



Statement of Significant Change: 2026-27 Charging Arrangements for New Connection Services

Thames Water Utilities Limited (TWUL)
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Thames Water Utilities Limited

Statement of Significant Change: 2026-27 Charging Arrangements for New Connection Services

Introduction

1. The Statement of Significant Change for the 2026-27 Charging Arrangements for New Connections sets out any significant changes in charging policy for the Financial Year 2026-27 and whether the bill for typical developments is expected to increase by more than 10% from the previous year.
2. This statement is made in accordance with Ofwat Information notice (IN 25/04 October 2025) and New Connections Charging Rules A2 and confirms:
 - a. what size increase is expected; and
 - b. what types of typical developments are likely to be affected; and
 - c. the handling strategies adopted by the water company or why the water company considered that no handling strategies are required.
 - d. That Thames Water's 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%.

Significant changes to our new connections charging policy for 2026-27

3. The following changes have been made to our charging policies for 2026-27.

We have amended our charging arrangements for the new regulatory requirements in the charging rules.

- a. Removed fixed prices for Lateral Drains in line with the change to charging rule 47, and
- b. Re-based the calculation of Infrastructure charges to the Final Determination for Network Reinforcement Expenditure, instead of the allowed Infrastructure Revenue

Information about significant changes on typical developments and handling strategies

4. Infrastructure charges and Environmental Component

The below table reflects significant changes to the infrastructure charges for 2026-27. The charging rules require the charges to be set based on the forecast of Network Reinforcement expenditure for a rolling 5-year period which is 2026-27 to 2030-31, with a true up for any different since April 2025. For the 5 years of AMP8 (2025-26 to 2029-30) we have based the calculation in line with our forecast of Network Reinforcement expenditure which is aligned to the Final Determination from Ofwat for the network reinforcement expenditure for AMP8 and is subject to a price control deliverable (PCD). This means if we do not meet the level of expenditure in the PCD then revenue will be returned to customers. As the rolling 5-year period now extends to 2030-31, we have assumed the same level of expenditure will be required per

property into this year. Last year's prices were aligned to the Final Determination allowance for infrastructure charge revenue, which is lower, resulting in the prices increasing. We noted in last year's statement that a price increase for 2026-27 was to be expected.

The Environmental Component has been set considering take up of the Environmental Incentives, resulting in an overall reduction compared to last year.

	2025/26	2026/27	Net change	% Change
Water Infrastructure Charge	£1,475	£1,575	£100	7%
Waste Infrastructure Charge	£485	£780	£295	61%
Combined Infrastructure Charge	£1,960	£2,355	£395	20%
Water Environmental Component	£255	£150	-£105	-41%
Waste Environmental Component	£40	£55	£15	38%
Combined Environmental Component	£295	£205	-£90	-31%
Overall Infrastructure Charge inc Component	£2,255	£2,560	£305	14%

5. Volume

The economic climate and increase in development sites being awarded to NAVs continues to impact the volume of connections (3374 forecast connection volume for 2026-27 down from 4983 in our tariff model for 2025-26) and lengths of mains laid by Thames Water. This has resulted in higher connection prices of c12% as some of our overheads are fixed and do not move in line with volume changes.

6. Inflation

Inflation is included in all of our tariffs of between 2.5% to 3.6% depending on whether they are CPIH, RPI or Salary related activities. Salary inflation also includes the uplift for the change in NI contributions.

7. Other cost drivers

Other contractual costs have increased by more than inflation, such as reinstatement. Each customer scenario is impacted in different proportions depending on the quantities included in the activity and surface type.

