

VALE OF GLAMORGAN LOCAL DEVELOPMENT PLAN

STATEMENT OF COMMON GROUND

**Between Dwr Cymru Welsh Water (DCWW) and Vale of Glamorgan
Council**

Date: 18th May 2015

Introduction

- 1.1. This is a joint Statement produced by Vale of Glamorgan Council (VOGC) and Dŵr Cymru Welsh Water (DCWW) providing an updated position in terms of the capability of DCWW's sewage/water infrastructure to accommodate the sites proposed within the Deposit Local Development Plan (DLDP).
- 1.2. In preparing the DLDP VOGC undertook Pre-Deposit consultations with DCWW on infrastructure capacity and any likely constraints to proposed development allocations under consideration for inclusion within the DLDP.
- 1.3. DCWW also provided comments on the prospective site allocations during the plan preparation process, identifying any infrastructure constraints or capacity issues which could delay or prevent the development of sites. In determining the list of potential site allocations for the DLDP the Council had regard to the comments made by DCWW as well as those of other statutory consultees.
- 1.4. The comments provided by DCWW on the proposed housing allocations within the DLDP were incorporated into the individual site details and requirements contained in Appendix 5 of the DLDP. In their comments on the proposed additional housing sites DCWW identified where infrastructure improvements such as water supply problems or Waste Water Treatment capacity issues may occur over the lifetime of the Plan and where improvements would be required.
- 1.5. The demands on DCWW's water and sewerage network changes over time. Appendix 1 of this document therefore includes an update in terms of the capability of their water and sewerage infrastructure to accommodate the development sites proposed.

DCWW's role in the context of the LDP

- 1.6. DCWW's Capital Investment Programme is undertaken through a rolling Asset Management Programme (AMP) which seeks to fund large scale utility (water/sewerage/wastewater treatment works) infrastructure works. Currently DCWW are implementing AMP 6 which runs from 1st April 2015 to 31st March 2020.
- 1.7. DCWW has advised that there is one major growth scheme within the VOG contained within the AMP6 Capital Investment Programme. This is at Cowbridge Waste Water Treatment Works (WwTW) and DCWW are therefore imposing a 'Grampian' condition on all development within Cowbridge for 31st March 2018 which is when DCWW anticipate that the improvements to the WwTW will be completed. DCWW has also confirmed a scheme for improvements to Colwinston Sewage Pumping Station will form part of the AMP6 investment programme.
- 1.8. DCWW is a 'not for profit' company and its level of investment must be affordable to customers as it is effectively charges raised through customer bills that fund the capital investment. While DCWW cannot give assurances as to the amount of funding that will be approved through the AMP process, they are under a legislative duty to extend their systems to accommodate development.

- 1.9. In considering the requirements for their AMPs, DCWW requires some certainty in terms of growth areas and site development proposals. Information contained in adopted LDPs help guide where investment is required, subject to Regulatory approval and affordability. An adopted LDP therefore provides a degree of certainty that allocations are likely to be delivered as the Industry Regulator Ofwat will not provide funding for unconfirmed growth. The disparity between a LDP's timeframe and a water company's 5-year AMP invariably means that where additional headroom is required, it is inevitable that the timing of release of certain allocations may need to be phased to the latter part of a Plan. Accordingly, once the VOGCs LDP is adopted, their infrastructure with capacity issues will form part of future submissions to Ofwat for funding under AMP 7.
- 1.10. While it is unlikely that all of the issues identified by DCWW will receive funding through AMP6 as VOGCs LDP is not yet adopted, this does not mean that development on sites in these areas will be prevented from progressing. Developers can either fund improvements themselves via the planning obligations process or enter into a requisition process (please see Appendix 3 for an explanation of the requisition provisions) to provide the infrastructure to bring forward development in advance of any regulatory investment.
- 1.11. Based on the likely infrastructure improvement required for each proposed development, DCWW have provided a broad indication of the level of costs expected (Appendix 1). These costings are based on a low / medium / high approach set out in Appendix 2 and are designed purely to assist the LPA in identifying the general cost implications of the improvements required. At this stage DCWW are unaware of specific scheme costs as potential solutions to identified problems have yet to be developed. These costings may therefore change dependant on the detail of the improvements required.
- 1.12. Having considered the information provided by DCWW, there are no insurmountable constraints with regard to the capabilities of DCWW infrastructure to accommodate the growth proposed. There is likely to be a requirement for developers to contribute to the provision of off-site mains/ sewers to connect the proposed sites to the existing water and sewerage networks, and dependant on the scale and density of the developments, for modelling of the networks to be undertaken to establish connection points and/ or any improvements required. These requirements however are accepted normal routine prerequisites for developers in the progression of large development sites, and is not expected to impede the growth planned. There is no reason therefore why a combination of improvements through AMP investment, developer contributions via the S106 process and the requisition process would not ensure that the allocated sites are delivered as proposed.

