

# New Connection Charging Arrangements - Statement of Significant Changes 2025-26

1<sup>st</sup> Feb 2025



from  
**Southern  
Water** 

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## Statement of Significant Changes 2025-26 charges for new connection services

In line with Annex A2 of the Charging Rules for New Connections - Effective April 2025, that its Board of Directors has assessed the effects of the new charges on customers' bills for a range of different types of development, and approves the impact assessments and handling strategies developed in instances where bill increases for particular types of new developments exceed 10%;

Confirmation of whether the undertaker is expecting there to be any bill increases of more than 10% from the previous year (for a given type of development) and, if such increases are expected:

- what size increase is expected;
- what types of typical developments are likely to be affected; and
- the handling strategies adopted by the water company or why the water company considered that no handling strategies are required.



**Lawrence Gosden**  
Chief Executive Officer

## Summary

This Statement of Significant Changes sets out any significant changes in charging policy for 2025-26 and whether the bill for typical developments will increase by more than 10% from the previous year.

2025-26 represents the first year of AMP8, a new regulatory price control 5-year period, and prices will be rising to reflect increased costs and our substantial investment programme. There are three main factors driving the increase in new connection charges this year. Most significantly, the infrastructure charge is increasing to reflect the investment network reinforcement required to support new development in our region. There are new charging rules which remove the income offset resulting in a further increase to the infrastructure charge. We have also entered into new delivery frameworks in AMP8 to provide the site-specific construction work over the next 5 years which will result in a one-off adjustment to site-specific charges.

Therefore, bills for typical developments will increase above the 10% thresholds.

## Infrastructure Charge

The infrastructure charge recovers the costs of increasing network capacity to accommodate new development. The infrastructure charge is calculated using Ofwat's methodology where 5-years of forecast costs are shared evenly between the anticipated number of connections and levied per plot.

The wastewater gross infrastructure charge is slightly increasing from £583 to £657 reflecting the maintained investment in our network.

The water gross infrastructure charge is increasing from £241 to £625 per connection due to significant new investment in AMP8. Forecast spend is increasing from £250k this year to an average of £5.6m per year in AMP8.

The increase in investment needed for network reinforcement will support new house building. Developers have previously benefited from available capacity within our network resulting from a reduction in demand from heavy industry. AMP8 represents a step change in investment as capacity has been exceeded.

Our forecast charge for 2025-26 remain within industry norms for water and wastewater and will directly benefit developer customers.

## Changes to the Income Offset

The removal of the income offset will also increase the net infrastructure charge for customers. The income offset is a credit issued to developers against the gross infrastructure charge. Ofwat have confirmed that water companies' ability to offer an income offset will be removed from April 2025. Developers currently benefit from an income offset of £150 for water connections and £129 for wastewater connections.

From April, we will remove the income offset altogether to comply with Ofwat's rules. This will increase the net infrastructure charge. In previous years, we introduced a glide path to phase out the income offset. We also introduced environmental incentives as a handling strategy in place of the income offset which also incentivises sustainable development. We will retain these environmental incentives to ensure developers are still able to receive a similar discount in place of the income offset.

## Changes to Site-Specific Charges

We have recently completed a tender process for the provision of our site-specific services over the next five years in preparation for the new AMP. Adjusting our charges to the new contractor rate will increase site-specific charges for typical developments from 33% to 64%.

Despite these changes, we have protected smaller customers by maintaining our low tether ratios. The charges for smaller customers as represented in scenarios 1 and 2 remain among the lowest tether ratios in the industry and significantly below Ofwat limits (see section on Protecting Smaller Customers).

Large commercial developers have access to the growing market for developer services. This provides developers choice on who they commission to build their assets. For larger developments (depicted in scenarios 3,4,5 and 6) our charges represent the fair market rate. However, competitive rates may be available from established competitors in our region and encourage developers to consider SLPs and NAVs

The table below demonstrates the site-specific price change in the next year.

Fig 1. Total site cost change from 2024-25 to 2025-26.

	Year-on-Year Change
Scenario 1 – Single Connection	59%
Scenario 1A – Home Conversion	37%
Scenario 2 – Connection to Block of 10 Flats	20%
Scenario 3 – Medium Site with 50 connections	30%
Scenario 4 – as above, with excavation	35%
Scenario 5 – Large Site with 200 connections	31%
Scenario 6 – as above, with excavation	38%

These year-on-year increases are in line with bill increases for end users.

## Handling Strategy

As an incumbent water company with competition law obligations, it is important that our contestable prices reflect the market rate to promote fair competition with other service providers such as NAVs and SLPs. It would therefore be inappropriate to implement a handling strategy which reduced site-specific charges below market rates and therefore risked preventing fair competition.

We have also rejected a handling strategy for our non-contestable charges. The infrastructure charge is rising to fund the increased demand on our networks associated with new development. This investment is for the direct benefit of developer customers to ensure sufficient capacity in our network and enable timely connection. We have used handling strategies to manage the removal of the income offset since 2022 by introducing a glide path for the removal of the income offset and introducing some of the most generous incentives on the market. We will maintain these incentives but will not introduce further handling strategies on the income offset or infrastructure charge as the full revenue is required to fund the investment.

