



Charging Consultation Response for 2026/2027

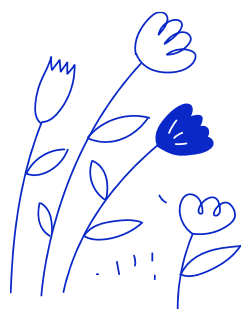
Development Experience New Connections

November 2025



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Introduction

Our Development Experience team are committed to providing water supplies to new developments, enabling growth in our region, and supporting effective markets.

We are passionate about providing an outstanding level of customer service and recognise the importance of gaining feedback on our strategic direction.

We will publish our final charges for new connections services and infrastructure charges by 1st February 2026. The proposed charges in this consultation document are for consultation purposes only and may differ from our final charges. An inflation figure has been applied to charges in line with forecast, to ensure figures are as reflective as possible at this stage.

As part of this consultation, we invite you to share your feedback on the following questions:

1. **WHAT ARE YOUR VIEWS ON INTRODUCING A FEE FOR RE-DESIGN AND RE-QUOTE REQUESTS?**
2. **WHAT ARE YOUR VIEWS ON INTRODUCING A FEE FOR RE-QUOTE REQUESTS?**
3. **TO WHAT EXTENT DO YOU AGREE WITH SEPARATING 50MM AND 63MM SERVICE CONNECTIONS CHARGES?**
[STRONGLY AGREE, AGREE, NEITHER AGREE NOR DISAGREE, DISAGREE, STRONGLY DISAGREE]
4. **TO WHAT EXTENT DO YOU SUPPORT THE DECISION TO UNBUNDLE REQUISITION CHARGES FOR PIECE-THROUGHS AND VALVES?**
[STRONGLY AGREE, AGREE, NEITHER AGREE NOR DISAGREE, DISAGREE, STRONGLY DISAGREE]
5. **WHAT ARE YOUR VIEWS ON DEFERRING THE ENVIRONMENTAL COMPONENT UNTIL THE POINT OF CONNECTION IS MADE FOR NAV SITES EXCEEDING 1000 PLOTS?**
6. **DO YOU HAVE ANY ADDITIONAL COMMENTS OR SUGGESTIONS YOU'D LIKE TO SHARE WITH US?**
7. **WHERE DID YOU COME ACROSS THIS CONSULTATION?**
[WEBSITE, LINKEDIN, EMAIL, OTHER]

Responding to this consultation

Each year we publish our new connections charging arrangements for development customers, to explain the charges associated with services which support growth and new efficient developments in our region. As part of this process, we consult with our customers to understand their views on any proposed changes, as well as feedback on best practice across the industry.

We will take on board your feedback, to ensure our charges for next year reflect what is important to you. All feedback will be anonymised and published in a decision document towards the end of November 2025. Your opinions and comments on our proposed changes are greatly appreciated and are key to helping shape our future.

We invite you to share feedback by completing our [online response form](#), it's quick and easy to do, it should only take about five minutes! If you'd prefer to email us, please send your response to charges@affinitywater.co.uk.

The deadline for submissions is 17:00 on Tuesday, October 28th, 2025



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1. Minor Re-Design Fees



Currently, Affinity Water does not charge customers for a minor re-design request following the submission of an initial design. Processing these requests requires additional time and resources, involving a re-assessment of the original design.

To reflect the costs and time incurred in managing these changes and to ensure a fair and consistent approach, we are proposing to introduce a minor re-design fee set at 25% of the original design fee.

This fee would apply where a customer requests minor amendments to an issued design, including but not limited to:

- a. a change to the site boundary; or
- b. a change to the size of the water main; or
- c. adding, removing or changing the location of the communication pipes.

The proposed fee is intended to recover the cost of delivering these changes and to encourage customers to ensure their design requirements are confirmed prior to submission.

Q1: WHAT ARE YOUR VIEWS ON INTRODUCING A FEE FOR RE-DESIGN REQUEST

Response

Q1

Overall, respondents were broadly supportive of introducing a fee for minor re-design requests, recognising that re-designs require additional time and resources. Some respondents requested clarity on how re-design fees would be applied for NAV sites as some of these scenarios are not applicable to NAV developments.

We will take this feedback into account as we refine the approach to minor re-design fees. Guidance will be developed to support a consistent and practical application of these fees for all customers and will be published within the New Connections Charging Arrangements 2026/27.



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2. Re-Quote Fees

Similar to re-design requests, Affinity Water does not charge for re-quotes which is an updated quotation requested by the customer following the provision of an initial quote.

While we recognise the importance of flexibility for customers to make necessary amendments to their development requirements, it is important to note the process involves re-assessing the quote and requires administrative input.

We are proposing to introduce a charge for re-quote requests in the 2026-27 charging year. This charge will reflect the administrative resource required to process these requests and support a more cost reflective approach. We propose that the same fee would apply to all application types to ensure consistency in our charging structure.

Q2: WHAT ARE YOUR VIEWS ON INTRODUCING A FEE FOR RE-QUOTE REQUESTS?

Response

Q2

The majority of respondents were generally supportive of introducing a fee for re-quote requests, considering it reasonable in principle. However, they requested further clarity on the work involved in reassessing quotations and the level of the proposed fee.

