# Developer Services Schedule of Charges

Severn Trent Services (Water and Sewerage) Ltd T/A Severn Trent Connect:

Charges for the period 2023/24

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## Introduction

Severn Trent Services (Water & Sewerage) limited T/A Severn Trent Connect (ST Connect) is a Statutory Undertaker for wastewater services, operating under the Water Services Regulation Authority's (Ofwat) licencing regime.

We are committed to growing our business through partnerships with developers, where we can provide cost-effective and sustainable ways for collecting and treating wastewater and surface water.

The charging arrangements set out in this document are for developers connecting into existing, or laying new sewerage infrastructure for residential and commercial purposes.

Household and wholesale charges are set out in associated charging documents, e.g. Household scheme of charges 2023/24. These developer services charges arrangements are for the charging year from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024 and replace all previous versions.

The charges have been prepared in accordance with Ofwat's charging arrangements, last updated 20 October 2021 and effective from April 2022.

# Infrastructure and connections guidance

#### Lateral drains, connections and new sewers

Lateral drains are the part of the drain that runs from the edge of the property and connects with the sewer. Sewer connections into existing sewers are undertaken under Section 106 of the Water Industry Act 1991 through an application for a connection.

The charges in table 02 should be combined to form the total costs associated with an application. Connections are made by connecting a new pipe directly to an existing sewer, existing manhole or by constructing a new manhole. We may need to reduce the flow in the existing sewer, so that a connection can be made safely. A bespoke additional charge for over pumping the receiving sewer will be applied in these cases.

If new sewers are needed to drain the new properties, developers usually apply for sewer adoption through the Section 104 process. Under this approach we will adopt the new sewer once it is complete, providing it meets the required industry standards. There is a similar approach for adopting already constructed sewers under the Section 102 process. There are fixed charges associated with the Section 104 and 102 application process.

The charges associated with connections (under Section 106), and the adoption of existing and/or new sewers (under Section 102 and Section 104 respectively) are payable up-front on application, and provision of estimates.

#### **Sewer diversions**

It may be necessary to divert or remove our existing assets to permit a development. Where this is the case, developers can arrange for the alteration or removal of existing assets to allow development work to progress. This is undertaken under Section 185 of the Water Industry Act.

ST Connect usually require developers to undertake the required works themselves, subject to application, review and approvals. Alternatively, should a developer request that a diversion be undertaken by ST Connect, we will provide a bespoke estimate for the works.

The charges associated with diversions are payable up-front and following the provision of estimates.

#### Who can carry out connections works?

Developer Services' customers are able to choose who carries out the majority of new connections services for them. The services where customers have a choice for who carries out the works are known as "contestable services". Some services, usually those associated with administration or modification to strategic assets can only be provided by ST Connect, these services are known as "non-contestable services".

Table 01 below sets out which services are contestable and non-contestable.

Service	Contestability
Construction of new sewers and lateral drains	Contestable
Adoption and maintenance of new wastewater infrastructure	Non-contestable

Table 01 Contestable and Non-contestable services

#### Sustainable urban drainage systems (SUDS)

It may be necessary to attenuate surface water runoff before discharging into the local water environment. Where this is required, SUDS of various types may be used. Should a developer request ST Connect to adopt these assets, they must be built to adoptable standards. There are fixed charges associated with the adoption of SUDS.

# Wastewater adoption and infrastructure charges

The table below sets out the charges and fees applicable to developers for the charging year 2023/24.

