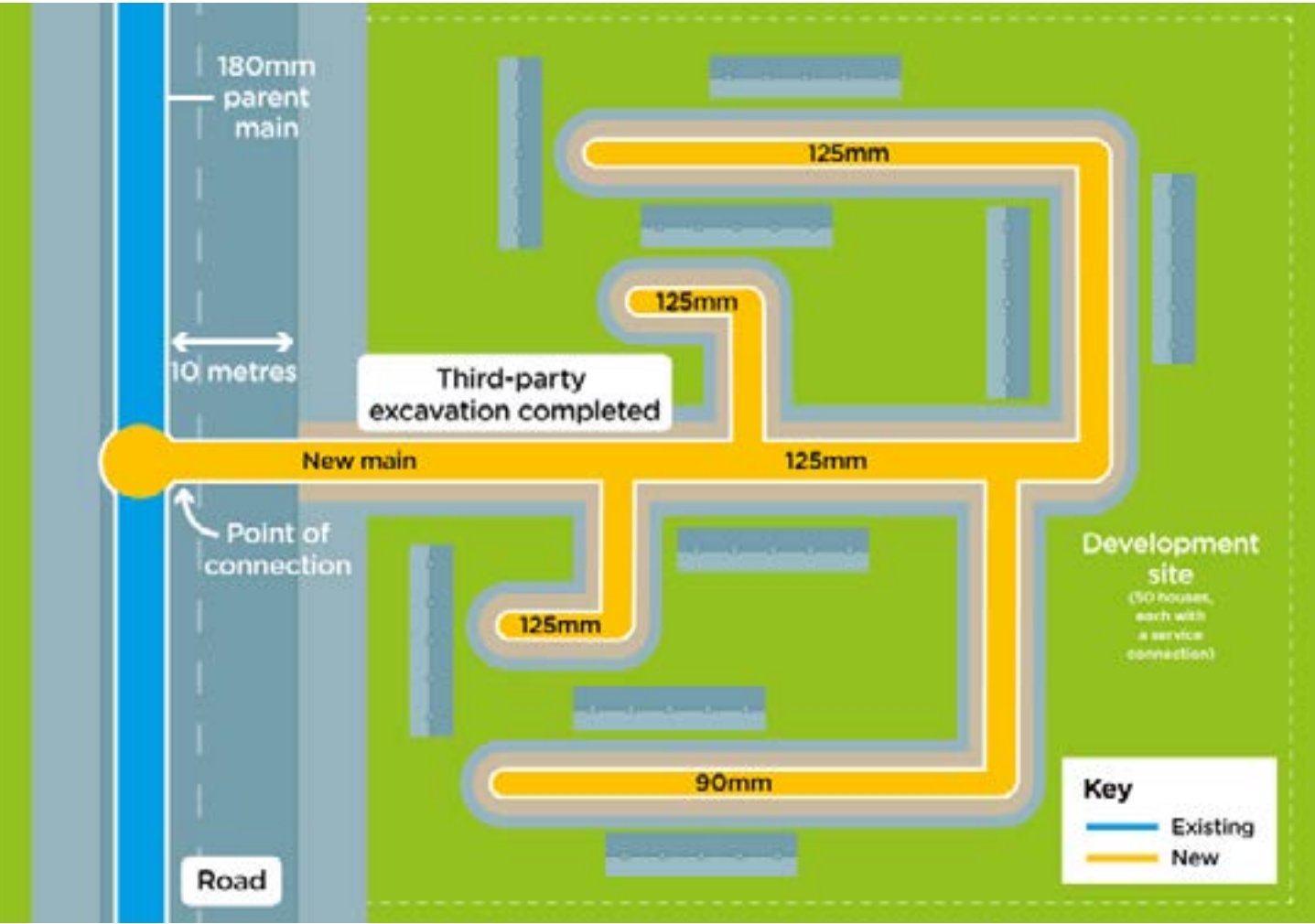


Example 2 charges: New water connection to a block of 10 flats

| Thames Water delivered | | | | | | | | Alternative delivery method | | | |
|---|--|-----------------|----------------|---------|----------------|--------------------------|---------------------------|-----------------------------|-----------------|----------|----------------|
| | | | | 2024/25 | | | | 2024/25 | | | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge | Self-lay rate | Self-lay charge | Nav rate | Nav charge |
| Pre-construction charges | | | | | | | | | | | |
| Application fee | N | per application | 1 | £100 | £100 | £100 | £100 | £100 | £100 | £100 | £100 |
| Administration fee | Not charged by Thames Water | | | | | | | | | | |
| Design fee (Design checking for self-lay) | Y | per property | 10 | £100/60 | £640 | £100/60 | £540 | £60/40 | £420 | £60 | £60 |
| Subtotal | | | | | £740 | | £740 | | £520 | | £160 |
| Construction charges | | | | | | | | | | | |
| Connection 50/63mm ^c | Road | Y | per connection | 1 | £6,400 | £6,400 | £7,050 | £7,050 | | | |
| Pipe 50/63mm ^c | Road | Y | per metre | 3 | £710 | £2,130 | £800 | £2,400 | | | |
| Pipe 50/63mm ^c | Unmade | Y | per metre | 4 | £250 | £1,000 | £290 | £1,160 | | | |
| Traffic management | Included in connection and pipelaying fees | | | | | | | | | | |
| Internal meters 20mm in line | N | per meter | 10 | £210 | £2,100 | £210 | £2,100 | £210 | £2,100 | | |
| Subtotal | | | | | £11,630 | | £12,710 | | £2,100 | | |
| Other charges | | | | | | | | | | | |
| Consent to connect (foul water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Subtotal | | | | | £540 | | £540 | | £540 | | £540 |
| Infrastructure charges | | | | | | | | | | | |
| Infrastructure charge (water) | N | per property | 10 | £885 | £8,850 | £885 | £8,850 | £885 | £8,850 | £885 | £8,850 |
| Infrastructure charge (wastewater) | N | per property | 10 | £455 | £4,550 | £455 | £4,550 | £455 | £4,550 | £455 | £4,550 |
| Subtotal | | | | | £13,400 | | £13,400 | | £13,400 | | £13,400 |
| Income offset | | | | | | | | | | | |
| Income offset (water) | N | per property | 10 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | N | per property | 10 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Subtotal | | | | | £0 | | £0 | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | £26,310 | | £27,390 | | £16,560 | | £14,100 |
| Environmental discount Water Tier 1 | N | per property | 10 | -£400 | -£4,000 | -£400 | -£4,000 | -£400 | -£4,000 | -£400 | -£4,000 |
| Environmental discount Waste | N | per property | 10 | -£280 | -£2,800 | -£280 | -£2,800 | -£280 | -£2,800 | -£280 | -£2,800 |
| Subtotal | | | | | -£6,800 | | -£6,800 | | -£6,800 | | -£6,800 |
| Total scheme cost before environmental incentive | | | | | £19,510 | | £20,590 | | £9,760 | | £7,300 |

Example 3: New water main to a medium-sized housing development, excavation and reinstatement by others

In this example we consider a 50-house development that needs a new water main and service connections. A total of 300m of new mains will have excavation and reinstatement completed by others, except the 10m of the road leading to the point of connections.



