United Utilities Charges Forum

January 2025

Dovestone Reservoir



Water for the North West

Welcome

If you have any questions or comments throughout, please add them to the chat on Teams.



Agenda

- Welcome
- Meet the team
- Charges timeline
- Charges focus panel
- Charges 2025/2026
- Income offset
- Smart meters
- Environmental incentive scheme

- Looking ahead
- Any questions





Water for the North West

Meet the Team

Scott Green

Head of Developer Services and Metering

Graham Morley Strategy and Compliance Manager

Emily Burke Compliance and Improvement Manager

Teresa Helm Developer Services Technical Manager

Stuart Edwards Project Delivery Manager (Sustainable Developments) Tracey Wright Customer Operations Delivery Manager (Developer, SLP and NAV)

Samantha Mottram Developer Relationship Manager

Craig Daniels Customer Area Manager

Andrew Smith Customer Area Manager water

Daniel McDermott Customer Area Manager wastewater

Jennifer Blake Customer Area Manager wastewater

Steve Marsh Field Services Manager water

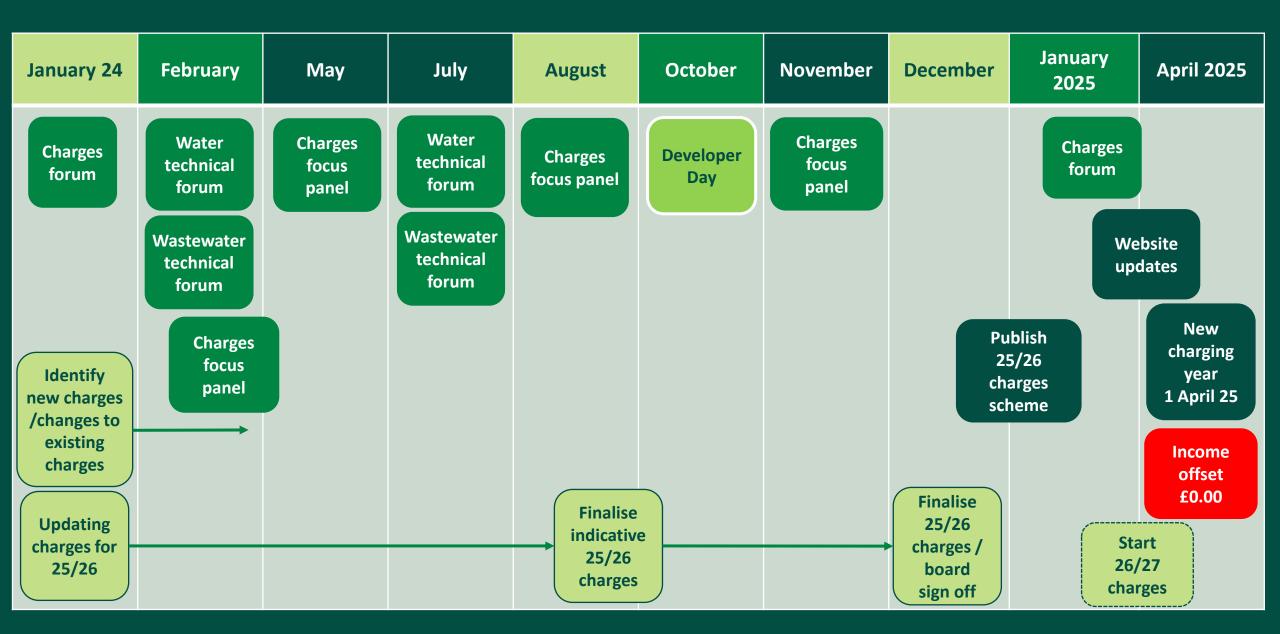
Matt Yates Field Services Manager wastewater Colin Dermody Customer Operations Delivery Manager (Homeowners and builders)

Dominic Baglee Customer Area Manager

Debbie McNish Customer Area Manager **Clare Lenoan** Charges and Tariffs Manager Regulation & Compliance



2025/2026 Charges Timeline



Charges panel

The charges panel meet a number of times throughout the year. The aim of the panel is to:



able to apply, we will be sending out the application form over the coming weeks.

Join the conversation



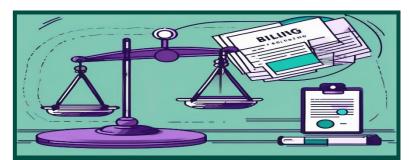
2025/2026

charges

Developer charges to increase in 2025/2026

Large housing growth forecasted in the Northwest requiring more upgrades to our water and wastewater assets, thus <u>increases</u> to the infrastructure charge.

