

Development Services

Charging Arrangements Consultation

Phase 1 | November 2025



Development Services: Have your say

Current principles and background to Developer Charging

The Water Act 2014 provides Ofwat with the powers to develop and update Developer Services charging rules. In 2018, Ofwat introduced new rules that govern the charges Water Companies can impose when providing new connection services to customers.

The Charging Rules for New Connection Services (English Undertakers) replaced the charging arrangements that were previously set out in the Water Industry Act of 1991 (WIA91).

Under these new rules, companies were required to determine charges in accordance with the following principles:

1. fairness and affordability;
2. environmental protection;
3. stability and predictability; and
4. transparency and customer focused service.
5. charges must reflect the cost of the relevant service

In addition, from April 2020, every New Connection customer, regardless of size or customer type, paid a one-off Infrastructure Charge, set by each water company based on the forecast costs of future network reinforcement. Since the start of AMP8, 2025/26, our on-site activity has been de-regulated, and in-line with the principles above, we must recover all costs from our developer customers. Since the start of AMP8, 2025/26, our on-site activity has been de-regulated, and in-line with the principles above, we must recover all costs from our developer customers. Over the last few years, Ofwat has been asking water companies to consider how they can incentivize developers to achieve greater water sustainability in their house building. A number of companies, including Anglian Water, have introduced discounts to their water and/ or wastewater connection infra charges where developers have delivered more water efficient/ sustainable homes. Through this consultation we are considering our proposals to support our customers in delivering a greater level of sustainability, and the level of financial incentive we propose to support this.

Recently we have sought to introduce greater clarity and transparency into our charging arrangements by unbundling some of our charges and simplifying our charging arrangements.

We are seeking your views on our proposals related to the above, through our charges, in preparation for 2026 and beyond.



2026/27 Charges Consultation Questions

In summer 2024 Ofwat published their consultation with draft guidance on their Environmental Incentives Common Framework (EICF) which came into effect from 1 April 2025. From April next year, we are looking to expand on our current Environmental Incentive Scheme (EIS) to introduce a second tier of incentive to promote reductions in potable water demand by incentivising developers to install rainwater or greywater reuse systems in water connections for new residential properties.

Last year we also made significant changes to our Charges structure and documentation with the aim of simplifying our Charges and improving the transparency for our customers. Whilst we wish to maintain a stable structure for our Charges, our aim is to allow customers to predict final scheme costs with a degree of certainty. We are continuing with the process this year of making it simpler and easier to understand our charges for the services we offer, enhancing our guidance and ‘navigation’ of our charges to facilitate customers building a cost estimate that is as relevant as possible for each project.

We'd love to hear from you



This year, our 'Have Your Say' consultation is made up of 3 stages:

Phase 1: November 2025: Consultation opens

Launching in November 2025, we'll be reaching out to our key customer groups to get an understanding of what matters to you most, specifically reflecting on Environmental Incentives, Simplicity and Transparency, and Transitional Support Arrangements

Please note – a separate consultation will be shared with our NAV customers.

Phase 2: Working together

From November onwards, we'll consolidate and reflect on your feedback as we finalise our charging arrangements and begin to implement our future service offerings.

Phase 3: January 2026: Publishing our plans

We'll publish our final charging arrangements for the period 2026-2027 by the end of January.

How to give us your views

Our consultation covers 3 key areas (Environmental Incentives, Simplicity and Transparency, and Transitional Support Arrangements). With 10 questions in total, this should take you around 15 minutes to complete.

The consultation is available online using Microsoft Forms and is open until Friday 28 November 2025. You can find the consultation and give us your thoughts [here](#) or using the QR code on this page.



We'll publish an anonymous summary of the feedback we receive on our website and use it to shape our future charging arrangements and service offerings. If you have any questions on this consultation or wish to provide more feedback on your experience of our charging arrangements or working with us, please email engagement@anglianwater.co.uk

Have your say

Environmental Incentives for 2025-2030

Based on the published Ofwat documentation (Environmental incentives to support sustainable new homes — conclusions and final consultation, Ofwat, October 2024) we introduced a new water environmental incentive for 2025-26 using an internal fixtures and fittings approach and a target of 90 litres per person per day (lpppd).

This year, we are looking to expand our current Environmental Incentive from April 2026 to further reduce potable water demand by incentivising developers to install rainwater or greywater reuse systems in water connections for new residential properties.

Question 1

Would you be interested in in applying for the additional incentive on rainwater and greywater reuse from next year?

