



Water Industry Act 1991

1991 CHAPTER 56

PART V

FINANCIAL PROVISIONS

CHAPTER I

CHARGES

F¹ Rules about undertakers' charges

Textual Amendments

- F1** Ss. 144ZA-144ZD and cross-heading inserted (6.4.2015 for the insertion of s. 144ZD, 15.7.2015 for the insertion of s. 144ZB for specified purposes, 1.4.2016 for E. in so far as not already in force) by [Water Act 2014 \(c. 21\)](#), [ss. 17, 94\(3\)](#); [S.I. 2015/773](#), [art. 2\(1\)\(b\)](#); [S.I. 2015/1469](#), [art. 2\(b\)](#) (with [art. 5\(1\)\(5\)](#)); [S.I. 2016/465](#), [art. 2\(d\)](#) (with [Sch. 2](#)) (as amended (22.3.2017) by [S.I. 2017/462](#), [art. 16](#))

144ZA Rules about charges for connections etc

- (1) The Authority may issue rules about charges that may be imposed by a relevant undertaker under—
- (a) section 42(2)(a) (provision of new water main);
 - (b) section 45(6) (connections with water main);
 - (c) section 46(7)(b) (ancillary works for domestic connection);
 - (d) section 99(2)(a) or (2A)(a) (provision of public sewer or lateral drain);
 - (e) section 101B(3) (lateral drains);
 - (f) section 107(3)(b)(i) (communications with public sewers);
 - (g) section 185(5) (moving of pipes etc).
- (2) Rules under this section may in particular—

Status: Point in time view as at 01/04/2016.

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- (a) make provision about the types of charges that may be imposed;
 - (b) make provision about the amount or maximum amount, or the methods for determining the amount or maximum amount, of any type of charge;
 - (c) make provision about the principles for determining what types of charges may or may not be imposed;
 - (d) make provision about the principles for determining the amount of any charge that may be imposed;
 - (e) provide for charges to be payable over a period;
 - (f) make provision about publication of the charges that may be imposed.
- (3) The charges that may be imposed by a water undertaker under section 42(2)(a) for the provision of a new water main may include charges for—
- (a) providing such other infrastructure, including other water mains, as it is necessary to provide in consequence of the provision of the new water main;
 - (b) doing works to increase the capacity of an existing water main, or procuring the doing of such works, where the use of that increased capacity is a consequence of the provision of the new water main.
- (4) The charges that may be imposed by a sewerage undertaker under section 99(2)(a) for the provision of a new public sewer may include charges for—
- (a) providing such other infrastructure, including other public sewers, as it is necessary to provide in consequence of the provision of the new public sewer;
 - (b) doing works to increase the capacity of an existing public sewer, where the use of that increased capacity is a consequence of the provision of the new public sewer.
- (5) The rules may make provision as to—
- (a) the amount of security that may be required by a relevant undertaker under section 42(1)(b), 47(2)(a), 99(1)(b), 101B(3A), 107(3)(b)(ii) or 185(4);
 - (b) the type of security that may be required;
 - (c) the payment of interest on a sum deposited with a relevant undertaker by way of security.
- (6) If the Authority considers that a relevant undertaker is not acting as required by rules under this section, the Authority may give the undertaker a direction to do, or not to do, a thing specified in the direction.
- (7) It is the duty of a relevant undertaker to comply with a direction under subsection (6), and this duty is enforceable by the Authority under section 18.
- (8) The rules may make—
- (a) different provision for different persons or different descriptions of person;
 - (b) different provision for different powers to impose charges or different descriptions of such powers.
- (9) The Authority may from time to time revise rules issued under this section and issue revised rules.
- (10) The Authority must issue revised rules if—
- (a) guidance is issued under section 144ZD, and
 - (b) the Authority, having regard to that guidance, considers that it is appropriate to revise the rules.

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144ZB Rules under section 144ZA: procedure

- (1) The Authority must have regard to guidance issued under section 144ZD in making rules under section 144ZA.
- (2) Before issuing rules under section 144ZA, the Authority must—
 - (a) prepare a draft of the proposed rules, and
 - (b) consult the relevant persons about the draft.
- (3) The relevant persons are—
 - (a) the Secretary of State;
 - (b) the Welsh Ministers;
 - (c) the Council;
 - (d) any relevant undertakers likely to be affected by the rules;
 - (e) any water supply or sewerage licensees likely to be affected by the rules;
 - (f) such other persons as the Authority thinks appropriate.
- (4) The Authority must specify the period (“the consultation period”) within which a person may make representations about the proposed rules.
- (5) Before rules under section 144ZA prepared by the Authority are issued, the Minister may direct the Authority not to issue the rules.
- (6) In subsection (5) “the Minister” means—
 - (a) the Secretary of State, so far as the rules in question affect relevant undertakers whose areas are wholly or mainly in England;
 - (b) the Welsh Ministers, so far as the rules in question affect relevant undertakers whose areas are wholly or mainly in Wales.
- (7) A direction under subsection (5) must be given within the period of 28 days beginning with the day after the end of the consultation period, and rules prepared by the Authority may not be issued before that period of 28 days has expired.
- (8) This section is subject to section 144ZC.

144ZC Rules under section 144ZA: minor or urgent revisions

- (1) This section applies if the Authority proposes to issue revised rules under section 144ZA and, in the view of the Authority, the revision or each of the revisions proposed to be made is—
 - (a) a revision for which consultation is unnecessary, or
 - (b) a revision that it is necessary or desirable to make without delay.
- (2) Section 144ZB does not apply to the proposed revised rules.
- (3) Before issuing the revised rules, the Authority must give notice to the Minister of its intention to issue revised rules.
- (4) Before the revised rules are issued, the Minister may direct the Authority not to issue the revised rules.
- (5) A direction under subsection (4) must be given within the period of 14 days beginning with the day after the day on which notice is given under subsection (3), and the Authority may not issue the revised rules in question before—

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- (a) that period of 14 days expires, or
 - (b) the Minister notifies the Authority that no direction under subsection (4) will be given in relation to the revised rules,
- whichever is the sooner.
- (6) Once the Authority has issued the revised rules, it must give notice as soon as reasonably practicable of—
- (a) the issuing of the revised rules, and
 - (b) as regards each revision contained in them, whether in the view of the Authority the revision falls within paragraph (a) or (b) of subsection (1).
- (7) Notice under subsection (6) is to be given to such persons as the Authority considers appropriate.
- (8) Unless the Authority gives notice that a revision in revised rules is in the view of the Authority a revision falling within subsection (1)(a), the revision ceases to have effect at the end of the period of six months beginning with the day after that on which the revised rules are issued.
- (9) In this section “the Minister” has the meaning given by section 144ZB.

144ZD Rules under section 144ZA: guidance

- (1) The Minister must issue guidance as to the content of rules under section 144ZA.
- (2) Before issuing the guidance, the Minister must—
- (a) prepare a draft of the proposed guidance;
 - (b) consult the relevant persons about the draft.
- (3) The relevant persons are—
- (a) the Secretary of State;
 - (b) the Welsh Ministers;
 - (c) such other persons as the Minister thinks appropriate.
- (4) The Minister may from time to time revise the guidance and issue revised guidance.
- (5) Subsections (2) and (3) apply to revised guidance as they apply to the original guidance.
- (6) The Minister must arrange for the publication of guidance issued under this section.
- (7) In this section “the Minister” means—
- (a) the Secretary of State, in relation to relevant undertakers whose areas are wholly or mainly in England;
 - (b) the Welsh Ministers, in relation to relevant undertakers whose areas are wholly or mainly in Wales.]

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