Additionally, it is unacceptable to offer a handling strategy as any potential reduction in developer revenue would need to be subsidised by end-user customer bills which is not reasonable in the current economic climate.

We have therefore rejected a handling strategy because:

- the full revenue is necessary to fund our ambitious network reinforcement growth investment plan for the direct benefit of developer customers
- developers should contribute fully to the costs of network reinforcement to avoid potential cross-subsidy from domestic customers at a time when consumer bills are increasing
- charges should increase in line with investment to reflect causality of cost to ensure fairness. This avoids deferring potentially unfair bill increases to future developer customers

## Protecting Smaller Customers

Over AMP7, Ofwat introduced more competition into the sector to leverage the benefits associated with effective markets to improve customer service and encourage competitive pricing. Competition is now firmly embedded in the industry with around 50% of connections in our region being delivered by NAVs and SLPs.

As we enter AMP8, Ofwat has introduced a range of new protections for smaller customers who are sometimes unable to benefit from competition. These protections include increased incumbent reporting requirements, more granular pricing rules and the introduction of tether ratios.

Typically, smaller development sites have reduced choice on who they commission to build their assets. The new tether ratios compare the charges for smaller sites against larger sites and create proportionate price limits for smaller sites. This simulates competition where there is none and ensures smaller customers receive fair treatment.

Ofwat's methodology removes traffic management fees, infrastructure charges and sewerage costs to produce a unit cost for each development type. The tether limits ensure unit costs remain proportionate and promotes fair cost allocations between different customer groups.

The table below compares our unit cost ratios against Ofwat limits. We remain significantly below Ofwat limits reflecting our fair cost allocations which underpin our charges.

	To Scenario 4		To Scenario 6	
	Our Charge	Ofwat Limit	Our Ratio	Ofwat Limit
Unit Cost of Scenario 1	£2,107	£3,034	£2,107	£3,877
Unit Cost of Scenario 2	£641	£1,874	£641	£1,612

This year we have maintained our low tether ratios significantly below Ofwat limits. Even though, the prices for scenarios 1 and 2 have increased. The prices represent fair market rates.

	To Scenario 4		To Scenario 6	
	Our ratio	Ofwat Limit	Our Ratio	Ofwat Limit
Ratio of Scenario 1	0.49	1.44	0.73	1.84
Ratio of Scenario 2	0.15	0.44	0.22	0.56

## Worked Examples

The table below set out a summary of bill changes between charging years with the full detail following on the pages below. These charges listed below are exclusive of VAT.

Fig 3. Summary of the worked examples

	2024/25	2025/26	% Change
Scenario 1 – Single Connection	£1,755	£3,390	93%
Scenario 1A – House Conversion	£5,022	£8,861	76%
Scenario 2 – Connection to Block of 10 Flats	£8,027	£16,635	107%
Scenario 3 – Medium Site with 50 connections	£143,645	£219,991	53%
Scenario 4 – as above, with excavation	£172,265	£265,207	54%
Scenario 5 – Large Site with 200 connections	£399,269	£659,106	65%
Scenario 6 – as above, with excavation	£497,409	£817,766	64%



New Connections Charging Arrangements - Statement of Significant Changes

2025-26

Scenario 1

Scenario 1: Single connection to a house from an existing main									Alternative Delivery Method	
Application Charge	Item	Unit	Qty	2025-26 Rate	Total Charge (£)	Barrier Pipe Uplift/Rate	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)
	Pre-Construction Charge									
Y	Application Fee per application	Per Application	1	£99.00	£99.00	NA	0	N	£57.00	£57.00
Y	Administration Fee	Per Application	1	£46.00	£46.00	NA	0	N	£35.00	£35.00
Y	Design Fee	Per Application	0	£0.00	£0.00	NA	0	Y	NA	£0.00
	Construction Charges									
Y	Connection	Per Connection	1	£1,592.00	£1,592.00	£206.00	£206.00	Y	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£417.00	£0.00	£95.00	£0.00	Y	NA	£0.00
	Connection Sub - Charge: 3m Pipework Side Road	Per Connection	0	£681.00	£0.00	£111.00	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Traffic Management	Per Connection	0	£446.00	£0.00	NA	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	NA	£0.00	Y	NA	£0.00
Y	Additional Pipework 1m in road	Per Meter	1	£227.00	£227.00	£37.00	£37.00	Y	NA	£0.00
Y	Meter	Per Connection	1	£41.00	£41.00	NA		Y	NA	£0.00
	Other Charges									
Y	Water Regs		1	£102.00	£102.00	NA	£0.00	Y	NA	£0.00
Y	S106 vetting fee Admin&Application Fee		1	£289.00	£289.00	NA	£0.00	N	NA	£0.00
	Infrastructure Charges									
Y	Infrastructure Charges - Water	Per Connection	1	£625.00	£625.00	NA	£0.00	N	£625.00	£625.00
Y	Infrastructure Charges - Sewerage	Per Connection	1	£657.00	£657.00	NA	£0.00	N	£657.00	£657.00
	Income Offset									
Y	Environmental Component - Water	Per Connection	1	£20.00	£20.00	NA		N	£20.00	£20.00
Y	Environmental Component- Sewerage	Per Connection	1	£42.00	£42.00	NA		N	£42.00	£42.00
	Environmental Incentive - Water	Per Connection	1	-£250.00	-£250.00	NA		N	-£250.00	-£250.00
Y	Environmental Incentive - Wastewater	Per Connection	1	-£100.00	-£100.00	NA		N	-£100.00	-£100.00
	Totals				<b>£3,390.00</b>		<b>£3,633.00</b>	<b>£0.00</b>		<b>£1,086.00</b>

In this example and all others:

- The customer will only be charged for bundles rather than line items described as “connection sub - charges”. These are only indicative cost allocations to provide better visibility on the build-up of our bundled services. Actual costs may differ.
- It is assumed the SLP will not request a sewer connection.

