

Water and sewerage new connections: Government role

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Charging Guidance

- Section 38 Charging Guidance
 - Overarching charging guidance to Ofwat
 - 4 Key Principles:
 - Fairness and affordability;
 - Environmental protection;
 - Stability and predictability;
 - Transparency and customer-focused service.
- Section 17 Charging Guidance
 - Charging rules for connections etc. to water and sewerage services

Why is Defra issuing guidance?

- Water Act 2014 requires Ministers to issue charging guidance to Ofwat
- Assist house building
 - Housing Implementation Taskforce: 150,000 properties by 2020
- Improve WaSCs and developer interaction
- Promote industry efficiency and transparency



Hierarchy

Defra

Charging Guidance

Ofwat

Charging Rules

WaSCs

Developer Charges Schemes

Section 17 Charging Guidance Principles

- Transparent and customer focused
- Stable and predictable charges
 - Though charges may still vary between WaSCs, with charges reflecting the costs



What happens next?

- Section 38 Consultation closed 2015
- Section 38 Guidance published Winter 2015 (subject to Parliamentary procedure)
- Section 17 Consultation November 2015 (tbc)
- Section 17 Guidance published early 2016
- Ofwat rules tbc

Any feedback?

Email us: developerchargingguidance@defra.gsi.gov.uk

