

Leak Allowances

Customer Guidance

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1. Introduction

Water is a precious resource and it is in everyone's interest to ensure it is used wisely.

Wholesalers are working hard to reduce leakage on their networks to ensure the efficient use of water and Customers have a responsibility to ensure they are using water wisely which will help to protect water resources and reduce their water bills.

What can you do?

Increase your awareness – by understanding the volume of water your business requires? Are you using more water than is necessary? Increase employee awareness of the importance of using water wisely.

Monitor for leaks – by taking regular readings of your water meter (where it is safe to do so) to monitor for increases in water use, walk around your site to look for evidence of any leaks¹, consider installing meters on your private pipework to monitor the use in different parts of your site.

Assess potential weak areas - in your pipework that could result in a leak and explore potential solutions including insulating exposed pipes.

Speak to your Retailer – to discuss unexplained high consumption or if you have a leak to understand what they can do to help.

Repair leaks quickly – by finding an industry approved plumber at wras.co.uk or watersafe.org.uk.

Seek assistance – from your Wholesaler if you need clarification on pipework responsibility or if you cannot isolate your supply.

Respond promptly – to any enquiry or Leakage / Waste Notice you receive from your Wholesaler

This document provides guidance for Non-Household Customers on leaks and leak allowances in the business retail market. A leak allowance is provided by a Wholesaler to reduce charges for a customer site where additional charges are incurred due to a leak.

Wholesalers policies can differ on what type of allowance they will give customers, some may only reduce sewerage charges, other reduce water and sewerage charges. The period the charges will be reduced for can also differ. The addendum table in Appendix 2 of this document provides details of all Wholesalers policies of when an allowance will be given and which service this will apply to.

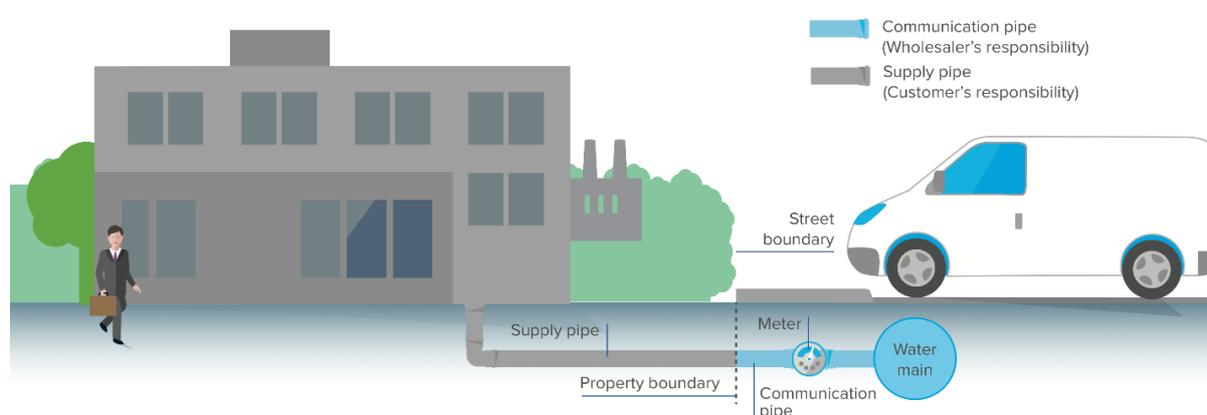
This document has been deemed as a Good Practice Document by the Trading Parties involved in the Retailer Wholesaler Group (RWG) and is designed to bring together in one simplified guidance the different Wholesaler or Retailer Policies and Practices.

¹ Including leaking taps faulty fittings on toilets

It is important to note that Wholesaler or Retailer policies and practices change from time to time and whilst every effort is made to maintain the accuracy of this document, if there is any doubt the current policy or practice should be checked with the relevant Wholesaler or Retailer.