Appendix 1

1. Notwithstanding the below comments, off-site water mains / public sewers may be required to service the proposed development sites.
2. With regard to water supply, for larger densities (including areas where there are clusters of development) an assessment of the network may be required to understand the extent of off-site mains required and to identify any potential improvements.
3. Due to the size of the public sewerage system in some areas, for the larger densities (including areas where there are clusters of development) it is unlikely that the public sewers will be able to accommodate the development, and as such an assessment of the network may be required to understand the point of connection and / or any potential improvements.

Site Ref.	Site Name	No. of Units	Water supply	Sewerage network	Wastewater treatment works (WwTW)	Delivery cost status
MG2/1	Barry Waterfront, Barry	1700	<u>Site has planning permission.</u>			
MG2/2	Land at Higher End, St. Athan	220	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	<p>There are incidents of hydraulic overload on the public sewerage system in this area, therefore a hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.</p> <p>The site is crossed by a 225mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	West Aberthaw - Our West Aberthaw WwTW is currently overloaded and no improvements are planned within our AMP 6 Capital Investment Programme (2015-2020). A scheme of upgrades for this WwTW will form part of our submission to our Industry Regulator Ofwat for AMP 7. Should a landowner/ developer wish to progress the proposed development site prior to our Regulatory investment, they may fund a feasibility study which will identify the improvements required.	Medium/ High
MG2/3	Land at Church Farm, St. Athan	250	A water supply can be made available to service the proposed development site,	There are incidents of hydraulic overload on the public sewerage system in this area, therefore a hydraulic	West Aberthaw - Our West Aberthaw WwTW is currently overloaded and no improvements are planned	Medium/ High

			however extensive off-site mains may be required.	modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.	within our AMP 6 Capital Investment Programme (2015-2020). A scheme of upgrades for this WwTW will form part of our submission to our Industry Regulator Ofwat for AMP 7. Should a landowner/ developer wish to progress the proposed development site prior to our Regulatory investment, they may fund a feasibility study which will identify the improvements required.	
MG2/4	Land adj. to Burley Place, St. Athan	65	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	There are incidents of hydraulic overload on the public sewerage system in this area, therefore a hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.	West Aberthaw - Our West Aberthaw WwTW is currently overloaded and no improvements are planned within our AMP 6 Capital Investment Programme (2015-2020). A scheme of upgrades for this WwTW will form part of our submission to our Industry Regulator Ofwat for AMP 7. Should a landowner/ developer wish to progress the proposed development site prior to our Regulatory investment, they may fund a feasibility study which will identify the improvements required.	Medium/ High
MG2/5	Land to east of Eglwys Brewis, St. Athan	300	A water supply can be made available to service the proposed development site,	There are incidents of hydraulic overload on the public sewerage system in this area, therefore a hydraulic	West Aberthaw - Our West Aberthaw WwTW is currently overloaded and no improvements are planned	Medium/ High

			<p>however extensive off-site mains may be required.</p>	<p>modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.</p> <p>The site is crossed by a 150mm foul public sewer and a 150mm foul rising main for which protection measures in the form of an easement width and/ or diversion will be required.</p> <p>There is also a Sewage Pumping Station (SPS) on the public sewerage network within this site, for which a Cordon Sanitaire or buffer zone will be required in order to protect residential amenity. DCWW and VoG Environmental Health can advise further on this.</p>	<p>within our AMP 6 Capital Investment Programme (2015-2020). A scheme of upgrades for this WwTW will form part of our submission to our Industry Regulator Ofwat for AMP 7. Should a landowner/ developer wish to progress the proposed development site prior to our Regulatory investment, they may fund a feasibility study which will identify the improvements required.</p>	
MG2/6	Land adj. to Froglands Farm, north of Llantwit Major	90	<p>A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.</p>	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.</p> <p>The site is crossed by a 225mm foul public sewer for which protection measures in the form of an easement width and/ or diversions will be required.</p>	<p>Llantwit Major – Our WwTW can accommodate the foul flows from this proposed allocation.</p>	Low

