

# ICOSA WATER SERVICES LIMITED

## Statement of Significant Change for 2025-26 Charges Schemes

### Introduction

This Statement of Significant Change for 2025-26 Charges Schemes provides the stakeholders of Icosa Water Services Limited (“Icosa Water Services”) with information relating to the significant changes to our end-user customer charges for the 2025-26 charging year, compared with the 2024-25 charging year.

This statement is made in accordance with Ofwat Information Notice IN 24/08 (“Expectations, assurance and information requirements for water company charges for 2025-26” published in October 2024) and Annex A2 of the Charges Scheme Rules 1 published by Ofwat in December 2022. It confirms;

- (i) details of any significant changes in charging policy.
- (ii) whether end-user customer bill increases of more than 5% compared to the previous year are expected, and if so, which types of customers are likely to be affected; and
- (iii) the ‘handling strategies’ that, if appropriate, we may adopt to mitigate the impact on customer bills.

### (i) Our Charging Policy

There are no significant changes in our charging policy from the previous year. Icosa Water Services’ charging policy is to match the tariffs of the relevant local incumbent water and sewerage companies where we operate and to provide social discounts where applicable. This ensures that customers are no worse off than if they had been connected to the incumbent in the particular region.

### (ii) Impact of 2025-26 Charges on Customers

The incumbent water and sewerage companies review their charges annually and adjust them to cover their allowed revenues in the PR24 Final Determination as re-published by Ofwat in December 2024, and any in-period determinations that are made thereafter to reflect things such as inflation, under/over recovery of allowed revenue, and delivery incentives, etc. Other than normal price indexations, we are not aware of any significant changes having been made to the incumbents’ underlying charging policies.

***Inflation (CPIH) as published by the Office for National Statistics at December 2024 was 3.5%.***

We have assessed the impact of the 2025-26 price changes on measured water and wastewater customers and water and wastewater Watersure customers. We have identified that most household customers will have year-on-year bill increases exceeding 5% when compared to 2024-25, assuming a typical annual household demand of 100 cubic metres (‘m<sup>3</sup>’).

In addition to inflation, the significant bill increases in 2025-26 are largely attributable to the following targeted outcomes of Ofwat's 2024 price review:

- increased investment by incumbent sewerage companies to deliver cleaner rivers and seas,
- increased investment by incumbent water companies to improve the security and quality of water supplies; and
- improved levels of customer service.

More information on the increases can be found on the Ofwat website: [www.ofwat.gov.uk/regulated-companies/price-review/2024-price-review/what-it-means-for-customers-and-water-bills/#pricereview2024](http://www.ofwat.gov.uk/regulated-companies/price-review/2024-price-review/what-it-means-for-customers-and-water-bills/#pricereview2024)

[What the 2024 price review means for water customers - Ofwat](#)

## Household Customers

Table 1 below sets out the bill increases for measured household customers based on a typical annual average annual demand of 100 cubic metres.

| Incumbent Water Company                | 2024/25 Water Charge per 100m <sup>3</sup> Water Demand | 2025/26 Water Charge per 100m <sup>3</sup> Water Demand | Increase / (Decrease) | Percentage Increase / (Decrease) |
|--|---|---|-----------------------|----------------------------------|
| Affinity Central                       | £157.04   | £188.32   | £31.28                | 20%                              |
| Affinity East                          | £236.26   | £283.36   | £47.10                | 20%                              |
| Affinity South East                    | £249.29   | £283.36   | £34.07                | 14%                              |
| Anglian - Anglian                      | £246.54   | £321.07   | £74.53                | 30%                              |
| Anglian - Hartlepool                   | £153.45   | £194.68   | £41.23                | 27%                              |
| Bournemouth & West Hampshire           | £131.61   | £176.93   | £45.32                | 34%                              |
| Bristol                                | £208.42   | £224.35   | £15.93                | 8%                               |
| Cambridge                              | £150.62   | £197.57   | £46.95                | 31%                              |
| HD Cymru Zones A&D                     | £244.85   | £273.09   | £28.24                | 12%                              |
| HD Cymru Zone B                        | £216.76   | £264.12   | £47.36                | 22%                              |
| HD Cymru Zone C                        | £207.15   | £258.73   | £51.58                | 25%                              |
| Northumbrian - Essex and Suffolk Water | £226.86   | £259.19   | £32.33                | 14%                              |
| Northumbrian - Northumbria             | £189.46   | £212.50   | £23.04                | 12%                              |
| Portsmouth                             | £117.88   | £156.02   | £38.14                | 32%                              |
| Severn Trent A Zone1-8                 | £219.26   | £310.97   | £91.71                | 42%                              |
| Severn Trent B Zone9                   | £206.86   | £290.48   | £83.62                | 40%                              |
| Severn Trent C Zone10                  | £211.61   | £297.26   | £85.65                | 40%                              |
| South East - Eastern                   | £257.47   | £319.51   | £62.04                | 24%                              |
| South East - Western                   | £202.93   | £253.06   | £50.13                | 25%                              |
| South Staffordshire                    | £174.56   | £228.94   | £54.38                | 31%                              |
| South West A(Single Service)           | £269.00   | £354.74   | £85.74                | 32%                              |
| South West B(Dual Service)             | £251.86   | £330.80   | £78.94                | 31%                              |
| Southern                               | £219.76   | £313.36   | £93.60                | 43%                              |
| Sutton East Surrey Northern            | £163.29   | £159.92   | (£3.37)               | (2%)                             |
| Sutton East Surrey Southern            | £201.62   | £197.45   | (£4.17)               | (2%)                             |
| Thames                                 | £220.59   | £311.39   | £90.80                | 41%                              |
| United Utilities 15mm meter            | £240.39   | £297.76   | £57.37                | 24%                              |
| Welsh Water                            | £171.62   | £249.81   | £78.19                | 46%                              |
| Wessex                                 | £286.02   | £338.02   | £52.00                | 18%                              |
| Yorkshire                              | £213.38   | £262.49   | £49.11                | 23%                              |
| Yorkshire - York Waterworks            | £135.53   | £170.60   | £35.07                | 26%                              |