Example 3 charges:

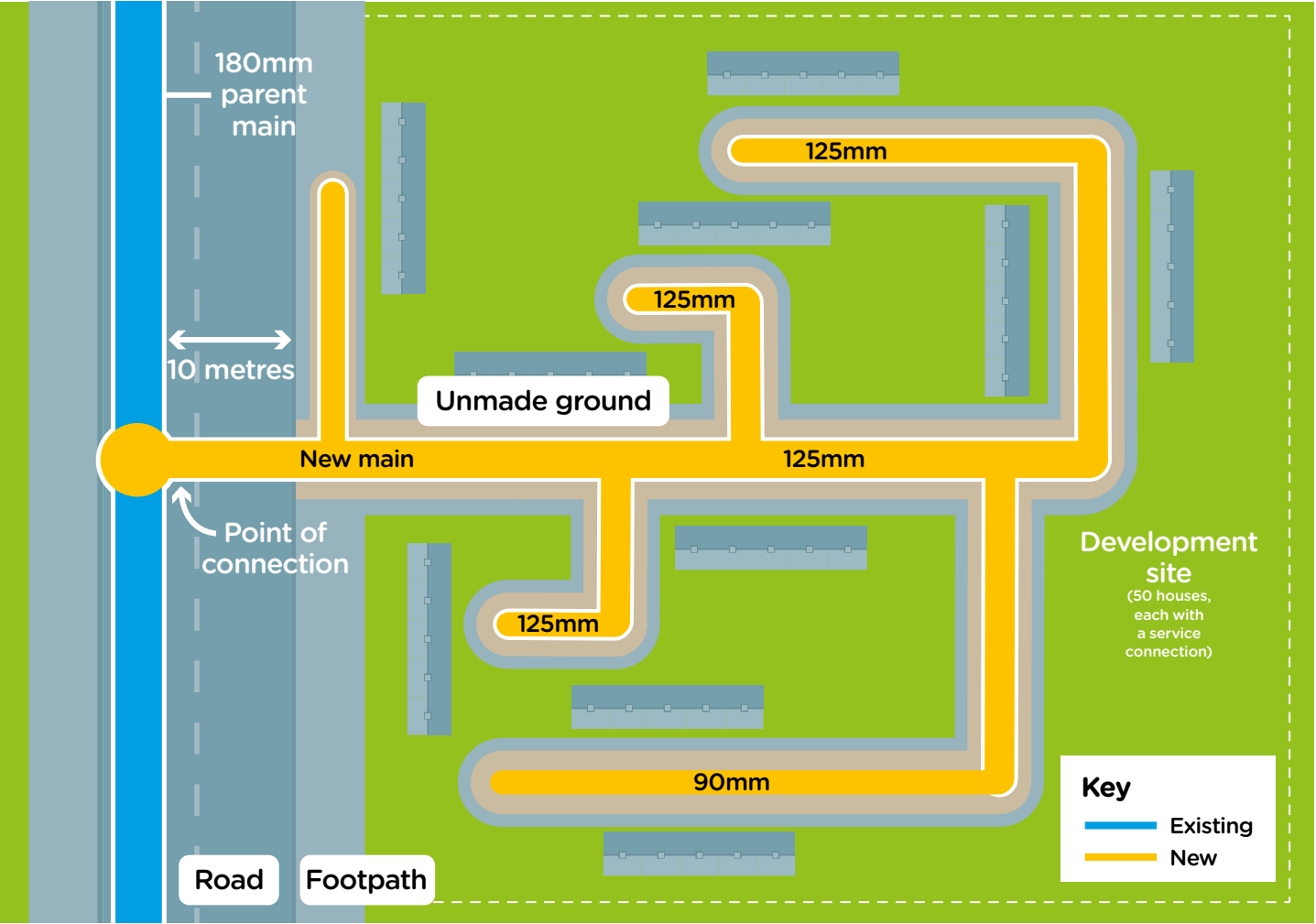
New water main to a medium-sized housing development, excavation and reinstatement by others

| Thames Water delivered | | | | | | | | Alternative delivery method | | | |
|--|--|-----------------|----------------|---------|----------|--------------------------|---------------------------|-----------------------------|-----------------|----------|------------|
| | | | | 2024/25 | | | | 2024/25 | | | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge | Self-lay rate | Self-lay charge | Nav rate | Nav charge |
| Pre-construction charges | | | | | | | | | | | |
| Application fee | N | per application | 1 | £180 | £180 | £180 | £180 | £180 | £180 | £180 | £180 |
| Administration fee | Not charged by Thames Water | | | | | | | | | | |
| Design fee (Design checking for self-lay) | Y | Property band | 50+ | £3,580 | £3,580 | £3,580 | £3,580 | £550 | £550 | £895 | £895 |
| Subtotal | | | | | £3,760 | | £3,760 | | £730 | | £1,075 |
| Construction charges | | | | | | | | | | | |
| Connection 125mm | Road | N (CA*) | per connection | 1 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 |
| Pipe 125mm | Road | Y | per metre | 10 | £770 | £7,700 | £800 | £8,000 | | | |
| Pipe 125mm | Customer excavation | Y | per metre | 190 | £160 | £30,400 | £180 | £34,200 | | | |
| Pipe 80/90mm | Customer excavation | Y | per metre | 100 | £130 | £13,000 | £160 | £16,000 | | | |
| Traffic Management | Included in connection and pipelaying fees | | | | | | | | | | |
| Subtotal | | | | | £64,540 | | £71,640 | | £13,440 | | £13,440 |
| Connection 25/32mm | Customer excavation | Y | per connection | 50 | £530 | £26,500 | £690 | £34,500 | | | |
| Pipe 25/32mm | Customer excavation | Y | per metre | 100 | £30 | £3,000 | £40 | £4,000 | | | |
| Traffic management | Included in connection and pipelaying fees | | | | | | | | | | |
| Meters | Meter included in connection fee | | | | | | | | | | |
| Subtotal service connections | | | | | £29,500 | | £38,500 | | | | |
| Subtotal construction | | | | | £94,040 | | £110,140 | | £13,440 | | £13,440 |
| Other charges | | | | | | | | | | | |
| Consent to connect (foul water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Subtotal | | | | | £540 | | £540 | | £540 | | £540 |
| Infrastructure charges | | | | | | | | | | | |
| Infrastructure charge (water) | N | per property | 50 | £885 | £44,250 | £885 | £44,250 | £885 | £44,250 | £885 | £44,250 |
| Infrastructure charge (wastewater) | N | per property | 50 | £455 | £22,750 | £455 | £22,750 | £455 | £22,750 | £455 | £22,750 |
| Subtotal | | | | | £67,000 | | £67,000 | | £67,000 | | £67,000 |
| Income offset | | | | | | | | | | | |
| Income offset (water) | N | per property | 50 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | N | per property | 50 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Subtotal | | | | | £0 | | £0 | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | £165,340 | | £181,440 | | £81,710 | | £82,055 |
| Environmental discount Water Tier 1 | N | per property | 50 | -£400 | -£20,000 | -£400 | -£20,000 | -£400 | -£20,000 | -£400 | -£20,000 |
| Environmental discount Waste | N | per property | 50 | -£280 | -£14,000 | -£280 | -£14,000 | -£280 | -£14,000 | -£280 | -£14,000 |
| Subtotal | | | | | -£34,000 | | -£34,000 | | -£34,000 | | -£34,000 |
| Total scheme cost before environmental incentive | | | | | £131,340 | | £147,440 | | £47,710 | | £48,055 |

* Mains connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Example 4: New water main to a medium-sized housing development, excavation and reinstatement by Thames Water

In this example we consider a 50-house development that needs a new water main and service connections. A total of 300m of new mains will have excavation and reinstatement completed by Thames Water.



