



# Water and Sewerage Bills 2004–2005





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## How will the average household bill change on 1 April 2004?

In April 2004, household customers will see an average increase in their water and sewerage bills of 3% (excluding inflation). Average bills for water and sewerage range from £208 (Thames Water Utilities Ltd) to £361 (South West Water Ltd).

Tables 1 and 2 show:

- Average annual household bills for water and sewerage for 2003-04 and 2004-05;
- the percentage change in bills between those two years; and
- the percentage change in bills (excluding inflation) since privatisation.

## Measured and unmeasured household bills

The average household bills in tables 1 and 2 include all customers, with or without a meter.

Most households (76% in 2003-04) do not have a meter. Bills for their water and sewerage services are generally based on the rateable value of their property, plus a fixed charge. These customers cannot affect the size of their bill by changing the amount of water that they use.

An increasing number of households (expected to be 26% in 2004-05) receive a metered supply. The bills for their water and sewerage services are based on the amount of water that they use, which is recorded on the water meter, plus a standing charge. Most newly connected properties are metered.

Table 3 shows the average unmeasured and average measured household bills for 2004-05.

## How are changes in charges decided?

The annual change that companies can make to charges, on average, is limited to the price limit set by Ofwat, plus inflation. Table 4 sets out the price limits for the year beginning 1 April 2004.

## Will my bill change in line with the price limit set by Ofwat?

The price limit applies to the average change in charges. Bills for some customers may change by more and some by less than this average. For example, a company may increase water charges by less than sewerage charges, or increase the volumetric charge by more than the standing charge. All these individual charges are set out in the companies' charges schemes.

## What are the companies' charges schemes?

Within the price limit set, each company is responsible for deciding individual charges. Companies publish these annually in a charges scheme for which they must obtain Ofwat's approval. We have applied the following principles in approving charges schemes.

- £ Charges for each service should reflect the cost of that service – this has meant, for example, that for water and sewerage companies the change in water charges is not always the same as the change in sewerage charges.
- £ Companies should set levels of measured and unmeasured household charges to ensure a fair balance of charges for each category of customer.
- £ Standing charges for customers with a meter should generally be no more than the customer-related costs of providing a metered service.
- £ Companies should offer lower sewerage charges (rebates) for customers whose properties are not connected for surface water drainage.

In approving companies' charges schemes, the Director General of Water Services takes into account the guidance that the Secretary of State issued in February 2000, on social and environmental aspects of charging.

In line with the Government's requirements, companies must offer a special tariff for vulnerable metered customers. This has meant that charges for all other customers are slightly higher than they would otherwise have been.



Table 1:

## 2004-05 Average household bills for water

In April 2004, household customers will see an average increase in their water bills of 3% (excluding inflation). Since privatisation in 1989, average household bills for water have increased by 24.6% (excluding inflation).

COMPANY	% change in bills <sup>1</sup>			Average bill for <sup>3</sup>	
	1989-90 - 2004-05	2003-04 - 2004-05		2003-04 £	2004-05 £
	(excluding inflation) <sup>2,3</sup>	(excluding inflation) <sup>2,3</sup>	(including inflation) <sup>3</sup>		
<b>Water and sewerage companies</b>					
Anglian Water Services Ltd	11.6	1.6	4.2	115	120
Dŵr Cymru Cyfyngedig	-3.1	-1.5	1.0	122	123
Northumbrian Water Ltd:					
Northumbrian Water	14.8	9.4	12.2	90	101
Essex & Suffolk Water	34.3	9.5	12.2	115	130
Severn Trent Water Ltd	48.1	1.2	3.7	112	116
South West Water Ltd	22.1	3.1	5.7	121	128
Southern Water Services Ltd	8.9	-1.4	1.1	91	92
Thames Water Utilities Ltd	29.1	2.2	4.8	107	112
United Utilities Water plc	55.0	11.5	14.4	116	133
Wessex Water Services Ltd	22.1	2.2	4.8	120	125
Yorkshire Water Services Ltd:					
Yorkshire Water Services	11.7	3.0	5.6	111	117
York Waterworks	-3.8	-12.6	-10.4	95	85
<b>Water only companies</b>					
Bournemouth & W Hampshire Water plc	22.7	2.0	4.6	100	104
Bristol Water plc	10.7	-2.3	0.2	109	109
Cambridge Water plc	2.3	-0.9	1.6	93	94
Dee Valley Water plc	-9.6	-1.0	1.5	105	107
Folkestone & Dover Water Services Ltd	53.2	1.0	3.6	138	143
Mid Kent Water plc	3.6	-0.5	2.0	128	130
Portsmouth Water plc	2.7	-0.6	1.9	76	77
South East Water plc	8.9	0.4	3.0	126	130
South Staffordshire Water plc	18.3	1.9	4.5	88	92
Sutton & East Surrey Water plc	7.9	-0.7	1.8	123	125
Tending Hundred Water Services Ltd	65.6	2.7	5.3	154	162
Three Valleys Water plc:					
Three Valleys Water	22.7	-0.3	2.2	115	118
North Surrey Water	39.8	-5.4	-3.0	112	109
<b>Industry average</b>	<b>24.6</b>	<b>3.0</b>	<b>5.6</b>	<b>111</b>	<b>117</b>

1 Percentage changes between 2003-04 and 2004-05 are calculated from average bills expressed in pounds and pence.

2 Percentage increases exclude the effect of inflation. Inflation, as measured by the Retail Price Index, increased by 66.1% between November 1988 and November 2003 and 2.53% between November 2002 and November 2003.