2. Responsibilities for pipework and fittings

Wholesalers and Customers are legally responsible for different sections of pipework that supply water to a Non Household Premise, this is summarised in the image below (also see Appendix 1):



There are three different types of water pipes:

1. Water mains are the Wholesalers large pipes that distribute water around the network. They are often, but not always, laid under highways.
2. Communication pipes carry water between the water mains and the boundary of private property. If a Wholesaler has fitted a stop tap, this will normally mark the end of pipework that is the responsibility of the Wholesaler and pipework that is the responsibility of the Customer². Not all properties will have their own stop tap in the footpath but where one has been fitted, this is normally the responsibility of the Wholesaler to maintain.
3. Supply pipes³ are the smaller pipes that carry water from Wholesalers pipework into the property. Supply pipes run from the boundary of the property (where there may be a company stop-tap) up until the first water fitting or stop tap inside the property. Stop-taps along the length of the supply pipe, and any water fittings, are the Customer's responsibility to maintain.

² If your property is rented, your Landlord is probably responsible for the pipework, but you should check this with them.

³ This text covers the pipework responsibility for most customers but there will be exceptions where a customer's private supply pipe connection to a Wholesalers water main is some distance from their property, please see the table in Appendix 1 for further details.

2.1 Your Wholesaler's Responsibility (water and/or wastewater company)

- 2.1.1 The Wholesaler owns all Mains pipework and Communication pipework⁴.
- 2.1.2 In most cases the Wholesaler will take ownership of all pipework up to the boundary of the Non Household Premises.
- 2.1.3 Meter unions are part of the meter installation and any leaks on these will be the responsibility of the Wholesaler to repair unless there is evidence of willful damage.
- 2.1.4 If the Wholesaler becomes aware of a potential leak on a Non-Household private pipework, a Leakage notice will be issued under Section 75 of the Water Industry Act 1991 directly to you or your Landlord and copied to your Retailer. This will inform you or your Landlord of the leak and your responsibility to undertake a repair within 14 days. If the leak is not repaired within this timeline, the Wholesaler reserves the right to carry out the repair using its statutory powers and recharge you or your Landlord accordingly. Alternatively, the supply may be turned off to prevent waste of water, damage, or contamination in accordance with Section 75(9) of the Water Industry Act 1991. The Retailer will be kept informed during this process and they may be able to offer you additional services to meet the requirements of the Notice but there may be a charge for this. If you provide evidence of mitigating circumstances why you cannot repair a leak within the required timescales, a Wholesaler will consider this evidence both when pursuing the repair of the leak and when considering an allowance request.
- 2.1.5 The Wholesaler should consider a request for an allowance, even if you have been proactive and repaired a leak prior to a Retailer reading. i.e. the leak had started and was repaired in between two meter reads.
- 2.1.6 The Wholesaler is obliged to grant an allowance following a first time meter installation, under the Wholesalers water licence.
- 2.1.7 If a Wholesaler becomes aware of a leak on your pipework, they must inform you or your Landlord.
- 2.1.8 If you or your Landlord cannot isolate your supply to undertake a leak repair i.e. you cannot locate your external stop tap, you should contact your Wholesaler.

2.2 Your responsibility (or your Landlords)

- 2.2.1 It is advisable for you or your Landlord to undertake regular meter readings (where it is safe to do so) to avoid high bills and to help identify any leaks. If you suspect you have a leak, i.e. you receive an abnormally high bill or your meter reading seems too high you should contact your Retailer for advice and assistance on next steps.
- 2.2.2 If you or your Landlord identifies a leak on a stop tap, water meter or pipe work which is owned by the Wholesaler you should contact the Wholesaler directly, as soon as possible.
- 2.2.3 You or your Landlord are normally responsible for all external pipework from the boundary⁵ of the Eligible Premises, including any stop taps fitted along its length.
- 2.2.4 You or your Landlord are responsible for the internal plumbing in a building excluding any meters and meter unions that are owned by the Wholesaler.

⁴ It is important to note that there are exceptions to this, and the diagram provided in Appendix 1. If you are unsure of whether a pipe is the responsibility of you or your Wholesaler, ask the Wholesaler for clarification.

⁵ There will be scenarios when a Customer or Landlord is responsible for the pipework beyond the boundary, see Appendix 1 for more details.

- 2.2.5 Leaks should be repaired within 30 days of you becoming aware of a leak on the supply pipe. If you receive a Waste/Leakage notice issued under Section 75 of the Water Industry Act 1991 you must comply with this which may require that you repair the leak within 14⁶ days. Customers can ask their Retailers for advice or for assistance in responding to the notice but compliance with the notice will remain the Customers responsibility.
- 2.2.6 If you believe there are mitigating circumstances which mean you cannot repair the leak within the required timescale you must make the Wholesaler aware of this.
- 2.2.7 When you, or a third party are undertaking a leak repair within a building or on plumbing connected to a water meter, permission must be obtained from the Wholesaler to remove and refit the meter if this is required to aid repair.