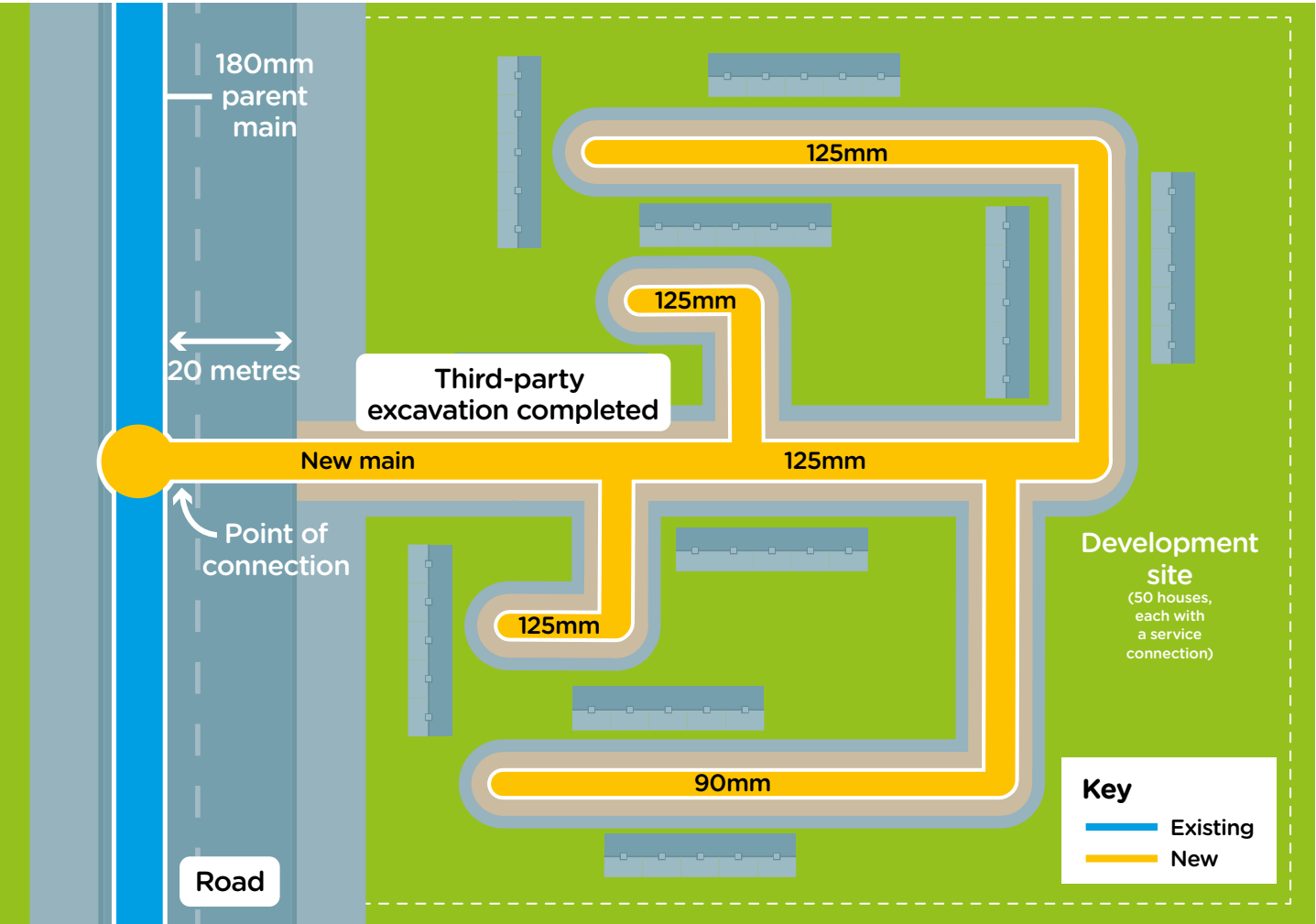
Example 4 charges: New water main to a medium-sized housing development, excavation and reinstatement by Thames Water

| Thames Water delivered | | | | | | | | | Alternative delivery method | | | |
|--|--|-----------------------------|-----------------|---------|---------|--------------------------|---------------------------|----------|-----------------------------|-----------------|----------|------------|
| | | | | 2024/25 | | | | | 2024/25 | | | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge | | Self-lay rate | Self-lay charge | Nav rate | Nav charge |
| Pre-construction charges | | | | | | | | | | | | |
| Application fee | | N | per application | 1 | £180 | £180 | £180 | £180 | £180 | £180 | £180 | £180 |
| Administration fee | | Not charged by Thames Water | | | | | | | | | | |
| Design fee (Design checking for self-lay) | | Y | Property band | 50+ | £3,580 | £3,580 | £3,580 | £3,580 | £550 | £550 | £895 | £895 |
| Subtotal | | | | | | £3,760 | | £3,760 | | £730 | | £1,075 |
| Construction charges | | | | | | | | | | | | |
| Connection 125mm | Road | N (CA*) | per connection | 1 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 | £13,440 |
| Pipe 125mm | Road | Y | per metre | 10 | £770 | £7,700 | £800 | £8,000 | | | | |
| Pipe 125mm | Footpath | Y | per metre | 50 | £670 | £33,500 | £700 | £35,000 | | | | |
| Pipe 125mm | Unmade | Y | per metre | 140 | £330 | £46,200 | £350 | £49,000 | | | | |
| Pipe 80/90mm | Unmade | Y | per metre | 100 | £300 | £30,000 | £310 | £31,000 | | | | |
| Traffic Management | Included in connection and pipelaying fees | | | | | | | | | | | |
| Subtotal main | | | | | | £130,840 | | £136,440 | | £13,440 | | £13,440 |
| Connection 25/32mm | Unmade | Y | per connection | 50 | £1,370 | £68,500 | £1,430 | £71,500 | | | | |
| Pipe 25/32mm | Unmade | Y | per metre | 100 | £230 | £23,000 | £280 | £28,000 | | | | |
| Traffic management | Included in connection and pipelaying fees | | | | | | | | | | | |
| Meters | Meter included in connection fee | | | | | | | | | | | |
| Subtotal service connections | | | | | | £91,500 | | £99,500 | | | | |
| Subtotal construction | | | | | | £222,340 | | £235,940 | | £13,440 | | £13,440 |
| Other charges | | | | | | | | | | | | |
| Consent to connect (foul water) | | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Subtotal | | | | | | £540 | | £540 | | £540 | | £540 |
| Infrastructure charges | | | | | | | | | | | | |
| Infrastructure charge (water) | | N | per property | 50 | £885 | £44,250 | £885 | £44,250 | £885 | £44,250 | £885 | £44,250 |
| Infrastructure charge (wastewater) | | N | per property | 50 | £455 | £22,750 | £455 | £22,750 | £455 | £22,750 | £455 | £22,750 |
| Subtotal | | | | | | £67,000 | | £67,000 | | £67,000 | | £67,000 |
| Income offset | | | | | | | | | | | | |
| Income offset (water) | | N | per property | 50 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | | N | per property | 50 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Subtotal | | | | | | £0 | | £0 | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | | £293,640 | | £307,240 | | £81,710 | | £82,055 |
| Environmental discount Water Tier 1 | | N | per property | 50 | -£400 | -£20,000 | -£400 | -£20,000 | -£400 | -£20,000 | -£400 | -£20,000 |
| Environmental discount Waste | | N | per property | 50 | -£280 | -£14,000 | -£280 | -£14,000 | -£280 | -£14,000 | -£280 | -£14,000 |
| Subtotal | | | | | | -£34,000 | | -£34,000 | | -£34,000 | | -£34,000 |
| Total scheme cost before environmental incentive | | | | | | £259,640 | | £273,240 | | £47,710 | | £48,055 |