☐

Yes

Full application covering current qualifying fixtures and fittings incentive and rainwater or greywater reuse systems

☐

Yes

Partial application for rainwater or greywater reuse systems only

☐

No

I’m happy with the **current application** for current qualifying fixtures and fittings incentive only

☐

No

I would **not be interested** in making an application

Comments

Question 2

What value incentive would you expect to receive based on installation of a rainwater or greywater reuse system in new residential properties?

Full application (fixtures and fittings — including dishwasher/ washing machine)

☐

£1000

☐

£1,500

☐

£2000

☐

£2,500

☐

Other amount (please specify)

£

Question 3

To encourage early adoption of rainwater and greywater reuse systems, we are considering an additional bonus incentive for properties connected within the first 2 years of the new incentive tier – would you support an early adoption bonus and at what amount?

☐

Yes

Additional £500 per property

☐

Yes

Additional £1,000 per property

☐

Yes

Other amount (please specify)

£

☐

No

No additional incentive

Question 4

We are considering what bespoke incentives we may be able to offer in future years. Do you have any thoughts on what these should be that we can use to help shape our thinking?

Comments

Our charges: Simplicity and Transparency

Last year, to increase simplicity of our Charges, we grouped similar charges within their component groups where there are only marginal differences, such as with certain pipe diameters or material types as we feel this supports our customers' ability to estimate their overall scheme costs. In addition and to improve clarity in our costs, we introduced clearer up-front fees, payable throughout stages of your project. This was based on customer feedback from previous consultations. We now separate out administrative, design and other fees from our construction elements. The application fee covers the cost of the project report and cost estimate. Once the application proceeds, this is when the constructions fees are payable. We have always had these fees in our charges, but breaking them down allows us to provide more accurate cost estimates.

We also undertook a review of our pre-development charges, and as a result, introduced a tiered Pre-Planning Enquiry (PPE) service, offering a 'basic' initial report for speculative inquiries that is much faster and cost effective. We have then introduced additional charges that apply to more complex enquiries, such as those that require modelling.

Question 5

Do you think that the introduction of up-front fees gives more cost certainty of final project charges?

☐

Yes

☐

No

Add any additional comments here:

Question 6

Do you agree that grouping of similar charges, for example similar pipe diameters, and having a single price for these components would aid simplicity when estimating the final project charge?

☐

Yes

☐

No

Add any additional comments here:

Question 7

Do you agree that the introduction of the initial ‘pre-planning’ charge that covers a basic initial report is more cost effective?

☐

Yes

☐

No

Add any additional comments here:

Question 8

Are there any other steps that we could take to increase the simplicity or transparency of our Charges when estimating project charges? (Please select all that apply)

☐

Website design

☐

Simplify charges documentation

☐

Online tools/estimators

☐

Case management

☐

Other (please specify in the box below)

Add any additional comments here:

Question 9

Do you have any other thoughts on how we can improve the simplicity and transparency of our charges?

Transitional Support Arrangements

As we consider our developer charging arrangements for April 2026 onwards, prices could increase by more than 10%, and for some customer types instances more, to ensure that we recover our costs, therefore we are conscious that increased cost is of concern to our customers.

In previous years when we have had more significant increases in our charges, we have ensured we have communicated the changes as widely and early as possible in order that customers have the option to settle their accounts prior to the increase. This year, we will continue our early, and open communication around our charges. We also have an online water calculator tool which enables customers to estimate their possible scheme costs in advance.

Question 10

In the event that there is an increase in overall cost, which the additional Environmental Incentive does not mitigate, are there any other support arrangements that we should consider for the 2026/27 charging year?

☐

Yes (please specify)

☐

No

Add any additional comments here:



Our conversation doesn't end here..

We're currently reviewing our programme of engagement for the year ahead. We'd love to hear more about how you'd like us to keep you up to date, share latest industry updates and understand what value add conversations look like to you. This is the engagement we offer beyond the regular communications you have with our teams or Growth Liaison Managers for your projects.

Question 1

What is your preferred method of engagement throughout the year?

Please select all of the relevant options.

- | | |
|--|---|
| ☐ Face to face forum | ☐ Virtual forum |
| ☐ Electronic or mailed newsletter | ☐ Something else |

Question 2

How frequently would you like us to engage with you? Please select all of the relevant options.

- | | | |
|----------------------------------|------------------------------------|---------------------------------|
| ☐ Monthly | ☐ Quarterly | ☐ Yearly |
|----------------------------------|------------------------------------|---------------------------------|

Question 3

What content do you or your organisation recognise as value add? (For example technical or service offering information, current and future industry updates.)

Thanks for your time and contribution. We look forward to hearing your views.