Impact on customers

9. The combined impact of the price changes in sections 4,5,6, and 7 above exceeds 10% for all customers as follows

	2025/26	2026/27	% Increase	Breakdown of increase for 2026-27			
				Connection Fee	App & Design/Other	Infra Charge	Environmental Component
Single Property - Short Connection	9,815	11,705	19%	15%	1%	4%	-1%
Single Property Conversion using 4 Port	16,645	19,530	17%	12%	0%	7%	-2%
50 House Development - Customer excav/rein	194,515	231,435	19%	11%	-0%	10%	-2%
50 House Development - TW	338,115	401,235	19%	14%	-0%	6%	-1%
200 House Development - Customer excav/rein	695,515	831,815	20%	11%	-0%	11%	-3%
200 House Development - TW	1,223,715	1,442,415	18%	13%	-0%	6%	-1%
Block of 10 Flats	29,550	35,040	19%	8%	0%	13%	-3%
Large Block of 200 Flats	392,390	462,340	18%	3%	-0%	20%	-5%

Additional information

Worked examples

These examples have been prepared in line with Ofwat guidance regarding typical scenarios and includes an additional scenario that we also consider a typical development for our business. We have amended the worked examples to meet the requirements for unbundling our charges for Meters, Meter installation and traffic management. Traffic management is charged based on a typical value for the activity, not on a specific job basis.

Alternative provider scenarios assume all non-contestable activities are carried out by others.

Note: our pipelay charges are only applied after the 1st metre for service connections.

Scenario 1: Single connection to a house from an existing main

25/32mm service connection to an existing main, in the road with 4 metres of pipelaying.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered							
				2025/26				2026/27			
Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge				
Pre-construction Charges											
Application Fee	N	per application	1	£105	£105	£105	£105	£105	£105	£105	£105
Administration Fee	Not charged by Thames Water										
Design Fee (Design checking for self lay)	Y	per connection	1	£105	£105	£105	£105	£190	£190	£190	£190
Subtotal				£210			£210		£295		£295
Construction Charges											
Connection 25/32mm	Road	Y	per connection	1	£3,540	£3,540	£3,960	£3,960	£4,590	£4,590	£5,140
Pipe 25/32mm	Road	Y	per metre	3	£480	£1,440	£540	£1,620	£580	£1,740	£670
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here				£2,150		£2,580		£2,290		£2,730
Meter Installation	Road	Y	per connection	1	£40	£40	£40	£40	£40	£40	£40
Meters (Smart)	Road	N	per connection	1	£120	£120	£120	£120	£150	£150	£150
Subtotal					£7,290		£8,320		£8,810		£10,070
Other Charges											
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Subtotal					£740		£740		£720		£720
Infrastructure Charges											
Infrastructure Charge (water)	N	per connection	1	£1,475	£1,475	£1,475	£1,475	£1,575	£1,575	£1,575	£1,575
Infrastructure Charge (wastewater)	N	per connection	1	£485	£485	£485	£485	£780	£780	£780	£780
Subtotal					£1,960		£1,960		£2,355		£2,355
Environmental Component Water	N	per connection	1	£255	£255	£255	£255	£150	£150	£150	£150
Environmental Component Waste	N	per connection	1	£40	£40	£40	£40	£55	£55	£55	£55
Environmental Discount Water Tier 1	N	per connection	1	-£400	-£400	-£400	-£400	-£400	-£400	-£400	-£400
Environmental Discount Waste	N	per connection	1	-£280	-£280	-£280	-£280	-£280	-£280	-£280	-£280
Subtotal					-£385		-£385		-£475		-£475
Total Scheme Cost including Environmental Incentive					£9,815		£10,845		£11,705		£12,965
								19.3%	19.5%		

% change 2026-27 compared to 2025-26

Scenario 1A: Single connection from an existing main to four premises using a 4-port manifold

50/63mm service connections to an existing main, with 4 metres of pipelaying in the road and 4m in unmade ground.

