

Your charges explained 2009/2010

www.bristolwater.co.uk

www.wessexwater.co.uk



**BRISTOL
WATER**

An AGBAR Company

*Wessex
Water*

a YTL company

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Introduction

Charging for water services is a complex matter involving both the law and our economic regulator, the Water Services Regulation Authority (Ofwat).

This leaflet aims to give you an accurate overview of our charges and includes commonly asked questions with answers.

Bristol Water and Wessex Water fix their charges under a charges scheme. A copy of either company's scheme is available on request.

Charges for Bristol Water and Wessex Water are collected by Bristol Wessex Billing Services Limited, BWBSL.

Charges that are applicable from 1 April will be published on company websites from 1 March once approved by Ofwat. Visit www.bristolwater.co.uk or www.wessexwater.co.uk

For independent information about charges, telephone Ofwat on 0121 625 1300 or visit www.ofwat.gov.uk



Charges 2009/2010

Our charges from 1 April 2009 are:

	Bristol Water	Wessex Water
Unmetered charges		
Water supply		
Standing charge per annum	£25	
Poundage charge per £ of RV	78.24p	
Sewerage		
Standing charge per annum		£7
Poundage charge per £ of RV		
Full		127.85p
Abated*		117.12p
Surface water only per annum		£42
Metered charges		
Water supply		
Standing charge per annum	£33	
Charge per cubic metre	107.97p	
Sewerage		
Standing charge per annum		£42
Abated standing charge per annum**		£23
Charge per cubic metre		161.39p
WaterSure		
Water supply charge per annum	£156	
Sewerage charge per annum		£209

* the abated poundage charge is payable where no part of the property is connected for surface water drainage

** the abated standing charge is payable where no part of the property is connected for surface water drainage

How are you charged?

There are two ways we can charge you for water and/or sewerage services.

One is based on the rateable value (RV) of your property (unmetered) and the other is determined by how much water you use (metered) – this is measured using a water meter.

All domestic customers have the option to ask for a meter to be installed, normally free of charge.

Unmetered customers

Unmetered charges – charging on the basis of your rateable value

If you pay for your water on an unmetered basis, the rateable value of your property is used to calculate your bill. The rateable value of a property was used up to 1990 as the basis of the general rate bill payable to your local council. Values were assessed and changed by the Valuation Office of the Inland Revenue and were based loosely on the rental value of a property.

A number of factors were taken into account when assessing the rental value, including the size of the property, general condition and availability of local services. We have no details of how individual values were calculated as it was never our responsibility.

In 1990 the government introduced the community charge (poll tax) and the Valuation Office stopped assessing or changing rateable values.

The community charge was subsequently replaced by the council tax and the Valuation Office started assessing council tax bands. Unlike rateable value, these bands are based on the actual value of a property rather than the rental value. The two assessments cannot be compared and a change to the council tax banding does not change a rateable value.

By law water companies are required to continue using rateable values as the basis of charge. The Valuation Office no longer deals with rateable values and there is no mechanism in place to change them.

The single occupier discounts associated with council tax are not applicable to water charges.

It is important to remember that if your water bill is based on the rateable value of your property, it means it is not directly related to your use of water and/or sewerage services. If you feel your unmetered charge is higher than your water use you can normally have a water meter fitted free of charge if you are a domestic customer.

You may find that your neighbour lives in a similar house but the rateable value for each property is different, which means your water and/or sewerage bills will be different too.

Unmetered standing charges

The unmetered standing charges cover the costs of billing as well as an element that reflects some of the fixed costs of providing you with water and sewerage services.

With approval from Ofwat, each water company decides what proportion of fixed costs to include in its standing charges. Therefore standing charges can vary considerably between different companies. When comparing bills you must look at the overall bill and not just the separate elements.

Metered customers

Metered charges – charging for the water you use

Where a meter is fitted, services are charged on the basis of the amount of water you use. Sewerage is normally charged on the assumption that 95% of the water used returns to the sewer.

The 5% allowance covers virtually all domestic situations, eg, evaporation, car washing, drinking, cooking and all garden related use (including normal use of hosepipes, sprinklers, paddling pools and hot tub top ups). It also takes into account wet and dry years. For the average annual household use of 150 cubic metres per year this amounts to about 7,500 litres or 1,650 gallons.