3 Percentage changes and level of bills for 2003-04 and 2004-05 are estimates based on provisional and forecast data provided by each company.

Table 2:

## 2004-05 Average household bills for sewerage

In April 2004, household customers will see an average increase to their sewerage bills of 2.9% (excluding inflation).

Since privatisation in 1989, average household bills for sewerage have increased by 25% (excluding inflation).

COMPANY	% change in bills <sup>3</sup>			Average bill for <sup>2</sup>	
	1989-90 - 2004-05	2003-04 - 2004-05		2003-04	2004-05
	(excluding inflation) <sup>1,2</sup>	(excluding inflation) <sup>1,2</sup>	(including inflation) <sup>2</sup>	£	£
<b>Water and sewerage companies</b>					
Anglian Water Services Ltd	10.8	2.2	4.7	162	169
Dŵr Cymru Cyfyngedig	36.8	2.3	4.9	156	163
Northumbrian Water Ltd	44.1	10.0	12.8	117	131
Severn Trent Water Ltd	6.4	1.6	4.2	101	105
South West Water Ltd	67.9	2.7	5.3	222	233
Southern Water Services Ltd	36.4	1.3	3.8	161	167
Thames Water Utilities Ltd	18.3	-0.9	1.6	95	97
United Utilities Water plc	41.1	8.6	11.3	124	139
Wessex Water Services Ltd	17.6	2.7	5.3	143	150
Yorkshire Water Services Ltd	25.9	2.9	5.5	119	125
<b>Industry average</b>	<b>25</b>	<b>2.9</b>	<b>5.5</b>	<b>125</b>	<b>132</b>

1 Percentage increases exclude the effect of inflation. Inflation, as measured by the Retail Price Index, increased by 66.1% between November 1988 and November 2003 and 2.53% between November 2002 and November 2003.  
2 Percentage changes and level of bills for 2003-04 and 2004-05 are estimates based on provisional and forecast data provided by each company.  
3 Percentage changes between 2003-04 and 2004-05 are calculated from average bills expressed in pounds and pence.

Table 3:

## Measured and unmeasured household bills 2004-05

### Average unmeasured

Water	£122
Sewerage	£136
Total	£258

Increase of 3.3% (excluding inflation) and 5.9% (including inflation) over last year.

### Average measured

Water	£101
Sewerage	£121
Total	£222

Increase of 2.9% (excluding inflation) and 5.5% (including inflation) over last year.

In 2003-04 approximately 24% of households were on metered charges. This is expected to rise to 26% by the end of the year.

**Table 4:**  
**2004-05 Price limits<sup>1</sup>**

COMPANY	Price limit excluding inflation %	Unused price limit from 2003-04 <sup>2</sup> %	Price limit including unused price limit from previous years and inflation (2.53%) %	Actual increase in average charge <sup>2</sup> %
<b>Water and sewerage companies</b>				
Anglian Water Services Ltd	2.5	1.3	6.3	5.0
Dŵr Cymru Cyfyngedig <sup>3</sup>	1.8	2.7	7.0	4.4
Northumbrian Water Ltd <sup>7,10</sup>	10.0	0.0	12.5	12.5
Severn Trent Water Ltd <sup>6</sup>	2.2	0.0	4.7	4.7
South West Water Ltd <sup>5</sup>	4.4	0.0	6.9	6.9
Southern Water Services Ltd	0.8	0.0	3.3	3.3
Thames Water Utilities Ltd	0.0	0.0	2.5	2.5
United Utilities Water plc <sup>7</sup>	8.9	0.0	11.4	11.4
Wessex Water Services Ltd	4.7	0.0	7.2	7.2
Yorkshire Water Services Ltd <sup>6,9</sup>	3.5	0.0	6.0	5.8
<b>Water only companies</b>				
Bournemouth & W Hampshire Water plc <sup>3</sup>	4.3	0.0	6.8	6.8
Bristol Water plc	-1.9	0.0	0.6	0.6
Cambridge Water plc	-0.9	0.0	1.6	1.6
Dee Valley Water plc <sup>5</sup>	-0.5	0.0	2.0	2.0
Folkestone & Dover Water Services Ltd	3.2	0.0	5.7	5.7
Mid Kent Water plc <sup>4</sup>	0.0	0.0	2.5	2.5
Portsmouth Water plc	-1.0	0.0	1.5	1.5
South East Water plc	0.0	0.0	2.5	2.5
South Staffordshire Water plc	-1.0	0.0	1.5	1.5
Sutton & East Surrey Water plc <sup>4</sup>	0.0	3.3	5.8	2.5
Tending Hundred Water Services Ltd <sup>3</sup>	3.7	1.1	7.4	5.5
Three Valleys Water plc <sup>11</sup>	0.4	0.0	2.9	2.9
<b>Industry average</b>	<b>3.4</b>		<b>6.3</b>	<b>5.9</b>

