

2022-23 CHARGES

STATEMENT OF SIGNIFICANT CHANGE TO END USER CHARGES

Under the charges scheme rules issued by the Water Services Regulation Authority (Ofwat), specifically sections 143(6A) and 143B of the Water Industry Act 1991, the Company is required to provide a statement summarising significant changes to 2022-23 charges. These are outlined below:

(a) The Company is required to advise whether there are any charge increases of more than 5%.

Wholesale charges have been calculated in accordance with the allowed revenue set by Ofwat in its Final Determination of price limits for 2025 to 2030 after adjusting for in- period ODIs and Green Recovery funding. Inflation of 4.6% has been applied to wholesale tariffs, in line with the CPIH figure published by the Office of National Statistics. Finally, to manage the bill increase faced by customers, we have deferred £2.3m of the £3.4m under recovery of 2020-21 revenues and will collect this in future years. This has reduced bills by around 2%.

Retail charges have been recovered in line with revenue allowance per customer allowed in the 2019 Final Determination for residential customers after adjusting for a small in-period penalty for C-Mex.

No customer type will experience a bill increase of greater than 5%, although individual customers may experience an increase greater than 5% depending on their own characteristics.

(b) The Company will be making the following change to charging policy.

The Company has made no changes to its charging policy.

Approved by the Board of Directors on 11 January 2022 and signed on its behalf.



Andy Willicott
Managing Director
South Staffordshire Water PLC