- 1.5m new homes over next 5 years.
- C.37,000 new homes each year in the Northwest.
- Investment needed to support growth, whilst protecting the environment and our customers.
- UU committed to supporting house building growth through great customer experience (#1 D-MeX).



A fairer approach to charging by ensuring all developer costs are now recovered through developer charges including <u>removal of</u> <u>income offset subsidy</u>.

- Income offset is currently funded by bill paying customers.
- Developer Services will now operate as a standalone function.
- We must aim to recover all our costs
- Our commitment to strive to have some of the lowest charges in the sector.



developments with tiered incentive mechanism funded through introduction of <u>new environmental</u> <u>charge.</u>

- National target to reduce overall demand by 20% by 2050.
- This means a reduction from 140 to 110 litres per person per day.
- New incentive is an industry standard approach with greater rewards on offer.
- One of the most comprehensive offerings in the sector.



Join the conversation

Developer Services charges from 2026



Underlying factors

The following underlying factors impact new connection charges for 2025/2026

• Updated contractor costing information

• Continued phasing of increases to administration charges from previous year to take account of new costing information and to improve the forward looking cost reflectivity of those charges

• Increases in infrastructure charges to reflect the additional investment required on our water and sewerage networks to support the growth in new developments

• New water and sewerage environmental component charges to fund the new connections environmental incentive scheme



Join the conversation

New connections and developer services charges scheme 2025/2026

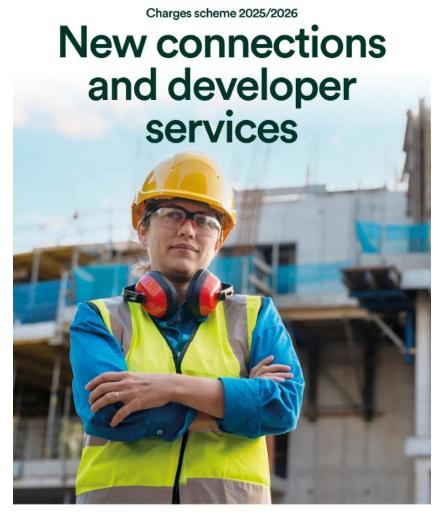
Our website has been updated with the New connections and developer services charges scheme for 2025/2026

unitedutilities.com/builders-developers/guidance/our-charges/newconnections-and-developer-services/

The charges scheme is applicable from 1 April 2025 – 31 March 2026

All application forms and literature will be updated on our website by 1 April 2025

<u>unitedutilities.com/builders-developers/guidance/application-</u> <u>forms/application-forms-guidance/</u>





Water for the North West



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Developer Services charges 2025/2026 – recovering costs

Unless otherwise specified, all quotes for construction activities will be provided based on the parameters and information that you provide in your application for services, together with any supporting documents you provide.



If there are any differences to the actual site conditions from the information or parameters you have provided, we will recover any additional costs that we incur, to facilitate the work, from you and these costs will be subject to final settlement.

This could include but is not limited to:

- Additional metres of pipe, excavation and reinstatement
- Change of surface type
- Boundary box / multi-port box
- Any additional costs incurred due to the obstruction of third-party services
- Traffic management

All quotes for construction will include expected costs for traffic management where required, in some instances this may be subject to change, for example where the highways authority requires alternative arrangements.