				Thames Water Delivered							
				2025/26				2026/27			
Item	Contestable (Y/N)	Unit	Quantity	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge
Pre-construction Charges											
Application Fee	N	per application	1	£105	£105	£105	£105	£105	£105	£105	£105
Administration Fee	Not charged by Thames Water										
Design Fee (Design checking for self lay)	Y	per connection	1	£105/£60	£285	£105/£60	£285	£190/£55	£355	£190/£55	£355
Subtotal					£390		£390		£460		£460
Construction Charges											
Connection 4 Port	Road	Y	per connection	1	£5,020	£5,020	£5,520	£5,520	£6,130	£6,130	£6,800
Pipe 50/63mm	Road	Y	per metre	3	£480	£1,440	£590	£1,770	£600	£1,800	£720
Pipe 50/63mm	Unmade	Y	per metre	4	£190	£760	£220	£880	£230	£920	£260
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here				£3,050		£3,340		£3,210		£3,530
Meter Installation 4 Port	Road	Y	per connection	1	£40	£40	£40	£40	£50	£50	£40
Meters (Smart)	Road	N	per connection	4	£480	£480	£480	£480	£600	£600	£600
Subtotal					£10,790		£12,030		£12,710		£14,170
Other Charges											
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Subtotal					£740		£740		£720		£720
Infrastructure Charges											
Infrastructure Charge (water)	N	per connection less 1 credit	3	£1,475	£4,425	£1,475	£4,425	£1,575	£4,725	£1,575	£4,725
Infrastructure Charge (wastewater)	N	per connection less 1 credit	3	£485	£1,455	£485	£1,455	£780	£2,340	£780	£2,340
Subtotal					£5,880		£5,880		£7,065		£7,065
Environmental Component Water	N	per connection less 1 credit	3	£255	£765	£255	£765	£150	£450	£150	£450
Environmental Component Waste	N	per connection less 1 credit	3	£40	£120	£40	£120	£55	£165	£55	£165
Environmental Discount Water Tier 1	N	per connection less 1 credit	3	-£400	-£1,200	-£400	-£1,200	-£400	-£1,200	-£400	-£1,200
Environmental Discount Waste	N	per connection less 1 credit	3	-£280	-£840	-£280	-£840	-£280	-£840	-£280	-£840
Subtotal					-£1,155		-£1,155		-£1,425		-£1,425
Total Scheme Cost including Environmental Incentive					£16,645		£17,885		£19,530		£20,990
										17.3%	17.4%

% change 2026-27 compared to 2025-26

Scenario 2: Single connection to block of 10 flats from an existing main

50/63mm service connections to an existing main, with 4 metres of pipelaying in the road and 4m in unmade ground.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered							
				2025/26				2026/27			
Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge				
Pre-construction Charges											
Application Fee	N	per application	1	£105	£105	£105	£105	£105	£105	£105	£105
Administration Fee	Not charged by Thames Water										
Design Fee (Design checking for self lay)	Y	per connection	10	£105/£60	£645	£105/£60	£645	£190/£55	£685	£190/£55	£685
Subtotal					£750		£750		£790		£790
Construction Charges											
Connection 50/63mmC	Road	Y	per connection	1	£4,820	£4,820	£5,230	£5,230	£6,230	£6,230	£6,770
Pipe 50/63mmC	Road	Y	per metre	3	£480	£1,440	£590	£1,770	£600	£1,800	£720
Pipe 50/63mmC	Unmade	Y	per metre	4	£190	£760	£220	£880	£230	£920	£260
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here				£3,130		£3,380		£3,280		£3,560
Meter Installation	Road	Y	per connection	1	£50	£50	£50	£50	£60	£60	£50
Meters (Smart) External	Road	N	per connection	1	£360	£360	£360	£360	£390	£390	£390
Internal Meters 20mm in line (Smart)	N	per meter		10	£175	£1,750	£175	£1,750	£205	£2,050	£2,050
Subtotal					£12,310		£13,420		£14,730		£16,020
Other Charges											
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Subtotal					£740		£740		£720		£720
Infrastructure Charges											
Infrastructure Charge (water)	N	per connection	10	£1,475	14750	£1,475	£14,750	£1,575	£15,750	£1,575	£15,750
Infrastructure Charge (wastewater)	N	per connection	10	£485	£4,850	£485	£4,850	£780	£7,800	£780	£7,800
Subtotal					£19,600		£19,600		£23,550		£23,550
Environmental Component Water	N	per connection	10	£255	£2,550	£255	£2,550	£150	£1,500	£150	£1,500
Environmental Component Waste	N	per connection	10	£40	£400	£40	£400	£55	£550	£55	£550
Environmental Discount Water Tier 1	N	per connection	10	-£400	-£4,000	-£400	-£4,000	-£400	-£4,000	-£400	-£4,000
Environmental Discount Waste	N	per connection	10	-£280	-£2,800	-£280	-£2,800	-£280	-£2,800	-£280	-£2,800
Subtotal					-£3,850		-£3,850		-£4,750		-£4,750
Total Scheme Cost including Environmental Incentive					£29,550		£30,660		£35,040		£36,330
										18.6%	18.5%

