



South Staffs Water



Cambridge Water

# Non-Household Leak Allowance Guideline

Version: v.01  
September 2024

## The Purpose of the Leak Allowance Policy Guideline

The guideline sets out for how the Retailer can apply for a leakage allowance on behalf of the non-household customer. It outlines clear guidance on the level of responsibility set by South Staffordshire Water PLC, in line with the Retailer Wholesaler Group (RWG) Good Practice Guide methods which encourages consistent market approach, working collaboratively with trading parties and Market Operator Services LTD (MOSL) Good Practice Guide v. 7.0.

For more information on the Good Practice Guide in relation to South Staffordshire PLC's Leak Allowance policy, please refer to the following link: <https://mosl.co.uk/documents-publications/3290-leak-allowances-good-practice-guide>

South Staffordshire Water PLC is the license holder that operates as South Staffs Water in the South Staffs area and Cambridge Water in the Cambridge area.

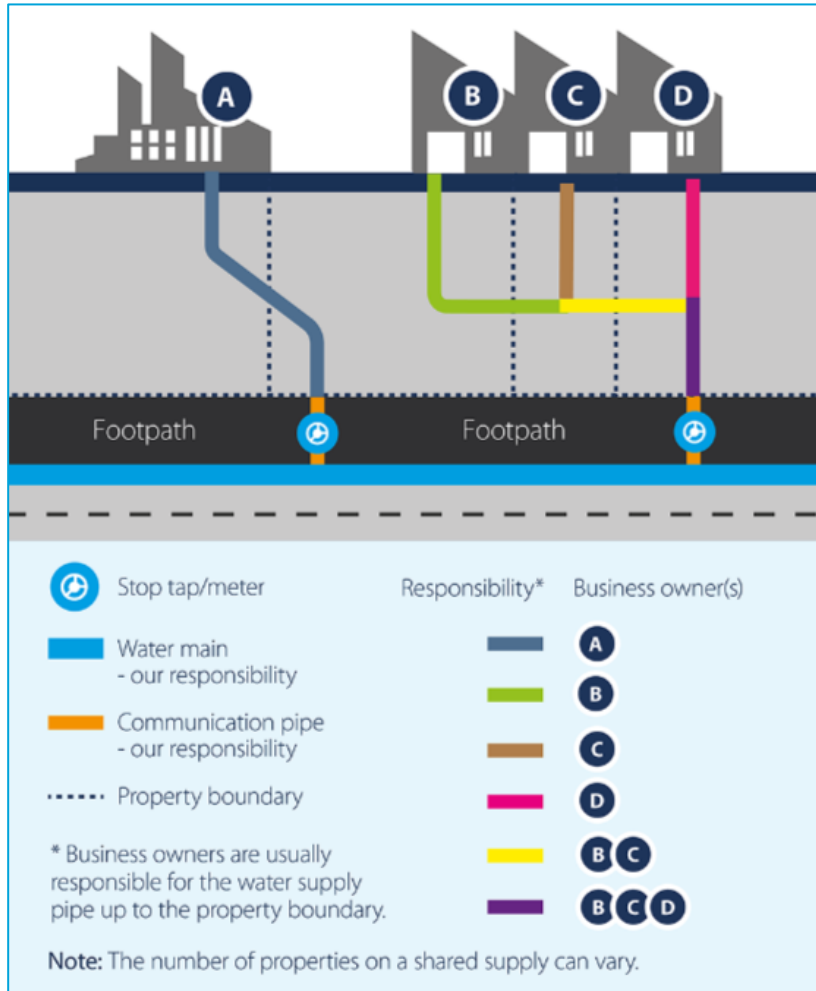
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The Leak Allowance policy has been granted authorisation by the stakeholders of South Staffordshire PLC Retail Market and comply with service level agreements set out in the Market Codes by MOSL.

**An overview of the Leak Allowance Guideline**

Customers may be eligible to apply for a leakage allowance through their Retailer dependant on the location of the leak. In turn, South Staffordshire PLC may consider the allowance. The allowance will be granted subject to the consumption recording into the water meter. The consumption must demonstrate to be at a much higher consumption than the normal consumption recording.

The diagram shows the provisions on how the Customer, Retailer and Wholesaler can identify where the responsibility lies for the leak in the water supply, from all points of view.