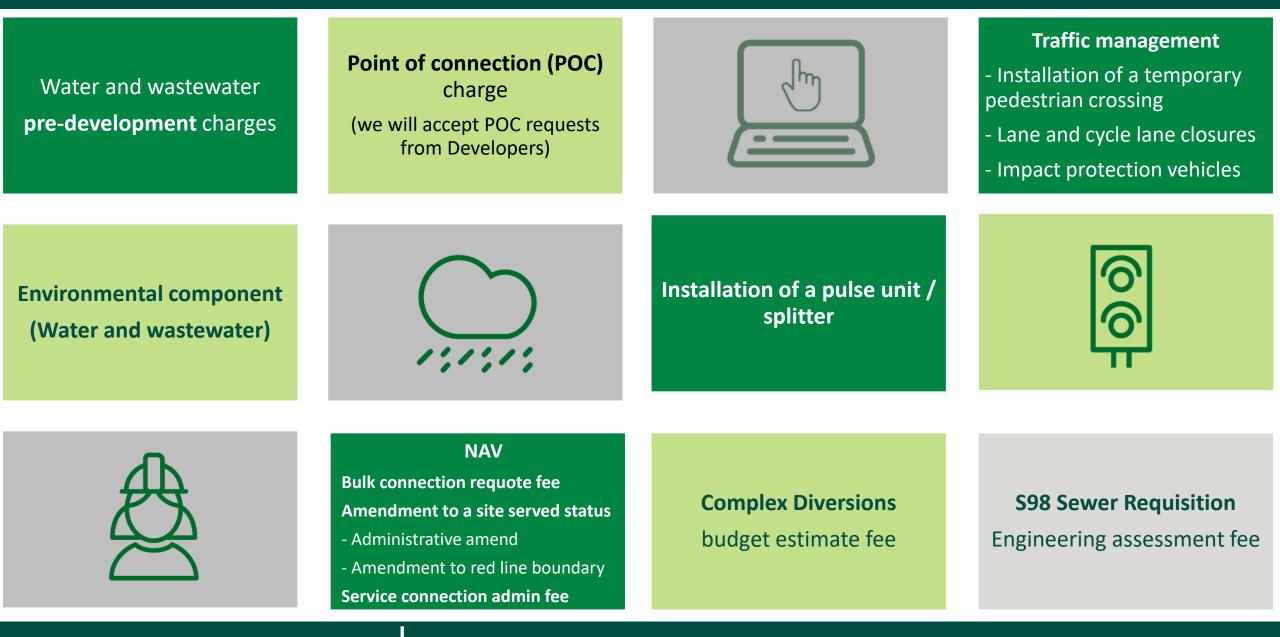




Join the conversation

Impact on industry scenarios	24/25 excludes income offset	UU	£	SLP	£	NA	V£
Industry scenario	Specification	24/25	25/26	24/25	25/26	24/25	25/26
1. Single short connection off an existing main	 Single connection to existing main 25- 32mm diameter pipe 4 metres pipework in road Two-way lights (unsupervised) 	£3,001	£6,166	£1,191	£2,323	n/a	n/a
1a. Single connection from an existing main to four properties using a four-port manifold.	 25-32mm diameter PE pipe 4m pipework in road 4m pipework in unmade ground Two-way automated lights 	£10,302	£14,436	£2,052	£3,760	£2,112	£3,656
2. Single connection to block of 10 flats from an existing main	 63mm connection to existing main 10 flats 4 metres pipework in road 4 metres pipework in unmade ground Flats individually metered Two-way lights (unsupervised) 	£13,701	£19,005	£7,122	£11,620	£7,029	£12,057
3. Medium housing development requiring new mains and communication pipes excavation and reinstatement by others	 Connection to existing main of 180mm diameter 300 metres of new mains 50 new connections - 3 metres pipework 	£100,737	£164,610	£42,783	£68,580	£41,376	£66,211
4. Medium housing development requiring new mains and communication pipes excavation and reinstatement by us	 per connection Road closure and eight parking bay suspensions 1 trial hole 	£140,607	£247,943	£42,783	£68,580	£41,376	£66,211
5. Large housing development requiring new mains and communication pipes excavation and reinstatement by others	 Connection to existing main of 180mm diameter 1000 metres of new mains 	£366,912	£586,029	£149,221	£229,948	£144,964	£223,662
6. Large housing development requiring new mains and communication pipes excavation and reinstatement by us	 200 new connections - 3 metres pipework per connection Road closure and eight parking bay suspensions 2 trial holes 	£501,652	£883,566	£149,221	£229,948	£144,964	£223,662

