

**Adoption
Agreement for
new water mains
and service
connections**

**Scheme
Location
Reference
Date**



THIS AGREEMENT is made the day of 20
(note – this date to be completed by Thames Water personnel only after all parties have signed)

BETWEEN

- (1) Thames Water Utilities Limited whose registered office is at Clearwater Court, Vastern Road, Reading RG1 8DB (Company registration number 2366661) (“**the Undertaker**”), being the Undertaker in whom the Self-Lay Works will be vested;
- (2) whose registered office is at (Company registration number) (“**the Developer**”), being the party intending to carry out the Development;
- (3) whose registered office is at (Company registration number) (“**the Self-Lay Provider**”), being the party undertaking the Self-Lay Works on behalf of the Developer;
- (4) whose registered office is at (Company registration number) (“**the Owner**”), being the owner of the Site (if not the Developer);
- (5) whose registered office is at (Company registration number) (“**the Adjoining Owner**”), being the owner of land adjoining the Site, in which Self-Lay Works are also to be undertaken;

[NOTE: IF A PARTY IS NOT APPLICABLE DO NOT DELETE BUT INSERT “NONE”]

IT IS AGREED as follows:-

1 Interpretation

1.1 The following terms, as defined below, are specific to this Agreement:

Construction Period weeks from the Start Date
Development	the development to be carried out by the Developer on the Site comprising dwellings andother properties.
Drawing(s)	the Layout Plan and such other drawings and calculations relating to the Self-Lay Works numbered: [NB not to be annexed to this Agreement]
Estimated Asset Payment	£..... (before deduction of any charges payable to the Undertaker)
Design Layout Plan	the agreement drawing numbered rev dated annexed hereto, showing the Site, the Adjoining Land and the layout of the Self-Lay Works
Network Reinforcement Contribution	the Undertaker's contribution towards the additional costs associated with the carrying out of Network Reinforcement Works as detailed in Schedule 3, being £.....
Site	land at shown edged green on the Design Layout Plan

1.2 The following general terms, as defined below, shall also apply throughout this Agreement:

Act	the Water Industry Act 1991 (as amended)
Adjoining Land	land adjoining the Site, shown edged orange on the Design Layout Plan, in the ownership of a person other than the Developer or the Owner where part of the Self-Lay Works are to be undertaken
Administration Charge	the administration charges, if any, as published by the Undertaker, which are applicable at the time when a Service Pipe Connection is made as part of the Self-Lay Works
Asset Payment	the amount described in section 6.2.3(b) of the Charging Arrangements, being the payment made by the Undertaker on adoption of the Water Main, provided that, if the Site Specific Works are commenced before the Start Date, the Undertaker shall not be under any obligation to pay an Asset Payment for that part of the Site Specific Works

CDM Regulations	the Construction (Design and Management) Regulations 2015 (as amended or replaced)
Charges Schedule	the schedule of chargeable items which make up the Developer Payment in respect of the Self-Lay Works as set out in Schedule 2. The charges shall be payable at the rates published and in effect at the date of the Self-Lay Works as set out in the Charging Arrangements and the Charges Scheme or as otherwise agreed by the parties
Charges Scheme	the Charges Scheme made by the Undertaker under section 143 of the Act
Charging Arrangements	the Undertaker's document setting out the charges, income offsets, asset payments and / or the methodologies for calculating those, applied by the Undertaker in accordance with the Charging Rules
Charging Rules	the Charging Rules for New Connection Services (English Undertakers) issued by the Water Services Regulation Authority in August 2017 under sections 51CD, 105ZF and 144ZA of the Act
Code of Practice	the Code of Practice for the Self-Laying of Water Mains and Services – England and Wales Edition 3.1 - May 2017
Connection Charges	the connection charges, as published by the Undertaker, which are applicable at the time when a Service Pipe Connection is made by the Undertaker
contestable	identifies work which may be carried out by the SLP, as set out in the Code of Practice
Defect	any defect including but not limited to: work not constructed in accordance with the Specification, faults caused by poor workmanship or a flaw in the installed materials, damage to the Self-Lay Works occurring on or before the day of vesting, any damage occurring during the Defects Liability Period arising out of any cause occurring prior to the day of vesting, or damage resulting from the rectification of Defects by the SLP
Defects Liability Period	in the case of a Water Main and Network Reinforcement Works (if any), 12 months from the date when the Water Main was satisfactorily commissioned and connected to the public water supply network; in the case of a Service Pipe, 12 months from the date of the Service Pipe Connection or compliance with clause 9.2, whichever is the later
Developer's Payment	the charges payable to the Undertaker as set out in the Charges Schedule in Schedule 2 for providing the Undertaker's Works and any ancillary charges, which are calculated in accordance with the Charging Arrangements
Field Representative	the Undertaker's employee or delegated representative assigned to audit the Self-Lay Works, as notified to the SLP, and whose contact details are provided on the Undertaker's website