Element	Description	Fee/charge
Pre-application enquiry	Free service which will helps advise on the best course of action to provide wastewater/surface water services to a development	Zero
Section 98 Charges		
S98 application fee	Administration and legal fees for an application	£2,453
S98 design fee	Fee for site surveys, land right negotiations, and design	10% of total project value
S98 construction fee	Cost of construction	Actual cost of construction
Section 102 Charges		
S102 application fee	Administration fees per application	£362
S102 technical assessment fee	Technical assessment of design against required standards and hydraulics	£917
S102 additional technical assessment	Additional technical assessment following material modifications to previously submitted drainage designs.	£654
S102 inspection fee	Onsite inspection of drainage infrastructure (including SUDS), against submitted drainage designs (including review of CCTV footage captured by developer)	2.5% of construction value
S102 final CCTV review / assessment	Review of CCTV footage prior to adoption of network (per network)	£294
S102 legal fee	Legal fees per application	£574
S102 amendment / variation to legal agreement	Post-signature modification S102 legal agreement.	£190
Section 104 Charges		
S104 application fee	Administration fees per application	£574
S104 technical assessment fee	Technical assessment of design against required standards and hydraulics	£1,262
S104 additional technical assessment	Additional technical assessment following material modifications to previously submitted drainage designs.	£654
S104 inspection fee	Onsite inspection of drainage infrastructure (including SUDS), against submitted drainage designs (including review of CCTV footage captured by developer)	2.5% of construction value
S104 final CCTV review / assessment	Review of CCTV footage prior to adoption of network (per network)	£294
S104 legal fee	Legal fees per application	£574
S104 amendment / variation to legal agreement	Post-signature modification S104 legal agreement.	£190

S104 security	Up front security payment to cover the costs incurred should ST Connect need to complete unfinished works. Released upon adoption of the work.	Bond of 10% of construction value
Section 106 Charges		
S106 application fee	Administration fees per application	£264
S106 direct connection; existing sewers	Connection directly into existing sewers at an agreed connection point	£333
S106 indirect connection; new manhole	Connection into existing sewers requiring a new manhole	£408
S106 indirect connection; existing manhole	Connection into existing sewers made at an agreed manhole	£341
Sustainable urban drainag	e systems (SuDS) Charges	
Sustainable urban drainage systems (SUDS) adoption fees	Volumetric adoption payment for SUDS assets (refer to table 04 for eligible asset types)	£17.89 per cubic meter of storage (or per square meter for drainage surfaces e.g. infiltration strips)
Deed of Easement Charges	S	
Deed of Easement	Legal agreement granting ST Connect the right to access the use of another person's land in order to carry out the necessary works to maintain the asset.	Based on actual costs
Section 185 Charges		
S185 application fee (developer undertaking diversion works)	Administration fees per application	£345
S185 application fee (ST Connect undertaking diversion works)	Administration fees per application (including feasibility study)	£2,063
S185 design fee (ST Connect undertaking diversion works)	Fees to produce detail design (including site investigation)	10% of total project value
S185 technical assessment	Technical assessment of design against required standards and hydraulics	£632
S185 inspection fee (developer undertaking diversion works)	Onsite inspection of drainage infrastructure, against submitted drainage designs	2.5% of construction value
S185 legal fee	Legal fees per application	£574
S185 security (developer undertaking diversion works)	Up front security payment to cover the costs incurred should ST Connect need to complete unfinished works.	Bond of 25% of construction value, 50% is returned on completion of works, the remaining 50% following a 1-year warranty period
Infrastructure charges		
Infrastructure charges		Regional charges apply, see table 04

#### Other services

This section contains information on other services we offer to homeowners and developers.

#### Building over a sewer

If you're building a new property or extending an existing one, you will need to ensure your plans don't affect our public sewers. If your proposals are to build over or near (within 3 meters) of a public sewer or lateral drain, you will need approval from ST Connect before starting works. You will be required to submit an application form.

Element	Description	Fee/charge
Build over application fee	Administration fees per application	£785.00

Table 03 Other services and charges

#### **Infrastructure Charges**

To meet the increases in demand on the sewerage networks and treatment systems from new developments, developers will be charged for the residential properties they connect onto the sewerage network.

Per property infrastructure connection charges vary by region, see table 04 below.

Incumbent	Incumbent Charges	ST Connect Charges
Southern Water	£563 (- £129 income offset) = £434	£423.00
Thames Water	£380 (- £0 income offset) = £380	£370.00
Wessex Water	£744 (- £126.48 income offset) = £617.52	£602.00

Table 04 Regional infrastructure connection charges

#### Any other new connections services charges

Charges for any other new connections services not detailed in tables 02, 03 or 04 will be provided on application, and will be calculated following Ofwat's current connections charging rules.