Charges 2025/2026 – new from 1 April 2025



Join the conversation

Charges 2025/2026 - Water - application and administration fees

Charge	24/25 charge	25/26 charge
Water connection application fee (single connection)	6222	£349.31
Water connection administration fee (single connection)	£303	£257.98
Water connection application fee additional properties supplied by their own single connection	£34	£7.25
Water connection administration fee additional properties supplied by their own single connection	L34	£31.95
Water connection application fee additional properties supplied by the same connection	£23	£7.19
Water connection administration fee additional properties supplied by the same connection	E23	£19.62
Water connection re-quotation fee	£105	£176
Self lay connection off existing main application fee - UU connection (first connection)	(202	£349.63
Self lay connection off existing main administration fee - UU connection (first connection)	£303	£258.41
Self lay connection off existing main application fee - UU connection additional properties supplied by their own single connection	c2.4	£7.33
Self lay connection off existing main administration fee - UU connection additional properties supplied by their own single connection	£34	£32.56
Self lay connection off existing main application fee - UU connection additional properties supplied by the same connection		£7.10
Self lay connection off existing main administration fee - UU connection additional properties supplied by the same connection	£23	£19.36
Self lay connection off existing main re-quotation fee - UU connection	£105	£175.21
Self lay connection off existing main application - SLP connection single connection	£301	£320.85
Self lay connection off existing main administration fee - SLP connection single connection	1301	£282.96
Self lay connection off existing main application fee - SLP connection additional properties supplied by their own single connection	£72	£8.58
Self lay connection off existing main administration fee - SLP connection additional properties supplied by their own single connection	£72	£40.97
Self lay connection off existing main application fee - SLP connection additional properties supplied by the same connection	£18	£8.80
Self lay connection off existing main administration fee - SLP connection additional properties supplied by the same connection	110	£25.34
Self lay connection off existing main re-quotation fee - SLP connection	£89	£174.93

Charges 2025/2026 - Water - application and administration fees

Charge	24/25 charge	25/26 charge	
Point of connection enquiry		£245	New
Water pre-development enquiry		£250.23	New
Water mains requisition application cost	c022	£1,497.53	
Water mains requisition administration cost	£932	£1,053.48	
Water mains requisition re-quotation fee	£130	£349.41	
Self-lay mains application fee - UU make connection	£1,017	£1,567.24	
Self-lay mains administration fee - UU make connection	£1,017	£1,106.08	
Self-lay mains re-quotation fee - UU make connection	£137	£350.23	
Self-lay mains application fee - SLP make connection	£943	£1,372.49	
Self-lay mains administration fee - SLP make connection	1945	£1,185.91	
Self-lay mains re-quotation fee - SLP make connection	£134	£359.91	
Self lay novation / termination	£294	£342.09	
Self lay variations	£127	£171.04	
NAV site served status	£137	£501.25	
NAV Amendment to a site served status - red line boundary		£329.70	New
NAV Amendment to a site served status - administrative		£204.43	New
NAV bulk supply connection application fee	£560	£1,609.90	
NAV bulk supply connection - re-quotation fee		£464.14	New
Take over existing supply application fee	£110	£469.91	
Take over existing supply administration fee - 1st premise	£136	£76.50	
Take over existing supply administration fee - additional premises		£18.21	New

Charges 2025/2026 - Water - application and administration fees

Charge	24/25 charge	25/26 charge	
Statutory service connection admin fee	£18	£25.10	
Self-lay service connection admin fee	£19	£26.11	
NAV service connection admin fee		£26.28	New
SLP non-notification - per connection	£80	£99	
Mains diversion application fee	£647	£1,417.96	
Mains diversion administration fee	£296	£549.01	
Mains diversion re-quotation fee	£129	£258.08	
Complex diversions water – budget estimate initial contribution		£2,752.02	New
Copy of vesting certificates	£23	£36.69	



Charges 2025/2026 - Wastewater - application and administration fees

Charge	24/25 charge	25/26 charge	
Wastewater pre-development enquiry		£471.29	New
S98 Sewer requisition application fee	£548	£1,898.12	
S98 - engineering assessment		£1,746.94	New
S106 Developer connection processing fee	£249	£720.86	
Section 102 sewer adoption application fee	£545	£1,753.02	
Section 104 sewer adoption application fee	£1,558	£3,203.51	
S185 Diversion carried out by Developer application fee	£715	£2,630.18	
S185 Diversion carried out by UU application fee	£715	£2,630.18	
Complex diversions sewerage - budget estimate initial contribution		£2,752.02	New
Sewer abandonment application fee up to 100mm	£265	£817.87	
Sewer abandonment application fee over 100mm	£432	£1,212.37	
Sewer build over application fee	£164	£607.71	

The rates for calculating the estimated value of works have increased by 10% for 2025/2026. These rates are to be reviewed throughout 2025 and may see a further increase from April 2026.



Join the conversation

Charges 2025/2026

Infrastructure charges





Sustainable Infrastructure charges

Sustainable infrastructure charges are only applicable for schemes that were accepted based on charging arrangements in place before 1 April 2024.

Sustainable Water	£121.72
Sustainable Wastewater	£154.04

Sustainable infrastructure charges have increased for 25/26 reflecting increases in standard infrastructure charges and alignment of incentive payments made for the respective environmental incentive.