Infrastructure Charge	the Infrastructure Charge payable to the Undertaker under section 146 of the Act in respect of each first-time connection to the water or wastewater network, calculated in accordance with the Charges Scheme
Land Adjoining Protected Strip	strips of land that extend, horizontally, from the outer edges of the Protected Strip, horizontally, as shown on the Drawing(s) and detailed in any Deeds of Grant of Easement that may be required by the Undertaker in relation to the Self-Lay Works
Network Charge	the charge payable to the Undertaker in accordance with the Charges Scheme in respect of each first-time connection to the water or wastewater network and calculated in accordance with the Charges Scheme
Network Reinforcement Works	<p>additional works (if any) to be carried out by the SLP or changes to the Site Specific Works requested by the Undertaker, as set out in Schedule 3:</p> <p>(a) to provide or modify such other water mains, tanks, service reservoirs as is necessary in consequence of the proposed connections;</p> <p>(b) to mitigate the impact of the proposed connection on the Undertaker's network, including any additional works resulting from the specification by the Undertaker of an alternative location for the Source of Water Connection; or</p> <p>(c) for the provision of water supply services in addition to those for which the Developer is proposing to construct the Site Specific Works where the Undertaker considers that the Site Specific Works are or are likely to be needed for such purpose</p>
non-contestable	identifies work which is the responsibility of the Undertaker but which it may allow the SLP to carry out and non-contestable activities are those set out in Table 1 of the Code of Practice
Phasing Programme	the programme, approved as part of the design of the Self-Lay Works, and listed in Schedule 1 plus any subsequent variations pursuant to clause 11
Protected Strip	a strip of land centred on the Water Main being five metres in width or other such distance as may be reasonably specified in writing by the Undertaker and are shown on the Drawing
Routine Mains Connection	a connection made to a newly laid main that does not supply customers and where the supplying main can be controlled by a valve, or can be squeezed off, without affecting existing customers
Self-Lay Works	together the Site Specific Works and the Network Reinforcement Works (if any)

Service Pipe	any pipe supplying water to any house or building on the Site (including the meter, meter box, surface box, marker and other apparatus) incorporating the section which is to be vested in the Undertaker (shown as the Communication Pipe on Figure 1 of the Code of Practice), and the section that will belong to the customer (shown as the Supply Pipe on Figure 1 of the Code of Practice)
Service Pipe Connection	the connection of a Service Pipe to the Water Main or to any other water main vested in the Undertaker
Service Pipes Construction Programme	the programme approved as part of the design of the Self-Lay Works plus any subsequent variation agreed pursuant to clause 11
Site Specific Works	the construction of the Water Main as is required to serve the Development on the Site together with accessories as defined in the Act and the laying of the Communication Pipes and the Service Pipe Connections to be carried out by the SLP, together with all necessary works of reinstatement to the land or to any Street
SLP	the Self-Lay Provider
Source of Water Connection	connection of the new Water Main to the existing mains network
Specification	the Code of Practice, the Undertaker's published Guidance on self-lay design, permissible materials and construction arrangements and the Design Layout Drawing(s)
Start Date	the date agreed in writing that the Self-Lay Works shall commence
Street Works Legislation	the New Roads and Street Works Act 1991, Traffic Management Act 2004 and any other Act governing the carrying out of Street Works in a Street. ("Street", "Street Authority" and "Street Works" shall be defined accordingly and "Street" shall include any land that becomes a Street prior to the expiry of the Defects Liability Period)
Undertaker's Works	the items listed in Schedule 2
Water Industry Registration Scheme	the registration scheme operated by Lloyd's Register, which certifies the competence of organisations undertaking Self-Lay works
Water Main	the water main (including accessories as defined in the Act) to be constructed by the SLP as part of the Self-Lay Works along the route shown approximately on the Drawings

1.3 This Agreement made in pursuance of Section 51A of the Act sets out the entire agreement and understanding between the parties in relation to the Self-Lay Works.

1.4 This Agreement is personal to the parties save as provided for in clause 14 or:

1.4.1 on the solvent reconstruction or amalgamation of any of the parties; or

1.4.2 on the appointment under the Act of another person as the water undertaker for an area that includes the Site.

- 1.5 If more than one person is named as one of the parties then any covenants agreements liabilities or statements made by that party shall be deemed to be made by those persons jointly and severally.
- 1.6 References to gender shall include either gender or a corporate identity and the singular shall include the plural.
- 1.7 References to any term set out in clauses 1.1 and 1.2 shall, with the Undertaker's written consent, include any part or parts thereof and any variation thereof agreed in accordance with clause 11.
- 1.8 References to an Act of Parliament include any statutory modification or re-enactment thereof for the time being in force and all regulations, orders and codes of practice made under that Act of Parliament and any modification or replacement thereof.
- 1.9 The Interpretation Act 1978 shall apply for the purposes of interpretation of this Agreement as it applies to the interpretation of an Act of Parliament.
- 1.10 In the event of any conflict or ambiguity, the Code of Practice shall prevail over individual clauses set out below and the Drawing(s) shall prevail over the Code of Practice.
- 1.11 All references to days refer to calendar days unless stated otherwise.
- 1.12 All amounts set out in this Agreement are stated excluding Value Added Tax, which will be added to those amounts at the appropriate rate when invoiced.