* Mains connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Example 5: New water main to a large-sized housing development, excavation and reinstatement by others

In this example we consider a 200-house development that needs a new water main and service connections. A total of 1,000m of new mains will have excavation and reinstatement completed by others, except the 20m in the road leading to the point of connections.



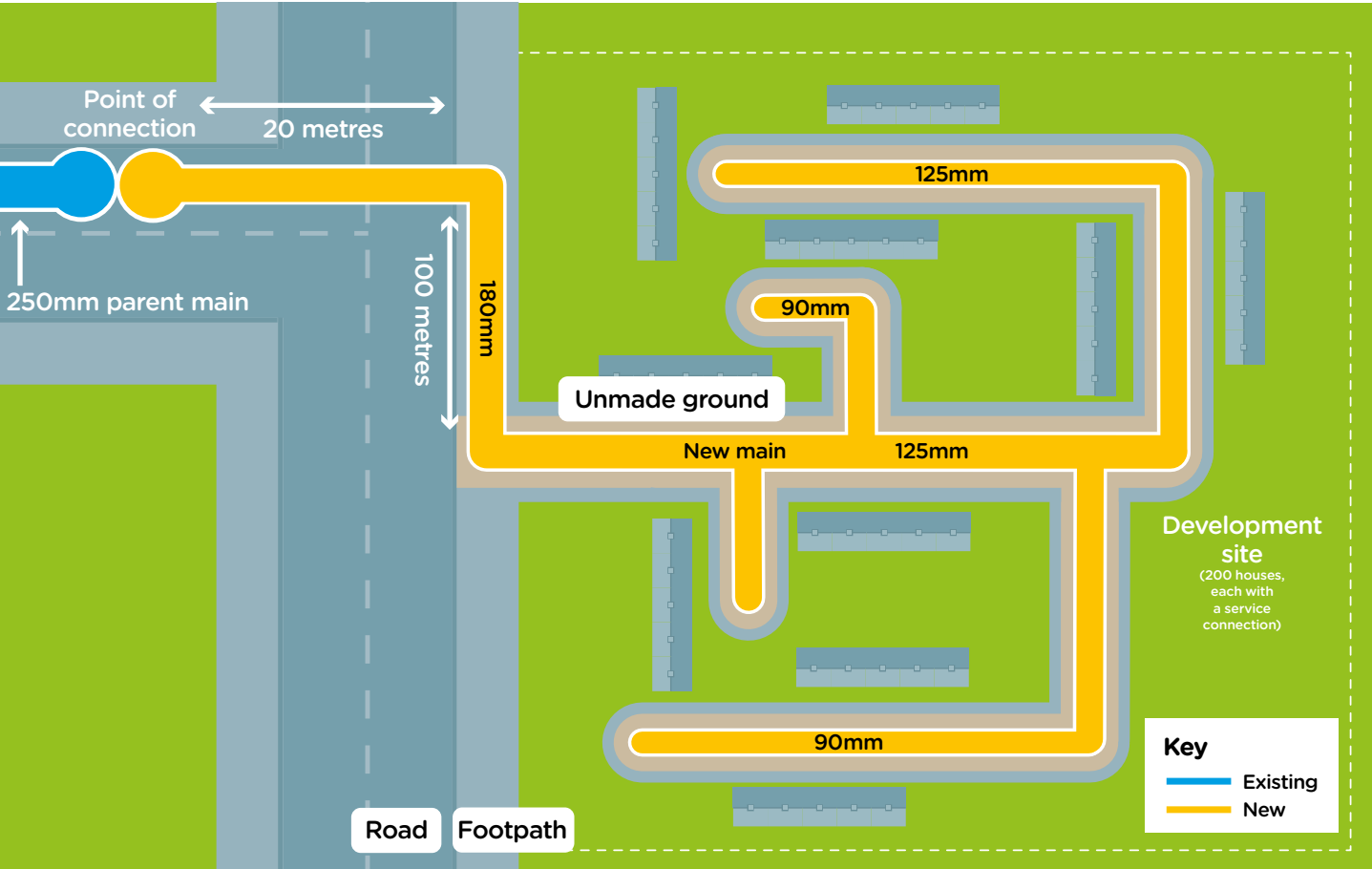
Example 5 charges: New water main to a large-sized housing development, excavation and reinstatement by others