Join the conversation

Environmental Component water and wastewater

We have introduced a new environmental component charge which will fund environmental incentive scheme payments that we make to Developer customers that have applied and successfully achieved the tiered environmental incentive scheme.

The environmental components will be applicable to all household properties connected on or after 1 April 2025, including schemes that have been quoted on prior years charging arrangements.

Water component	£77.54	Per property
Wastewater component	£59.35	Per property



Income offset – transition

February 2025	March 2025	April 202	25
		Income offse	t value
UU connection and UU meter fit - must be requ	lested by no later than <u>10 March 25</u> .		
	It, connection made to a live supply and request to us to install estic properties, or <u>30 March 25</u> for commercial properties.	£715	
	ilt, connection made to a live supply and meter installed by no later iting no later than 1 business day after for commercial properties or	Notified by 1 or 7 April	£0
	e connected the property to a live supply and the SLP must have ne meter must be reported to us in writing no later than 1 business s days for domestic properties	Notified by 1 or 7 April	
<u>NAV</u> - the property must be built and connected to the meter must be reported to us in writing no la	to a live supply with meter installed by no later than <u>31 March 25</u> , inter than 10 business days after	Notified by 14 April	

Charges 2025/2026 - Quote Validity

Service provider	Validity period
New mains / mains requisition	6 months from date of quote
Mains diversion	6 months from date of quote
Self-lay provider	6 months from date of quote
Service connections	Until the end of the charging year (31 March)
NAV bulk connection	6 months from date of quote
Sewer requisitions, diversions and connections	6 months from date of quote

For the charges outlined in the quote to apply, you must have accepted the quote and

• if we are completing the work, you must have requested the work from us within three months of accepting the quote and be ready for the work to be carried out when you make the request or,

• if you are completing the work, work must have been completed within three months of you accepting the quote.

If any of the following occur:

- the work has not been requested from us, or
- you are not ready for us to carry out the work, or
- you have not completed the work within three months of accepting the quote

a re-quote will be required (under the charging arrangements for the current charging year) and a re-quote fee will be payable.

All meters installed from 1 April 2025 must be smart meters

The AMI meter will be installed in the same way as an AMR meter is today, but with the addition of a separate smart point unit that will then need to be paired to the meter. The smart point will then need to be commissioned so that it talks to the network.

SLP meter install **UU** meter install Arqiva will be providing training on pairing and commissioning AMI meters in Meter installation including March 2025 (dates TBC) Meter installation including pairing and commissioning to pairing and commissioning to be be carried out by UU carried out by the SLP Things to know Meters and SIRTs to be procured from Argiva SmartPoint Where the SLP has not Additional information required to be reported back to UU: successfully completed the 6 Meter collar reference number pairing and commissioning, Smart point reference number there will be a charge for us to What 3 words location attend site and rectify it. Meter location type meter

Join the conversation

Charges 2025/2026

25mm connections and temporary supplies



<u>25mm connections</u> and <u>temporary supply</u> charges no longer include the cost of the water meter.

For quotes based on 2025/2026 charges, you will see the relevant meter provision charge added to your quote as a separate item.

	Charge
Meter provision 15 - 20mm	£73.35

	Includes	Charge
	Supply and install standard 15 – 20mm manifold meter	£180.74
Meter related charges for self-lay schemes – per meter	Supply and install standard 15mm – 20mm in-line meter	£180.74
	Abortive visit	£80.73



Join the conversation

We welcome your feedback on the change to our metering local practice document and would welcome responses from stakeholders on our change.

Do you have any comments?

What is our proposed new approach?

All meters sized 15mm and 20mm installed as per locations outlined in section 4.1 of the metering local practice document will be Automated Meter Read (AMR) Advanced Metering Infrastructure (AMI) equipped.

Common meters and meters sized above 25mm and above will also be AMR-AMI enabled and the AMR AMI technology will be determined by us.

Responses to the question should be sent directly to <u>dsconsultations@uuplc.co.uk</u> by no later than Friday 28 February 2025.

In February we expect to also be consulting on our meter location policy.

Environmenta Incentives Scheme

Environmental Incentives Scheme

Tiered environmental incentive scheme introduced 1 April 2024 for quotes signed up to based on 24/25 charges or later.