MG2/7	Land between Northern Access Rd and Eglwys Brewis Road	375	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required. The site is crossed by two 150mm foul public sewers for which protection measures in the form of an easement width and/ or diversion will be required.	Llantwit Major – Our WwTW can accommodate the foul flows from this proposed allocation.	Low
MG2/8	Barry Island Pleasure Park	124	<u>Site has planning permission.</u>			
MG2/9	White Farm	177	<u>Site has planning permission.</u>			
MG2/10	East of Pencoedtre Lane	67	<u>Site has planning permission.</u>			
MG2/11	Land to the west of Pencoedtre Lane, North East Barry	40	A water supply can be made available to service the proposed development site. The site is crossed by a 36" strategic trunk water main public for which protection measures in the form of an easement width and/ or diversion will be required.	Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low/ Medium
MG2/12	Ysgol Maes Dyfan, Barry	45	<u>Site has planning permission.</u>			
MG2/13	Barry Magistrates Court	52	<u>Site has planning permission.</u>			
MG2/14	Court Road Depot, Barry	50	A water supply can be made available to service the proposed development site.	No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low

MG2/15	Holm View, Barry	50	A water supply can be made available to service the proposed development site.	No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low
MG2/16	Hayes Wood, The Bendricks	55	<p>A water supply can be made available to service the proposed development site.</p> <p>The site is crossed by a 6" distribution water main for which protection measures in the form of an easement width and/ or diversion will be required.</p>	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development, however off-site sewers may be required.</p> <p>The site is crossed by a 100mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low
MG2/17	Comprehensive Lower School, Cowbridge	21	<u>Site has planning permission.</u>			
MG2/18	Comprehensive Sixth Form Block, Cowbridge	20	A water supply can be made available to service the proposed development site	<p>The previous incidents of hydraulic overload downstream of this development have been resolved, and as such no problems are envisaged with the public sewerage system for domestic discharge from this proposed development.</p> <p>The site is crossed by a 225mm combined public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cowbridge – The proposed development site would overload our Cowbridge WwTW, therefore we request that the VoG restrict growth until after the programmed improvements, which are due to be completed by 31st March 2018.	Low

MG2/19	Land adj. St. Athan Road, Cowbridge	130	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required. The site is crossed by a 65mm foul rising main for which protection measures in the form of an easement width and/ or diversion will be required.	Cowbridge – The proposed development site would overload our Cowbridge WwTW, therefore we request that the VoG restrict growth until after the programmed improvements, which are due to be completed by 31st March 2018.	Low/ Medium
MG2/20	Land to the N & W of Darren Close	390	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required. The site is crossed by a 100mm foul rising main for which protection measures in the form of an easement width and/ or diversion will be required.	Cowbridge – The proposed development site would overload our Cowbridge WwTW, therefore we request that the VoG restrict growth until after the programmed improvements, which are due to be completed by 31st March 2018.	Low
MG2/21	Plasnewydd Farm, Llantwit Major	130	<u>Site has planning permission.</u>			
MG2/22	Land adj. to Llantwit Major by-pass	70	A water supply can be made available to service the	No problems are envisaged with the public sewerage	Llantwit Major - Ok	Low/ Medium

			proposed development site, however extensive off-site mains may be required.	system for domestic foul discharge from this proposed development, however off-site sewers may be required.		
MG2/23	Land at Upper Cosmeston Farm, Lavernock	235	A water supply can be made available to service the proposed development site.	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.</p> <p>The site is crossed by a strategic foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low
MG2/24	Land adj. to St. Josephs School, Sully Rd, Penarth	80	A water supply can be made available to service the proposed development site.	<p>There are incidents of hydraulic overload on the public sewerage system in this area, therefore a hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.</p> <p>The site is crossed by a 150mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low/Medium
MG2/25	Headlands School, St. Augustines Road, Penarth	65	A water supply can be made available to service the proposed development site.	No problems are envisaged with the public sewerage system for domestic foul	Cog Moors – Our Cog Moors WwTW can accommodate the	Low