2 Preliminary requirements

- 2.1 Prior to this Agreement being completed or, if later, as soon as reasonably practicable thereafter and in any event before the Self-Lay Works are commenced:
 - 2.1.1 the Self-Lay Works shall have been designed either by a WIRS accredited designer (such design to have been approved in writing by the Undertaker) or by the Undertaker;
 - 2.1.2 any phasing of the Self-Lay Works (other than the Service Pipes Construction Programme) shall have been agreed between the SLP or the Developer and the Undertaker; and
 - 2.1.3 if the party named as the SLP intends to sub-contract any of the Self-Lay Works to another person, the SLP shall have notified the Undertaker in writing of all contractors and sub-contractors, each of whom must be accredited to carry out the sub-contracted Self-Lay Works, either under the Water Industry Registration Scheme or by the Undertaker and must remain duly accredited for the duration of the Self-Lay Works and this Agreement, who is or will be appointed to undertake the Self-Lay Works provided that no more than one person acting as SLP may be named as a party to this Agreement, such person shall be the contractor or sub-contractor primarily responsible for the management and supervision of the Self-Lay Works and such party shall not be entitled under any circumstances to sub-contract any aspect of the management and supervision of the Self-Lay Works.
- 2.2 Prior to the commencement of the Self-Lay Works the Developer shall notify the Undertaker in writing of the identity for the purposes of the CDM Regulations of the principal designer, principal contractor (if not the SLP) and the client (if not the Developer). Unless notified otherwise, the Developer shall be the client for the purposes of the CDM Regulations

3 SLP Obligations

- 3.1 The SLP will comply with the requirements set out in the Code of Practice.
- 3.2 The SLP will comply with the requirements set out in the Undertaker's Guidance on self-lay design, permissible materials and construction arrangements published and in effect on the date of this Agreement.
- 3.3 The SLP shall not commence any part of the Self-Lay Works until this Agreement has been completed and any payments to the Undertaker required by clause 4.1 have been made in full.
- 3.4 The SLP shall properly construct and complete the Self-Lay Works in accordance with the Specification and this Agreement within the Construction Period and to the satisfaction of the Undertaker.
- 3.5 The SLP shall arrange for the Undertaker to have access to the Self-Lay Works and the Site at all reasonable times and in particular shall, at its own cost, provide all relevant plant equipment (including safety equipment) signing, guarding, lighting and personnel whilst the Undertaker is inspecting the Self-Lay Works on the Site.
- 3.6 The SLP must provide to the Undertaker information about the SLP's daily whereabouts. This information must be provided on a weekly basis using a written format prescribed by the Undertaker and must be received before 12pm on the Wednesday of each week before any week in which the SLP will be carrying out the Self-Lay Works. The SLP must ensure the Undertaker's Field Representative is aware of activities progressing on site.
- 3.7 The SLP must notify the Undertaker, using the written format prescribed by the Undertaker at the time of notification, at least 24 hours in advance of when any mains chlorination, pressure testing or swabbing is to be carried out.
- 3.8 The SLP must notify the Undertaker, using the written format prescribed by the Undertaker at the time of notification, 14 Days in advance of when it intends to make a Source of Water Connection (if this has been agreed by the Undertaker as within the scope of the Self-Lay Works) or Routine Mains Connection.
- 3.9 The SLP must not make any Source of Water Connection or Routine Mains Connection until the Undertaker has provided written authorisation that the mains connection can be made.
- 3.10 The SLP shall provide the Undertaker with not less than 14 Days' written notice of when a Source of Water Connection or a Routine Mains Connection is required to be made by the Undertaker. Notifications shall be submitted in the format prescribed by the Undertaker at the time of notification and only after satisfactory pressure and bacteriological testing of the Self-Lay Works that are to be connected has been completed to the Undertaker's satisfaction.
- 3.11 The SLP shall provide the Undertaker with not less than 28 days' written notice (or such longer period of notice as may be agreed by the SLP and the Undertaker where there are engineering difficulties or there is a requirement for off-site Network Reinforcement or there are limitations under Schedule 13 of the Act or the SLP requests an extended period) of when a Source of Water Connection is required to be made by the Undertaker. Notifications shall be submitted in the format prescribed by the Undertaker at the time of notification and only after satisfactory pressure and bacteriological testing of the Self-Lay Works that are to be connected.
- 3.12 The SLP shall not make any non-contestable Service Pipe Connections, Source of Water Connections or Routine Mains Connections unless the Undertaker has confirmed in writing that the SLP may make the connections.