New Connections Charging Arrangements - Statement of Significant Changes

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Scenario 1A

Scenario 1A: Single connection from an existing main to four premises using a four port manifold.									Alternative Delivery Method	
Application Charge	Item	Unit	Qty	Rate (£)	Total Charge (£)	Barrier Pipe Uplift/Rate (£)	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)
Pre-Construction Charge										
Y	Application Fee (First Connection)	Per Application	1	£99.00	£99.00	NA	£0.00	N	£57.00	£57.00
Y	Application Fee (Subsequent Conns)	Per Additional Conn	3	£60.00	£180.00	NA	£0.00	N	£35.00	£105.00
Y	Administration Fee (First Connection)	Per Application	1	£46.00	£46.00	NA	£0.00	N	£22.00	£22.00
Y	Administration Fee (Subsequent Conns)	Per Additional Conn	3	£28.00	£84.00	NA	£0.00	N	£14.00	£42.00
Y	Design Fee	Per Application	1	£404.00	£404.00	NA	£0.00	Y	£0.00	£0.00
Construction Charges										
Y	Large Diameter Connection 63mm	Per Connection	1	£3,870.00	£3,870.00	£224.00	£224.00	Y	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£2,295.00	£0.00	£129.00	£0.00	Y	NA	£0.00
	Connection Sub - Charge: 3m Pipework Road	Per Connection	0	£681.00	£0.00	£95.00	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Traffic Management	Per Connection	0	£446.00	£0.00	NA	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	NA	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Connection Manifold	Per Connection	0	£400.00	£0.00	NA	£0.00	Y	NA	£0.00
Y	Additional 63mm Pipework in Unmade Ground with Excavation	Per Meter	4	£97.00	£388.00	£43.00	£172.00	Y	NA	£0.00
Y	Additional 63mm Pipework in Side Road with Excavation	Per Meter	1	£232.00	£232.00	£43.00	£43.00	Y	NA	£0.00
Y	Meters		4	£41.00	£164.00	NA	£0.00	Y	NA	£0.00
Other Charges										
Y	Water Regs (first of every ten plots)	Per Plot	1	£102.00	£102.00	NA	£0.00	Y	NA	£0.00
Y	Water Regs (subsequent conns)	Per Plot	3	£7.00	£21.00	NA	£0.00	Y	NA	£0.00
Y	S106 vetting fee Admin&Application Fee	Per Application	1	£289.00	£289.00	NA	£0.00	N	NA	£0.00
Infrastructure Charges										
Y	Infrastructure Charges - Water		3	£625.00	£1,875.00	NA	£0.00	N	£625.00	£1,875.00
Y	Infrastructure Charges - Sewerage		3	£657.00	£1,971.00	NA	£0.00	N	£657.00	£1,971.00
Income Offset										
Y	Environmental Component - Water		3	£20.00	£60.00	NA		N	£20.00	£60.00
Y	Environmental Component- Sewerage		3	£42.00	£126.00	NA		N	£42.00	£126.00
Y	Environmental Incentive - Water		3	-£250.00	-£750.00	NA		N	-£250.00	-£750.00
Y	Environmental Incentive - Wastewater		3	-£100.00	-£300.00	NA		N	-£100.00	-£300.00
	<b>Totals</b>				<b>£8,861.00</b>		<b>£9,300.00</b>			<b>£3,208.00</b>

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Scenario 2:

Scenario 2: Single connection to a block of flats from an existing main									Alternative Delivery Method	
Application Charge	Item	Unit	Qty	Rate (£)	Total Charge (£)	Barrier Pipe Uplift/Rate	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)
Pre-Construction Charge										
Y	Application Fee (First Connection)	Per Application	1	£99.00	£99.00	NA	£0.00	N	£57.00	£57.00
Y	Application Fee (Subsequent Conns)	Per Additional Conn	9	£60.00	£540.00	NA	£0.00	N	£35.00	£315.00
Y	Administration Fee (First Connection)	Per Application	1	£46.00	£46.00	NA	£0.00	N	£22.00	£22.00
Y	Administration Fee (Subsequent Conns)	Per Additional Conn	9	£28.00	£252.00	NA	£0.00	N	£14.00	£126.00
Y	Design Fee	Per Application	1	£404.00	£404.00	NA	£0.00	Y	£0.00	£0.00
Construction Charges										
Y	Large Diameter Connection 63mm	Per Connection	1	£3,870.00	£3,870.00	£224.00	£128.00	Y	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£2,695.00	£0.00	£129.00	£0.00	Y	NA	£0.00
	Connection Sub - Charge: 3m Pipework Road	Per Connection	0	£681.00	£0.00	£95.00	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Traffic Management	Per Connection	0	£446.00	£0.00	NA	£0.00	Y	NA	£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	NA	£0.00	Y	NA	£0.00
Y	Additional 63mm Pipework in Unmade Ground with Excavation	Per Meter	4	£97.00	£388.00	£43.00	£172.00	Y	NA	£0.00
Y	Additional 63mm Pipework in Side Road with Excavation	Per Meter	1	£232.00	£232.00	£43.00	£43.00	Y	NA	£0.00
Y	Meters		10	£41.00	£410.00	£0.00	£0.00	Y	NA	£0.00
Other Charges										
Y	Water Regs (first of every ten plots)	Per Plot	1	£102.00	£102.00	NA	£0.00	Y	NA	£0.00
Y	Water Regs (subsequent conns)	Per Plot	9	£7.00	£63.00	NA	£0.00	Y	NA	£0.00
Y	S106 vetting fee Admin&Application Fee	Per Application	1	£289.00	£289.00	NA	£0.00	N	NA	£0.00
Infrastructure Charges										
Y	Infrastructure Charges - Water		10	£625.00	£6,250.00	NA	£0.00	N	£625.00	£6,250.00
Y	Infrastructure Charges - Sewerage		10	£657.00	£6,570.00	NA	£0.00	N	£657.00	£6,570.00
Income Offset										
Y	Environmental Component - Water		10	£20.00	£200.00	NA	£0.00	N	£20.00	£200.00
Y	Environmental Component- Sewerage		10	£42.00	£420.00	NA	£0.00	N	£42.00	£420.00
	Environmental Incentive - Water		10	-£250.00	-£2,500.00	NA	£0.00	N	-£250.00	-£2,500.00
Y	Environmental Incentive - Wastewater		10	-£100.00	-£1,000.00	NA	£0.00	N	-£100.00	-£1,000.00
	Totals				£16,635.00		£16,978.00			£10,460.00

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Scenario 3

Scenario 3: Medium Development 50 Houses									Alternative Delivery Method			
Applicable Charge	Item	Unit	Qty	Rate (£)	Total Charge (£)	Barrier Pipe Uplift/Rate (£)	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)	NAV Rate (£)	NAV Total (£)
<b>Pre-Construction Charge Connection</b>												
Y	Application Fee (First Connection)	Per Application	1	£99.00	£99.00	NA	£0.00	N	£57.00	£57.00	NA	£0.00
Y	Application Fee (Subsequent Conns)	Per Additional Conn	49	£60.00	£2,940.00	NA	£0.00	N	£35.00	£1,715.00	NA	£0.00
Y	Administration Fee (First Connection)	Per Application	1	£46.00	£46.00	NA	£0.00	N	£22.00	£22.00	£46.00	£46.00
Y	Administration Fee (Subsequent Conns)	Per Additional Conn	49	£28.00	£1,372.00	NA	£0.00	N	£14.00	£686.00	NA	£0.00
	NAV Application fee	Per Design	0	£0.00	£0.00	NA	£0.00	N	£0.00	£0.00	£177.00	£177.00
<b>Pre-Construction Charge Mains</b>												
