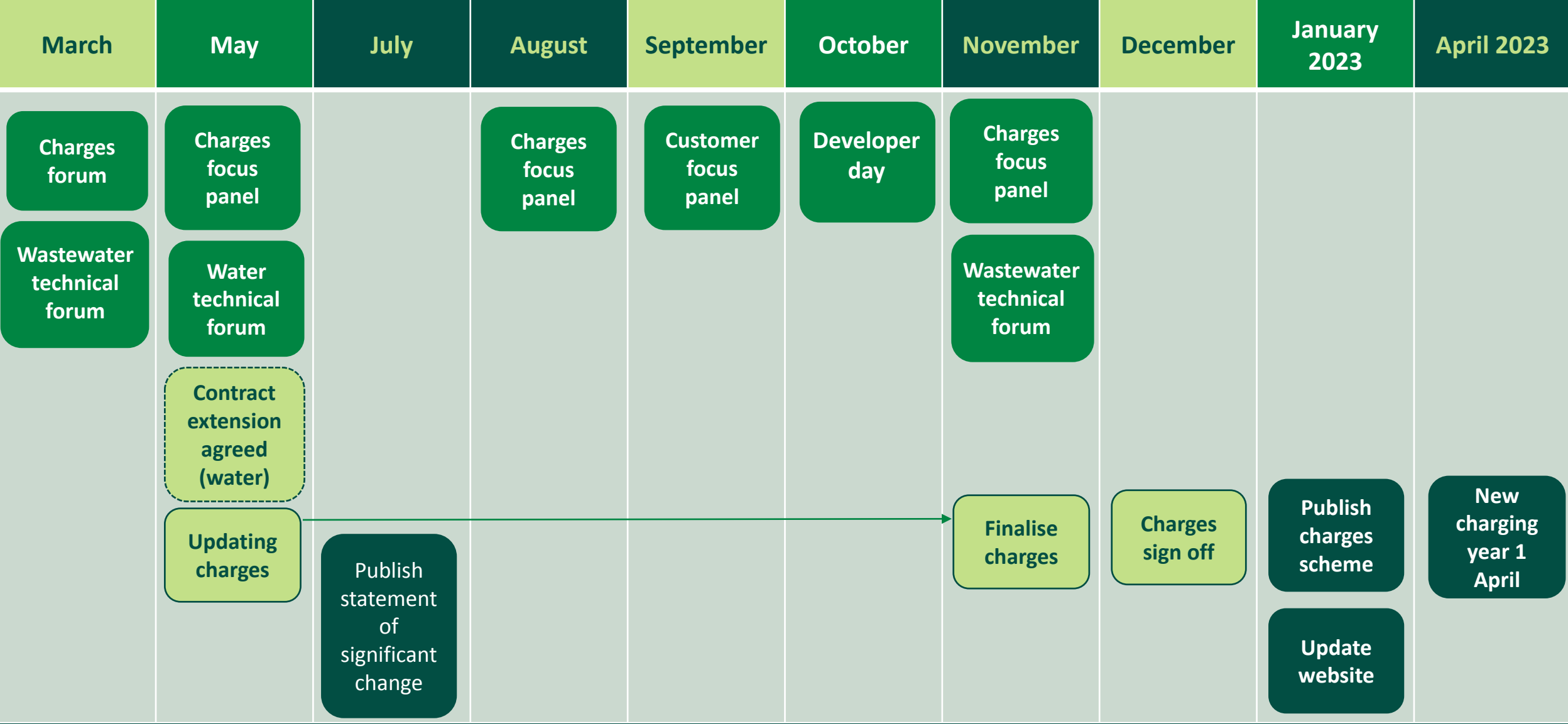


A construction worker in a blue hard hat, dark long-sleeved shirt, and high-visibility yellow safety vest is leaning over a large, light-colored concrete slab. Another worker in similar gear is visible in the background, also working with a concrete slab. The background shows several houses under construction with scaffolding and wooden framing, set against a blue sky with scattered white clouds.

Developer Day Charges

Building a greener future for the North West

2023/2024 charges timeline



Join in the conversation via Slido!

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Future charges

What will affect charges over the coming years?

Regulatory challenges



Charging principles

- Cost of relevant service
- Fairness and affordability
- Stability and predictability
- Transparency and customer focused service
- Environmental protection



Cost reflectivity

We have been transitioning our charges to improved cost reflectivity since 20/21 with 45% of our charges still transitioning.

All charges need to be fully cost reflective by April 2025.

We have been limiting increases to a maximum 10% for previous years.

Charges will need to increase by more than 10% to enable them to be cost reflective by April 2025.

Removal of income offset from April 2025

Confirmation in Ofwat's draft PR24 methodology documentation

"Stop English water companies offering income offsets and to remove the balance of charges rule from April 2025"

What will affect charges over the coming years?



Contract extension

We have extended our contract which has affected charges, with a number of increases and decreases.

