



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

Thames Water Utilities Limited (TWUL)  
Published date: 29 January 2026  
Version 1.0

# 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 difference 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%
<b>Combined Infrastructure Charge</b>	<b>£1,960</b>	<b>£2,355</b>	<b>£395</b>	<b>20%</b>
Water Environmental Component	£255	£150	-£105	-41%
Waste Environmental Component	£40	£55	£15	38%
<b>Combined Environmental Component</b>	<b>£295</b>	<b>£205</b>	<b>-£90</b>	<b>-31%</b>
<b>Overall Infrastructure Charge inc Component</b>	<b>£2,255</b>	<b>£2,560</b>	<b>£305</b>	<b>14%</b>

## 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

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

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

## 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.

				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
<b>Pre-construction Charges</b>											
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
<b>Subtotal</b>					<b>£210</b>		<b>£210</b>		<b>£295</b>		<b>£295</b>
<b>Construction Charges</b>											
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	£2,010
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
<b>Subtotal</b>						<b>£7,290</b>		<b>£8,320</b>		<b>£8,810</b>	<b>£10,070</b>
<b>Other Charges</b>											
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
<b>Subtotal</b>						<b>£740</b>		<b>£740</b>		<b>£720</b>	<b>£720</b>
<b>Infrastructure Charges</b>											
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
<b>Subtotal</b>						<b>£1,960</b>		<b>£1,960</b>		<b>£2,355</b>	<b>£2,355</b>
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
<b>Subtotal</b>						<b>-£385</b>		<b>-£385</b>		<b>-£475</b>	<b>-£475</b>
<b>Total Scheme Cost including Environmental Incentive</b>						<b>£9,815</b>		<b>£10,845</b>		<b>£11,705</b>	<b>£12,965</b>
										<b>19.3%</b>	<b>19.5%</b>

% 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
<b>Pre-construction Charges</b>											
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
<b>Subtotal</b>					<b>£390</b>		<b>£390</b>		<b>£460</b>		<b>£460</b>
<b>Construction Charges</b>											
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
<b>Subtotal</b>					<b>£10,790</b>		<b>£12,030</b>		<b>£12,710</b>		<b>£14,170</b>
<b>Other Charges</b>											
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
<b>Subtotal</b>					<b>£740</b>		<b>£740</b>		<b>£720</b>		<b>£720</b>
<b>Infrastructure Charges</b>											
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
<b>Subtotal</b>					<b>£5,880</b>		<b>£5,880</b>		<b>£7,065</b>		<b>£7,065</b>
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
<b>Subtotal</b>					<b>-£1,155</b>		<b>-£1,155</b>		<b>-£1,425</b>		<b>-£1,425</b>
<b>Total Scheme Cost including Environmental Incentive</b>					<b>£16,645</b>		<b>£17,885</b>		<b>£19,530</b>		<b>£20,990</b>
									<b>17.3%</b>		<b>17.4%</b>

% 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.

				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
<b>Pre-construction Charges</b>											
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
<b>Subtotal</b>					<b>£750</b>		<b>£750</b>		<b>£790</b>		<b>£790</b>
<b>Construction Charges</b>											
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	£205	£2,050
<b>Subtotal</b>					<b>£12,310</b>		<b>£13,420</b>		<b>£14,730</b>		<b>£16,020</b>
<b>Other Charges</b>											
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
<b>Subtotal</b>					<b>£740</b>		<b>£740</b>		<b>£720</b>		<b>£720</b>
<b>Infrastructure Charges</b>											
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
<b>Subtotal</b>					<b>£19,600</b>		<b>£19,600</b>		<b>£23,550</b>		<b>£23,550</b>
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
<b>Subtotal</b>					<b>-£3,850</b>		<b>-£3,850</b>		<b>-£4,750</b>		<b>-£4,750</b>
<b>Total Scheme Cost including Environmental Incentive</b>					<b>£29,550</b>		<b>£30,660</b>		<b>£35,040</b>		<b>£36,330</b>
										<b>18.6%</b>	<b>18.5%</b>

% 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.

				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	£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
Subtotal					£4,215			£4,215			£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
Pipe 125mm	Customer Excavation	Y	per metre	190	£170	£32,300	£190	£36,100	£190	£36,100	£210
Pipe 80/90mm	Customer Excavation	Y	per metre	100	£130	£13,000	£160	£16,000	£150	£15,000	£180
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here					£1,330		£1,330		£2,140	
Subtotal Main					£63,810			£71,010			£73,290
Connection 25/32mm	Customer Excavation	Y	per connection	50	£720	£36,000	£1,280	£64,000	£920	£46,000	£1,600
Pipe 25/32mm	Customer Excavation	Y	per metre	100	£30	£3,000	£40	£4,000	£40	£4,000	£50
Traffic Management	Traffic Management, Meter & Installation costs are included in your Connection/Pipelaying fee on your quote but shown separately here									£0	
Meter Installation	Customer Excavation	Y	per connection	50	£40	£2,000	£40	£2,000	£40	£2,000	£40
Meters (Smart)	Customer Excavation	N	per connection	50	£120	£6,000	£120	£6,000	£150	£7,500	£150
Subtotal Service Connections					£47,000			£76,000			£59,500
Subtotal Construction					£110,810			£147,010			£132,790
Other Charges											
Consent to connect (foul water)		N	per application	1	£370	£370	£370	£370	£360	£360	£360
Consent to connect (surface water)		N	per application	1	£370	£370	£370	£370	£360	£360	£360
Subtotal					£740			£740			£720
Infrastructure Charges											
Infrastructure Charge (water)		N	per connection	50	£1,475	£73,750	£1,475	£73,750	£1,575	£78,750	£1,575
Infrastructure Charge (wastewater)		N	per connection	50	£485	£24,250	£485	£24,250	£780	£39,000	£780
Subtotal					£98,000			£98,000			£117,750
Environmental Component Water		N	per connection	50	£255	£12,750	£255	£12,750	£150	£7,500	£150
Environmental Component Waste		N	per connection	50	£40	£2,000	£40	£2,000	£55	£2,750	£55
Environmental Discount Water Tier 1		N	per connection	50	-£400	-£20,000	-£400	-£20,000	-£400	-£20,000	-£400
Environmental Discount Waste		N	per connection	50	-£280	-£14,000	-£280	-£14,000	-£280	-£14,000	-£280
Subtotal					-£19,250			-£19,250			-£23,750
Total Scheme Cost including Environmental Incentive					£194,515			£230,715			£231,435
										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.