| Thames Water delivered | | | | | | | | Alternative delivery method | | | |
|--|--|-----------------|----------------|---------|-----------|--------------------------|---------------------------|-----------------------------|-----------------|----------|------------|
| | | | | 2024/25 | | | | 2024/25 | | | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge | Self-lay rate | Self-lay charge | Nav rate | Nav charge |
| Pre-construction charges | | | | | | | | | | | |
| Application fee | N | per application | 1 | £180 | £180 | £180 | £180 | £180 | £180 | £180 | £180 |
| Administration fee | Not charged by Thames Water | | | | | | | | | | |
| Design fee (Design checking for self-lay) | Y | Property band | 50+ | £3,580 | £3,580 | £3,580 | £3,580 | £550 | £550 | £895 | £895 |
| Subtotal | | | | | £3,760 | | £3,760 | | £730 | | £1,075 |
| Construction charges | | | | | | | | | | | |
| Connection 180mm | Road | N (CA*) | per connection | 1 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 |
| Pipe 180mm | Road | Y | per metre | 20 | £920 | £18,400 | £960 | £19,200 | | | |
| Pipe 180mm | Customer excavation | Y | per metre | 100 | £200 | £20,000 | £230 | £23,000 | | | |
| Pipe 125mm | Customer excavation | Y | per metre | 480 | £160 | £76,800 | £180 | £86,400 | | | |
| Pipe 80/90mm | Customer excavation | Y | per metre | 400 | £130 | £52,000 | £160 | £64,000 | | | |
| Traffic management | Included in connection and pipelaying fees | | | | | | | | | | |
| Subtotal main | | | | | £181,890 | | £207,290 | | £14,690 | | £14,690 |
| Connection 25/32mm | Customer excavation | Y | per connection | 200 | £530 | £106,000 | £690 | £138,000 | | | |
| Pipe 25/32mm | Customer excavation | Y | per metre | 400 | £30 | £12,000 | £40 | £16,000 | | | |
| Traffic Management | Included in connection and pipelaying fees | | | | | | | | | | |
| Meters | Meter included in connection fee | | | | | | | | | | |
| Subtotal service connections | | | | | £118,000 | | £154,000 | | | | |
| Subtotal construction | | | | | £299,890 | | £361,290 | | £14,690 | | £14,690 |
| Other charges | | | | | | | | | | | |
| Consent to connect (foul water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | N | per connection | 1 | £270 | £270 | £270 | £270 | £270 | £270 | £270 | £270 |
| Subtotal | | | | | | £540 | | £540 | | £540 | £660 |
| Infrastructure charges | | | | | | | | | | | |
| Infrastructure charge (water) | N | per property | 200 | £885 | £177,000 | £885 | £177,000 | £885 | £177,000 | £885 | £177,000 |
| Infrastructure charge (wastewater) | N | per property | 200 | £455 | £91,000 | £455 | £91,000 | £455 | £91,000 | £455 | £91,000 |
| Subtotal | | | | | | £268,000 | | £268,000 | | £268,000 | £268,000 |
| Income offset | | | | | | | | | | | |
| Income offset (water) | N | per property | 200 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | N | per property | 200 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Subtotal | | | | | £0 | | £0 | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | £572,190 | | £633,590 | | £283,960 | | £284,305 |
| Environmental discount Water Tier 1 | N | per property | 200 | -£400 | -£80,000 | -£400 | -£80,000 | -£400 | -£80,000 | -£400 | -£80,000 |
| Environmental discount Waste | N | per property | 200 | -£280 | -£56,000 | -£280 | -£56,000 | -£280 | -£56,000 | -£280 | -£56,000 |
| Subtotal | | | | | -£136,000 | | -£136,000 | | -£136,000 | | -£136,000 |
| Total scheme cost before environmental incentive | | | | | £436,190 | | £497,590 | | £147,960 | | £148,305 |

* Mains connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Example 6: New water main to a medium-sized housing development, excavation and reinstatement by Thames Water

In this example we consider a 200-house development that needs a new water main and service connections. A total of 1,000m of new mains will have excavation and reinstatement completed by Thames Water.



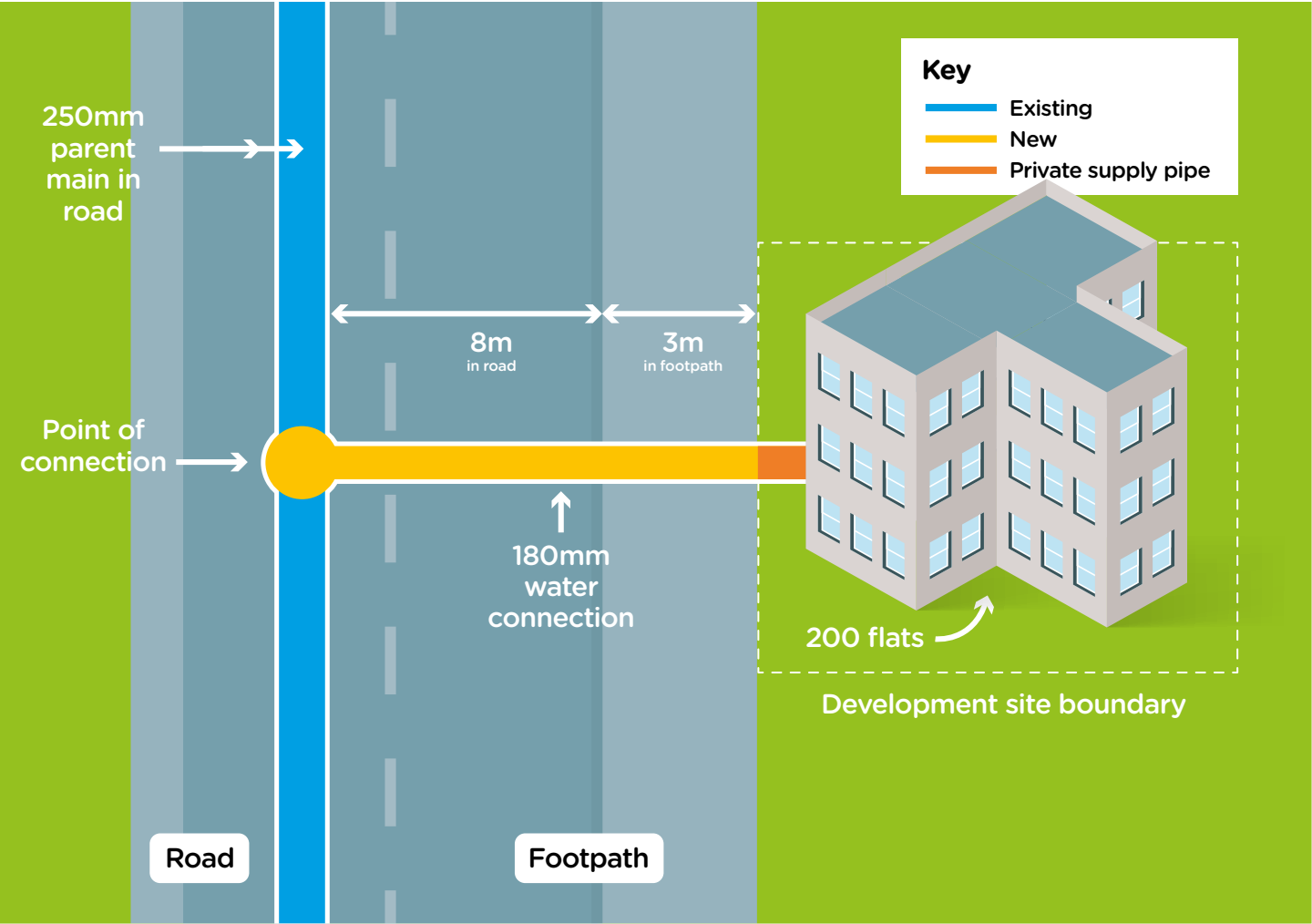
Example 6 charges: New water main to a medium-sized housing development, excavation and reinstatement by Thames Water