# Timing of payments and payment methods

Element	Timing of payment
Pre-application enquiry	N/A
S98 application fee	On receipt of application
S98 design fee	On completion of work
S98 construction fee	On completion of work
S102 application fee	On receipt of application
S102 technical assessment fee	On receipt of drainage information
S102 additional technical assessment	On receipt of requested modification to previously submitted drainage information
S102 inspection fee	Upon issue of technical compliance letter
S102 final CCTV review / assessment	At the end of the maintenance period prior to adoption
S102 legal fee	On receipt of drainage information
S102 amendment / variation to legal agreement	Following each iteration of modifications to the S102 legal agreement
S104 application fee	On receipt of application
S104 technical assessment fee	On receipt of drainage information
S104 additional technical assessment	On receipt of requested modification to previously submitted drainage information
S104 inspection fee	Upon issue of technical compliance letter
S104 final CCTV review / assessment	At the end of the maintenance period prior to adoption
S104 legal fee	On receipt of drainage information
S104 amendment / variation to legal agreement	Following each iteration of modifications to the S104 legal agreement
S104 security	Upon issue of technical compliance letter

S106 application fee	On receipt of application
S106 direct connection; existing sewers	On receipt of application
S106 indirect connection; new manhole	On receipt of application
S106 indirect connection; existing manhole	On receipt of application
Sustainable urban drainage systems (SUDS) adoption fees	Upon issue of technical compliance letter
Deed of Easement	Upon issue of technical compliance letter
S185 application fee (developer undertaking diversion works)	On receipt of application
S185 application fee (ST Connect undertaking diversion works)	On receipt of application
S185 design fee (ST Connect undertaking diversion works)	Upon issue of quotation
S185 technical assessment	On receipt of drainage information
S185 inspection fee (developer undertaking diversion works)	Upon issue of technical compliance letter
S185 legal fee	On receipt of drainage information
S185 security (developer undertaking diversion works)	Upon issue of technical compliance letter
Infrastructure charges	Payable on connection; invoices will be issued on a periodic basis through the duration of the connection activities (e.g. monthly / quarterly)

Table 05 details the timing of payments for fees

#### **Payment methods**

ST Connect accept BACS as payment for our services. An invoice with a breakdown of charges, and bank account details will always be issued where a payment is required.

# **Sustainable Urban Drainage System (SUDS)**

The table below sets out the types of drainage assets eligible for adoption. All SUDS should be designed to the requirements as set out in the CIRIA Manual (C753).

Type of SUDS	Description
Filter drain / perforated pipes	Trenches filled with permeable material to collected and convey runoff from the edge of paved areas. A perforated pipe may be built into the base of the trench to convey the water to other parts of a site.
Swales	Broad, shallow grass channels designed to convey and attenuate runoff as well as to allow infiltration into the ground.
Infiltration basin	Depressions and basins that store runoff and allow infiltration into the ground. They may be landscaped to provide habitat and amenity value.
Soakaways	Underground structures or excavations filled with granular material designed to store rapid runoff from a multiple property and to allow efficient infiltration into the surrounding soil.
Infiltration trench	Linear soakaways that allow water to infiltrate into the ground.
Filter strip	Wide gently sloping grass verges that treat runoff from adjacent impermeable areas.
Constructed wetland	Ponds with shallow areas and wetland vegetation to improve the removal of pollutants and enhance wildlife value Wetlands also provide additional flood storage capacity and attenuation.
Retention (wet) pond	Basins that provide temporary storage for storm runoff above a permanent water level used for water quality treatment. This technique may also provide improved habitat and amenity value.
Detention basin	Normally dry basins but may have permanent pools at the inlet or outlet Designed to detain a defined volume of runoff and may provide water quality treatment.
Underground attenuation and storage	Oversized pipes and underground tanks to attenuate flows

Table 06 Adoptable SuDS-types

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# **Appendix**

# **Worked Examples**

Ofwat charging rules set out specific worked examples for large water companies to use within their charging arrangements. As a small water company ST Connect is not required to show these worked examples. To support our clients in understanding and assessing our charges we have produced a comparable set of examples below.