**A leak allowance would only be granted on metered supply point. It is essential both the Customer and Retailer must comply with the outlined guideline as described below.**

**South Staffordshire PLC does not offer a leak allowance for leaks on customer’s supply pipe in their premises. It is the customer’s responsibility to maintain their supply pipe inclusive of the plumbing and other water fittings on customer’s property boundary. Mitigating Circumstances will be at the discretion of South Staffordshire PLC with all evidence provided and are in full compliance within this guideline. South Staffordshire PLC reserves the right to reject an application for a leak allowance.**

### **South Staffordshire PLC will grant a leak allowance where the leak is on:**

- Our water main
- Our communications pipe
- Meter unions which are part of the meter installation (unless there is damage that is not caused by South Staffordshire PLC), or
- Leak following from a first-time meter installation on a previous unmetered supply point
- Leaks found on private supply pipes caused by South Staffordshire PLC

If the leak is established on the following criteria or suspect of a leak, either the customer or the retailer must report the leak by calling through to our Wholesale Service Desk on 0330 123 0116 opt. 1. A water inspector will then attend to confirm the status of the leak, their findings plus next actions following on from the visit.

When a leak allowance is applied, a full allowance will be applied at 100% for the whole affected billing period based on the consumption recorded and meter reading submitted in the Central Market Systems (CMOS). The assessment of the allowance will depend on the evidence and facts provided by the retailer (for example: actual meter readings, no estimated readings).

The calculations of the leak allowance will be granted as a volume that shows the difference between the high consumption and actual consumption of the affected billing period. This could either be within the post-settlement periods, pre-settlement periods or both settlement periods. It is important that a reading is taken after the repair of the leak from when the customer notifies of the leak. However, South Staffordshire PLC have the right to visit the customer's property to take further readings to assess the eligibility of the allowance based on the consumption after the repair.

### **To ensure we action the request for the leak allowance, the following checklist must be followed to avoid delays in processing the H1 Bilateral Form**

- Reading after the repair must be taken or as close to the repair date and added into the Central Market Systems (CMOS). If another reading is to be taken, this must be a month after the repair date to ensure the consumption following the leak is back to normal.
- All evidence must be obtained from the customer to support the submission of the bilateral form, with the Retailer and Customer working collaboratively with expectations of the claim.
- A H1 Bilateral Form must be submitted with all evidence given by the customer provided, including any mitigating circumstances if applicable.
- South Staffordshire Water are serving customers in the Non-Household Retail Market as a Water Wholesaler. There may be points where the water provisions unique Supply Point of Identification (SPID) is paired with sewerage provisions. If this is the case, you will need to refer to the Sewerage Wholesaler's Leakage Allowance policy. A separate H1 Bilateral Form must be submitted to the respective sewerage wholesaler involved with the outstanding H1 Bilateral Form that is in our (water only) investigations.

### **South Staffordshire PLC are working hard to reduce leakage and ensuring water is being used efficiently. It is in everyone's interests that water is protected through all water resources by looking after the water supply.**

For customers to consistently reduce their water bills, here are some guidance on what customers can do prior to the H1 bilateral form is raised.

- Be aware of usage by understanding the volume of water requirements.
- Monitor leaks by taking regular water meter readings
- Proactively liaise with the customer to understand unexpected or unexplained high consumption usage

- Seek assistance from South Staffordshire PLC if clarification is needed for pipework responsibilities, unable to isolate supply or require further support with leaks

**Upon the conclusion of the investigation the final response South Staffordshire PLC does not meet expectations, here is our Escalation policy to dispute outcomes.**

- If the H1 bilateral form has been rejected for the first time, the form must follow the re-submission process outlined in the Bilateral Hub giving clear reasons why the rejection is being challenged. The Retailer can challenge the outcome of the closure response. If no challenges are made, we will not pursue this challenge further and will remain as it stands.
- If the re-submission process has been followed and the outcome of the rejected Leakage Allowance response needs to be challenged, a F5 Bilateral Form can be raised as per the standard Complaints process. A review will be conducted to the submitted F5 Bilateral Form independently in accordance with the Complaints Process Procedure with a decision given at the end of the investigation.
- If the response from the F5 bilateral form does not satisfy based on the outcomes, the F5 form can be escalated further with the Senior Management Team at South Staffordshire PLC via the escalation process. The Senior Management team have the responsibility to arrange a review of all bilateral forms independently in accordance with the Complaints process procedure with a final decision given at the end of the investigation.
- If the final decision from the Senior Management Team must be contested, the final appeal will need to be sent to The Consumer Council for Water (CCW) and follow the CCW complaints process.

#### **Statement of Billing Charges prior to Market Opening**

In line with our South Staffs Water's household customer charges scheme, please see the following statement which indicates our stance.

'Where there is clear evidence of a failure or error by us in the customer's favour, an adjustment will be made to the customer account. In certain circumstances it may be deemed appropriate to apply back to market opening (1st April 2017). Should any refund be due, this will be limited to a maximum of six years, not including the current charging year. This period of six years is consistent with The Limitations Act, 1980. In no circumstances will allowances be applied prior to market opening or six years limitations (depending on which one comes first).

**The Leakage Allowance Policy will come into effect from 01 October 2024.**