

Changes in our charges¹

2025-26 Non-Household Scheme of Charges

There will be some significant increases in non-household charges next year; you can read more about [why bills are changing](#) and the steps we have taken to reduce the impact on customers this year ([mitigation](#)) further on in this document.

Illustrative bills – non-household

Typical customers will see different bill changes depending on whether they are metered or unmetered and the amount of water they use. Illustrative bill changes for a range of customers are set out below.

Bills for typical non-household customers in Powys and Monmouthshire

| Customer bills | 24-25 Water | Waste ¹ | Total | 25-26 Water | Waste | Total | Incr % | £ per month |
|-----------------------|----------------|--------------------|-----------------|----------------|----------|-----------------|-----------|----------------|
| <i>Unmetered</i> | | | | | | | | |
| Low | £198 | £216 | £413 | £254 | £338 | £592 | 43.2% | +£14.75 |
| Average | £245 | £264 | £508 | £314 | £423 | £737 | 45.1% | +£19.00 |
| High | £299 | £319 | £618 | £385 | £522 | £907 | 46.6% | +£24.00 |
| <i>Metered</i> | | | | | | | | |
| V Small (60m3) | £148 | £288 | £436 | £169 | £356 | £525 | 20.4% | +£7.50 |
| Small (120m3) | £355 | £439 | £794 | £413 | £615 | £1,028 | 29.5% | +£19.50 |
| 1,000m3 | £2,011 | £1,891 | £3,902 | £2,367 | £2,944 | £5,311 | 36.1% | +£117.50 |
| 5,000m3 | £9,900 | £10,168 | £20,068 | £11,675 | £15,482 | £27,156 | 35.3% | +£590.75 |
| 25,000m3 | £45,924 | £38,280 | £84,204 | £54,975 | £64,810 | £119,784 | 42.3% | +£2,965 |
| 75,000m3 | £122,456 | £126,912 | £249,368 | £150,304 | £203,905 | £354,209 | 42.0% | +£8,737 |
| <i>Trade effluent</i> | | | | | | | | |
| Small (120m3) | £355 | £465 | £820 | £413 | £647 | £1,061 | 29.3% | +£20.00 |
| 1,000m3 | £2,011 | £6,933 | £8,945 | £2,367 | £12,231 | £14,599 | 63.2% | +£471.25 |
| 5,000m3 | £9,900 | £6,933 | £16,833 | £11,675 | £12,231 | £23,906 | 42.0% | +£589.50 |
| 25,000m3 | £45,924 | £33,644 | £79,567 | £54,975 | £60,099 | £115,074 | 44.6% | +£2,959 |

- For some customers, wastewater services will be provided by Dŵr Cymru Welsh Water; DCWW also bill some of our wastewater-only customers on our behalf.

Water charges for a typical metered non-household customer are increasing by around 6.2%. We provide wastewater services for around 1 in 6 of our non-household customers. For these customers, wastewater charges are rising more significantly, primarily to pay for improvements in the environment such as reducing sewer spills into rivers.

We also provide water services in the Wrexham area. We don't provide sewerage services there, so the wastewater charges for these customers will usually be set by Dŵr Cymru Welsh Water (DCWW). We've estimated overall bills in Wrexham including DCWW wastewater bills.

¹ Statement of Significant Changes

Bills for typical non-household customers in the Wrexham area

| Customer bills | 24-25 Water | Waste ¹ | Total | 25-26 Water | Waste ¹ | Total | Incr % | £ per month |
|------------------|----------------|--------------------|-----------------|----------------|--------------------|-----------------|-----------|----------------|
| <i>Unmetered</i> | | | | | | | | |
| Low | £250 | £216 | £466 | £282 | £338 | £620 | 33.1% | +£12.75 |
| Average | £398 | £264 | £662 | £458 | £423 | £881 | 33.2% | +£18.25 |
| High | £497 | £299 | £796 | £576 | £385 | £960 | 20.6% | +£13.75 |
| <i>Metered</i> | | | | | | | | |
| V Small (60m3) | £141 | £288 | £429 | £175 | £356 | £531 | 23.8% | +£8.50 |
| Small (120m3) | £310 | £439 | £749 | £398 | £615 | £1,013 | 35.3% | +£22.00 |
| 1,000m3 | £1,731 | £1,891 | £3,621 | £2,274 | £2,944 | £5,218 | 44.1% | +£133.00 |
| 5,000m3 | £8,496 | £10,168 | £18,664 | £11,210 | £15,482 | £26,691 | 43.0% | +£669.00 |
| 25,000m3 | £42,312 | £38,280 | £80,592 | £55,876 | £64,810 | £120,685 | 49.7% | +£3,341 |
| 75,000m3 | £122,456 | £126,912 | £249,368 | £150,304 | £203,905 | £354,209 | 42.0% | +£8,737 |

1. Estimate based on information shared by Dŵr Cymru with an adjustment for the actual value of inflation.

Dŵr Cymru sewerage bills for 2025-26 are estimates because we didn't have their final charges at the time of publication. We've based these values on information they have shared with us, adjusting for known changes such as the final value of inflation and [Ofwat](#)'s final determination.

Why bills are changing

Each year the revenue controls set by [Ofwat](#) (our regulator) allow us to recover a fixed amount of revenue from our customers. This covers the cost of treating water, running and maintaining our network and cleaning wastewater before it is discharged to the environment (you can read more about what your bill pays for [here](#)). For most of our charges this is modified by inflation, adjustments for performance and any past over or under-recovery in previous years.

The level of charges is also influenced by volume. When we set our charges, we divide our allowed revenue over the properties we serve and the volume we expect them to use. When the volume increases, this lowers our average charges and if it falls then we need to increase charges to raise the same level of revenue. The impact on non-households depends on the volume of water they consume and the services they receive.