				<p>discharge from this proposed development.</p> <p>The site is crossed by a 300mm and 900mm combined public sewer, and a 225mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p> <p>There is also a Sewage Pumping Station (SPS) on the public sewerage network within this site, for which a Cordon Sanitaire or buffer zone will be required in order to protect residential amenity. DCWW and VoG Environmental Health can advise further on this.</p>	foul flows from this proposed allocation.	
MG2/26	Land at and adj. St. Cyres School, Murch Rd, Dinas Powys	300	<p>A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.</p> <p>The site is crossed by a 6" distribution public water main for which protection measures in the form of an easement width and/ or diversion will be required.</p>	<p>Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.</p> <p>The site is crossed by a 4" foul rising main for which protection measures in the form of an easement width</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low

				and/ or diversion will be required.		
MG2/27	Land off Caerleon Rd, Dinas Powys	75	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development, however off-site sewers may be required.</p> <p>The site is crossed by a 1450mm combined public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low/ Medium
MG2/28	Land at and adj. Ardwyn, Pen-y-Turnpike Rd, Dinas Powys	15	<u>Site has planning permission.</u>			
MG2/29	Land at Cross Common Rd, Dinas Powys	50	A water supply can be made available to service the proposed development site.	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.</p> <p>The site is crossed by a 150mm foul public sewer and a 150mm combined public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low
MG2/30	Land south of Llandough Hill, Llandough	130	A water supply can be made available to service the proposed development site.	No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low

			The site is crossed by a 9" distribution public water main for which protection measures in the form of an easement width and/ or diversion will be required.	The site is crossed by a 355mm combined public sewer and a 150mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.		
MG2/31	Land north of Leckwith Rd, Llandough	15	A water supply can be made available to service the proposed development site.	No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low
MG2/32	Llandough Landings, Llandough	120	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development. The site is crossed by a 300mm combined public sewer for which protection measures in the form of an easement width and/ or diversion will be required.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low/ Medium
MG2/33	Land north of the railway line, Rhose	650	A water supply can be made available to service the proposed development site.	Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low/Medium

				The site is crossed by a 300mm foul rising main for which protection measures in the form of an easement width and/ or diversion will be required.		
MG2/34	Land south of the railway line, Rhooose	87	<u>Site has planning permission.</u>			
MG2/35	West of Port Road, Wenvoe	140	<u>Site has planning permission.</u>			
MG2/36	Land adj. Court Close, Aberthin	20	A water supply can be made available to service the proposed development site.	The previous incidents of hydraulic overload downstream of this development have been resolved, and as such no problems are envisaged with the public sewerage system for domestic discharge from this proposed development.	Cowbridge – The proposed development site would overload our Cowbridge WwTW, therefore we request that the VoG restrict growth until after the programmed improvements, which are due to be completed by 31st March 2018.	Low
MG2/37	Land to the east of Bonvilston	120	A water supply can be made available to service the proposed development site.	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.</p> <p>The site is crossed by a 225mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Bonvilston East - Our Bonvilston East WwTW is currently overloaded and no improvements are planned within our AMP 6 Capital Investment Programme (2015-2020). A scheme of upgrades for this WwTW will form part of our submission to our Industry Regulator Ofwat for AMP 7. Should a landowner/ developer wish to progress the proposed development site prior to our Regulatory investment, they may fund a feasibility study which will identify the improvements required.	Medium/ High

MG2/38	Land to the r/o St.Davids CIW Primary School, Colwinston	65	<u>Site has planning permission.</u>			
MG2/39	ITV Wales, Culverhouse Cross	250	<u>Site has planning permission.</u>			
MG2/40	Garden Emporium, Fferm Goch	40	<u>Site has planning permission.</u>			
MG2/41	Ogmore Residential Centre	84	<u>Site has planning permission.</u>			
MG2/42	Ogmore Caravan Park	82	<u>Site has planning permission.</u>			
MG2/43	Land to the east of St. Nicholas	100	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.</p> <p>The site is crossed by a 150mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	St. Nicholas - Our St. Nicholas WwTW is currently overloaded and no improvements are planned within our AMP 6 Capital Investment Programme (2015-2020). A scheme of upgrades for this WwTW will form part of our submission to our Industry Regulator Ofwat for AMP 7. Should a landowner/ developer wish to progress the proposed development site prior to our Regulatory investment, they may fund a feasibility study which will identify the improvements required.	Medium/ High
MG2/44	Land off St. Brides Rd, Wick	100	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	<p>No problems are envisaged with the public sewerage system for domestic foul discharge from this proposed development.</p> <p>The site is crossed by a 6" foul public sewer for which protection measures in the</p>	Wick – Our Wick WwTW can accommodate the foul flows from this proposed allocation.	Low/ Medium