Y	Mains Application, Application and Design Fee	Per Application	1	£1,750.00	£1,750.00	NA	£0.00	N	£996.00	£996.00	NA	£0.00
	Sub Charge Mains Application	Per Application	0	£664.00	£0.00	NA	£0.00	N	£664.00	£0.00	NA	£0.00
	Sub Charge Mains Administration Fee	Per Application	0	£332.00	£0.00	NA	£0.00	N	£332.00	£0.00	NA	£0.00
	Sub Charge Design Fee	Per Design	0	£754.00	£0.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	POC	Per Application	1	£138.00	£138.00	NA	£0.00	N	£138.00	£138.00	NA	£0.00
<b>Construction Charges Connection</b>												
Y	Near Side Connection in Unmade Ground No Excavation	Per Connection	50	£414.00	£20,700.00	£206.00	£10,300.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£264.00	£0.00	£95.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: 3m of Pipework Unmade Ground No E	Per Connection	0	£102.00	£0.00	£111.00	£0.00	Y		£0.00		£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	NA	£0.00	Y		£0.00		£0.00
Y	Meter	Per Installation	50	£41.00	£2,050.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
<b>Construction Charges Mains</b>												
Y	Mains Connection to 180mm Main	Per Installation	1	£9,377.00	£9,377.00	NA	£0.00	N	£9,377.00	£9,377.00	£9,377.00	£9,377.00
Y	180mm PRV Unmade Ground without Excavation	Per Installation	1	£21,658.00	£21,658.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	125mm PRV Unmade Ground without Excavation	Per Installation	3	£16,441.00	£49,323.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	90mm PRV Unmade Ground without Excavation	Per Installation	1	£12,791.00	£12,791.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	125mm pipework in road including excavation	Per Meter	10	£437.00	£4,370.00	£65.00	£650.00	Y	NA	£0.00	£437.00	£4,370.00
Y	125mm pipework in unmade surface with excavation by others	Per Meter	190	£143.00	£27,170.00	£65.00	£12,350.00	Y	NA	£0.00	NA	£0.00
Y	90mm PE in unmade surface with excavation by others	Per Meter	100	£132.00	£13,200.00	£61.00	£6,100.00	Y	NA	£0.00	NA	£0.00
Y	Traffic Management - Road Closure	Per TM Usage	1	£2,193.00	£2,193.00	NA	£0.00	Y	NA	£0.00	£2,193.00	£2,193.00
<b>Other Charges</b>												
Y	Water Regs (first of every ten plots)	Per Plot	5	£102.00	£510.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	Water Regs (subsequent conns)	Per Plot	45	£7.00	£315.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	S106 vetting fee Admin&Application Fee	Per Application	1	£289.00	£289.00	NA	£0.00	N	NA	£0.00	£289.00	£289.00
	NAV Application fees for Sewerage	Per Application	NA	£0.00	£0.00	NA	£0.00	N	NA	£0.00	£177.00	£177.00
<b>Infrastructure Charges</b>												
Y	Infrastructure Charges - Water		50	£625.00	£31,250.00	NA	£0.00	N	£625.00	£31,250.00	£625.00	£31,250.00
Y	Infrastructure Charges - Sewerage		50	£657.00	£32,850.00	NA	£0.00	N	£657.00	£32,850.00	£657.00	£32,850.00
<b>Income Offset</b>												
Y	Environmental Component - Water		50	£20.00	£1,000.00	NA	£0.00	N	£20.00	£1,000.00	£20.00	£1,000.00
Y	Environmental Component- Sewerage		50	£42.00	£2,100.00	NA	£0.00	N	£42.00	£2,100.00	£42.00	£2,100.00
	Environmental Incentive - Water		50	-£250.00	-£12,500.00	NA	£0.00	N	-£250.00	-£12,500.00	-£250.00	-£12,500.00
Y	Environmental Incentive - Wastewater		50	-£100.00	-£5,000.00	NA	£0.00	N	-£100.00	-£5,000.00	-£100.00	-£5,000.00
	<b>Totals</b>				<b>£219,991.00</b>		<b>£249,391.00</b>			<b>£62,691.00</b>		<b>£66,329.00</b>

