

Statement of Significant Changes 2022/23



South West
Water



Bournemouth
Water

STATEMENT OF SIGNIFICANT CHANGES

As required under section A2 of the Charges Scheme Rules issued by the Water Services Regulation Authority under sections 143(6A) and 143B of the Water Industry Act 1991, South West Water is publishing details of any significant changes to our charges for 2022/23, including where bill increases are expected to be greater than 5% from the previous year.

Our wholesale charges, to be published separately, have been developed using best available information and assumptions, notwithstanding ongoing uncertainty around the impact of COVID-19 on the macro economic environment.

Our Charges Schemes, to be published separately, will set out charges for all household customer tariffs for 2022/23.

Key assumptions underpinning charge movements

The changes in primary charges for 2022/23 include the following assumptions:

- November CPIH inflation as published by the ONS on 16 December at 4.6%
- Changes in allowed revenue arising from SWW's Final Determination
 - Water Resources +1.65%
 - Water Network plus -1.75%
 - Wastewater Network plus -6.35%
- Movements in relevant revenue true up mechanisms including ODI rewards and penalties
- Changes in expected volume of new connections, related customer numbers and forecast consumption. Given the current economic uncertainty, consumption patterns are much less predictable than is typically the case, but assumptions have been made using the best available information.

Charging policy

There are no significant changes anticipated to South West Water's charging policy or structures between 2021/22 and 2022/23

Bill increases of more than 5% from the previous year

South West Water's Board has reviewed the effects of 2022/23 charges on SWW and BW customers' bills (end-user charges) and can confirm there will be no significant changes to bills for 2022/23.