| Thames Water delivered | | | | | | | | | Alternative delivery method | | | |
|--|--|-----------------|----------------|----------|------------|--------------------------|---------------------------|------------|-----------------------------|-----------------|----------|------------|
| | | | | | 2024/25 | | | | 2024/25 | | | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge | | Self-lay rate | Self-lay charge | Nav rate | Nav charge |
| Pre-construction charges | | | | | | | | | | | | |
| Application fee | N | per application | 1 | £180 | £180 | £180 | £180 | | £180 | £180 | £180 | £180 |
| Administration fee | Not charged by Thames Water | | | | | | | | | | | |
| Design fee (Design checking for self-lay) | Y | Property band | 50+ | £3,580 | £3,580 | £3,580 | £3,580 | | £550 | £550 | £895 | £895 |
| Subtotal | | | | | £3,760 | | | £3,760 | | £730 | | £1,075 |
| Construction charges | | | | | | | | | | | | |
| Connection 180mm | Road | N (CA*) | per connection | 1 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 | £14,690 |
| Pipe 180mm | Road | Y | per metre | 20 | £920 | £18,400 | £960 | £19,200 | | | | |
| Pipe 180mm | Customer excavation | Y | per metre | 100 | £830 | £83,000 | £860 | £86,000 | | | | |
| Pipe 125mm | Customer excavation | Y | per metre | 480 | £330 | £158,400 | £350 | £168,000 | | | | |
| Pipe 80/90mm | Customer excavation | Y | per metre | 400 | £300 | £120,000 | £310 | £124,000 | | | | |
| Traffic management | Included in connection and pipelaying fees | | | | | | | | | | | |
| Subtotal main | | | | | £394,490 | | | £411,890 | | £14,690 | | £14,690 |
| Connection 25/32mm | Customer excavation | Y | per connection | 200 | £920 | £184,000 | £1,230 | £246,000 | | | | |
| Pipe 25/32mm | Customer excavation | Y | per metre | 400 | £230 | £92,000 | £260 | £104,000 | | | | |
| Traffic Management | Included in connection and pipelaying fees | | | | | | | | | | | |
| Meters | Meter included in connection fee | | | | | | | | | | | |
| Subtotal services connections | | | | | £366,000 | | | £398,000 | | | | |
| Subtotal construction | | | | | £760,490 | | | £809,890 | | £14,690 | | £14,690 |
| Other charges | | | | | | | | | | | | |
| Consent to connect (foul water) | N | per connection | 1 | £270 | £270 | £270 | £270 | | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | N | per connection | 1 | £270 | £270 | £270 | £270 | | £270 | £270 | £270 | £270 |
| Subtotal | | | | | £540 | | | £540 | | £540 | | £540 |
| Infrastructure charges | | | | | | | | | | | | |
| Infrastructure charge (water) | N | per property | 200 | £885 | £177,000 | £885 | £177,000 | | £885 | £177,000 | £885 | £177,000 |
| Infrastructure charge (wastewater) | N | per property | 200 | £455 | £91,000 | £455 | £91,000 | | £455 | £91,000 | £455 | £91,000 |
| Subtotal | | | | | £268,000 | | | £268,000 | | £268,000 | | £268,000 |
| Income offset | | | | | | | | | | | | |
| Income offset (water) | N | per property | 200 | £0 | £0 | £0 | £0 | | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | N | per property | 200 | £0 | £0 | £0 | £0 | | £0 | £0 | £0 | £0 |
| Subtotal | | | | | £0 | | | £0 | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | £1,032,790 | | | £1,082,190 | | £283,960 | | £284,305 |
| Environmental discount Water Tier 1 | N | per property | 200 | -£400 | -£80,000 | -£400 | -£80,000 | | -£400 | -£80,000 | -£400 | -£80,000 |
| Environmental discount Waste | N | per property | 200 | -£56,000 | -£280 | -£56,000 | -£6,000 | | -£280 | -£56,000 | -£280 | -£56,000 |
| Subtotal | | | | | -£136,000 | | | -£136,000 | | -£136,000 | | -£136,000 |
| Total scheme cost before environmental incentive | | | | | £896,790 | | | £946,190 | | £147,690 | | £148,305 |

* Mains connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Example 7: New water main to a large block of flats

This example shows 200 flats being connected to an existing water main. Barrier pipe is not required.



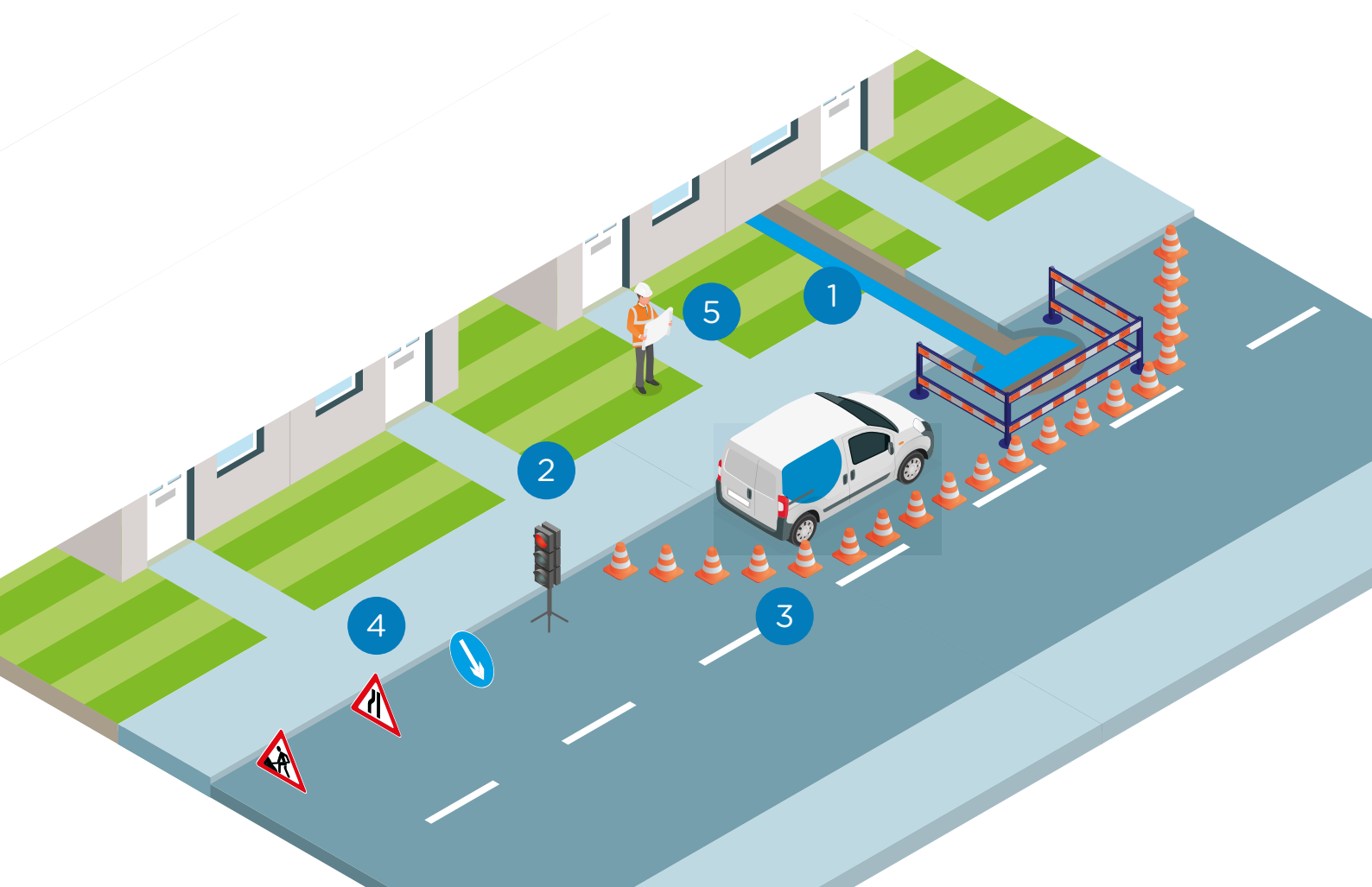
Example 7 charges: New water main to a large block of flats

