New Connections Charging

North East Wales customers

1 April 2020 to 31 March 2021

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About this document

This Charging document is relevant to our customers in North East Wales (previously part of Dee Valley Water) and contains details of the charges associated with new developments and new connections for water in this region.

Throughout this document, the term "developer" refers to all of our customers who are building and developing properties. It sets out the process that our customers need to follow to get a new connection onto Hafren Dyfrdwy's water network and helps you to make an informed choice as to who completes the work.

Charging Year

This Charging document covers the period 1 April 2020 to 31 March 2021.

Any questions

If you have any questions about this Charging Arrangement Document please call the developer services team on 0330 678 1481.

VAT

Where we've shown charges as being exclusive of VAT we'll add VAT, if applicable, at the appropriate rate.

Broadly the VAT liability of our charges for water connections and mains, or sewer requisitions is determined by the type of properties that will be connected to our network. For example, if you have a new housing development and wish to requisition a new water main that will be used to connect houses during the course of their construction, our charges will be zero rated for VAT purposes. Whereas our charges for laying mains and making connections to existing properties, or commercial properties, will be subject to VAT at the standard rate of 20%. In addition, certificated VAT reliefs may apply to charges for the connection of certain residential or charitable properties and a reduced VAT rate of 5% applies to certain properties that are being renovated or converted for residential use.

HM Revenue & Customs (HMRC) plan to introduce a new requirement on 1 October 2020 which affects supplies of construction services by sub-contractors which is called the **domestic reverse charge for construction services**. However, HMRC has accepted that this new requirement does not apply to our new connection charging arrangements because the charges relate to alterations to the company's assets that are used to provide clean water and waste water services. Consequently our charges will be invoiced with VAT, when applicable, in the normal manner.

Section 1 – The connections process

Who can apply?

It's the owner of the land, or someone who has significant interest in the land, who needs to apply for a new water connection. This may be an individual or a company.

We'll accept an application form from an agent or a consultant working for the applicant, but it's the applicant who is responsible for the content in the application form and must sign the declaration at the end of the form.

How do I apply?

All of our new water connection <u>application forms</u> are on our website. You can download an application form, fill it in and post it back to us including any supporting documents to:

Hafren Dyfrdwy Cyfyngedig PO Box 5311 Coventry CV3 9FL

Or you can email it to us at <u>new.connections@hdcymru.co.uk</u> in a zip file.

Alternatively, please call the developer services team on 0330 678 1481 and they'll send you an application form in the post. Our opening times are 8.30am to 5pm Monday to Thursday and 8.30am to 4.30pm on Friday.

As well as application forms we have a number of <u>guidance notes</u> which you may want to read before applying, or may find helpful as a reference throughout the new connection process.

Requesting a copy of our water network plans

Before you start any development work you can request a copy of our existing water mains network plans to check that your site is within the Hafren Dyfrdwy boundary.

We have a library of maps covering our water mains network. You can request copies by visiting <u>https://linesearchbeforeudig.co.uk/</u>.

Alternatively you can view our maps free of charge, by appointment only by visiting Hafren Dyfrdwy at: Packsaddle Wrexham Road Rhostyllen LL14 4EH

To book an appointment you'll need to call 0345 601 6616 and select option 1, our lines open from 9am to 4pm Monday to Thursday and 9am to 3:30pm on a Friday. Sessions are booked in 1 hour slots and the first session starts at 8:30am and the last one of the day is at 2:30pm.

How to make a payment

You can pay for new connection related charges by credit/debit card, by BACS or by cheque.

Paying by credit/debit card

We welcome all major credit/debit cards and to pay by card simply call us on 0330 678 1481.

Please don't email your credit/debit card details to us.

Paying by BACS

You can make a BACS payment to our bank account using the details below:

Bank:	Barclays
Sort code:	20-00-00
Account Number:	33604071
UTR Number:	GB486985565
Company Registration Number:	054 15325 13168
Reference:	<notification number=""></notification>

The notification number is the reference number that we'll send you when we acknowledge receipt of your application form.

Note - if this isn't provided it may delay your application.

Paying by cheque

Please make your cheque payable to Hafren Dyfrdwy Cyfyngedig and send it to us at:

Hafren Dyfrdwy Cyfyngedig PO Box 5311 Coventry CV3 9FL

How we let you know we've received your application

Once we've received your application form we'll acknowledge receipt and provide you with a reference number within 5 calendar days. Your application will then be assigned to a member of our team who'll be your point of contact during the quote process.

How long a quote is valid for

All of our quotes, agreements and approval notices are valid for 6 months from the date of the covering letter. If a quote hasn't been accepted by the applicant within this 6 month period, and the charges paid, the quote will be cancelled. If the works are still to go ahead after this time the applicant will have to send us a new application for the connection.

If an approved connection has not been completed within this 6 month period, you'll need to send us a new application as another approval will be needed.

Section 2 – Service connection charges

Application fee

When you've completed the relevant application form please return it with the correct application fee (shown below) and supporting plans showing the property location (i.e. ordinance survey extract). Please note these are non-refundable fees for providing a quotation for new water service connections that must be paid at the time you submit your application.

Standard connection	Charge	VAT
Application fee for New Connection first plot	£77.05	20%
Application fee for New Connection per plot for subsequent plots	£47.42	20%
Standard connection - requote	Charge	VAT
If you require a re-quote for first plot	£77.05	20%

Large diameter connection (>32mm)	Charge	VAT
Application fee for New Connection first plot	£77.05	20%
Application fee for New Connection per plot for subsequent plots	£47.42	20%

Large diameter connection – requote	Charge	VAT
If you require a re-quote for first plot	£77.05	20%
If you require a re-quote for subsequent plots per plot	£47.42	20%

If you require a re-quote for subsequent plots per plot

20%

£47.42

We'll visit the site if required to assess your requirements including any potential traffic management costs, the impact this has on our network and what's required to complete the connection. We'll send you a breakdown of the costs for making the connection.