- 3.13** Subject to 3.12, the SLP can make any Service Pipe Connection to a commissioned mains pipe on condition that a valid water regulations inspection or similar has passed. Details of the Service Pipe Connection must be completed on the prescribed form and passed to the Undertaker as soon as the connection is completed, including paperwork for self-certification of water regulations and chlorination details for large Service Pipe Connections over 50mm internal diameter.
- 3.14** Where the SLP cannot obtain a prescribed self certification form to cover the water regulations requirement the SLP should ensure that a minimum of 7 days' notice is provided to the Undertaker so that a full water regulations inspection can be made.
- 3.15** In carrying out the Self-Lay Works in a highway, the SLP shall obtain any required Street Works licence in its own name.
- 3.16** During the Defects Liability Period the Undertaker may carry out any maintenance of or repair any Defect in the Self-Lay Works or, at its discretion, may by written notice require the SLP to remedy any Defect (to a reasonable timescale determined by the Undertaker) or make good the Self-Lay Works.
- 3.17** The SLP shall reimburse the Undertaker for all such proper and reasonable costs as may be incurred by the Undertaker under clause 3.16.
- 3.18** The SLP shall pay any payment payable to the Undertaker under this Agreement within 14 Days of receipt of an invoice.
- 3.19** The SLP shall not carry out any activities which may affect any of the Undertaker's existing public water mains or the water therein unless such activities shall have been previously agreed in writing by the Undertaker.
- 3.20** Immediately upon the making of any Routine Mains Connection or Source of Water Connection, the SLP must provide written confirmation within 24 hours that the connection has been made.
- 3.21** The SLP must notify the Undertaker of any change to previously agreed dates for the carrying out of a Routine Mains Connection or Source of Water Connection.

4 Further obligations on the part of the Developer and Owner

- 4.1** If the charges for the Undertaker's Works (if any) exceed the sum of the Estimated Asset Payment and the Network Reinforcement Contribution (if any), the Developer shall pay to the Undertaker on completion of this Agreement the estimated amount of the charges for the Undertaker's Works less the sum of the Estimated Asset Payment and the Network Reinforcement Contribution (if any) as set out in clause 1.1 and any other payments payable to the Undertaker under the terms of this Agreement.
- 4.2** The Developer shall also pay to the Undertaker the Administration Charges (if any) and Ancillary Charges in respect of the Self-Lay Works as set out in the Schedule 2 and any Infrastructure Charges or Network Charges payable in accordance with the Charges Scheme when they become due.
- 4.3** Throughout the term of this Agreement, the Developer warrants that it has and will retain sufficient rights in the Site and any Adjoining Land to enable the Self-Lay Works to be constructed and to permit their use repair and maintenance prior to the date when the Self-Lay Works are vested in the Undertaker.
- 4.4** Insofar as the Site is in the freehold ownership of a party named as the Owner or there is Adjoining Land, the Developer warrants that it has examined the title of such Owner or the Adjoining Owner, as the case maybe, and that such person has an unencumbered

title to such part of the Site or the Adjoining Land, as the case maybe, where the Self-Lay Works are to be constructed.

- 4.5** The Developer and the Owner acknowledge that until the vesting of the Water Main pursuant to clause 8.2 or the vesting of any Service Pipe pursuant to clause 9.1, the Water Main or Service Pipes, as the case may be, shall belong to the SLP.
- 4.6** The Developer and the Owner shall not build or place, or permit to be built or placed, any building, structure, erection, plant, machinery or apparatus and shall not plant, or permit to be planted, any tree on, over or within any Protected Strip without the written consent of the Undertaker PROVIDED THAT this condition shall not apply to anything shown on the Drawing(s) or the Design Layout Plan within a Protected Strip or to the apparatus of any electricity, gas, sewerage or telecommunications undertaker provided that any such electricity, gas, sewerage or telecommunications apparatus does not obstruct future access to any part of the Self-Lay Works.
- 4.7** Before the Water Main is vested in the Undertaker, or later at the discretion of the Undertaker, the Developer shall pay to the Undertaker the balance of the Developer's Payment upon receipt of an invoice from the Undertaker giving a breakdown of the actual costs that have been or will be incurred in respect of the Undertaker's Works in a format similar to that set out in Schedule 2 PROVIDED THAT if the estimated amount of the Developer's Payment paid under clause 4.1 exceeds the actual Developer's Payment then the Undertaker shall pay the difference between such amounts to the Developer when the Asset Payment is paid but PROVIDED ALSO THAT if the estimated amount of the Developer's Payment paid under clause 4.1 is less than the actual Developer's Payment, either the Developer shall pay the shortfall to the Undertaker within 14 Days of receipt of an invoice from the Undertaker or the Undertaker shall deduct the amount owing to it from the Asset Payment.
- 4.8** Before the Self-Lay Works are vested in the Undertaker, the Developer shall at the Undertaker's request execute or secure the execution (at no cost to the Undertaker) of:
- 4.8.1** a Transfer to the Undertaker (if so required by the Undertaker) vesting in the Undertaker the title absolute free from any covenant, easement, exception or reservation or other encumbrance of the land forming the sites of pumping stations that form part of the Self-Lay Works together with all rights necessary to gain access thereto with vehicles and the Transfer deed shall contain the following agreement and declaration:
"It is hereby agreed and declared that this Transfer of the Property shall not vest in [Undertaker's name] any pumping station or accessories thereto on, over or under the Property provided however that the same may vest in [Undertaker's name] as part of any vesting of water mains within the [Site] and until such time the obligations of the Transferor in any Agreement by virtue of Section 51A of the Water Industry Act 1991 shall remain unimpaired and fully enforceable".
- 4.8.2** a Deed of Grant of Easement (if so required by the Undertaker) in the standard form of the Undertaker in relation to the Self-Lay Works except in respect of any part of the Self-Lay Works within a Street.