% change 2026-27 compared to 2025-26

Scenario 3: Medium housing development requiring new mains and communication pipes (customer excavation and reinstatement)

50 service connections off new mains, each with 3 metres of pipelaying in customer excavation. Plus, a total of 300m of New Mains of which 10m of 125mm pipelaying in road, 190m of 125mm pipe and 100m of 90mm pipe laid in customer excavated and reinstated ground.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered								
				2025/26				2026/27				
				Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	
Pre-construction Charges												
Application Fee	N	per application	1	£200	£200	£200	£200	£200	£200	£200	£200	
Administration Fee	Not charged by Thames Water											
Design Fee (Design checking for self lay)	Y	connection Band	50+	£4,015	£4,015	£4,015	£4,015	£3,725	£3,725	£3,725	£3,725	
Subtotal				£4,215			£4,215		£3,925		£3,925	
Construction Charges												
Connection 180mm	Road	N (CA*)	per connection	1	£9,180	£9,180	£9,180	£9,180	£10,750	£10,750	£10,750	
Pipe 125mm	Road	Y	per metre	10	£800	£8,000	£840	£8,400	£930	£9,300	£960	£9,600
Pipe 125mm	Customer Excavation	Y	per metre	190	£170	£32,300	£190	£36,100	£190	£36,100	£210	£39,900
Pipe 80/90mm	Customer Excavation	Y	per metre	100	£130	£13,000	£160	£16,000	£150	£15,000	£180	£18,000
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here				£1,330		£1,330		£2,140		£2,240	
Subtotal Main				£63,810			£71,010		£73,290		£80,490	
Connection 25/32mm	Customer Excavation	Y	per connection	50	£720	£36,000	£1,280	£64,000	£920	£46,000	£1,600	£80,000
Pipe 25/32mm	Customer Excavation	Y	per metre	100	£30	£3,000	£40	£4,000	£40	£4,000	£50	£5,000
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here								£0		£0	
Meter Installation	Customer Excavation	Y	per connection	50	£40	£2,000	£40	£2,000	£40	£2,000	£40	£2,000
Meters (Smart)	Customer Excavation	N	per connection	50	£120	£6,000	£120	£6,000	£150	£7,500	£150	£7,500
Subtotal Service Connections				£47,000			£76,000		£59,500		£94,500	
Subtotal Construction				£110,810			£147,010		£132,790		£174,990	
Other Charges												
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360	
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360	
Subtotal				£740			£740		£720		£720	
Infrastructure Charges												
Infrastructure Charge (water)	N	per connection	50	£1,475	£73,750	£1,475	£73,750	£1,575	£78,750	£1,575	£78,750	
Infrastructure Charge (wastewater)	N	per connection	50	£485	£24,250	£485	£24,250	£780	£39,000	£780	£39,000	
Subtotal				£98,000			£98,000		£117,750		£117,750	
Environmental Component Water	N	per connection	50	£255	£12,750	£255	£12,750	£150	£7,500	£150	£7,500	
Environmental Component Waste	N	per connection	50	£40	£2,000	£40	£2,000	£55	£2,750	£55	£2,750	
Environmental Discount Water Tier 1	N	per connection	50	£400	£20,000	£400	£20,000	£400	£20,000	£400	£20,000	
Environmental Discount Waste	N	per connection	50	£280	£14,000	£280	£14,000	£280	£14,000	£280	£14,000	
Subtotal				£19,250			£19,250		£23,750		£23,750	
Total Scheme Cost including Environmental Incentive				£194,515			£230,715		£231,435		£273,635	
									19.0%		18.6%	

