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Retail Statement of Assurance

On behalf of Independent Water Networks Limited (IWNL) I certify that;

Introduction

1. The purpose of this document is to provide a statement of our assurance in relation to our 2026/27 Retail Charges Scheme ("Chagres Schemes").
2. Our Charges Schemes fix the charges that our household customers must pay for the period from 01 April 2026 to 31 March 2027 for specific services we provide in the course of carrying out our regulated duties; as well as setting out the terms and conditions of those charges and the times and method of payment that our customers can use to pay their bill. Our Charges Schemes will be made available on our website, and we will use our website to ensure that customers we serve can identify the appropriate Charges Scheme for their home by reference to their postcode.
3. The Charges covered by this statement has set such that no customer connected to IWNL will pay more than they would have done had their property have been served by the incumbent monopoly in their region.
4. Where incumbent monopolies have set their tariffs to take into account the allowed revenues as published by Ofwat in the Price Review 2024 ("PR24") Final Determinations then IWNL's tariffs reflect these Final Determinations, including any adjustments as made by incumbents for Outcome Delivery Incentives
5. The Chagres contained in the Charges Schemes also reflect inflation (CPIH) at 3.5% as published by the Office for National Statistics and also take into account forecast changes in the levels of water usage by our customers. To be clear, where customers served by IWNL consume, on average, less than the incumbent then IWNL does not seek to amend its Chagres to recover any additional revenue.

Board endorsement of this assurance statement

6. The Board accepts ownership of, and accountability for, the development of our Charges Schemes.
7. This statement has been approved and signed by Richard Brett (Chief Financial Officer) on behalf of the board of IWNL.
8. In endorsing this assurance statement, the Board has considered:
 - a. All relevant legal obligations and guidance;
 - b. Bill movements, impacts on customers and the associated customer handling strategies;
 - c. The existence of an appropriate process used to set the Charges
 - d. Engagement with relevant stakeholders, in particular the Consumer Council for Water ("CCW").

Legal Obligations

9. IWNL's Charges Schemes have been prepared in accordance with our legal obligations, in particular the Schemes comply with:
 - a. Legal obligations, as appropriate to our Charges, including under the Water industry Act 1991 and the Competition Act 1998; and
 - b. Are consistent with Ofwat's Charges Schemes Rules Published in December 2022.
10. The Charges Schemes also comply with information requirements as set out in Ofwat's Information Notice IN25/04 issued in October 2025
11. The Board has considered all of the IWNL's statutory obligations relating to charging.

Bill movements, impact assessment and mitigating actions.

12. Based on our modelling for the Charges, the majority of IWNL customers will face a bill increase of more than 5%. As IWNL operate across different incumbent areas, and in some cases provide a water only service and in other cases a dual service, the bill increases faced by customers will vary dependent on their location.
13. IWNL has undertaken analysis on each of its sites to determine where customer bills will increase by more than 5%.
14. As IWNL use the incumbent tariffs as the basis for setting our Charges, any mitigating actions proposed by incumbents, and which are reflected in the tariffs of incumbents are automatically included in IWNL's Charges. This may include bill smoothing or revenue deferral actions taken by the incumbents.
15. Above the actions taken by the incumbents, IWNL offer a discount to water customers of 10% on the standing charge.
16. IWNL will write to all customers to notify them of price increases before they take effect and this communication will include reference on how IWNL can help customers with their bills, including through indicating to customers our social tariff.
17. IWNL will continue to monitor incoming contacts from customers and will proactively identify further customer communications and handling strategies on an ongoing basis.

Appropriate Systems and Processes

18. In assessing whether there are systems and processes in place to make sure that the information published in the Charges Schemes is accurate, the Board has considered:
 - a. The system for compiling, collating and managing the data relating to the incumbent tariffs.
 - b. The process for internal review and formal sign-off by an appropriately qualified member of staff.
 - c. Confirmation of the degree of assurance during each stage of the process to compile and produce the Charges Schemes.
 - d. Confirmation that the Charges Schemes have been produced in a manner which is compliant with all statutory obligations.
 - e. Confirmation that there is no material issue outstanding arising from the assurance work which has been undertaken in producing these Charges.

Engagement with Stakeholders

19. We have written to CCW in relation to the Charges and we have provided CCW with information relating to the impact of our Charges on customers, the mitigating actions, handling strategies and ongoing discount against incumbent tariffs.
20. IWNL will continue to engage with CCW on an ongoing basis to ensure that we adopt best practice in developing and publishing our Charges

Board Approval

21. IWNL's Retail charging scheme in respect of its inset appointments in the areas of Affinity Water Limited, Anglian Water Limited, Bristol Water Limited, Dŵr Cymru Welsh Water Limited, Hafren Water Limited, Northumbrian Water Group Limited, Cambridge Water, South Staffordshire Water PLC, Severn Trent Water Limited, Southern Water Services Limited, South East Water Limited, South West Water Limited, Thames Water Utilities, Yorkshire Water, Wessex Water, Portsmouth Water Services Limited and United Utilities.
- a. Comply with its legal obligations relating to the charges set out in its charges schemes;
 - b. Where specified, offer levels of service at least comparable to the previous appointee's charges scheme;
 - c. Offer prices that do not exceed those in the previous appointees' charges schemes;
 - d. Offer prices which correspond to the prices and conditions mentioned in IWNL's application for each individual appointment;
 - e. The Board has assessed the effects of the new charges on customers' bills for a range of different customer types;
 - f. The IWNL Board has assessed and approved the new Retail charges for water supply and sewerage services for licensees who are retailing services and on customers occupying Eligible Premises (as a whole or in groups) and approves the impact assessments and handling strategies developed in instances where bill increases for licensees (as a whole or in groups) who are retailing services and on customers occupying Eligible Premises (as a whole or in groups) exceed 5%;
22. The company has appropriate systems and processes in place to make sure that the information contained in the charges schemes, and the additional information covered in Ofwat's Charges Scheme Rules Annex is accurate; and
23. IWNL has consulted CCW in a timely and effective manner on its charges scheme.

Signed on behalf of IWNL,



Richard Brett
Director
20th February 2026