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Scenario 4

Scenario 4: Medium Development 50 Houses Water Company Excavates									Alternative Delivery Method			
Applicable Charge	Item	Unit	Qty	Rate (£)	Total Charge (£)	Barrier Pipe Uplift/Rate (£)	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)	NAV Rate (£)	NAV Total (£)
Pre-Construction Charge Connection												
Y	Application Fee (First Connection)	Per Application	1	£99.00	£99.00	NA	£0.00	N	£57.00	£57.00	NA	£0.00
Y	Application Fee (Subsequent Conns)	Per Additional Conn	49	£60.00	£2,940.00	NA	£0.00	N	£35.00	£1,715.00	NA	£0.00
Y	Administration Fee (First Connection)	Per Application	1	£46.00	£46.00	NA	£0.00	N	£22.00	£22.00	£46.00	£46.00
Y	Administration Fee (Subsequent Conns)	Per Additional Conn	49	£28.00	£1,372.00	NA	£0.00	N	£14.00	£686.00	NA	£0.00
	NAV Application fee for supply	Per Design	0	£0.00	£0.00	NA	£0.00	N	NA	£0.00	£177.00	£177.00
Pre-Construction Charge Mains												
Y	Mains Application, Application and Design Fee	Per Application	1	£1,750.00	£1,750.00	NA	£0.00	N	£996.00	£996.00	NA	£0.00
	Sub Charge Mains Application : Application	Per Application	0	£664.00	£0.00	NA	£0.00	N	£664.00	£0.00	NA	£0.00
	Sub Charge Mains Application: Administration Fee	Per Application	0	£332.00	£0.00	NA	£0.00	N	£332.00	£0.00	NA	£0.00
	Sub Charge Mains Application: Design Fee	Per Design	0	£754.00	£0.00	NA	£0.00	Y	£0.00	£0.00	NA	£0.00
Y	POC	Per Application	1	£138.00	£138.00	NA	£0.00	N	£138.00	£138.00	NA	£0.00
Construction Charges Connection												
Y	Near Side Connection in Unmade Ground with Excavation	Per Connection	50	£583.00	£29,150.00	£206.00	£10,300.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£241.00	£0.00	£95.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: 3 Pipework Unmade Ground with Excv.	Per Connection	0	£261.00	£0.00	£111.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Traffic Management	Per Connection	0	£33.00	£0.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	Meter	Per Meter	50	£41.00	£2,050.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Construction Charges Mains												
Y	Mains Connection to 180mm Main	Per Connection	1	£9,377.00	£9,377.00	NA	£0.00	N	£9,377.00	£9,377.00	£9,377.00	£9,377.00
Y	150mm PRV Unmade Ground	Per Installation	1	£18,144.00	£18,144.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	100mm PRV Unmade Ground	Per Installation	3	£16,441.00	£49,323.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	80mm PRV Unmade Ground	Per Installation	1	£12,791.00	£12,791.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	125mm Diameter Pipework in Road with Excavation	Per Meter	10	£437.00	£4,370.00	£65.00	£650.00	Y	NA	£0.00	£437.00	£4,370.00
Y	125mm Diameter Pipework in Footpath with Excavation	Per Meter	50	£429.00	£21,450.00	£65.00	£3,250.00	Y	NA	£0.00	NA	£0.00
Y	125mm Diameter Pipework in Unmade Surface with Excavation	Per Meter	140	£250.00	£35,000.00	£65.00	£9,100.00	Y	NA	£0.00	NA	£0.00
Y	90mm Diameter Pipework in Unmade surface with excavation	Per Meter	100	£242.00	£24,200.00	£61.00	£6,100.00	Y	NA	£0.00	NA	£0.00
Y	Traffic Management - Road Closure	Per TM Usage	1	£2,193.00	£2,193.00	NA	£0.00	Y	NA	£0.00	£2,193.00	£2,193.00
Other Charges												
Y	Water Regs (first of every ten plots)	Per Plot	5	£102.00	£510.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	Water Regs (subsequent conns)	Per Plot	45	£7.00	£315.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	S106 vetting fee Admin&Application Fee	Per Application	1	£289.00	£289.00	NA	£0.00	N	NA	£0.00	£289.00	£289.00
	NAV Application fees for Sewerage	Per Application	0	£0.00	£0.00	NA	£0.00	N	NA	£0.00	£177.00	£177.00
Infrastructure Charges												
Y	Infrastructure Charges - Water		50	£625.00	£31,250.00	NA	£0.00	N	£625.00	£31,250.00	£625.00	£31,250.00
Y	Infrastructure Charges - Sewerage		50	£657.00	£32,850.00	NA	£0.00	N	£657.00	£32,850.00	£657.00	£32,850.00
Income Offset												
Y	Environmental Component - Water		50	£20.00	£1,000.00	NA		N	£20.00	£1,000.00	£20.00	£1,000.00
Y	Environmental Component- Sewerage		50	£42.00	£2,100.00	NA		N	£42.00	£2,100.00	£42.00	£2,100.00
	Environmental Incentive - Water		50	-£250.00	-£12,500.00	NA		N	-£250.00	-£12,500.00	-£250.00	-£12,500.00
Y	Environmental Incentive - Wastewater		50	-£100.00	-£5,000.00	NA		N	-£100.00	-£5,000.00	-£100.00	-£5,000.00
	<b>Totals</b>				<b>£265,207.00</b>		<b>£294,607.00</b>			<b>£62,691.00</b>		<b>£66,329.00</b>