% change 2026-27 compared to 2025-26

* Mains Connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Scenario 4: Medium housing development requiring new mains and communication pipes (excavation and reinstatement by Thames)

50 service connections off new mains, each with 3 metres of pipelaying in customer excavation. Plus, a total of 300m of New Mains of which 10m of 125mm pipelaying in road, 50m of 125mm pipe in footpath, 140m of 125mm pipe and 100m of 90mm pipe in unmade ground.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered								
				2025/26				2026/27				
Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge					
Pre-construction Charges												
Application Fee	N	per application	1	£200	£200	£200	£200	£200	£200	£200	£200	
Administration Fee	Not charged by Thames Water											
Design Fee (Design checking for self lay)	Y	connection Band	50+	£4,015	£4,015	£4,015	£4,015	£3,725	£3,725	£3,725	£3,725	
Subtotal				£4,215		£4,215		£3,925		£3,925		
Construction Charges												
Connection 180mm	Road	N (CA*)	per connection	1	£9,180	£9,180	£9,180	£9,180	£10,750	£10,750	£10,750	
Pipe 125mm	Road	Y	per metre	10	£800	£8,000	£840	£8,400	£930	£9,300	£960	£9,600
Pipe 125mm	Footpath	Y	per metre	50	£610	£30,500	£630	£31,500	£760	£38,000	£790	£39,500
Pipe 125mm	Unmade	Y	per metre	140	£300	£42,000	£320	£44,800	£340	£47,600	£360	£50,400
Pipe 80/90mm	Unmade	Y	per metre	100	£270	£27,000	£280	£28,000	£320	£32,000	£330	£33,000
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here				£5,230		£5,230		£13,940		£14,540	
Subtotal Main				£121,910		£127,110		£151,590		£157,790		
Connection 25/32mm	Unmade	Y	per connection	50	£1,580	£79,000	£1,820	£91,000	£1,950	£97,500	£2,210	£110,500
Pipe 25/32mm	Unmade	Y	per metre	100	£170	£17,000	£200	£20,000	£200	£20,000	£240	£24,000
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here				£28,500		£32,500		£24,000		£28,000	
Meter Installation	Unmade	Y	per connection	50	£40	£2,000	£40	£2,000	£40	£2,000	£40	£2,000
Meters (Smart)	Unmade	N	per connection	50	£120	£6,000	£120	£6,000	£150	£7,500	£150	£7,500
Subtotal Service Connections				£132,500		£151,500		£151,000		£172,000		
Subtotal Construction				£254,410		£278,610		£302,590		£329,790		
Other Charges												
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360	
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360	
Subtotal				£740		£740		£720		£720		
Infrastructure Charges												
Infrastructure Charge (water)	N	per connection	50	£1,475	£73,750	£1,475	£73,750	£1,575	£78,750	£1,575	£78,750	
Infrastructure Charge (wastewater)	N	per connection	50	£485	£24,250	£485	£24,250	£780	£39,000	£780	£39,000	
Subtotal				£98,000		£98,000		£117,750		£117,750		
Environmental Component Water	N	per connection	50	£255	£12,750	£255	£12,750	£150	£7,500	£150	£7,500	
Environmental Component Waste	N	per connection	50	£40	£2,000	£40	£2,000	£55	£2,750	£55	£2,750	
Environmental Discount Water Tier 1	N	per connection	50	-£400	-£20,000	-£400	-£20,000	-£400	-£20,000	-£400	-£20,000	
Environmental Discount Waste	N	per connection	50	-£280	-£14,000	-£280	-£14,000	-£280	-£14,000	-£280	-£14,000	
Subtotal				-£19,250		-£19,250		-£23,750		-£23,750		
Total Scheme Cost including Environmental Incentive				£338,115		£362,315		£401,235		£428,435		
										18.7%	18.2%	