If you think that considerably less than 95% of your water use is returned to the sewer, please let us know and we will find out if you qualify for a reduction in charges.

Usually new water supplies, ie, new homes, will be metered as no rateable value exists for these properties.

Where a metered bill spans a period before and after 1 April 2009, we charge for water used before 1 April at 2008 rates and water used after that date at 2009 rates. We assume that usage is consistent throughout the entire billing period.

Sewerage charges, where applicable, are applied on the same basis.

Metered standing charges

The metered water supply standing charge covers some of the cost of reading the meter, its repair or replacement and billing costs.

The metered sewerage standing charge includes billing costs and the costs associated with the collection and treatment of surface water and highway drainage. This charge has risen by £3 this year reflecting an increase in the costs associated with surface water drainage.

The standing charges are annual fixed charges. Each metered bill includes a proportion of the standing charge based on the number of days since the last meter reading.

WaterSure

WaterSure limits the total bill for customers who pay for their water using a meter, but have unavoidably high water use because of family size or medical conditions that require additional bathing or laundering.

To qualify for this tariff you must receive one of the major social benefits or tax credits such as income support, income-related employment support allowance, working tax credit, pension credit or housing benefit.

You must also either:

- be receiving child benefit for three or more children who are aged under 19 and living with you
- have someone in your household with a medical condition causing them to use significantly more water. Conditions include: desquamation (flaky skin loss), weeping skin disease, incontinence, abdominal stoma, Crohn's disease, ulcerative colitis or renal failure needing home dialysis.

The difference between metered and unmetered charges

Ofwat ensures that the difference between metered and unmetered bills reflects the difference in the cost of providing these services. To ensure this the regulator has a method of calculating the difference.

By using the average amount of water that an unmetered household would use, Ofwat calculates what this average household's bill would be if it was paying on a metered basis. This is then compared with the actual average unmetered bill.

The metered bill is set at a higher level because if two customers have the same water use it costs us more to serve the customer with a meter than the customer without. The difference covers these extra costs, which include the maintenance, replacement and reading of the meter and the costs of sending two bills every year instead of one.

When comparing metered and unmetered bills, you must look at the overall bill and not just separate elements. It is not appropriate to make direct comparisons between one element of a bill for unmetered and metered, as they do not cover the same services.

Why bills are rising

Bills reflect the costs of providing water and sewerage services. Both Bristol Water and Wessex Water have done their utmost to operate efficiently.

Nevertheless costs continue to rise largely as a result of major programmes of expenditure which the companies are required to make to meet ever higher standards, in particular, environmental standards.

During the five year period to 2010 Bristol Water will be investing around £179 million and Wessex Water around £830 million.

The charging formula

Changes to our water and sewerage charges are regulated and controlled by law, in particular, by the Water Industry Act 1991 (as amended) and by our Instrument of Appointment – our licence.

Ofwat confirms both the overall limits within which our charges may change and the way in which both companies apply charges each year.

Ofwat allows our overall charges to change by inflation (RPI) plus what is known as the K factor and sets it to be either a positive or negative value.

Ofwat also allows us to increase prices to recover the loss of income when customers switch from an unmetered supply to a metered supply (known as recovery). This increases overall prices by a further small amount.

The formula (RPI + K + recovery) is applied to a 'basket' of charges. The types of charges that are included are as follows:

Bristol Water

- unmetered water
- metered water.

Wessex Water

- unmetered sewerage
- metered sewerage
- trade effluent (treatment of liquids, other than surface water and domestic waste).

Overall the average increase in price for this basket of charges should not be more than the formula RPI + K + recovery. Within this overall price limit, individual charges may vary by different amounts and percentages. This means, for example, that the increase in unmetered charges can be less or more than charges for metered services.

While average increases in prices are quoted by water companies, few customers have an average bill. Your bill may go up by more or less than the average depending on the service you receive from Bristol Water and Wessex Water, how much water you use if you are a metered customer or the rateable value of your property if you are an unmetered customer.

Ensuring that charges reflect costs

Charges must reflect the cost of the service provided. Different charges are made for water and sewerage services to reflect the actual cost of providing those services.