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.

% change 2026-27 compared to 2025-26

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## 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.

				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
<b>Pre-construction Charges</b>											
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
<b>Subtotal</b>					<b>£4,215</b>		<b>£4,215</b>		<b>£3,925</b>		<b>£3,925</b>
<b>Construction Charges</b>											
Connection 250mm	Road	N (CA*)	per connection	1	£11,050	£11,050	£11,050	£11,050	£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	Customer Excavation	Y	per metre	100	£210	£21,000	£240	£24,000	£230	£23,000	£260
Pipe 125mm	Customer Excavation	Y	per metre	480	£170	£81,600	£190	£91,200	£190	£91,200	£210
Pipe 80/90mm	Customer Excavation	Y	per metre	400	£130	£52,000	£160	£64,000	£150	£60,000	£180
Traffic Management	Included in Connection and Pipelaying fees in your quote but shown separately here					£2,310		£2,510		£3,710	
<b>Subtotal Main</b>					<b>£187,560</b>		<b>£212,960</b>		<b>£213,170</b>		<b>£238,570</b>
Connection 25/32mm	Customer Excavation	Y	per connection	200	£720	£144,000	£1,280	£256,000	£920	£184,000	£1,600
Pipe 25/32mm	Customer Excavation	Y	per metre	400	£30	£12,000	£40	£16,000	£40	£16,000	£50
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
Meters (Smart)	Customer Excavation	N	per connection	200	£120	£24,000	£120	£24,000	£150	£30,000	£150
<b>Subtotal Service Connections</b>					<b>£188,000</b>		<b>£304,000</b>		<b>£238,000</b>		<b>£378,000</b>
<b>Subtotal Construction</b>					<b>£375,560</b>		<b>£516,960</b>		<b>£451,170</b>		<b>£616,570</b>
<b>Other Charges</b>											
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
<b>Subtotal</b>					<b>£740</b>		<b>£740</b>		<b>£720</b>		<b>£720</b>
<b>Infrastructure Charges</b>											
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
<b>Subtotal</b>					<b>£392,000</b>		<b>£392,000</b>		<b>£471,000</b>		<b>£471,000</b>
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
<b>Subtotal</b>					<b>-£77,000</b>		<b>-£77,000</b>		<b>-£95,000</b>		<b>-£95,000</b>
<b>Total Scheme Cost including Environmental Incentive</b>					<b>£695,515</b>		<b>£836,915</b>		<b>£831,815</b>		<b>£997,215</b>
									<b>19.6%</b>		<b>19.2%</b>

% 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.

				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	£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	£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	Footpath	Y	per metre	100	£760	£76,000	£790	£79,000	£940	£94,000	£970	£97,000
Pipe 125mm	Unmade	Y	per metre	480	£300	£144,000	£320	£153,600	£340	£163,200	£360	£172,800
Pipe 80/90mm	Unmade	Y	per metre	400	£270	£108,000	£280	£112,000	£320	£128,000	£330	£132,000
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	£442,000
Pipe 25/32mm	Unmade	Y	per metre	400	£170	£68,000	£200	£80,000	£200	£80,000	£240	£96,000
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	£8,000
Meters (Smart)	Unmade	N	per connection	200	£120	£24,000	£120	£24,000	£150	£30,000	£150	£30,000
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.

				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
<b>Pre-construction Charges</b>											
Application FeeNC	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
<b>Subtotal</b>					<b>£12,150</b>		<b>£12,150</b>		<b>£11,240</b>		<b>£11,240</b>
<b>Construction Charges</b>											
Connection 180mm	Road	N (CA*)	per connection	1	£12,505	£12,505	£13,005	£13,005	£15,005	£15,005	£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		£9,060
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
<b>Subtotal</b>					<b>£64,500</b>		<b>£65,090</b>		<b>£74,380</b>		<b>£75,000</b>
<b>Other Charges</b>											
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
<b>Subtotal</b>					<b>£740</b>		<b>£740</b>		<b>£720</b>		<b>£720</b>
<b>Infrastructure Charges</b>											
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
<b>Subtotal</b>					<b>£392,000</b>		<b>£392,000</b>		<b>£471,000</b>		<b>£471,000</b>
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
<b>Subtotal</b>					<b>-£77,000</b>		<b>-£77,000</b>		<b>-£95,000</b>		<b>-£95,000</b>
<b>Total Scheme Cost including Environmental Incentive</b>					<b>£392,390</b>		<b>£392,980</b>		<b>£462,340</b>		<b>£462,960</b>
									<b>17.8%</b>		<b>17.8%</b>

% 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

Dated: 19 January 2026

Signed:



Steve Buck, Chief Financial Officer

Signed:



Cathryn Ross, Strategy &  
External Affairs Director

Dated: 19 January 2026



Signed:

Nick Land, Senior Independent Non-Executive Director

For and on behalf of Thames Water Utilities Limited