2.3 Your Retailer's Responsibility

- 2.3.1 Your Retailer should proactively review high usage and contact you or your Landlord to alert you to a possible leak (to enable you to take prompt action to carry out a repair within 30 days). Your Retailer will be able to confirm to you what consumptions checks they undertake.
- 2.3.2 Your Retailer should assist you in identifying the cause of high bills. This can be by added value services or as part of consumption and leak education.
- 2.3.3 They will advise you if an allowance claim is realistic, using this document for guidance and advise you how to make a claim.
- 2.3.4 If you can claim an allowance, the Retailer will submit a leak allowance request⁷, in accordance with the relevant Wholesalers Policy including a meter read on completion of the leak repair and one subsequent read (this can be a customer reading) and any available logger data.
- 2.3.5 If there were mitigating circumstances why you did not repair a leak within the required timescales, your Retailer must submit this evidence to the Wholesalers as part of the allowance claim.
- 2.3.6 Your Retailer will pass any allowance onto you within 21 days of the allowance being agreed by the Wholesaler.

3. Leakage allowances

- 3.1 The Wholesaler will not grant an allowance where there is evidence that the leak was caused by the negligence of you, your landlord, your Retailer⁸ or a third party or for increased usage due to leaking internal fixtures and fittings or caused by vandalism.
- 3.2 You must supply your Retailer with a completed leak allowance form as soon as possible and provide supporting documentation evidencing that the leak has been repaired, i.e. a copy of the repair bill and/or providing at least two actual reads after the repair, at least 2 weeks apart showing that the consumption is back to normal. Where possible you should provide photographs of the leak and the meter reading as these will assist your claim. If you're claiming a sewerage allowance the Wholesaler needs to be confident that the water didn't enter the sewer network. Please submit with your claim any additional information you have to demonstrate your answer, this could be a description of the ground surface where the

⁶ Additional time can be sought from the Wholesaler in extenuating circumstances.

⁷ If you have two Wholesalers providing Water and Sewerage Services a request will be made to both Wholesalers.

⁸ If a Customer believes that their Retailers actions have affected their ability to claim an allowance from the Wholesaler, they may be able to claim an allowance from their Retailer.

leak was, or a photograph. The Retailer must apply to the Wholesaler with all relevant documentation within six months of a repair being completed. Please see Appendix 3 for typical questions your Retailer will ask you.

- 3.3 If the leak occurred on the Wholesalers apparatus and it was the Wholesalers responsibility to undertake the repair an allowance will be applied for all additional charges raised, covering the whole period of the leak and be applied on each occasion a leak occurs on the Wholesalers assets. For example, if you normally use 20m³ per day but your meter has recorded 29m³ per day during the period the apparatus was leaking, a water and sewerage allowance will be granted for the additional 9m³ usage.
- 3.4 Leaks that occur on the Wholesalers apparatus will not affect your ability to claim a future allowance for a leak on your pipework.
- 3.5 An allowance will be granted for a maximum period of 12 months⁹ from the date of repair, where the leak was your or your landlord's responsibility to repair. If, however, a Section 75 Waste/Leakage Notice was issued by the Wholesalers and you did not repair the leak in the required time frame or agree an extended timeframe with the Wholesaler due to mitigating circumstances, no allowance will be granted.
- 3.6 Only one allowance will be granted within any 24 month period.
- 3.7 Any further request in the same 24 month period will be assessed by your Wholesaler on a case by case basis. A Customer would have to demonstrate good practice and show improvements made to their infrastructure to substantiate an additional claim.
- 3.8 Exceptions will normally only be granted if a leak is the result of negligence on the part of the Wholesaler but if you believe there are mitigating circumstances which should be considered as part of a claim these should be provided to the Retailer to discuss with the Wholesaler.
- 3.9 Where a leakage allowance claim is submitted for a period that crosses multiple Retailers, the Wholesaler should accept the request from the current Retailer. The Wholesaler will apportion any allowance against the charges raised to both Retailers and both Retailers will credit the Customer for the period of the allowance due for when they were the Retailer of the site. The allowance should be passed onto you by both Retailers within 21 days of being processed by the Wholesaler.
- 3.10 The main aim of this document is to bring consistency across the business retail market for leak allowances but there may be some circumstances where the Wholesalers policy may differ from this guide, these are detailed in the Addendum at Appendix 2.