#### **Scenario 1: Single connection**

A connection for a single property to an existing manhole; construction works undertaken by developer.

Scenario S1:	Scenario S1: Single connection from a house to an existing sewer (excavation and reinstatement by others)								
Applicable Charge?	Item	Unit	Qty	Ra	ate (£)	Tot (£)	al Charge	Contestable? (Y/N)	
	<b>Pre-Construction Charges</b>								
Υ	Pre-Application	per application	1	£	-	£	-	N	
Υ	Application Fee (S106)	per application	1	£	264.00	£	264.00	N	
	Administration Fee	per application							
	Construction Charges								
Υ	Connection - existing manhole	per connection	1	£	341.00	£	341.00	Υ	
	Other Charges								
	As applicable								
	Infrastructure Charges								
Υ	Infrastructure Charge - Sewerage (Southern Water region)	per connection	1	£	423.00	£	423.00	N	
	Income Offset								
Υ	Income Offset - Sewerage		1	£	-	£	-		
	TOTALS					£	1,028.00		

## Scenario 2: 5 property development

Connection into existing public sewer, requiring new manhole; construction works undertaken by developer.

Scenario S2: 0	Scenario S2: Connection from a small development (5 homes) to an existing sewer (excavation and reinstatement by others)							
Applicable Charge?	Item	Unit	Qty	Rate (£)	Total Charge (£)	Contestable? (Y/N)		
	Pre-Construction Charges							
Υ	Pre-Application	per application	1	£ -	£ -	N		
Υ	Application Fee (S106)	per application	1	£ 264.00	£ 264.00	N		
	Administration Fee	per application						
	Construction Charges							
Υ	Connection - new manhole	per connection	1	£ 408.00	£ 408.00	Υ		
	Other Charges							
	As applicable							
	Infrastructure Charges							
Υ	Infrastructure Charge - Sewerage (Southern Water region)	per connection	5	£ 423.00	£ 2,115.00	N		
	Income Offset							
Υ	Income Offset - Sewerage		1	£ -	£ -			
	TOTALS				£ 2,787.00			

#### Scenario 3: 100 property development

Construction of new foul and surface water drainage for adoption by ST Connect; construction undertaken by developer.

Scenario S3:	Scenario S3: Medium-sized housing development (100 homes) requiring new sewers and SuDS (excavation and reinstatement by others)						
Applicable Charge?	Item	Unit	Qty	Rate (£)	Total Charge (£)	Contestable? (Y/N)	
	Pre-Construction Charges						
Υ	Pre-Application	per application	1	£ -	£ -	N	
Υ	Application Fee (S104)	per application	1	£ 574.00	£ 574.00		
Υ	Inspection Fee (S104)	2.5% of est. construction value*	1	£ 20,250.00	£ 20,250.00		
Υ	Final CCTV Review (S104)	per application	1	£ 264.00	£ 264.00	N	
Υ	Legal Fee (S104)	per application	1	£ 574.00	£ 574.00		
	Construction Charges						
Υ	Connection - new manhole	per connection	1	£ 408.00	£ 408.00	Υ	
	Other Charges						
	Security bond (S104)**	10% of est. construction value*	1	£ 81,000.00	£ 81,000.00	N	
	SuDS Adoption	per m <sup>2</sup> or m <sup>3</sup>	500	£ 17.89	£ 8,947.06		
	Infrastructure Charges						
Υ	Infrastructure Charge - Sewerage (Southern Water region)	per connection	100	£ 423.00	£ 42,300.00	N	
	Income Offset						
Υ	Income Offset - Sewerage		1	£ -	£ -		
	TOTALS				£ 145,370.00		

<sup>\*</sup>Estimated constructions costs of £810,000.

<sup>\*\*</sup> Security bond is returned on complete and satisfactory completion of works