Key increases

- 25mm and 32mm surfaced and unsurfaced connections
- Piece ups

Key decreases

- All other connection sizes
- Branch connections

Impact of contract extension changes will come into effect in April 2023

Traffic management

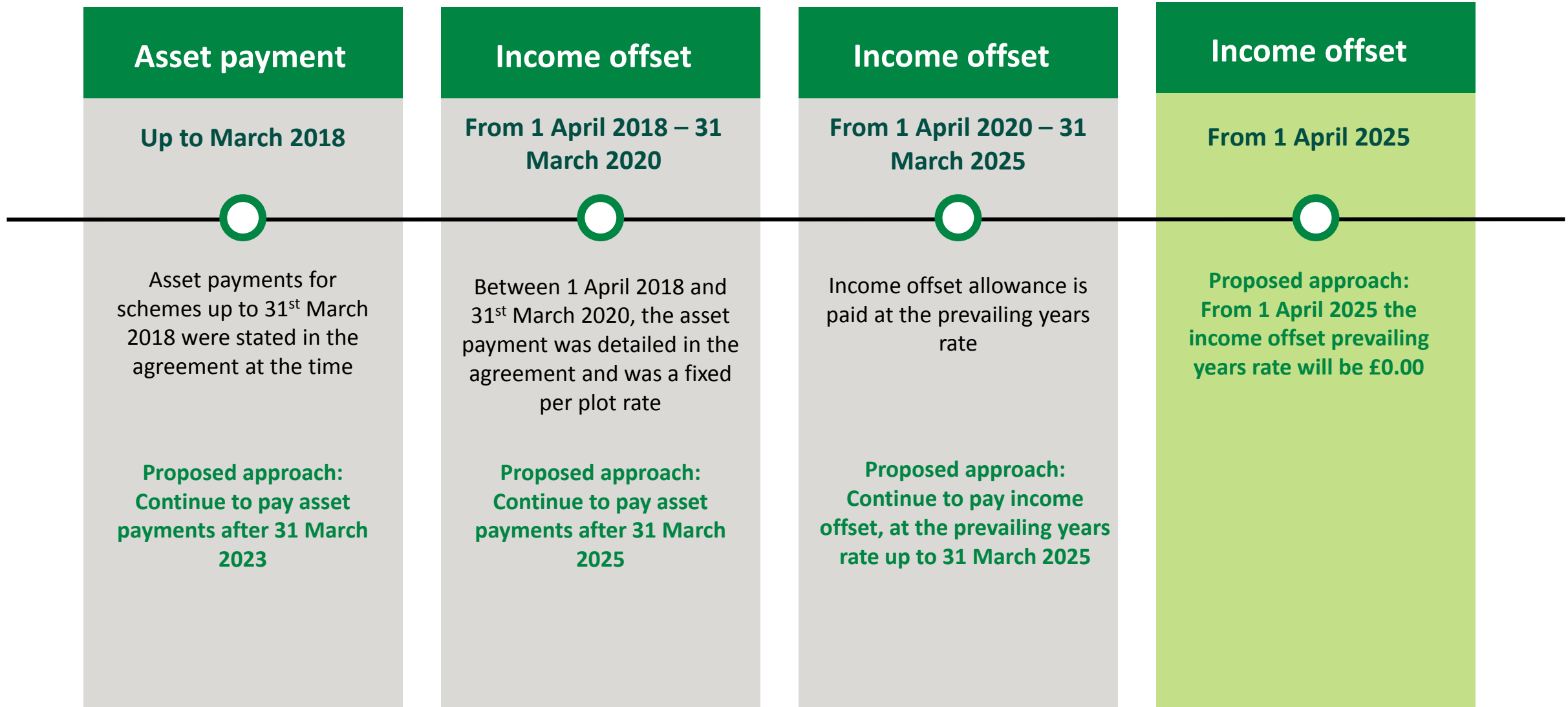
Two-way lights were previously recovered within connection charges.

From 1 April 2023 they will be charged separately.

Two-way traffic lights for three days is expected to be approx. £270 - £310

Council charges for road closure and parking bay suspensions - at cost

Asset payments and income offsets



Environmental incentives

Our current offering



Developers can save up to **£523 per new plot** if they build a water efficient home and discharge surface water sustainably. This equates to a 90% saving.

Since 2018 we have accepted **86,697** plots onto the water scheme and **58,259** plots onto the wastewater scheme (many plots still to be built).



Standard infrastructure water charge **£302.00**

Property built to use less than or equal to 100 litres per person per day £30.



In 2018 we started with a threshold of **110 litres per person per day** but raised the bar to a **lower threshold of 100** to push innovation in 2021.

This is 25 litres per person per day less than the current Building Reg's standard and 10 litres per person per day less than the optional higher standard.



Standard wastewater infrastructure charge **£279.00**. If surface water not connected to existing sewer £28.00.

Surface water can go back into the ground via soakaway or to a watercourse as this is **more sustainable than going into sewers.**



Join in the conversation with Slido

We are considering options for our sustainable water scheme.
Which option is most preferable to you?

1. Complete WRC water efficiency calculator (current approach)

Complete a WRC water efficiency calculator detailing consumption rates of the water fixtures and fittings in the property. The current scheme is 100lppd reduced from 110lppd on 01/04/21.

2. Move to water fittings based approach

Each fitting in the property doesn't exceed a maximum flow rate/volume as set in the building regulations methodology. There would be no requirement for product specification sheets to be submitted. Fittings based approach achieves a maximum consumption of 106lpppd (based on the water calculator approach) and may affect the equivalent

3. Introduce bulk submissions

Allows for submission of 1 set of water calculators each year (assuming the developer has a set specification applied to the same house type across all developments) which will then be applied to each water connection or water mains application made on behalf of or by the developer. Properties would need to achieve the current threshold of 100lpppd.

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Join in the conversation with Slido

In 2023 we want to pilot some broader sustainability schemes to help us incentivise homes that use less water and deal with surface water sustainably.

Would you be willing to participate in an incentive pilot scheme that covers a broad range of sustainable development options?

What would be the most important factors for your business in an incentive scheme?

e.g. simple to apply, easy to achieve, challenging to achieve, cost/benefit, available to all, only available to those that go the extra mile, how it is paid, when it is paid, who it is paid to, options to chose from?

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