# New Appointments and Variations

**Policy Framework** 

October 2019

WONDERFUL ON TAP

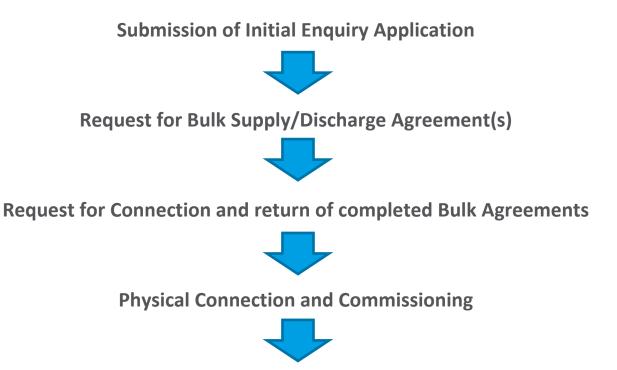


# **NAV Policy Framework**

#### Introduction

The New Appointments and Variations (NAV) scheme was introduced under the Water Industry Act 1991 which allows new organisations to enter into the wholesale water and sewerage sector. New entrant companies that use the NAV regime to compete with incumbent companies for the supply of wholesale water and sewerage services are known as NAVs. NAV organisations may make applications to incumbent license holders for either a bulk supply of water from an existing water network, or an agreement to discharge bulk waste water to an incumbent's waste network. NAVs are also able to operate as a self-contained water company in their area for water, waste or combined services.

**General Process for NAV applications** 



**Ongoing Billing and contract maintenance** 

## **Submission of Initial Enquiry Applications**

New NAV enquiries should be submitted by completing the online form available on the Severn Trent Water website: <u>NAV Application Form</u> this will enable the most efficient processing of the enquiry. The current Service Level Agreement (SLA) for response to an Initial Enquiry is 21 days, within which a 5 business day window at the beginning of the process is allowed to determine the completeness or otherwise of the form submitted and acknowledge receipt. The form must be completed with all of the required information to avoid delays. Enquiries submitted in this way will be treated as initial enquiries only, unless we have previously agreed to treat applications differently in advance of the submission. When completing the form, two methods of payment are offered, either via credit/debit card immediately while completing the form, or via bank transfer using the provided payment reference. If payment is not received for the application, this may delay the response to the initial enquiry being provided to the NAV until payment is received. In the case of a company having a poor payment history with us, we may require payment in advance before we start work on applications.

We will issue an Initial NAV Enquiry Response Letter, which will include:

- A site plan, showing the location of any Severn Trent Water assets within the site area
- The served or unserved status of any properties we are aware of within the site boundary
- The suggested connection point to the Severn Trent Water and/or Waste Network including the pipe diameter at the suggested point of connection
- The Maximum and Minimum water pressure at the point of connection for Water applications, given the demand from the NAV area which was detailed in the Initial Enquiry Application form
- A plan showing the pipework which will be required to provide water to the point of connection requested along with a budgetary estimate of the cost of this work

#### **Request for Bulk Supply/Discharge Agreement(s)**

Where a request for a bulk agreement for either Water or Waste Services is made, we will acknowledge receipt of the request within 5 business days and confirm completeness of the information required. Where an Initial Enquiry Response Letter has been issued previously, We will provide a copy of our standard bulk agreement, with the sites details appended, within 28 days for sites of less than 500 properties and within 42 days for sites of 500 or greater properties. Along with this Agreement a New Connection Form will be sent for new Water Connections, this will include a request for payment of the fee for providing the full connection design service. When confirmation is received from the NAV Company accepting the Bulk Service Agreement, a copy signed by us will be issued within 28 days, this should be signed by the NAV Company and returned. When the bulk Agreement is returned to us, signed by both parties we will acknowledge receipt within 5 days and request payment of the bulk connection charges associated with the agreement.

#### **Request for Connection**

Once payment has been received and the New Connection Form is completed a Customer Experience Manager (CEM) will be assigned to the project to ensure that the connection is made as required and in good time. The CEM will work with the NAV to develop a plan of works for the connection of the services and to ensure that the connection is made in good time. This will conclude with the physical connection and commissioning of the services as agreed.

### **Ongoing Billing**

We will arrange for the services provided to be charged for on a monthly basis to NAV companies for those NAV sites which have a bulk agreement in place and a connection has been made. Where a NAV site is considered 'normal' we will usually install (at our cost) a water meter to enable us to bill accurately for the water being supplied to the site. We will work with NAV organisations to develop an appropriate billing methodology for those sites which do not meet the definition of 'normal' for example where the NAV does not provide all water and waste services within the site boundary.

A 'normal' NAV site in this guide is defined as a site where both water and waste services are provided by the NAV organisation to customers and which exceeds 10 plots, solely composed of domestic usage of the supplied water or sewerage services. More information is available in the document 'New Appointments and Variations- Approach to Charging'

#### **Adoption of Assets**

Adoption of assets will be conducted on a case by case basis where NAV sites are concerned. We will normally only adopt assets which meet our usual criteria and which are outside of the NAV site boundary, but within our area for that service provision (either Water Supply or Waste Water Services). We will not normally adopt assets inside the site boundary of a NAV, this includes pumping stations and other infrastructure which may be required to serve all of the lots within a NAV boundary.

#### Contact

All NAV related contact with Severn Trent Water should be via the following e-mail address in the first instance:

NAVenquiries@severntrent.co.uk