New Connections Charging Arrangements - Statement of Significant Changes

2025-26

Scenario 5

Scenario 5: Large housing development requiring new mains and communication pipes (excavation and reinstatement completed by others)									Alternative Delivery Method			
Applicable Charge	Item	Unit	Qty	Rate (£)	Total Charge (£)	Barrier Pipe Uplift/Rate (£)	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)	NAV Rate (£)	NAV Total (£)
Pre-Construction Charge Connection												
Y	Application Fee (First Connection)	Per Application	1	£99.00	£99.00	NA	£0.00	N	£57.00	£57.00	NA	£0.00
Y	Application Fee (Subsequent Conns)	Per Additional Conn	199	£60.00	£11,940.00	NA	£0.00	N	£35.00	£6,654.89	NA	£0.00
Y	Administration Fee (First Connection)	Per Application	1	£46.00	£46.00	NA	£0.00	N	£22.00	£17.63	£46.00	£46.00
Y	Administration Fee (Subsequent Conns)	Per Additional Conn	199	£28.00	£5,572.00	NA	£0.00	N	£14.00	£2,174.08	NA	£0.00
	NAV Application fee	Per Design	0	£0.00	£0.00	NA	£0.00	N	NA	£0.00	£531.00	£533.00
Pre-Construction Charge Mains												
Y	Mains Application, Application and Design Fee	Per Application	1	£1,845.00	£1,845.00	NA	£0.00	N	£1,091.00	£1,091.00	NA	£0.00
	Sub Charge Mains Application	Per Application	0	£727.00	£0.00	NA	£0.00	N	£727.00	£0.00	NA	£0.00
	Sub Charge Mains Administration Fee	Per Application	0	£364.00	£0.00	NA	£0.00	N	£364.00	£0.00	NA	£0.00
	Sub Charge Design Fee	Per Design	0	£754.00	£0.00	NA	£0.00	Y	£0.00	£0.00	NA	£0.00
Y	POC	Per Application	1	£138.00	£138.00	NA	£0.00	N	£138.00	£138.00	NA	£0.00
Construction Charges Connection												
Y	Near Side Connection in Unmade Ground No Excavation	Per Connection	200	£414.00	£82,800.00	£206.00	£41,200.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£264.00	£0.00	£95.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: 3m of Pipework Unmade Ground No Excv.	Per Connection	0	£102.00	£0.00	£111.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	Meter	Per Installation	200	£41.00	£8,200.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Construction Charges Mains												
Y	Mains Connection to 250mm Main	Per Connection	1	£11,627.00	£11,627.00	NA	£0.00	N	£11,627.00	£11,627.00	£11,627.00	£11,627.00
Y	150mm PRV Unmade Ground	Per Installation	1	£21,658.00	£21,658.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	100mm PRV Unmade Ground	Per Installation	5	£18,729.00	£93,645.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	80mm PRV Unmade Ground	Per Installation	2	£14,492.00	£28,984.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	180mm Diameter Pipework in Road with Excavation	Per Meter	20	£496.00	£9,920.00	£85.00	£1,700.00	Y	NA	£0.00	£496.00	£9,920.00
Y	180mm Diameter Pipework in Unmade Ground with Excavation by Others	Per Meter	100	£160.00	£16,000.00	£85.00	£8,500.00	Y	NA	£0.00	NA	£0.00
Y	125mm Diameter Pipework in Unmade Ground with Excavation by Others	Per Meter	480	£143.00	£68,640.00	£65.00	£31,200.00	Y	NA	£0.00	NA	£0.00
Y	90mm Diameter Pipework in Unmade Ground with Excavation by Others	Per Meter	400	£132.00	£52,800.00	£61.00	£24,400.00	Y	NA	£0.00	NA	£0.00
Y	Traffic Management - Road Closure	Per TM Usage	1	£2,193.00	£2,193.00	NA	£0.00	Y	£2,193.00	£2,193.00	£2,193.00	£2,193.00
Other Charges												
Y	Water Regs (first of every ten plots)	Per Plot	20	£102.00	£2,040.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	Water Regs (subsequent conns)	Per Plot	180	£7.00	£1,260.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	S106 vetting fee Admin&Application Fee	Per Application	1	£289.00	£289.00	NA	£0.00	N	NA	£0.00	£289.00	£289.00
Y	S98 Requisition Application	Per Application	1	£4,872.00	£4,872.00	NA	£0.00	N	NA	£0.00	NA	£0.00
Y	S98 POC Application	Per Application	1	£138.00	£138.00	NA	£0.00	N	NA	£0.00	NA	£0.00
Y	20m of 600mm gravity sewer in side road @2.5m deep	Per Meter	20	£1,780.00	£35,600.00	NA	£0.00	Y	NA	£0.00	£1,780.00	£35,600.00
	NAV Sewerage Application Form	Per Application	0	NA	£0.00	NA	£0.00	N	NA	£0.00	£531.00	£531.00
Infrastructure Charges												
Y	Infrastructure Charges - Water		200	£625.00	£125,000.00	NA	£0.00	N	£625.00	£125,000.00	£625.00	£125,000.00
Y	Infrastructure Charges - Sewerage		200	£657.00	£131,400.00	NA	£0.00	N	£657.00	£131,400.00	£657.00	£131,400.00
Income Offset												
Y	Environmental Component - Water		200	£20.00	£4,000.00	NA	£0.00	N	£20.00	£4,000.00	£20.00	£4,000.00
Y	Environmental Component- Sewerage		200	£42.00	£8,400.00	NA	£0.00	N	£42.00	£8,400.00	£42.00	£8,400.00
	Environmental Incentive - Water		200	-£250.00	-£50,000.00	NA	£0.00	N	-£250.00	-£50,000.00	-£250.00	-£50,000.00
Y	Environmental Incentive - Wastewater		200	-£100.00	-£20,000.00	NA	£0.00	N	-£100.00	-£20,000.00	-£100.00	-£20,000.00
Totals					<b>£659,106.00</b>		<b>£766,106.00</b>			<b>£222,752.60</b>		<b>£259,539.00</b>

For this scenario, we have assumed a sewerage requisition has been requested from the existing main to the site boundary to demonstrate our sewerage requisition fees. This includes 20m of sewerage pipe in the road aligning with the specification in the worked example.