5 Adjoining Land

- 5.1** If the SLP is to construct any part of the Self-Lay Works in any Adjoining Land then the Adjoining Owner shall be a party to this Agreement for the sole purpose of acknowledging and consenting to the arrangements herein expressed between the SLP, Developer and the Undertaker and agreeing to the covenants set out in this clause. For the avoidance of doubt the Adjoining Owner shall have no liability under the provisions of

this Agreement in relation to the construction and future maintenance or repair of the Self-Lay Works.

- 5.2** The Adjoining Owner hereby consents and agrees to the arrangements contained within this Agreement as far as they relate to the Adjoining Land and to the adoption of the Self-Lay Works into the Undertaker's public water supply system and acknowledges that the Undertaker shall be entitled to carry out its statutory rights under the Act in respect of the Adjoining Land following the vesting of the Self-Lay Works.
- 5.3** The Adjoining Owner acknowledges that the Self-Lay Works belong to the SLP until they become vested in the Undertaker and agrees to give the same covenant as set out in clause 4.6 in respect of the Adjoining Land.

6 Inspection of Self-Lay works

- 6.1** During the progress of the Self-Lay Works and the Defects Liability Period, the SLP and the Developer shall give to the Undertaker and any person or persons duly authorised by him access to every part of the Self-Lay Works and, insofar as it is practicable to do so and necessary to confirm the quality and specification of materials which are to be used for the Self-Lay Works, to all workshops and places where work is being prepared or from which materials and machinery are being obtained for the Self-Lay Works and permit them or him to inspect the same and all materials used or intended for use therein and to take samples of materials used or proposed to be used in connection with the Self-Lay Works and to carry out tests as he may deem necessary.
- 6.2** The Undertaker may by notice in writing require the removal or proper re-execution of any work which in respect of materials or workmanship is in its opinion faulty or not in accordance with the Specification or the Street Works Legislation and the SLP shall forthwith comply with any such requirement.
- 6.3** The SLP shall, if so requested by the Undertaker, open up for inspection any part of the Self-Lay Works which may have been covered up and if the SLP fails to comply with any such requirement the Undertaker may itself open up the relevant part of the Self-Lay Works PROVIDED THAT:
- 6.3.1** in the event of any part of the Self-Lay Works being found to be defective, the cost of such opening up and of rectification of any defects and the reinstatement (including reasonable administrative costs and incidental expenses) shall be borne by the SLP; or
- 6.3.2** in the event that no part of the Self-Lay Works is found to be defective, the cost of such opening up and reinstatement shall be borne by the Undertaker unless the reason the Undertaker required the Self-Lay Works to be opened up was because that part of the Self-Lay Works had commenced before the Start Date, notice had not been given in accordance with clauses 3.6 to 3.14 or the Undertaker was not previously allowed access in accordance with clause 6.1, in which case the relevant costs (including reasonable administrative costs and incidental expenses) shall be borne by the SLP.