| Thames Water delivered | | | | | | | |
|---|--|-----------------|----------------|----------|------------------|--------------------------|---------------------------|
| | | | | 2024/25 | | | |
| Item | Contestable (Y/N) | Unit | Quantity | Rate | Charge | Barrier pipe uplift rate | Barrier pipe total charge |
| Pre-construction charges | | | | | | | |
| Application fee | N | per application | 1 | £100 | £100 | £100 | £100 |
| Administration fee | Not charged by Thames Water | | | | | | |
| Design fee (Design checking for self-lay) | Y | per property | 200 | £100/£60 | £12,040 | £100/£60 | £12,040 |
| Subtotal | | | | | £12,140 | | £12,140 |
| Construction charges | | | | | | | |
| Connection 180mm | Road | N (CA*) | per connection | 1 | £15,380 | £15,380 | £15,920 |
| Pipe 180mm | Road | N (CA*) | per metre | 7 | £1,050 | £7,350 | £7,350 |
| Pipe 180mm | Footpath | N (CA*) | per metre | 3 | £830 | £3,320 | £890 |
| Traffic management | Included in connection and pipelaying fees | | | | | | |
| Internal meters 20mm in line | N | per meter | 200 | £210 | £42,000 | £210 | £42,000 |
| Subtotal | | | | | £68,050 | | £67,940 |
| Other charges | | | | | | | |
| Consent to connect (foul water) | N | per connection | 1 | £270 | £270 | £270 | £270 |
| Consent to connect (surface water) | N | per connection | 1 | £270 | £270 | £270 | £270 |
| Subtotal | | | | | £540 | | £540 |
| Infrastructure charges | | | | | | | |
| Infrastructure charge (water) | N | per property | 200 | £885 | £177,000 | £885 | £177,000 |
| Infrastructure charge (wastewater) | N | per property | 200 | £455 | £91,000 | £455 | £91,000 |
| Subtotal | | | | | £268,000 | | £268,000 |
| Income offset | | | | | | | |
| Income offset (water) | N | per property | 200 | £0 | £0 | £0 | £0 |
| Income offset (wastewater) | N | per property | 200 | £0 | £0 | £0 | £0 |
| Subtotal | | | | | £0 | | £0 |
| Total scheme cost before environmental incentive | | | | | £348,730 | | £348,620 |
| Environmental discount Water Tier 1 | N | per property | 200 | -£400 | -£80,000 | -£400 | -£80,000 |
| Environmental discount Waste | N | per property | 200 | -£280 | -£56,000 | -£280 | -£56,000 |
| Subtotal | | | | | -£136,000 | | -£136,000 |
| Total scheme cost before environmental incentive | | | | | £212,730 | | £212,620 |

* Mains connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Appendix B: Traffic management

- (i) We will usually need to work in a road, footpath and / or unmade ground (up to point 1 in the drawing) to provide you with a service connection. Traffic management (2) is needed to ensure safe working and minimise inconvenience for drivers and pedestrians. We may incur charges made by Transport for London and / or the highway authority. Examples can include traffic lights and bus stop suspensions. Certain highway authorities require a permit fee to work in the road.
- (ii) Parking bay suspensions (3) are often needed so we can work safely. The highway authority can also request suspensions opposite our work to allow room for traffic.
- (iii) Road or lane closures (4) are sometimes necessary if we or the highway authority decide parking bay suspensions are not sufficient. In these cases, the highway authority charges us a fee.
- (iv) Traffic management drawings (5) are often requested by the highway authority. These show how we will keep traffic moving and make sure the site is safe. Schemes affecting more than one highway may need multiple traffic management submissions.
- (v) Lane rental charges are levied (for example by Transport for London) if we work on traffic-sensitive routes during busy periods and need to suspend at least one lane.



Appendix C: Definitions and abbreviations

Subject to sub-clause (2), the Interpretation Act 1978 shall have effect for the interpretation of this scheme as it has effect for the interpretation of an Act of Parliament.

In this scheme, unless the context otherwise requires:

‘the Act’ means the Water Industry Act 1991 as amended from time to time.

‘Adoption Agreement’ means an agreement made under section 104 of the Act.

‘Asset payment’ means in relation to a section 51A Self-Lay Agreement the amount described in section 51CD (3) of the Act, net of any charges we make.

‘Charging Rules’ means the Charging Rules for New Connection Services (English Undertakers) issued under sections 51CD, 105ZF and 144ZA of the Act

‘Charges scheme’ means our charges scheme made under section 143 of the Act.

‘Charging arrangements’ means our document setting out the charges, income offsets and asset payments, and / or the methodologies for calculating those, applied by us in accordance with the Charging Rules.

‘Contestable work’ means the work or services that can be completed by either a water company or an accredited third party.

‘DAD’ means the discounted aggregate deficit calculation previously used to calculate the income offset.

‘Diversions’ means the alteration or removal of a public water main or sewer in accordance with section 185 of the Act only.

‘Diversion Agreement’ means an agreement for you to carry out diversion works on our behalf.

‘Footpath’ means a hard-surfaced area intended for use by pedestrian or cyclists.

‘Income offset’ means a sum of money offset against infrastructure charges in recognition of the revenue likely to be received by the relevant undertaker in future years for the provision of sewerage services to premises being connected to the Thames Water network. This is now applied as an environmental discount.

‘Infrastructure charge’ means the charges described in section 146(2) of the Water Industry Act 1991. That is, a charge paid by the developer customer to Thames Water when a property is connected to the supply or sewer network for the first time.

‘New lateral drain’ means the part of a drain that runs from the curtilage of a building (or buildings or yards within the same curtilage) to a sewer with which the drain communicates or is to communicate, which is provided in accordance with sections 98(1A) and 101B of the Act.

‘Licensees’ means water and sewerage supply licensees.

‘NAV’ means a company appointed by Ofwat through the new appointments and variations process to provide water and/or sewerage services to customers in an area previously served by the incumbent water company. A new appointment is made when Ofwat appoints a company for the first time to provide services for specific geographic area. A variation occurs where an existing appointment is varied to amend the area served.

‘Network reinforcement’ means work to provide or modify such other specified types of infrastructure (mains and tanks, service reservoirs, pumping stations or sewers) as is necessary in consequence of the need to provide adequate water supply and/or sewerage capacity to a development at which mains, service pipes, public sewers and/or lateral drains have been installed or connected by the company imposing the charge or by a company with whom the company has entered into an agreement for bulk supply or bulk discharge.