For the **majority of our customers**, the factors affecting non-household **water bills** for a typical customer are:

- **Inflation** added around **+3.1%** to customer bills.
- Ofwat **revenue controls** allowed for an effective real increase of **+16.7%**.
- **Volume** changes reduced wholesale water bills by around **-3.4%**.

Around 1 in 6 of our non-household customers also receive wastewater services from Hafren Dyfrdwy. The factors increasing **combined** non-household bills for a typical customer are:

- **Inflation** added around **+3.1%** to customer bills.
- Ofwat **revenue controls** allowed for an effective real increase of **+22.4%**.
- **Volume** changes increased combined wholesale bills by around **+4.1%**.

This overall increase funds a huge increase in [investment over the next five years](#). It is heavily weighted towards improving rivers and the environment, which means that it is heavily weighted towards the wastewater service. As a result, wastewater bills are going up more quickly than water.

If business demand falls, this leads to a lower contribution to the cost of running the services we provide and upward pressure on bills for all customers. We also expect some household and business customers to move to lower tariffs, which reduces their contribution. This will inevitably lead to increases for customers that continue to be billed in the same way as they were last year.

Stakeholder views

As part of our “customer tracker”, we survey a group of customers to understand the level of increase that might have a significant impact on their household finances. Around 60% of household customers thought that an increase of £5 per month would have some impact on their household finances and that this would have a big effect on around 20% of households. This would equate to an increase of about 13% on the average household bill. There is no average non-household customer, but the largest group are small businesses with usage similar to metered households.

Our illustrative bills above show that increase for small business customers will be significant next year. This is necessary in order to deliver on [customer priorities for improvement](#) to service and the environment. We talked to households and business customers across our region when we were putting together our plans. When we explained what our plan would deliver, customers generally thought that our [plan was acceptable](#) and focussed on the right things.

As we don’t provide sewerage services in the Wrexham area, we’ve estimated the overall bill impact with indicative figures for Dŵr Cymru Welsh Water bills. Our assessment of the impact on bills is [here](#).

We showed a draft view of our charges to [CCW](#), who represent the views of water customers. Our final charges are different to the early view which we showed to CCW in September. This is mainly due to the difference between [Ofwat’s](#) draft and final determinations for future prices; there is also a small difference due to the level of inflation. CCW have been fully involved in Ofwat’s periodic review and were aware that final charges were likely to be different from the early view.

Our retail account managers also engage with retailers directly, particularly regarding the way our charges are structured in CMOS² and we are simplifying our tariff structure within the system. Note that only wholesale water charges that could apply to non-households using more than 50,000m³ of water per year are included within CMOS for Hafren Dyfrdwy.

Managing changes in bills

The change in most non-household bills is above the rate of inflation this year for the reasons set out in the [section above](#). There will be changes for some groups of customers and we try to bring these in gradually, as set out below:

² Central Market Operating System

Fixed charges for unmetered customers

Some customer bills are still linked to the [Rateable Value](#) (RV) of their property and these bills will increase by more than metered customers. This is because – in general – unmetered customers use more water. We are gradually reducing the proportion of unmetered bills that is linked to RV and replacing this with fixed charges. We introduced a fixed charge for unmetered water in 2020-21, and did the same for wastewater in 2021-22. We're making very gradual changes to these charges, taking account of the other pressures on customers next year through higher inflation.

In Wrexham we are holding the fixed charge broadly flat, which will help keep bills down for the smallest customers. However, it does mean that charges based on [Rateable Value](#) will increase and other unmetered businesses will pay more. Larger premises can often save money by having a meter installed, and if it is practical to install a meter we will do this free of charge – see our [website](#) for details. If we can't fit a meter, customers can request an assessed charge – this will be based on an estimate of water consumption.

Customers using more than 10,000 cubic metres of water

Next year we will encourage more of our intermediate customers (using between 10,000 and 50,000 cubic metres of water) to move to the most advantageous wholesale tariff for them, which should help mitigate the effect of price rises this year. These customers are not eligible for the non-household retail market. There are no changes to the structure of charges that apply to eligible customers.

Bills for sewerage only customers

We have a small number of wastewater customers on the borders of our area that are billed on our behalf by Dŵr Cymru Welsh Water (DCWW). Water bills for these customers will be different from ours, but we would not expect a significant increase in their bills relative to the customers we bill directly.

Glossary

Revenue correction

We are regulated by Ofwat, which sets our revenue controls. We are allowed to collect a fixed overall amount to cover the cost of running the network, supplying water, collecting waste water and treating sewage. When we set charges, we try to make sure that they will recover the correct amount in the next charging year, but we need to forecast – for example, we don't know exactly how much water customers will use in advance. If we collect more than Ofwat allowed, we return this to customers by reducing future charges and vice versa.

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Outcome Delivery Incentives (ODIs)

When Ofwat sets our revenue controls, we also agree a set of Performance Commitments with our regulator and other stakeholders. These are things that our customers tell us are important to them such as reducing bursts, leakage and sewer flooding. If we don't hit our targets then customers get a reduction in their bills; if we do really well and exceed the target then we are allowed to collect a little more revenue. Overall, ODIs are a small proportion of the average bill. You can read more about what your bills pay for on our website [here](#).

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Rateable Value

The District Valuer originally assessed rateable values on behalf of the Inland Revenue. They were based on the size of the property, the number of rooms inside the property, the amenities available and the overall location. No new rateable values have been set since March 1990 following the introduction of the Poll Tax. Water companies are still legally entitled to use rateable value as the basis for charges, but we are not able to use council tax banding. New properties built since 1990 do not have a rateable value and are metered

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