7 Default by the SLP and/or the Developer

- 7.1** In the event of default (at the sole determination of the Undertaker) of any obligations under this Agreement by the SLP, the Developer (if a separate party to the SLP) shall become jointly and severally liable for the SLP's obligations.
- 7.2** In the event of default (at the sole determination of the Undertaker) of any obligations under this Agreement by the Developer, the Owner (if a separate party to the Developer) shall become jointly and severally liable for the Developer's (including, under clause 7.1, the SLP's) obligations.
- 7.3** In the event of a failure by the SLP to carry out and maintain the Self-Lay Works or any part thereof in accordance with the provisions of this Agreement or (once having commenced the Self-Lay Works) diligently to proceed with the same within the Construction Period or in the event that the SLP shall fail to comply with any obligation of a utility executing Street Works under the Street Works Legislation or in the event of the SLP ceasing to be accredited before the Self-Lay Works have been adopted, the Undertaker may take over the construction of and/or remedy, reconstruct, maintain and complete such part or parts of the Self-Lay Works as the Undertaker deems appropriate by giving the Developer and the SLP at least 14 Days' notice in writing (or such notice (if any) as shall be reasonable in the case of an emergency of which the Undertaker shall be the sole judge) of its intention to do so and recover the costs and expenses incurred in carrying out any such work (including reasonable administrative costs and incidental expenses) from the SLP (or, in default, the Developer) without prejudice to any other rights the Undertaker may have.
- 7.4** Furthermore, in the event of the Undertaker carrying out and/or maintaining the Self-Lay Works pursuant to clause 7.3, the Undertaker shall be entitled to enter upon and temporarily occupy by its servants, contractors, agents or workmen so much of the Site as may be required for the purposes of carrying out such work and for that purpose may remove the SLP and/or any other party from that part of the Site where the Self-Lay Works are being undertaken.
- 7.5** Without prejudice to clause 7.3, in the event of the SLP failing to fulfil any obligation under this Agreement not mentioned in clause 3 or the Developer, Owner or Adjoining Owner failing to fulfil any of their obligations under this Agreement, the Undertaker may give 14 Days' notice in writing (or such notice (if any) as shall be reasonable in the case of emergency of which the Undertaker shall be the sole judge) to the SLP and the Developer specifying the default and the date by which such default is to be remedied.
- 7.6** This clause shall survive the termination or disclaimer of the Agreement.

8 Vesting of the water main and payment of the Asset Payment and the Network Reinforcement Contribution (if any)

- 8.1** The Undertaker shall be under no obligation to connect and commission the Water Main to the Undertaker's existing water distribution network, authorise the connection and commissioning of the Water Main by the SLP, or to pay the Asset Payment or the Network Reinforcement Contribution (if any) unless in the Undertaker's sole determination:
- 8.1.1** the Self-Lay Works, other than the Service Pipes, have been properly constructed to the Undertaker's reasonable satisfaction in accordance with the Specification;

- 8.1.2 the requirements of the Code of Practice have been fulfilled;
 - 8.1.3 the Undertaker is reasonably satisfied Service Pipe Connections will be made to the Water Main within a reasonable period after the satisfactory commissioning of the Water Main and its connection to the public water supply network to avoid the risk that the quality of the water in the Water Main or the public water supply network might become impaired;
 - 8.1.4 connection of the Water Main to the Undertaker's public water supply network is unlikely to compromise the integrity of that network and/or the quality of the water to be supplied by the Undertaker to any customer;
 - 8.1.5 the Developer has secured the transfer of such land or the grant of such a Deed of Easement as is specified in clause 4.8; and
 - 8.1.6 there is no dispute between the Developer, the SLP, the Owner or an Adjoining Owner (or any combination thereof) or with any third party concerning the Self-Lay Works.
- 8.2** Notwithstanding the satisfactory commissioning of the Water Main and its connection to the Undertaker's water supply network, the Water Main shall not be vested in the Undertaker unless the requirements of clause 8.1 have been met and any defects notified to the SLP have been rectified, whereupon the Undertaker shall supply to the SLP a vesting declaration providing written confirmation of the vesting and the date of commencement of the Defects Liability Period.
- 8.3** If the parties agree that the Water Main may vest in sections, the provisions of clauses 8.1 and 8.2 shall apply to each section. The Undertaker will pay interim Asset Payments to the SLP in relation to the Site Specific Works as each section of Water Main is connected to the water network, less interim Developer's Payments due by the SLP to the Undertaker. These on account payments will be based on the percentage of water main that has been laid and will be subject to satisfactory completion of pressure and bacteriological testing and provision of as-laid drawings for the length of water main in relation to which the interim Asset Payment is being paid. The Undertaker will pay any such interim Asset Payment within 35 days of the receipt of an invoice from the SLP.
- 8.4** Where provided for in Schedule 3, the Undertaker shall make interim Network Reinforcement Contributions payments to the SLP as the Network Reinforcement Works (if any) progress. Such payments shall be made following achievement of the milestones set out in Schedule 3, including (unless otherwise stated) the satisfactory completion of pressure and bacteriological testing and provision of as-laid drawings for the Network Reinforcement Works in relation to which the interim Network Reinforcement Contribution payment is being made. The Undertaker will pay any such interim Network Reinforcement Contribution payment (if any) within 35 days of the receipt of an invoice from the SLP.
- 8.5** Upon the issue of the final vesting declaration pursuant to clause 8.1, the Undertaker shall calculate the net sum due in respect of the Self-Lay Works, being the value of the final Asset Payment plus the Network Reinforcement Contribution, less Developer's Payment. The Undertaker shall pay the SLP the net sum due less any sums previously paid by the Undertaker pursuant to clauses 4.1, 8.3, 8.4 or otherwise and less any sums which the Undertaker is entitled to recover under this agreement within 35 days of the receipt of an invoice from the SLP. If the calculation of the net sum results in the SLP owing amounts to the Undertaker, the SLP will pay any amounts due within 14 days of the receipt of an invoice from the Undertaker.