Affinity Water will provide further clarity on the work involved in reassessing quotations and the proposed fee in the New Connections Charging Arrangements 2026/27 with the relevant fee, as this information is currently being prepared.



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3. Separate Service Connections Charges

Currently, Affinity Water applies a single averaged charge for service connections using 50mm and 63mm diameter pipes. While this approach has provided simplicity, it does not reflect the actual variation in costs associated with the two connection sizes. In line with our commitment to improving cost reflectivity and transparency, we propose to separate these into separate individual charges.

This change will allow for a more accurate allocation of costs based on the specific materials and installation requirements associated with each pipe size. Separating these charges will provide greater clarity to help customers make informed choices on their site requirements and be cost reflective based on the actual size of the connection required.

Q3: TO WHAT EXTENT DO YOU AGREE WITH SEPARATING 50MM AND 63MM SERVICE CONNECTIONS CHARGES?

[STRONGLY AGREE, AGREE, NEITHER AGREE NOR DISAGREE, DISAGREE, STRONGLY DISAGREE]

Response

Q3

Responses to separate the 50mm and 63mm service connections were mixed, whilst noting that the change is not applicable to NAVs. Overall, feedback was evenly balanced, with no clear support to either implement or not to implement the proposal.

Affinity Water aims to be transparent with its charges and continue to unbundle costs where appropriate to provide greater clarity for customers. However, this particular change will not be implemented for the 2026/27 charging year but will be reviewed further for potential implementation in 2027/28.



4. Unbundling Requisition Charges

Ofwat has advocated for the unbundling of charges in the developer services market to ensure that customers only pay for the services they directly use, thereby providing greater transparency in how charges are calculated¹. Whilst Affinity Water already unbundles all charges for service connections, we remain committed to improving clarity and increasing the transparency of requisition charges.

As part of our ongoing commitment to transparency and cost reflectivity in our charging structure, Affinity Water will unbundle the requisition (mains) charges for the 2026-27 charging period. This will involve separating key components of the requisition charge, specifically for piece-throughs and valves into individual charges. This provides clearer visibility to customers regarding costs associated within the charging framework.

Q4: TO WHAT EXTENT DO YOU SUPPORT THE DECISION TO UNBUNDLE REQUISITION CHARGES FOR PIECE-THROUGHS AND VALVES?

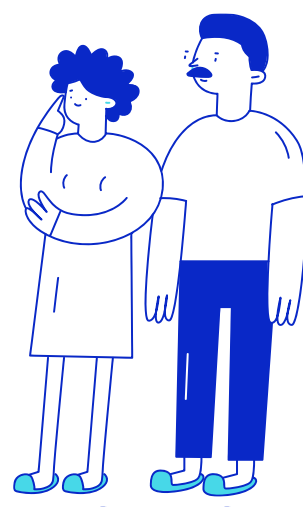
[STRONGLY AGREE, AGREE, NEITHER AGREE NOR DISAGREE, DISAGREE, STRONGLY DISAGREE]

Response

Q4

A large proportion of respondents supported the decision to unbundle requisition charges for piece-throughs and valves. Feedback indicated strong agreement that unbundling helps improve transparency and makes it easier for customers to understand Affinity Water's charging methodology and to quote accurately.

We support this view to proceed with unbundling the requisition charge and remain committed to ensuring charges are transparent, fair and reflective of the actual work and costs involved.



¹ <https://www.ofwat.gov.uk/wp-content/uploads/2021/08/August-2021-Statutory-consultation-on-changes-to-our-charging-rules.pdf>



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5. Large Plots for New Appointments and Variations

We recognise that for large New Appointment and Variation (NAV) developments, particularly those exceeding 1,000 plots, the current requirement to pay the Environmental Component upfront can place a significant financial burden on NAVs at an early stage. In many cases, these developments are delivered in phases over several years, where some plots may change.

To support efficient delivery of large-scale developments and reduce unnecessary strain on NAVs, we propose to defer the Environmental Component charge until the point of connection, alongside the Infrastructure Charge for any NAV developments which exceed 1,000 plots. The charge will be applied based on the charging arrangements in place at the time the connection is made.

This approach will ensure charges are more accurately linked to larger phased developments which are expected to be delivered over several years.

5: WHAT ARE YOUR VIEWS ON DEFERRING THE ENVIRONMENTAL COMPONENT UNTIL THE POINT OF CONNECTION IS MADE FOR NAV SITES EXCEEDING 1000 PLOTS?

Response

Q5

There was high agreement with the proposal to defer the environmental component until the point of connection for NAV sites exceeding 1,000 plots. While most were supportive, some respondents suggested that the 1,000-plot threshold might be too high and questioned why the approach could not apply to all sites, regardless of size.

In light of this feedback, Affinity Water has revised the threshold to 500 plots. We consider this threshold to be a fair and proportionate approach for NAV sites, which typically involve large, phased developments. This threshold helps to reduce the financial burden of paying a significant upfront environmental component charge on projects that may not be connected for several years, while maintaining a balanced and transparent approach to cost recovery.