New Connections Charging Arrangements - Statement of Significant Changes

2025-26

Scenario 6

Scenario 6: Large housing development requiring new mains and communication pipes (excavation and reinstatement completed by Water Company)									Alternative Delivery Method			
Applicable Charge	Item	Unit	Qty	Rate (£)	Total Charge (£)	Barrier Pipe Uplift/Rate	Barrier Pipe Total Charge (£)	Contestable? (Y/N)	Self-Lay Rate (£)	Self-Lay Total Charge (£)	NAV Rate (£)	NAV Total (£)
Pre-Construction Charge Connection												
Y	Application Fee (First Connection)	Per Application	1	£99.00	£99.00	NA	£0.00	N	£57.00	£57.00	NA	£0.00
Y	Application Fee (Subsequent Conns)	Per Additional Conn	199	£60.00	£11,940.00	NA	£0.00	N	£35.00	£6,965.00	NA	£0.00
Y	Administration Fee (First Connection)	Per Application	1	£46.00	£46.00	NA	£0.00	N	£22.00	£22.00	£46.00	£46.00
Y	Administration Fee (Subsequent Conns)	Per Additional Conn	199	£28.00	£5,572.00	NA	£0.00	N	£14.00	£2,786.00	NA	£0.00
	NAV Application fee	Per Design	0	£0.00	£0.00	NA	£0.00	N	NA	£0.00	£531.00	£531.00
Pre-Construction Charge Mains												
Y	Mains Application, Application and Design Fee	Per Application	1	£1,845.00	£1,845.00	NA	£0.00	N	£0.00	£1,091.00	NA	£0.00
	Sub - Charge Mains Application	Per Application	0	£727.00	£0.00	NA	£0.00	N	£0.00	£727.00	NA	£0.00
	Sub - Charge Mains Administration Fee	Per Application	0	£364.00	£0.00	NA	£0.00	N	£0.00	£364.00	NA	£0.00
	Sub - Charge Design Fee	Per Design	0	£754.00	£0.00	NA	£0.00	Y	£0.00	£0.00	NA	£0.00
Y	POC	Per Application	1	£138.00	£138.00	NA	£0.00	N	£138.00	£138.00	NA	£0.00
Construction Charges Connection												
Y	Near Side Connection in Unmade Ground with Excavation	Per Connection	200	£583.00	£116,600.00	£206.00	£41,200.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Connection	Per Connection	0	£241.00	£0.00	£95.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: 3 Pipework Unmade Ground with Excv.	Per Connection	0	£261.00	£0.00	£111.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Traffic Management	Per Connection	0	£33.00	£0.00	£0.00	£0.00	Y	NA	£0.00	NA	£0.00
	Connection Sub - Charge: Meter Installation	Per Connection	0	£48.00	£0.00	£0.00	£0.00	Y	NA	£0.00	NA	£0.00
Y	Meter	Per Meter	200	£41.00	£8,200.00	£0.00	£0.00	Y	NA	£0.00	NA	£0.00
Construction Charges Mains												
Y	Mains Connection to 250mm Main	Per Connection	1	£11,627.00	£11,627.00	£0.00	£0.00	N	£11,627.00	£11,627.00	£11,627.00	£11,627.00
Y	150mm PRV Unmade Ground	Per installation	1	£21,658.00	£21,658.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	100mm PRV Unmade Ground	Per installation	5	£18,729.00	£93,645.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	80mm PRV Unmade Ground	Per installation	2	£14,492.00	£28,984.00	NA	£0.00	Y	NA	£0.00	NA	£0.00
Y	180mm Diameter Pipework in Side Road with Excavation	Per Meter	20	£496.00	£9,920.00	£85.00	£1,060.00	Y	NA	£0.00	£496.00	£9,920.00
Y	180mm Diameter Pipework in Footpath with Excavation	Per Meter	100	£455.00	£45,500.00	£85.00	£5,300.00	Y	NA	£0.00	NA	£0.00
Y	125mm Diameter Pipework in Unmade Ground with Excavation	Per Meter	480	£250.00	£120,000.00	£65.00	£23,040.00	Y	NA	£0.00	NA	£0.00
Y	90mm Diameter Pipework with Excavation in Unmade Ground	Per Meter	400	£242.00	£96,800.00	£61.00	£16,400.00	Y	NA	£0.00	NA	£0.00
Y	Traffic Management - Road Closure	Per TM Usage	1	£2,193.00	£2,193.00	NA	£0.00	Y	£2,193.00	£2,193.00	£2,193.00	£2,193.00
Other Charges												
Y	Water Regs (first of every ten plots)	Per Plot	20	£102.00	£2,040.00	NA	£0.00	N	NA	£0.00	NA	£0.00
Y	Water Regs (subsequent conns)	Per Plot	180	£7.00	£1,260.00	NA	£0.00	N	NA	£0.00	NA	£0.00
	S106 vetting fee Admin&Application Fee	Per Application	1	£289.00	£289.00	NA	£0.00	N	NA	£0.00	£289.00	£289.00
	S98 Requisition Application	Per Application	1	£4,872.00	£4,872.00	NA	£0.00	N	NA	£0.00	NA	£0.00
	S98 POC Application	Per Application	1	£138.00	£138.00	NA	£0.00	N	NA	£0.00	NA	£0.00
	20m of 600mm gravity sewer in side road @2.5m deep	Per Meter	20	£1,780.00	£35,600.00	NA	£0.00	Y	NA	£0.00	£1,780.00	£35,600.00
Y	NAV Sewerage Application fee	Per Application	0	NA	£0.00	NA	£0.00	N	NA	£0.00	£531.00	£531.00
Infrastructure Charges												
Y	Infrastructure Charges - Water		200	£625.00	£125,000.00	NA	£0.00	N	£625.00	£31,250.00	£625.00	£125,000.00
Y	Infrastructure Charges - Sewerage		200	£657.00	£131,400.00	NA	£0.00	N	£657.00	£32,850.00	£657.00	£131,400.00
Income Offset												
Y	Environmental Component - Water		200	£20.00	£4,000.00	NA	£0.00	N	£20.00	£1,950.00	£20.00	£4,000.00
Y	Environmental Component- Sewerage		200	£42.00	£8,400.00	NA	£0.00	N	£42.00	£42.00	£42.00	£8,400.00
	Environmental Incentive - Water		200	-£250.00	-£50,000.00	NA	£0.00	N	-£250.00	-£12,500.00	-£250.00	-£50,000.00
Y	Environmental Incentive - Wastewater		200	-£100.00	-£20,000.00	NA	£0.00	N	-£100.00	-£5,000.00	-£100.00	-£20,000.00
	Totals				£817,766.00		£904,766.00			£74,562.00		£259,537.00

For this scenario, we have assumed a sewerage requisition has been requested from the existing main to the site boundary to demonstrate our sewerage requisition fees. This includes 20m of sewerage pipe in the road aligning with the specification in the worked example.