% change 2026-27 compared to 2025-26

* Mains Connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection

Scenario 5: Large housing development requiring new mains and communication pipes (customer excavation and reinstatement)

200 service connections off new mains, each with 3 metres of pipelaying in customer excavation. Plus, a total of 1000m of New Mains of which 20m of 180mm pipelaying in road, 100m of 180mm pipe, 480m of 125mm pipe and 400m of 90mm pipe laid in customer excavated and reinstated ground.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered								
				2025/26	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	2026/27	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	
Pre-construction Charges												
Application Fee	N	per application	1	£200	£200	£200	£200	£200	£200	£200	£200	
Administration Fee	Not charged by Thames Water											
Design Fee (Design checking for self lay)	Y	connection Band	50+	£4,015	£4,015	£4,015	£4,015	£3,725	£3,725	£3,725	£3,725	
Subtotal				£4,215		£4,215		£3,925		£3,925		
Construction Charges												
Connection 250mm	Road	N (CA*)	per connection	1	£11,050	£11,050	£11,050	£12,860	£12,860	£12,860	£12,860	
Pipe 180mm	Road	Y	per metre	20	£980	£19,600	£1,010	£20,200	£1,120	£22,400	£1,160	£23,200
Pipe 180mm	Customer Excavation	Y	per metre	100	£210	£21,000	£240	£24,000	£230	£23,000	£260	£26,000
Pipe 125mm	Customer Excavation	Y	per metre	480	£170	£81,600	£190	£91,200	£190	£91,200	£210	£100,800
Pipe 80/90mm	Customer Excavation	Y	per metre	400	£130	£52,000	£160	£64,000	£150	£60,000	£180	£72,000
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here				£2,310		£2,510		£3,710		£3,710	
Subtotal Main				£187,560		£212,960		£213,170		£238,570		
Connection 25/32mm	Customer Excavation	Y	per connection	200	£720	£144,000	£1,280	£256,000	£920	£184,000	£1,600	£320,000
Pipe 25/32mm	Customer Excavation	Y	per metre	400	£30	£12,000	£40	£16,000	£40	£16,000	£50	£20,000
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here								£0		£0	
Meter Installation	Customer Excavation	Y	per connection	200	£40	£8,000	£40	£8,000	£40	£8,000	£40	£8,000
Meters (Smart)	Customer Excavation	N	per connection	200	£120	£24,000	£120	£24,000	£150	£30,000	£150	£30,000
Subtotal Service Connections				£188,000		£304,000		£238,000		£378,000		
Subtotal Construction				£375,560		£516,960		£451,170		£616,570		
Other Charges												
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360	
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360	
Subtotal				£740		£740		£720		£720		
Infrastructure Charges												
Infrastructure Charge (water)	N	per connection	200	£1,475	£295,000	£1,475	£295,000	£1,575	£315,000	£1,575	£315,000	
Infrastructure Charge (wastewater)	N	per connection	200	£485	£97,000	£485	£97,000	£780	£156,000	£780	£156,000	
Subtotal				£392,000		£392,000		£471,000		£471,000		
Environmental Component Water	N	per connection	200	£255	£51,000	£255	£51,000	£150	£30,000	£150	£30,000	
Environmental Component Waste	N	per connection	200	£40	£8,000	£40	£8,000	£55	£11,000	£55	£11,000	
Environmental Discount Water Tier 1	N	per connection	200	-£400	-£80,000	-£400	-£80,000	-£400	-£80,000	-£400	-£80,000	
Environmental Discount Waste	N	per connection	200	-£280	-£56,000	-£280	-£56,000	-£280	-£56,000	-£280	-£56,000	
Subtotal				-£77,000		-£77,000		-£95,000		-£95,000		
Total Scheme Cost including Environmental Incentive				£695,515		£836,915		£831,815		£997,215		
											19.6%	
											19.2%	