4. Calculating the allowance

- 4.1 Where the Wholesaler grants a leak allowance to the Retailer, it will normally be calculated as the difference between the average daily consumption for the same calendar period in the previous financial year (to reflect seasonal usage) and the average daily consumption for the duration of the leak. For example, if you normally use 20m³ per day but used 35m³ per day during a period of leakage, any allowance due would be applied for the additional 15m³. Some Wholesalers may only reduce sewerage charges following a leak, others reduce water and sewerage charges. Please see the addendum table in Appendix 2 for the policy of your Wholesaler.

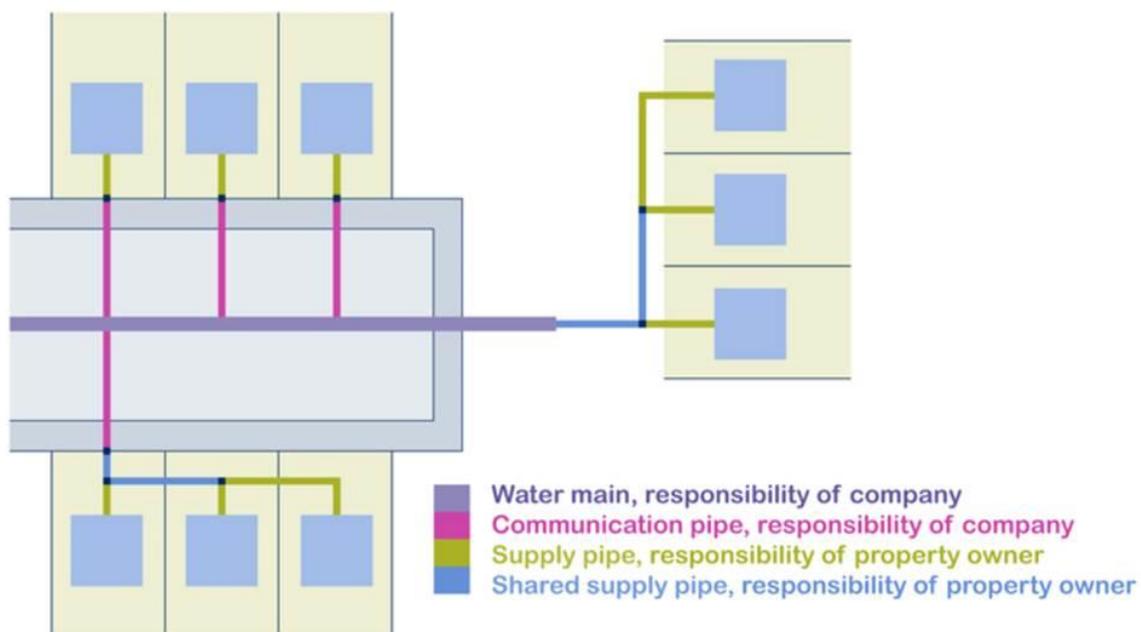
⁹ Wholesalers who provide water (and sewerage) allowances do not tend to grant allowances for 12 months, see the Addendum for details.

- 4.2 If you or your Retailer believe the usage following the leak repair is a more accurate reflection of the site usage rather than the previous year's use, an explanation of why this is the case should be submitted as part of the claim.
- 4.3 Where the Wholesaler considers a similar calendar period in the previous financial year is not a representative period, it reserves the right to use an alternative period for the purposes of calculating a leak allowance. The Wholesaler will confirm why it has done this and your Retailer will explain this to you.
- 4.4 Where appropriate historical consumption data is not available, two actual reads following the repair of the leak may be used, at the Wholesaler's discretion.
- 4.5 On cross border sites, i.e. where Water and Sewerage services are provided by different Wholesalers, the allowances may be applied for different periods but where possible the Sewerage Wholesaler should, align the calculation of the allowance (i.e. average daily consumption) with that used by the Water Wholesaler.