				form of an easement width and/ or diversion will be required.		
MG2/45	Land off Sandy Lane, Ystradowen	85	A water supply can be made available to service the proposed development site, however extensive off-site mains may be required.	<p>Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.</p> <p>The site is crossed by a 150mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cowbridge – The proposed development site would overload our Cowbridge WwTW, therefore we request that the VoG restrict growth until after the programmed improvements, which are due to be completed by 31st March 2018.	Medium
MG2/46	Land west of Swanbridge, Sully	500	A water supply can be made available to service the proposed development site. However, an assessment may be required, in particular for the larger densities, to understand the extent of off-site mains required	<p>Our local sewer network is too small to accommodate the foul flows from this development. A hydraulic modelling assessment will be required to establish a point of connection to the public sewer system and / or any improvement work required.</p> <p>The site is crossed by a 150mm foul rising main and a 225mm foul public sewer for which protection measures in the form of an easement width and/ or diversion will be required.</p>	Cog Moors – Our Cog Moors WwTW can accommodate the foul flows from this proposed allocation.	Low/ Medium

Appendix 2

An explanation of potential costs of development, to aid delivery and viability.

Low cost	<p>Where the water mains and/or public sewers are either:-</p> <ul style="list-style-type: none"> a) located adjacent to the site and are capable of providing the service to the development. b) within a reasonable distance from the development and that the development is of a density which will make it economically viable to procure.
Medium cost	<p>Where the water mains and/or public sewers are either:-</p> <ul style="list-style-type: none"> a) located further away and that the distance for connection would result in higher costs to procure e.g. offsite water distances of 500m. b) where there may be problems associated with the water supply (low pressure) and/or the public sewerage network (flooding) and these would need to be resolved to allow the development to proceed. <p>For above medium cost instances, the requisition provision of the Water Industry Act 1991 can apply – [Sections 41-44 ‘Duty to comply with water main requisition’ and Sections 98-101 ‘Duty to comply with sewer requisition’] http://www.legislation.gov.uk/ukpga/1991/56/section/41 http://www.legislation.gov.uk/ukpga/1991/56/section/98 whereby the cost of the scheme is offset by the income generated from the development over a period of 12 years. Therefore, developers’ contribution may or may not be applicable.</p>
High cost	<p>Improvements to Water Treatment Works (WTW) and Waste Water Treatment Works (WwTW) are normally done by Dwr Cymru Welsh Water through its Asset Management Plan as it is unreasonable for developers to fund. That said, dependant on the density proposed and the extent of upgrade required it may be feasible for developers to fund the improvements in advance of DCWW planned Regulatory investment.</p> <p>We have several examples of where developers have entered into Unilateral Undertakings for such improvements but ultimately it is a decision for them to take dependant on the unit cost per property.</p> <p>The Water Industry Act does not allow the Requisition provisions/offsetting of income for improvements to WTW and WwTW.</p>

Appendix 3

An explanation of how the Requisition provisions of the Water Industry Act 1991 works.

A statutory water and sewerage undertaker has a duty under Sections 41–44 (water) and 98 – 101 (sewerage) of the WIA91 to comply with a requisition. Notice served for the provision of a new water main or sewer and/or associated which is required for domestic purposes only.

Developers usually serve Notice when requiring assets to be laid over private land. A water and sewerage undertaker has the power to lay pipes through private land, whereas the developer has not.

Once the requisitioned asset is constructed and commissioned, the asset automatically vests with the water and sewerage undertaker who will be responsible for future operation and maintenance.

The cost of the requisitioned scheme is offset by the income generated from the development over a period of 12 years. Should the income received be greater than the cost of the scheme, then there is a nil contribution from the developer. Conversely, should the income received fall short of the scheme cost, a developers' contribution is required.