% change 2026-27 compared to 2025-26

* Mains Connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Scenario 6: Large housing development requiring new mains and communication pipes (excavation and reinstatement completed by Thames)

200 service connections off new mains, each with 3 metres of pipelaying in customer excavation. Plus, a total of 1000m of New Mains of which 20m of 180mm pipelaying in road, 100m of 180mm pipe in footpath, 480m of 125mm pipe and 400m of 90mm pipe laid in unmade ground.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered				2026/27			
				2025/26	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge
Pre-construction Charges											
Application Fee	N	per application	1	£200	£200	£200	£200	£200	£200	£200	£200
Administration Fee	Not charged by Thames Water										
Design Fee (Design checking for self lay)	Y	connection Band	50+	£4,015	£4,015	£4,015	£4,015	£3,725	£3,725	£3,725	£3,725
Subtotal				£4,215			£4,215		£3,925		£3,925
Construction Charges											
Connection 250mm	Road	N (CA*)	per connection	1	£11,050	£11,050	£11,050	£12,860	£12,860	£12,860	£12,860
Pipe 180mm	Road	Y	per metre	20	£980	£19,600	£1,010	£20,200	£1,120	£22,400	£1,160
Pipe 180mm	Footpath	Y	per metre	100	£760	£76,000	£790	£79,000	£940	£94,000	£970
Pipe 125mm	Unmade	Y	per metre	480	£300	£144,000	£320	£153,600	£340	£163,200	£360
Pipe 80/90mm	Unmade	Y	per metre	400	£270	£108,000	£280	£112,000	£320	£128,000	£330
Traffic Management	Included in Connection and Pipelaying fees				£15,110		£15,310		£37,310		£38,310
Subtotal Main				£373,760			£391,160		£457,770		£476,170
Connection 25/32mm	Unmade	Y	per connection	200	£1,580	£316,000	£1,820	£364,000	£1,950	£390,000	£2,210
Pipe 25/32mm	Unmade	Y	per metre	400	£170	£68,000	£200	£80,000	£200	£80,000	£240
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here				£114,000		£130,000		£96,000		£112,000
Meter Installation	Unmade	Y	per connection	200	£40	£8,000	£40	£8,000	£40	£8,000	£40
Meters (Smart)	Unmade	N	per connection	200	£120	£24,000	£120	£24,000	£150	£30,000	£150
Subtotal Service Connections				£530,000			£606,000		£604,000		£688,000
Subtotal Construction				£903,760			£997,160		£1,061,770		£1,164,170
Other Charges											
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Subtotal				£740			£740		£720		£720
Infrastructure Charges											
Infrastructure Charge (water)	N	per connection	200	£1,475	£295,000	£1,475	£295,000	£1,575	£315,000	£1,575	£315,000
Infrastructure Charge (wastewater)	N	per connection	200	£485	£97,000	£485	£97,000	£780	£156,000	£780	£156,000
Subtotal				£392,000			£392,000		£471,000		£471,000
Environmental Component Water	N	per connection	200	£255	£51,000	£255	£51,000	£150	£30,000	£150	£30,000
Environmental Component Waste	N	per connection	200	£40	£8,000	£40	£8,000	£55	£11,000	£55	£11,000
Environmental Discount Water Tier 1	N	per connection	200	-£400	-£80,000	-£400	-£80,000	-£400	-£80,000	-£400	-£80,000
Environmental Discount Waste	N	per connection	200	-£280	-£56,000	-£280	-£56,000	-£280	-£56,000	-£280	-£56,000
Subtotal				-£77,000			-£77,000		-£95,000		-£95,000
Total Scheme Cost including Environmental Incentive				£1,223,715			£1,317,115		£1,442,415		£1,544,815
											17.9%
											17.3%

% change 2026-27 compared to 2025-26

* Mains Connection is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out the connection.

Scenario 7: Large block of 200 flats

180mm Connection to an existing main in the road. 8 metres of pipework in the road, and 3 metres in the footpath.