The infrastructure charge

The Water Industry Act (1991) allows water companies to recover costs from its developers for providing or improving its infrastructure for new connections to its water and sewer network.

The infrastructure charge pays for all non-site specific network reinforcement work needed as a result of a new development and new connections to our existing network and will include works, amongst others, to provide or alter existing water mains and service reservoirs.

We are also required to recover infrastructure charges on behalf of other statutory undertakers (where we provide the water supply but not the waste water services). In these circumstances we would ask that you please refer to the relevant undertaker's website for infrastructure charges detail.

Therefore, alongside the cost of connection the following charge will also need to be paid:

Infrastructure charges	Charge	Unit	VAT
Water	£401.22	Per property	0%

There is no value added tax (VAT) payable on an infrastructure charge.

Water for construction

If you're building new properties on a development site you'll often need water for construction, e.g. to mix concrete, plaster, washing down, etc. Unless you have a temporary metered supply (i.e. a hired standpipe) or are utilising an existing metered supply, we'll charge you a fixed charge for water for construction. Value Added Tax (VAT) is payable.

From 1 April 2020 you'll be charged for water for construction per property when:

- 1. The water service connection is a 25mm-32mm for any newly built household property.
- 2. The water service connection is a large diameter connection for a newly built household property.
- 3. The water service connection is on any non-household property with a 25mm+ connection.

Water for construction	Charge	Unit	VAT
Household property and non-household property with a 25mm-32mm connection.	£76.60	Per property	20%
Non-household property with a 25mm+ connection. This represents m3 of construction not m3 storage.	£1.1119	Per unit of property	20%

Meters

Part of the new water service connection work includes the installation of a meter – either externally into a boundary box, or internally in a block of flats – and the collection of the meter details, often called the commissioning of the meter, so the billing account for the property can be set up. Value Added Tax (VAT) is payable.

Meter fit	Charge	VAT
15mm meter in existing or new boundary box	£92.75	At rate applicable
15mm meter in boundary box installed same time as connection	£61.10	At rate applicable
Internal RMR meter (up to and including 20mm) including supply of manifold	£143.64	At rate applicable

Mandatory domestic sprinkler systems

The domestic split supply to a premise for a sprinkler system will receive no additional charge or be metered at the point of separation for the sprinkler. This is in line with the Building Regulation 2010 Statutory Instrument, Section 7A regulation 37A and 37B requiring all new domestic buildings within Wales to have a fire suppression system installed.

The fire suppression system must be designed and installed in accordance with BS 9251:2014 (Fire Sprinkler Systems for Domestic and Residential Occupancies – Code of Practice). Hafren Dyfrdwy will be required to check the proposed fire suppression system is compliant with the Water Supply Regulations 1999. Hafren Dyfrdwy does not have any involvement in the design and installation of the fire suppression system and this must be undertaken by the developer, installer or designer of the fire suppression system.

You can find out more here.

Section 3 – Development enquiry

If you need to understand the requirements better for supplying your new development with water, you can send us a development enquiry before making a full application. We'll complete an assessment to understand the impact of the proposed development on our water network.

These charges are payable in advance at the time of making your application and are non-refundable.

Up to 10 properties	Charge	VAT
Water only enquiry charge	£360.13	20%
More than 10 properties	Charge	VAT
Water only enquiry charge	£630.63	20%

Section 4 – New water mains installed by Hafren Dyfrdwy

Application fee

The charges below relate to the installation of a new water mains by Hafren Dyfrdwy.

When you've completed the relevant application form please return it with the application fee shown below:

Application fee	Charge	Unit	VAT
Design, layout cost for 1-10 properties	£666.71	Per application	20%
Design, layout cost for 11-100 properties	£886.40	Per application	20%
Design, layout cost for 101-500 properties	£1,197.05	Per application	20%
Redesign of layout and/ or cost	£43.32	Per hour	20%

Quote for plots	Charge	VAT
Quote for New Connection first plot	£77.05	20%
Quote for New Connection per plot for subsequent plots	£47.42	20%

If you require a re-quote for first plot	£77.05	20%
If you require a re-quote for subsequent plots (per plot)	£47.42	20%

Section 5 – New water mains not installed by Hafren Dyfrdwy (self lay)

The charges below relate to the installation of a new water mains by a self lay provider.

When you've completed the relevant application form please return it with the correct application fee (shown below) and information required.

Application fee	Charge	Unit	VAT
Design, layout cost for 1-10 properties	£666.71	Per application	20%
Design, layout cost for 11-100 properties	£886.40	Per application	20%
Design, layout cost for 101-500 properties	£1,197.05	Per application	20%
Redesign of layout and/ or cost	£43.32	Per hour	20%

Quote for plots	Charge	VAT
Quote for New Connection per plot	£3.62	20%
If you require a re-quote per plot	£3.62	20%
stop tap/ meter inspection per plot	£10.78	20%
15mm meter in existing or new boundary box	£92.75	20%
15mm meter in boundary box installed same time as connection	£61.10	20%
Internal RMR meter (up to and including 20mm) including supply of manifold	£143.64	20%

Provide spur connection off existing water distribution main

Price on application

Section 6 – Main diversions

Application fee

A developer can ask Severn Trent to alter or move a water asset so as to allow the development of a site. The charges for the diversion of a water asset are made up of those elements needed to recover the reasonable costs incurred by Hafren Dyfrdwy as a result of completing the diversion.

When you've completed the relevant application form please return it with the application fee shown below:

Application fee	Charge	VAT
Initial deposit	£104.10	20%
Design layout & cost estimate of scheme	£446.98	20%