9 Vesting of service pipes

- 9.1** Subject to the SLP and Developer complying with their respective obligations in respect of the Service Pipes, including sections 3 and 4 and clause 9.2, all Service Pipes which are connected to the Water Main or any other water main vested in the Undertaker in accordance with the Service Pipe Construction Programme shall upon the making of such Service Pipe Connections vest immediately in the Undertaker PROVIDED THAT the Undertaker may refuse to vest any Service Pipes which the Undertaker considers have not been satisfactorily constructed in accordance with the Specification or if any Defects in connection therewith have not been made good to the satisfaction of the Undertaker.
- 9.2** Immediately upon the making of any Service Pipe Connection, the SLP shall provide to the Undertaker in the format prescribed by the Undertaker the meter serial number, meter size, meter location, full postal address of the property served by the Service Pipe and, if available, the name and address of the owner and occupier of the property and the date that that person became (or will become) the owner and/or occupier, together with any other information specified by the Undertaker in respect of the Service Pipe. (For the avoidance of doubt, the Service Pipe shall not vest in the Undertaker under clause 9.1 until this information has been provided to, and received by, the Undertaker.)
- 9.3** If the SLP has not already provided the name and address of the owner or occupier of the property, the Developer shall provide such information and the date that that person became (or will become) the owner and/or occupier in writing to the Undertaker as soon as reasonably practicable and, in any event, within 3 days for household properties and 24 hours for all other Service Pipe Connections of the commencement of their ownership and/or occupation. Pending receipt of such information, the Developer shall remain liable to the Undertaker for payment of the water and sewerage charges due in respect of the property.
- 9.4** Nothing herein shall affect the liability of any party or any other person to pay the Undertaker's Infrastructure Charges and Network Charges in accordance with the Charges Scheme.

10 Indemnity

- 10.1** The Developer agrees to indemnify the Undertaker in respect of:
- 10.1.1** all actions charges claims costs demands and expenses properly payable or incurred which may be made against them jointly or separately in connection with or arising out of the construction and completion of the Self-Lay Works;
 - 10.1.2** all sums payable to secure a transfer of land or grant of a Deed of Easement in the Undertaker's standard form in relation to the Water Main (including, where applicable, valuation and legal fees);
 - 10.1.3** liability of every kind for breach of any Act, regulation, code of practice, byelaw or other requirement which applies to the Self-Lay Works; and
 - 10.1.4** any acts performed by the Undertaker on behalf of the SLP pursuant to clause 7.

11 Variation

- 11.1** Without prejudice to the provisions of clause 3 the Undertaker may, at the request of the SLP, permit the Self-Lay Works to be constructed otherwise than in strict conformity with the Specification and the Phasing Programme PROVIDED THAT:
- 11.1.1** the SLP shall notify the Developer and the Undertaker of any potential variation to the Specification or the Phasing Programme as soon as it becomes aware that a variation may be needed, such notification to be given at least 7 days before the affected works are to be carried out;
 - 11.1.2** the Undertaker at its sole discretion shall determine whether the variation, if agreed, is a minor variation or a significant variation and shall notify the SLP and the Developer of its determination within 48 hours of receipt of the notice given under clause 11.1.1;
 - 11.1.3** any variation requiring the re-issue of the Drawings or recalculation of the Asset Payment shall be considered a significant variation;
 - 11.1.4** in the event of a minor variation, the Undertaker shall notify the SLP whether it consents to the variation or rejects the variation and shall endeavour to do so within 48 hours of receipt of the notice given under clause 11.1.1;
 - 11.1.5** the Drawings and Asset Payment will not be changed as a result of a minor variation and the Undertaker will not bear any costs or expenses in relation to any minor variation;
 - 11.1.6** in the event of a significant variation, the parties shall agree how to proceed, including (as required) arranging to meet to discuss the potential variation, visiting the site, revising the Drawings and recalculating the Asset Payment or Developer's Payment (for which a re-quote fee is payable in accordance with the Charging Arrangements);
 - 11.1.7** the SLP shall not make any variation without the Undertaker's prior consent; and
 - 11.1.8** every significant variation shall be agreed in writing by all parties and shall be annexed to this Agreement.
- 11.2** In the event that the Self-Lay Works take longer to construct than the Construction Period the Undertaker shall have the right to review and vary the Specification, the phasing programmes set out in Schedule 1, the Developer's Payment the Asset Payment and the Undertaker's Works.
- 11.3** Without prejudice to the provisions of section 3 the Undertaker may require (acting reasonably) a change to the design, materials or manner of construction of the Self-Lay Works and shall give notice to all other parties as soon as it becomes aware that a variation is needed, such notification to be given at least 28 days before the affected works are to be carried out. To the extent that any such change required by the Undertaker:
- 11.3.1** corrects or varies the Undertaker's design;
 - 11.3.2** changes the conditions of a written approval previously granted by the Undertaker pursuant to clause 2.1.1; or
 - 11.3.3** constitutes Network Reinforcement,
- the Undertaker shall bear the reasonable costs of any variation required under this clause. The Network Reinforcement Contribution shall be adjusted accordingly and (if applicable) the milestone payments in Schedule 3 shall be adjusted. Where the change so instructed results in a saving, the Network Reinforcement Contribution shall be reduced accordingly.

