CORPORATE

BEYOND CORPORATE LAW

You've successfully acquired your site, great! Now, what services do you need?

Overview

What services are required after acquiring a new site and how to get connected?

Step 1: Identifying what services or rights are needed

The main services required for a development site are:

Electricity

Water

Data/Broadband

Gas

Sewerage

These service providers have a statutory obligation (legal duty) to provide a connection to their network if requested by the landowner.

As a developer, it is important to consider:

- What services are crucial to the development and to any tenant or buyer?
- Are any existing services to the site sufficient? (This can be discovered by submitting relevant searches to the service providers)
- Does the site already have adequate rights to lay and connect service media (e.g. cables, drains, wires) across any third-party land?

Step 2: Establishing a new connection

To obtain a new connection, a service provider may require an easement, wayleave agreement or lease.

Acquiring services for a site can be complex and time consuming. The developer will be required to deal with the service provider and any thirty party landowners if a new connection will run over their land.

Step 3: Getting connected

There is more than one possible supplier for electricity, broadband and gas which gives the developer various options when considering how to obtain a connection. For water and sewerage, subject to exceptions, there is only a single supplier or undertaker in an area.

Typically, the person requesting the connection will be required to pay for/contribute to the costs incurred by the service provider. The amount payable will be dependent on factors such as timescales, nature/extent of the works, materials, and labour costs etc.



What is a wayleave agreement?

The property owner gives a service provider a right to install pipes, cables etc. over or through the property.

What is a lease?

A legal contract between two parties whereby one party is granted exclusive possession of a property for a certain amount of time

What is an easement?

A right to cross or use someone else's land for a specified purpose e.g. lay electricity cables

Main Service Providers

Water

The principal legislation is the Water Act 2003.

Water suppliers operate on a geographical basis and have a duty to make connections and provide a water main for domestic purposes.

Note – the premises do not have to be used for domestic purposes, they can be used for commercial purposes other than a laundry business or for the preparation of food and drink for consumption off the premises.

Where a request is made for a water supply for non-domestic purposes, the water supplier has a qualified duty to provide the supply.

Water suppliers have a statutory power to acquire land it requires for the purposes of carrying out of its functions and to lav a water pipe with entry and repair rights.

Sewerage

The principal legislation is the Water Industry Act 1991 and the Flood and Water Management Act 2010.

A sewerage undertaker has a duty to...

- provide a public sewer and a lateral drain to connect premises to that sewer (subject to exceptions)
- provide a public sewer for domestic sewerage if the existing means of drainage is giving rise to such adverse effects on the environment

An owner or occupier is entitled to connect to a public sewer to discharge domestic sewage, surface and storm water.

A sewerage undertaker has a statutory power to acquire land it requires for the purposes of carrying out its functions and to lay sewers and drains.

Electricity Connection

The principal legislation is the Electricity Act 1989.

Distribution Network Operators (DNO's) operate based on geographical boundaries, whilst **Independent Distribution Network Operators** (IDNO's) operate small electricity distribution networks.

A DNO must make and maintain a connection if requested by the owner. occupier or licensed supply company acting with authority.

The developer requesting the connection must agree to the payments and terms before the DNO is obliged to make a connection.

Gas Connection

The principal legislation is the Gas Act 1986.

Gas Transporters (GTs) control the gas infrastructure network and deal with applications for a new network. Supply companies use this infrastructure to supply and sell gas to the consumer.

GTs have a duty to develop and maintain an efficient and economical pipeline system to convey gas. GTs must also connect premises to a gas main (and maintain the connection) when required.

Costs of supplying and laying the pipe is to be paid by the person requiring the connection.

Data/Broadband **Connections**

The Communications Act 2003 is the main source of regulation for communications providers.

Every home and business in the UK has the legal right to request a decent, affordable broadband connection.

Ofcom grants rights for communications network providers to access private or public land to install and maintain essential equipment (e.g. cables, wires) in, over or under that land under the Electronic Communications Code.

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