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Summary

We hope you found this consultation interesting and helpful in anticipating how we propose to structure our developer charges in 2026/2027.

Overview of our proposed changes to New Connections Charging – 2026/27

Proposal	Current Approach	Proposed Approach (2026/27)	Rationale	Customer Impact
Minor Re-Design Fees	No fee for minor re-designs after a design has been issued.	Introduce a fee set at 25% of the original design fee for minor amendments (e.g. boundary change, pipe size adjustment, altering comms pipe locations).	Recover staff time/costs; encourage accurate submissions from the outset; ensure consistency.	Customers will face a modest charge if they request changes post-submission, but this promotes upfront accuracy and fairness.
Re-Quote Fees	No fee for revised quotations.	Introduce a re-quote fee (same rate for all application types).	Reflects admin effort; supports a cost-reflective approach; discourages unnecessary re-quotes.	Customers will pay for re-quotes, encouraging them to finalise requirements earlier.
Separate Service Connection Charges	A single averaged charge for 50mm and 63mm connections.	Split into two charges: one for 50mm and one for 63mm.	Improves cost reflectivity; increases transparency; aligns charges with actual installation costs.	Developers get clearer pricing; those requiring 50mm may benefit from lower charges than currently averaged.
Unbundling Requisition Charges	Piece-throughs and valves included within a bundled requisition charge.	Unbundle requisition charges to show separate line items for piece-throughs and valves.	Aligns with Ofwat's push for transparency; allows customers to see what they are paying for.	Customers have greater clarity over costs; only pay for services used.
Large Plots for NAVs	Environmental component charge is paid upfront.	Environmental component charge for large plots (1000+) will be levied at time of connection.	Reduced financial burden on large phased projects.	Customer will pay the rate in the charging year when the connection is made.



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If you have something you would like to share with us that does not sit under the questions included throughout this document, we have included two final questions to provide you with this opportunity and an insight into how you found us!

Q6: DO YOU HAVE ANY ADDITIONAL COMMENTS OR SUGGESTIONS YOU'D LIKE TO SHARE WITH US?

Q7: WHERE DID YOU COME ACROSS THIS CONSULTATION?

[WEBSITE, LINKEDIN, EMAIL, OTHER]

Response

There has been interest in learning more about our environmental incentives common framework and the timing of its application. We continue to review both the environmental incentives and the environmental component to ensure they remain transparent, fair and reflective for customers.

We extend our sincere thanks to all those who participated and generously shared their time and opinions with us. The feedback we received has, and will continue to, guide us in developing our charging approach and strategic direction.

We note that our mailshot notification of our live consultation delivered a successful response rate. If you missed out and wish to be on the list for future releases, please drop us a note to charges@affinitywater.co.uk.

Next steps

Your opinions and comments on our proposed changes are greatly appreciated and are key to helping shape our future.

We invite you to share feedback by completing our [online response form](#), it's quick and easy to do, it should only take about five minutes! If you'd prefer to email us, please send your response to charges@affinitywater.co.uk.

The deadline for submissions is 17:00 on Tuesday, October 28th, 2025.

Following the review of feedback, we will publish a decision document on our website by the end of November 2025.



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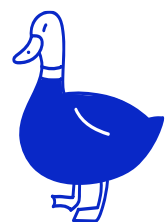
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About Affinity Water

We provide on average 950 million litres of water each day to a population of more than 3.8 million people across three supply areas in the southeast of England.



Each year, around 10,000 new properties are connected to our network. Most properties are connected to our existing water mains while others require our network to be extended (and sometimes reinforced) to facilitate connection.



Background

From 1 April 2018, the basis for charging for the new connections services we provide changed. From this date, water companies are required to set charges in accordance with rules made by Ofwat.

There are two sets of rules that we must follow in setting our charges for the period 1 April 2026 to 31 March 2027:

- Ofwat's Charging Rules for New Connection Services (English Undertakers)²
- Charges Scheme Rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991³

The new connections charging rules underwent consultation during 2021, with the changes now included in the above reiterations. The rules apply to the provision of water mains and new connections provided for domestic purposes as well as the diversion of water mains situated in private land. They do not apply to:

- a) requests for a supply of water for non-domestic purposes,
- b) requests made by a water supply licensee for the connection of premises to our network, or other steps in respect of that system; or
- c) charges under an agreement to provide one or more water undertakers with a supply of water in bulk.

This consultation also featured the introduction of a new general charging principle around cost-reflectivity⁴. We are required to determine our charges in accordance with these principles which are as follows:

- a) fairness and affordability;
- b) environmental protection;
- c) stability and predictability;
- d) transparency and customer-focused service; and
- e) reflect cost of the relevant service.

² https://www.ofwat.gov.uk/wp-content/uploads/2021/10/Charging_Rules_For_New_Connection_Services_Effective_April_2022.pdf

³ https://www.ofwat.gov.uk/wp-content/uploads/2021/10/Charges_Scheme_Rules_Effective_April_2022.pdf

⁴ <https://www.ofwat.gov.uk/wp-content/uploads/2021/08/August-2021-Statutory-consultation-on-changes-to-our-charging-rules.pdf>



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