12 Disputes

- 12.1** All questions, disputes, or differences (other than those that fall to be dealt with by the Water Services Regulation Authority under the Act or the Code of Practice) which may arise at any time in relation to this Agreement shall be referred in the first instance to a senior manager of the parties in dispute who will attempt in good faith to resolve any issue but failing resolution within 14 days, the issue may be referred with the agreement of those parties to mediation in accordance with the Centre for Dispute Resolution (CEDR) Model Mediation Procedure.
- 12.2** If the parties in dispute do not agree upon mediation within 7 days of such a reference or have not settled the dispute by mediation within 2 months of the initiation of the mediation, the dispute shall be referred to the decision of a single arbitrator mutually agreed upon or, failing such agreement within 14 days, to be appointed by the President for the time being of the Chartered Institute of Arbitrators on the application of any of the parties in dispute and such arbitration shall be carried out in accordance with and subject to the applicable provisions of the Arbitration Act 1996.

13 Service

- 13.1** All documents specified under this Agreement and any other notices shall be delivered either by first class pre-paid post, e-mail or by personal delivery to the address of the party for whom such document is intended as stated at the head of this Agreement or such other address as may be notified in writing for that purpose.
- 13.2** Any documents so delivered shall be deemed to be received in the case of a letter sent by first class pre-paid post 2 working days after the date of posting and in the case of an e-mail on proof of receipt. The contact name, address, telephone number and E-mail address of any parties may be altered at any time during the term of the Agreement by written notification to the other parties.

14 Contracts (Rights of Third Parties) Act 1999

- 14.1** Except as provided for by section 51A(9) of the Act, this Agreement does not confer any benefit upon, nor create any right enforceable by any third party.

15 Warranties

- 15.1** Nothing in this Agreement shall imply any obligation on the part of the Undertaker to any party to this Agreement to ensure that the Self-Lay Works or any part or parts of the same are properly constructed.

16 Termination

- 16.1** If notwithstanding the application of the provisions of clause 7 of this Agreement any outstanding Defects or maintenance issues in respect of the Self-Lay Works remain unresolved or the SLP or the Developer shall be adjudicated bankrupt or shall go into receivership, liquidation voluntarily or otherwise, or shall execute a deed of assignment or arrangement for the benefit of, or otherwise compound with, its creditors (except for the purpose of reconstruction or amalgamation) the Undertaker may without prejudice to its other rights remedies and powers against the SLP and the Developer by notice in writing to the SLP, Developer terminate this Agreement and upon such notice being served this Agreement shall immediately terminate but such termination shall not affect any liabilities which have accrued prior to the date of termination and shall be without prejudice to the outstanding obligations to the Undertaker.

17 English law

- 17.1** The provisions of this Agreement shall be governed by and interpreted in accordance with English Law and the parties submit to the exclusive jurisdiction of the English Courts.
- 17.2** This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this agreement, but all of the counterparts shall together constitute the same agreement. No counterpart shall be effective until each party has executed at least one counterpart.

18 Waiver of rights

- 18.1** No failure or delay on the part of any party to exercise any of its rights under this Agreement shall operate as a waiver thereof nor shall any single or partial exercise of any such rights preclude any other or further exercise thereof. Any waiver by any party of any breach by another of any of its obligations under this Agreement shall not affect the rights of the waiving party in the event of any further or additional breach of breaches.

19 Void provisions

- 19.1** If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement shall continue to be valid as to the other provisions of this Agreement and the remainder of the affected provision. The parties agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision, which achieves to the greatest extent possible the economic, legal and commercial objectives of the invalid or unenforceable provision.

Schedule 1 Phasing programme

(provisionally approved as part of the design of the Self-Lay Works)

Start Date for main laying:

Source of Water connection:

First service connection:

Last service connection:

Schedule 3 Network Reinforcement Works

Network Reinforcement Works

- (a) additional works to be carried out by the SLP in consequence of the proposed connections (e.g. works upstream of point of connection):

- (b) additional works to be carried out by the SLP to mitigate the impact of the proposed connection on the Undertaker's network (e.g. change to point of connection):

- (c) additional works to be carried out by the SLP in relation to additional water supply services (e.g. up-sizing for to allow for likely future developments):

Network Reinforcement Contribution

[Build up]

[Milestones]

[Amend/delete as required - if none, state 'NONE']