| Incumbent Sewerage Company                    | 2024/25 Wastewater Charge per 100m <sup>3</sup> Water Demand | 2025/26 Wastewater Charge per 100m <sup>3</sup> Water Demand | Increase / (Decrease) | Percentage Increase / (Decrease) |
|---|--|--|-----------------------|----------------------------------|
| Anglian - Anglian                             | £295.94  | £327.14  | £31.20                | 11%                              |
| HD Cymru Zones A&D - Detached Property        | £273.78  | £394.71  | £120.93               | 44%                              |
| HD Cymru Zones A&D - Semi Detached Property   | £243.04  | £359.90  | £116.86               | 48%                              |
| HD Cymru Zones A&D - Any other Household type | £212.31  | £325.11  | £112.80               | 53%                              |
| Northumbrian                                  | £208.14  | £260.16  | £52.02                | 25%                              |
| Severn Trent - Detached Property              | £241.60  | £264.54  | £22.94                | 9%                               |
| Severn Trent - Semi Detached Property         | £216.82  | £242.80  | £25.98                | 12%                              |
| Severn Trent - Any other Household type       | £192.05  | £221.08  | £29.03                | 15%                              |
| South West A(Single Service)                  | £396.30  | £508.59  | £112.30               | 28%                              |
| South West B(Dual Service)                    | £376.45  | £481.40  | £104.96               | 28%                              |
| Southern                                      | £294.37  | £455.75  | £161.37               | 55%                              |
| Thames  | £199.15  | £285.02  | £85.87                | 43%                              |
| United Utilities                              | £274.23  | £351.45  | £77.22                | 28%                              |
| Welsh Water                                   | £303.90  | £377.16  | £73.26                | 24%                              |
| Wessex  | £268.22  | £333.82  | £65.60                | 24%                              |
| Yorkshire                                     | £266.76  | £364.57  | £97.81                | 37%                              |

### (iii) Handling Strategies

The Board recognises the impact that significant price increases may have on customers, particularly given the current cost-of-living crisis, and the need to identify actions to help customers manage the increase in costs.

We are developing a strategy to inform customers of the expected increases and support that we offer ahead of the new charging year. For customers who are struggling to pay, we continue to offer a range of help including social tariffs such as Watersure, social discount schemes, tailored payment plans, payment breaks, debt advice and debt write off schemes.

The Watersure scheme provides alternative tariff options to household metered customers who meet certain criteria. The scheme ensures that their metered bill will be capped at a fixed annual charge. The reduction in the charges will take effect from the beginning of the charge period in which the application is made, and it must be renewed annually.

To qualify for the Watersure tariff, the customer must be in receipt of a qualifying benefit and have either:

- three or more children under the age of 19 living at home; and/or
- someone in their household has a medical condition that means they need to use more water.

Icosa also provide the same social discounts offered by incumbent water and sewerage companies. These social discount schemes vary depending on the incumbent region where you live. Visit our website at [www.icosawater.co.uk/help-and-support/help-paying-a-bill](http://www.icosawater.co.uk/help-and-support/help-paying-a-bill) to find out more details on how to apply.

We also offer a range of other support for customers who are struggling to pay their bills:

- flexible payment plans to help ensure that customers are not having to make payments that are outside their means,
- payment breaks including a scheme known as 'breathing space',
- debt advice,
- debt write-off scheme; and
- the 'Water Direct' scheme allowing customers to pay their water bill directly from their benefits.

Full details of the support we offer can be found on our website: [www.icosawater.co.uk/help-and-support/help-paying-a-bill](http://www.icosawater.co.uk/help-and-support/help-paying-a-bill)

**Signed on behalf of the board:**

A handwritten signature in black ink, appearing to read "R Bradley", with a long horizontal flourish underneath.

Robert Bradley

**Director**