

WATER SERVICES REGULATION AUTHORITY

WATER INDUSTRY ACT 1991, SECTION 13(1)

**Modification of the Conditions of Appointment of
South Staffordshire Water plc**

Made on 26 August 2021

Coming into effect on 1 September 2021

The Water Services Regulation Authority, in exercise of the power conferred on it by section 13(1) of the Water Industry Act 1991 (the "Act"), after giving notice as required by section 13(2) of the Act, hereby makes the modifications described in the Schedule attached hereto to the Conditions of the Appointment of South Staffordshire Water plc (the "Appointee") as a water undertaker under Chapter I of Part II of the Act, the Appointee having consented to these modifications.

**Signed for and on behalf of the
Water Services Regulation Authority**



**Aileen Armstrong
Senior Director**

Schedule

Condition B: Charges is amended as follows:

1. In the Condition insert the following text after Part IX:

“Part X Changes to Performance Measure Adjustments

21 Part 3A of this Condition shall have effect as if the notification to the Appointee in December 2019 that Price Controls may be adjusted to reflect the Appointee’s performance in relation to specific Performance Commitments included the Performance Commitment listed in Appendix 1 to this Condition.”

2. At the end of the Condition insert the following Appendix:

“Appendix 1 – New Performance Commitment

Purpose: This performance commitment is designed to provide the company with in-period funding for the green recovery schemes it has agreed to deliver. This is set out in our green recovery final decisions document, published in July 2021.

Benefits: This performance commitment will ensure that the company is able to deliver its green recovery schemes, while continuing to be able to finance the proper carrying out of its functions.

Unique Reference	PR19SSC_GR								
Definition of performance measure	The company will need to fulfil the following requirements to receive the allowed in-period revenue adjustment in each charging year:								
	<table border="1"><thead><tr><th>Charging year</th><th>Requirement</th></tr></thead><tbody><tr><td>2022-23</td><td>The company has accepted the green recovery final decisions by 8 August 2021.</td></tr><tr><td>2023-24</td><td>The company has reported on the progress of its green recovery scheme for charging year 2021-22.</td></tr><tr><td>2024-25</td><td>The company has reported on the progress of its green recovery scheme for charging year 2022-23.</td></tr></tbody></table>	Charging year	Requirement	2022-23	The company has accepted the green recovery final decisions by 8 August 2021.	2023-24	The company has reported on the progress of its green recovery scheme for charging year 2021-22.	2024-25	The company has reported on the progress of its green recovery scheme for charging year 2022-23.
	Charging year	Requirement							
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2023-24	The company has reported on the progress of its green recovery scheme for charging year 2021-22.								
2024-25	The company has reported on the progress of its green recovery scheme for charging year 2022-23.								

Measurement timing	Reporting year
Financial adjustments	Revenue
Timing of financial adjustments	In-period
Price control allocation	100% water network plus.

Charging Year	Allowed Revenue adjustment (£m)
2022-23	0.538
2023-24	0.676
2024-25	0.756