Surface water drainage

The sewerage charge contains an element for surface water and highway drainage. Customers can apply for an allowance if the surface water from their property does not drain to Wessex Water's sewers.

But to claim you must be able to answer yes to both of these questions:

- does all the rainwater from your roof or shared roof drain into a soakaway both at the front and rear of your property?
- does all the rainwater from your garden, drive, patio or yard run off into the ground?

Your claim will not be successful if:

- some of the rainwater goes to a soakaway
- you use a water butt but have no soakaways
- the rainwater from your roof runs indirectly to the sewer, eg, across a pavement.

A soakaway is where water from your roof, etc, is piped to a large underground pit filled with gravel within the boundary of your property.

If you are eligible, the average allowance is £19 per year. The allowance is shown on your bill as a reduction in the annual metered sewerage standing charge or a reduction in the unmetered sewerage poundage rate.

For an application form, please ring our surface water drainage leaflet line on 0845 601 5 982 (24 hours).

Your questions answered

Who decides how much water companies can charge?

Water and sewerage charges have to be agreed with the industry regulator Ofwat. We cannot charge what we like. Each water company must submit a strategic plan to Ofwat every five years setting out how it will do all the things that the government and regulators have asked it to do and the costs involved. It sets efficiency targets and the charges increase for each water company. Ofwat has set our charges increases for the five year period up to 2010.

Why are the charges for Bristol Water and Wessex Water different?

Bristol Water provides you with your water supply service and Wessex Water your sewerage service. The costs of providing these services are different and this is reflected in the approved charges of both companies.

Why are unmetered charges billed in advance?

Originally charges were collected by local authorities who provided sewerage and/or water services. They charged in advance in the same way that the council tax is now billed. The Water Act 1991 allowed this way of charging to continue because there was no obvious option other than compulsory metering. However, customers can choose to take advantage of different payment options which enable them to spread the cost of the bill over the year.

Why do I have to pay standing charges?

For metered customers the standing charges contribute towards the cost of reading the meter, its repair or replacement and billing costs. Some of these costs are recovered through the water supply standing charge and the rest through the sewerage standing charge.

Wessex Water also recovers the costs of dealing with surface water and highway drainage within the sewerage standing charge. As these costs bear no relation to the volume of water used, it is appropriate to recover them through a fixed charge.

The unmetered standing charges cover the cost of billing as well as an element that reflects the fixed costs of providing you with water and/or sewerage services.

Why is my water bill based on the rateable value of my property in 1990?

Customers without a meter pay their water charges according to the rateable value of their property. Rateable values were assessed by the Valuation Office of the Inland Revenue. Following the introduction of the community charge and subsequently the council tax, the Valuation Office stopped setting or amending rateable values on 31 March 1990. They cannot be changed by us.

My neighbour and I live in similar properties with the same council tax banding, but our water bills are different. Why?

Because water bills are based on the rateable value of a property and not the council tax bands, you may find that your neighbour lives in a similar house but that the rateable value for their property is different – this means your water and/or sewerage bills will be different too. The rateable value does not reflect your council tax banding which means that if your council tax banding changes, your rateable value will not.

I live alone. Can I claim a single occupier discount?

The single occupier discounts associated with the council tax do not apply to water or sewerage charges. People living alone may benefit from having a water meter fitted. For an application form, ring our meter option leaflet line on 0845 601 5 983 (24 hours).

Am I being charged for surface water drainage?

The cost of removing and treating rainfall that falls on your property is included within your sewerage bill. If you can prove that no rainwater from your property drains to a public sewer, you may be able to claim a reduction in your bill. For an application form, please ring our surface water drainage leaflet line on 0845 601 5 982 (24 hours).

How can I pay my bill?