5. Appendices

Appendix 1 - Guidance on Pipework/ Fittings Ownership and Responsibility¹⁰

Pipework



It is important to note that there are exceptions to the diagram above as in some circumstances the meter chamber or external stop tap may be located some distance from the property boundary or responsibility for the supply pipe could be shared by several parties. The table below gives further guidance or for clarification please speak to the Wholesaler who will confirm ownership and responsibility.

¹⁰ The information in this section is correct for most scenarios but there will always be exceptions.

Type of pipe	Laid under	Responsibility for pipe
Water mains	Highway Property owner's land Land owned by someone else	Water wholesaler
Communication pipe	Highway	Water wholesaler
Supply pipe serving a single property	Highway Property owner's land Land owned by someone else	Property owner
Shared supply pipe serving more than one property	Highway Land owned by any of the property owners served by the pipe Land owned by someone else	Joint responsibility of all property owners served by the pipe

Stop Taps:

Asset	Location	Responsibility of Asset
Stop tap including chamber and cover	Public Highway	Wholesaler
Stop tap including chamber and cover	Within boundary of Eligible Premise	Customer (Wholesaler if within 1 meter of boundary)
Stop tap including chamber and cover	Inside a building	Customer

Water Meters¹¹:

Asset	Location	Responsibility of Asset
Water meter including chamber and cover	Public Highway	Wholesaler
Water meter including chamber and cover	Within boundary of Eligible Premise	Wholesaler
Water meter and meter unions	Inside a building	Wholesaler

Appendix 2 Addendum table

¹¹ This section refers to Wholesaler owned meters only not Private meters.

The attached table details the policies of all Wholesalers. If you are unsure about who your Water and / or Sewerage Wholesaler is you can find out by entering your postcode on the following website www.water.org.uk/advice-for-customers/find-your-supplier/

Appendix 3 – Questions your Retailer will ask you for your leakage allowance claim

<p>Leakage allowance claim</p> <p>1. Please provide the reason for the allowance request</p> <p><input type="checkbox"/> Allowance due to a leak between the meter and the property boundary where the meter is located outside the property boundary. Please provide further details on the location of the leak by ticking one of the following boxes</p> <p><input type="checkbox"/> The Leak was found and repaired directly on a supply pipe within the property boundary</p> <p><input type="checkbox"/> The leak was found and repaired within a building or premise, or upon a fixture or fitting within my property</p> <p><input type="checkbox"/> The leak could not be directly located but was resolved with a new installation of supply pipe within the private network or the disconnection of the leaking supply.</p> <p><input type="checkbox"/> None of the above describe the location OR more than one leak was found (describe in comments below)</p> <p>Comments:</p> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 10px;"/> <hr style="border: 0; border-top: 1px solid black; margin-bottom: 10px;"/> <p><input type="checkbox"/> Allowance due to a leak on the meter, in the meter chamber or within 1 metre of the property boundary or any leak which was the responsibility of the Wholesaler to repair</p>
<p>2. What happened to the water that leaked?</p> <p><input type="checkbox"/> The leaked water soaked away into the ground</p> <p><input type="checkbox"/> The water entered the mains drainage system</p> <p>To be awarded an allowance for sewerage charges the Wholesaler needs to be confident that the water didn't enter the sewer network. Please add any additional information you have to demonstrate your answer, this could be a description of the ground surface where the leak was, or a photograph.</p> <hr style="border: 0; border-top: 1px solid black; margin-top: 10px;"/>

3. What caused the leak?

- Third party damage
- Asset deterioration
- Burst pipe / fitting
- Other, please give more details below

4. When was the leak repaired? Click or tap to enter a date.

5. Please provide at two meter readings taken after the repair has been completed. Customers should only read their meters where it is safe to do so.

Meter reading 1

Date of reading Click or tap to enter a date.

Meter reading 2 (if available)

Date of reading Click or tap to enter a date.

6. Most Wholesalers require a leak to be repaired within 30 days of it being identified for a customer to be eligible for a reduction in charges. If the leak repair took longer than this please confirm why and if appropriate provide evidence?

7. Please provide any additional evidence of the leak repair to support your claim for a reduction in charges, e.g. a sketch showing the location of the leak, a copy of the repair bill, photos.