Item	Contestable (Y/N)	Unit	Quantity	Thames Water Delivered				2026/27			
				2025/26	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge	Rate	Charge	Barrier pipe uplift rate	Barrier Pipe Total Charge
Pre-construction Charges											
Application Fee NC	N	per application	1	£105	£105	£105	£105	£105	£105	£105	£105
Administration Fee	Not charged by Thames Water										
Design Fee (Design checking for self lay)	Y	per connection	200	£105/£60	£12,045	£105/£60	£12,045	£190/£55	£11,135	£190/£55	£11,135
Subtotal					£12,150			£12,150		£11,240	
Construction Charges											
Connection 180mm	Road	N (CA*)	per connection	1	£12,505	£12,505	£13,005	£15,005	£15,005	£15,485	£15,485
Pipe 180mm	Road	N (CA*)	per metre	7	£750	£5,250	£750	£5,250	£900	£6,300	£910
Pipe 180mm	Footpath	N (CA*)	per metre	3	£590	£1,770	£620	£1,860	£730	£2,190	£770
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here					£9,220		£9,200		£9,110	
Meter Installation	Road	Y	per connection	1	£70	£70	£90	£90	£90	£90	£90
Meters (Smart) External	Road	N	per connection	1	£685	£685	£685	£685	£685	£685	£685
Internal Meters 20mm in line	N	per meter	200	£175	£35,000	£175	£35,000	£205	£41,000	£205	£41,000
Subtotal					£64,500			£65,090		£74,380	
Other Charges											
Consent to connect (foul water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Consent to connect (surface water)	N	per application	1	£370	£370	£370	£370	£360	£360	£360	£360
Subtotal					£740			£740		£720	
Infrastructure Charges											
Infrastructure Charge (water)	N	per connection	200	£1,475	295000	£1,475	£295,000	£1,575	£315,000	£1,575	£315,000
Infrastructure Charge (wastewater)	N	per connection	200	£485	£97,000	£485	£97,000	£780	£156,000	£780	£156,000
Subtotal					£392,000			£392,000		£471,000	
Environmental Component Water	N	per connection	200	£255	£51,000	£255	£51,000	£150	£30,000	£150	£30,000
Environmental Component Waste	N	per connection	200	£40	£8,000	£40	£8,000	£55	£11,000	£55	£11,000
Environmental Discount Water Tier 1	N	per connection	200	-£400	-£80,000	-£400	-£80,000	-£400	-£80,000	-£400	-£80,000
Environmental Discount Waste	N	per connection	200	-£280	-£56,000	-£280	-£56,000	-£280	-£56,000	-£280	-£56,000
Subtotal					-£77,000			-£77,000		-£95,000	
Total Scheme Cost including Environmental Incentive					£392,390			£392,980		£462,340	
										17.8%	17.8%

% change 2026-27 compared to 2025-26

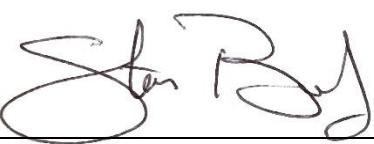
* All of the activity in this scenario is contestable depending on accreditation. This example assumes no accreditation and Thames Water carries out all the activity, so there are no alternate provider scenarios.

Declaration

1. We confirm on behalf of the Board, that the Company has followed robust and rigorous procedures in developing and approving the 2026-27 Charging Arrangements for new connections.
2. We have assessed and approved the impacts on customers' bills and the handling strategies that have been adopted.
3. This document is signed by Steve Buck (Chief Financial Officer), Cathryn Ross (Strategy & External Affairs Director) and Nick Land (Senior Independent Non-Executive Director) on behalf of the Board.

Dated: 19 January 2026

Signed:



Steve Buck, Chief Financial Officer

Dated: 19 January 2026

Signed:



Cathryn Ross, Strategy & External Affairs Director

Dated: 19 January 2026

Signed:



Nick Land,
Nick Land, Senior Independent Non-Executive Director

For and on behalf of Thames Water Utilities Limited