‘New connections services’ is the collective term for new water mains, new sewers, service connections, lateral drains, waste connections and diversions.

‘New sewers’ means a sewer provided by us in accordance with our duties under section 98(1) of the Act.

‘New water mains’ means a water main provided by us in accordance with our duties under section 41(1) of the Act.

‘Non-contestable’ means

1. work or services on the water network that are the responsibility of the water company but which it may at its discretion contract out to an SLP
2. work on the wastewater network that the water company exercises its right to carry out under section 107 of the Act

‘Non-domestic purposes’ means

1. for a service connection or new water main:
 - a. the premises being connected to the water network do not consist in the whole or any part of a building; or
 - b. the supply is for purposes other than domestic purposes
2. for a lateral drain or new sewer, the discharge of trade effluent

‘our’ and **‘we’** means Thames Water.

‘Requisition’ is the collective term for new water mains and new sewers.

‘Road’ means a hard-surfaced area intended for vehicles.

‘Service connection’ means the joining of a service pipe to a water main, which is provided under section 45 and 46 of the Water Industry Act 1991.

‘Self-Lay Agreement’ means an agreement made under section 51A of the Act.

‘SLP’ means self-lay provider.

‘special circumstances’ means circumstances defined in sections 4.4.1, 8.4.1 and section 14.

‘Thames Lee Tunnel’ is a strategic asset in East London running from Abbey Mills Pumping Station to Beckton Sewage Treatment Works.

‘Thames Water’ means Thames Water Utilities Limited.

‘Thames Water Ring Main’, formerly known as the London Water Ring Main, is a strategic asset connecting London’s water treatment works with the water distribution network.

‘Third party land’ means any land which is not a public highway and is not in the ownership of the customer.

‘Trade effluent’ has the meaning given in section 141 of the Act.

‘Traffic management’ means any arrangements as may be required to ensure the safety of operatives and the public and to facilitate or divert traffic and pedestrian movements (see Appendix B for more information).

‘Trunk main’ has the meaning given by section 219 of the Act.

‘Trunk sewer’ means a public sewer as is used for the general reception of sewage from other public sewers and is not substantially used for the reception of sewage from private sewers and drains.

‘Unmade ground’ means ground that does not have a man-made surface and may feature grass and topsoil.

‘Waste connection’ means a connection between your sewer or drain and the public sewer, which is made in accordance with our right under section 107 of the Act.

‘WaterSure tariff’ has the meaning given in our charges scheme.

Appendix D: Summary of changes

1 Introduction

- 1.1 To help you understand at a glance how our 2024/25 charging arrangements differ to those published for 2023/24, we've summarised the key updates below.
- 1.2 While we have endeavoured to outline all changes, this is not an exhaustive line-by-line record and we recommend you familiarise yourself with the entire document as appropriate.

2 At-a-glance summary

- 2.1 Throughout the document, we have:
 - (a) updated references to dates to reflect the new charging year
 - (b) made a small number of terminology adjustments and removed part made ground from our surface types
- 2.2 Changes specific to service connections (section 3)
 - (a) updated rates in tables of tariffs for pipelaying, connections and ancillary charges (section 3.7.2) to reflect 2024/25 rates
- 2.3 Changes specific to mains requisitions (section 4)
 - (a) updated rates in tables of tariffs for pipelaying, connections and ancillary charges (sections 4.11.1 and 4.11.3 and 4.11.4) to reflect 2024/25 rates
- 2.4 Changes to water main diversion (section 5)
 - (a) updated prices (tables 5.7.2 and 5.7.3) to reflect 2024/25 rates
 - (b) clarification added that ancillary items such as district meter pillar relocation are included here and will be priced as bespoke (complex) schemes (5.1.1 and 5.4.2)
- 2.5 Changes specific to internal meters (section 3 and section 6)
 - (a) updated prices in tables 3.7.2 and 6.3.1 to reflect 2024/25 rates
- 2.6 Changes specific to waste connections and new lateral drains (section 7)
 - (a) updated rates in tables of tariffs (sections 7.7.1 and 7.7.2) to reflect 2024/25 rates
 - (b) added a note that special measures are excluded from the fixed prices, as are lateral drains at a depth greater than 10m
- 2.7 Changes specific to new sewers (section 8)
 - (a) updated rates in tables of indicative tariffs (sections 8.6.1) and application fee (8.6.2) to reflect 2024/25 rates
- 2.8 Changes to sewer diversions (section 9)
 - (a) updated prices (table 9.6.1) to reflect 2024/25 rates
- 2.9 Changes to infrastructure charges (sections 11-14)
 - (a) updated the rates in the table of charges and examples for the relevant multiplier
 - (b) updated the environmental waste incentive (section 13) to reflect exclusion from eligibility should Defra enact Schedule 3 of the Floods and Water Management Act 2010 and SuDS become mandatory as part of the planning consent granted
- 2.10 Changes specific to transition arrangements (section 16)
 - (a) updated transition arrangements to reflect requirements for 2024/25
- 2.11 Changes to Appendix A - Worked examples
 - Worked examples updated to reflect 2024/25 prices

Further documentation



Other services we offer

Our charging arrangements do not cover all the charges you may incur in relation to your development. Other charges are found on our website. For information purposes only, the table below shows examples of other charges that you may need to pay us.

| Other services we offer | Charge | Charge covers |
|--|--|---|
| Consent to connect to a public sewer (direct connection) | £270 | Logging, reviewing and technically assessing new connection design and method, impact on our network and issuing formal response (consent or refusal). Planning and undertaking a site inspection as required |
| Consent to connect to a public sewer (indirect connection) | £215 | Logging, reviewing and commenting on proposals, assessing impact on our network and issuing formal response (consent or refusal) |
| Additional visit charge | £220 + VAT per visit | The time and travel costs of visiting the site |
| Buildovers | Refer to the following page on our website thameswater.co.uk/developers/larger-scale-developments/sewers-and-wastewater/build-over-or-near-a-sewer | Consent to buildover or near our water or wastewater assets and any protection works required |
| Adoption of existing wastewater assets (Section 102) | £1,340 application fee plus project management and inspection fee if units less than 5 5 to 100 units: £2,680 101 to 500 units: £6,700 500 + units or any site that includes a pumping station: £13,400 | Logging, technically assessing and responding on suitability of sewer design and layout. Reviewing and assessing CCTV surveys and all on-site inspections |
| Flow monitoring | Price on application | Flow monitoring |
| Metering an existing supply | Free of charge | Metering an existing supply |
| Odour impact assessment | Price on application | Odour impact assessment |
| Diversions related to transport schemes (i.e not developments) | Price on application | Diversions related to transport schemes (i.e not developments) |
| Pre-development and capacity enquiries | Free of charge | Pre-development and capacity enquiries |
| Consultancy, project management and technical support | Price on application | Consultancy, project management and technical support |
| Non domestic discharge application | £1,875 + VAT per visit | The cost of reviewing and processing a non domestic discharge application. The annual licence fee will be calculated and charged based on the volume of water you plan to discharge and will be included as part of the licence agreement |



Contact us



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