Tier 1

Water – demonstrate that the premises is b the table on the following slide, and	uilt with fittings not exceeding the maximum consumption rates set	t out in	£172
Water –installation of a flow regulator which limits the flow into the premises to 14 litres per minute			£100
Wastewater – installation of a water butt or a raised rain planter with a capacity of at least 200 litres connected to the properties main roof drainage, or a rain garden the size of 2% - 4% of the properties main roof, that drains to the rain garden.		£20	
Tier 2 (achieve all of tier 1 to be eligible	e for tier 2)		
Water re-use – installation of rainwater harvesting or greywater re-use as the primary water source for all toilets, as a		£400	
minimum, within the property No surface water connection – Where the J	property has no direct or indirect connection for surface water drain	nage	£288
Permeable surfaces – installation of permea	able surfaces to the properties driveway and paths		£150
Tier 3 (achieve all of tier 1 and the wat	er reuse and at least one of the wastewater of tier 2 to be e	eligible fo	or tier 3)
Water offsetting – We carry out 6 audits of existing properties for each new build property you are applying for tier 3 for and where we can, fix leaks, install water savings devices and install a water meter.			ost to Developer £553 plus VAT
The water savings from doing this should offset the demand from the new build property.			Incentive £664
Join the conversation	Head to the chat on Teams		

Environmental Incentives Scheme – change to tier 1 water efficiency

	Common Environmental Incentive
Water Fittings	Maximum Consumption (equal to or less than the following values)
WC	≤ 4 / 2.6 litres dual flush
Shower	≤ 7 l/min
Bath	≤ 170 litres
Basin taps	≤ 5 l/min
Sink taps	≤ 6 l/min
Dishwasher	≤ 1.0 l/place setting
Washing machine	≤ 6 l/kilogram

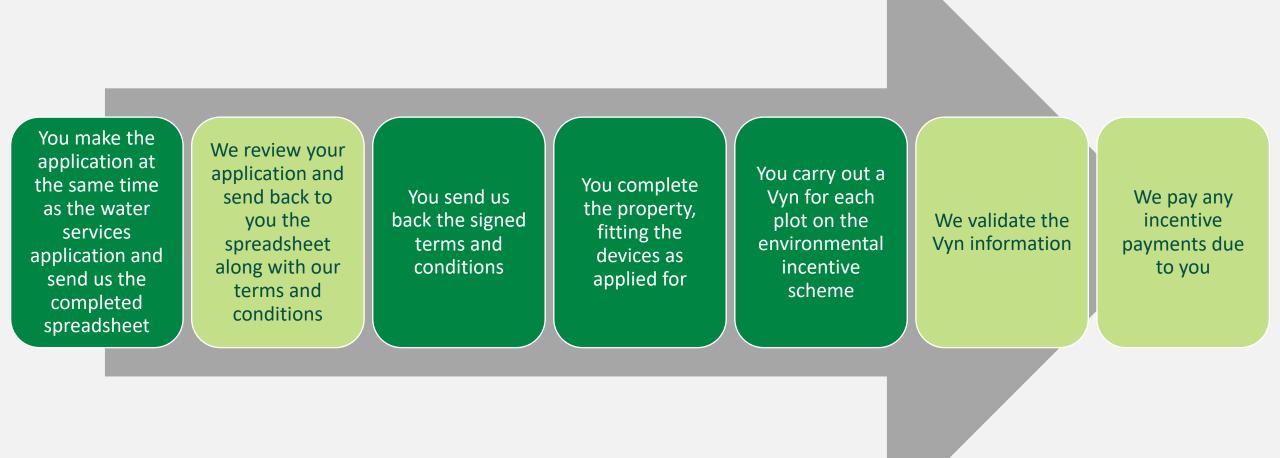
When using the table above to assess water efficiency, the premises must have WC, shower, bath, basin taps and sink taps water fittings. Where more than one of a particular type of fitting is installed, each must comply with the relevant criteria in the table above. The efficiency of dishwashers and washing machines will only be assessed if installed by the developer.

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The current environmental incentive scheme is for household premises only, would you be interested in a scheme for non-household premises?

Join the conversation

Environmental Incentives Scheme – no change to the process



Looking ahead - charges 2026/2027

- Reviewing the validity period of quotations.
- Setting of infrastructure charges for 2026/27 (following review of AMP8 network reinforcement projects)
- Review of the contractor rates used for wastewater estimating the value of works
- Continued development of the new environmental incentive framework with stakeholders to encourage the use of innovative technologies in both new homes and potentially non-household premises for water efficiency and sustainable surface water management.



Join the conversation

Any questions