We offer a variety of ways to pay your bill, including:

- **direct debit:** you can spread payments by paying monthly direct from your bank or building society. There is no charge or discount for paying by direct debit
- **PayPoint:** you may want to pay using your nearest PayPoint – just look for the distinctive purple and yellow sign at your local shop, supermarket, petrol forecourt or off licence. To find your nearest PayPoint, visit www.paypoint.co.uk
- **at your bank:** take your bill or instalment book with cash or cheque. Normally no fee is payable at your own bank
- **by post:** don't forget to write your customer reference number on the back of the cheque before sending it with the payment slip to: BWBSL, 1 Clevedon Walk, Nailsea BS48 1WA
- **at the post office:** take your bill or instalment book and your payment in cash
- **debit card/credit card automated payment line:** you can pay your bill by calling our automated speech recognition line on 0845 600 1 019 (24 hours)*
- **online:** pay online with your debit card or credit card at www.billpayment.co.uk and select BWBSL from the drop down list*
- **telephone, TV, PC or remote banking:** remember to quote sort code 40-02-50 and account number 61229737.*

** payment should be made to Bristol Wessex Billing Services Ltd, quoting the 13-digit reference number that begins 20, shown in the box on the payment slip.*

Can I have a water meter?

Most domestic customers can apply to have a water meter fitted free of charge. Please call our meter option leaflet line on 0845 601 5 983 (24 hours) for an application form. If you apply for a meter and one cannot be fitted you will be offered an assessed charge as an alternative.

Can I go back to how I was paying before I had a meter fitted?

If you have chosen to have a water meter fitted you may revert to paying on an unmetered basis but this option lapses after you have been billed for a whole year on the metered charge. You will have to pay for the metered water and sewerage services used up to the last meter reading.

I am moving house. What should I do?

If you have moved, or are planning to move, please remember to let us know so that we can amend your bill. You are liable for water services charges until the day you leave the property. If you are moving out and the property is going to be vacant for a period of time then let us know. You may not have to pay charges from the date that the furniture was removed.

If you have a water meter we will need a closing reading on the day of the move. You can read the meter yourself and let us have the reading or we can arrange for a meter reader to call. If you need us to read the meter please give us five working days' notice.

I am struggling to afford to pay my water bill. What can I do?

Bristol Water and Wessex Water are looking at ways to help customers who are in genuine financial difficulty and are having problems paying their bills. We can only help you if we know there is a problem so please contact us and let us know. We already offer several ways to make it easier for customers to pay including:

- flexible payment plans
- direct deductions from benefits under the government Water Direct scheme
- Restart and Restart Plus – our schemes to help customers in debt get back on track
- WaterSure for metered customers on benefits who have unavoidably high water use
- Assist – Wessex Water's tariff for customers in extreme financial difficulty.

I am the tenant of a property, do I still need to pay water services charges?

If you rent a property you are normally liable for water services charges unless there is a specific clause in your tenancy agreement that states otherwise. If your landlord has said that he is happy to take responsibility for paying the bill then he must notify us in writing.



How can I contact you?

If you have a question about your bill including:

- payment arrangements
- moving house
- problems paying
- surface water drainage
- Customer Care Plus.

0845 600 3 600

Minicom equipment users only - 0845 605 6 585
(Both numbers: Monday – Friday, 8am – 6pm)

BWBSL, 1 Clevedon Walk, Nailsea, Bristol BS48 1WA

www.bristolwater.co.uk or
www.wessexwater.co.uk

customer.services@bwbsl.co.uk
(please quote your customer number)

Leaflet lines:

Meter option

0845 601 5 983

Surface water drainage

0845 601 5 982

Information line:

Listen to our rateable value talking leaflet

0845 606 6 269

Other services:

Estimated meter bill?

Leave your actual reading

0845 850 0 018

To pay by credit card or debit card:

0845 600 1 019

(an automated speech recognition line)

All the above numbers are automated, unmanned, and available 24 hours a day

If you have a question about your water supply including:

- loss of supply or low pressure
- a water quality problem
- a leak

0845 702 3 797*

Minicom equipment users only –

0800 917 0 737*

customer.services@bristolwater.co.uk

If you have a question about your sewerage service including:

- sewer flooding
- a blocked sewer

0845 600 4 600*

Minicom equipment users only –

0845 730 0 619*

operational.enquiries@wessexwater.co.uk

(*Monday – Friday, 8am – 6pm; emergency service at other times)

To protect our customers and staff telephone calls may be recorded.

Bristol Water and Wessex Water are not responsible for the content of external websites.