1 The price limits are the annual price limits for each company for the years 2000-2005 set by Ofwat in November 1999.

2 A company has the option to increase its overall average charge by less (or decrease them more) than its price limit. If the company decides not to take the full available increase for any particular year it can carry forward this unused price limit to future years.

3 The price limits for Dŵr Cymru and Tending Hundred Water reflect Ofwat's interim determination published in December 2000.

4 The price limits for Mid Kent Water and Sutton & East Surrey Water reflect the Competition Commission's redetermination in August 2000 of the price limits set by Ofwat.

5 The price limits for South West Water and Dee Valley Water reflect Ofwat's interim determination published in December 2001.

6 The price limits for Severn Trent and Yorkshire Water reflect Ofwat's interim determination published in December 2002.

7 The price limits for United Utilities and Northumbrian Water reflect Ofwat's interim determination published in December 2003.

8 The price limit for Bournemouth & West Hampshire Water reflects Ofwat's interim determination published in February 2004.

9 The price limit for Yorkshire Water incorporates limits for Yorkshire Water Services and York Waterworks. As part of the terms of the merger, the customers of York Waterworks benefited from a further 15% reduction in addition to the 2004-05 price limit. The 0.2% unused price limit for the combined company arises from this reduction in York Waterworks' charges, and therefore cannot be carried forward to future years as indicated in note 2.

10 The price limit for Northumbrian Water incorporates limits for Northumbrian Water Services and Essex & Suffolk Water.

11 The price limit for Three Valleys Water plc incorporates limits for Three Valleys Water and North Surrey Water.



# Where does your money go?

For 2004-05, the average water and sewerage bill works out at 68p per day. This compares with the following:

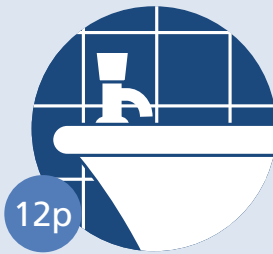
Small loaf	38-72p
Daily newspaper	30-60p
One pint of milk	29-46p
Litre of sparkling bottled water	9-81p
A day's TV	33p

The examples below are a guide to what you get for your money. The figures are based on an average cost per litre of 0.15 pence for water supplied and taken away. The average cost per litre of water may vary from company to company. In practice, what you get for your money may be more or less than shown.

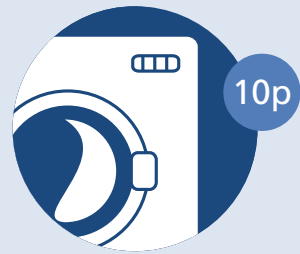
The cost of electricity for using the appliances and heating the water is based on an effective price of 7.58 pence per kilowatt-hour. This will vary across households depending on gas and electricity tariffs, the mix of fuels used and energy efficiency.



**Taking a shower**  
Assuming 35 litres of water: 5p  
Heating the water: 9p



**Taking a bath**  
Assuming 80 litres of water: 12p  
Heating the water: 20p



**Using a washing machine**  
Assuming 65 litres of water: 10p  
Using the machine (including heating some of the water): 19p



**Watering the garden**  
Assuming a hosepipe in one hour uses approximately 540 litres of water: 83p



**Flushing the toilet**  
Assuming 7.5 to 9.5 litres of water: 1p



**Using a dishwasher**  
Assuming 25 litres of water: 4p  
Using the machine (including heating some of the water): 15p

# WaterVoice committees

If you have an enquiry or complaint about your water bill, please contact your company in the first instance. If after following the company's complaints procedure you are still not happy, you can ask your local WaterVoice committee to investigate.

Calls to all 0845 numbers are charged at local rates.

## WaterVoice Central

Customers of Severn Trent Water and South Staffordshire Water

First Floor, Chanelle House,

86 New Street, Birmingham B2 4BA

Tel: 0121 644 5252

Fax: 0121 644 5256

Lo-call: 0845 702 3953

e-mail: [central@watervoicetrent.org.uk](mailto:central@watervoicetrent.org.uk)

## WaterVoice Eastern

Customers of Anglian Water, Cambridge Water, Essex & Suffolk Water, and Tendring Hundred Water

Ground Floor, Carlyle House, Carlyle Road, Cambridge CB4 3DN

Tel: 01223 323889

Fax: 01223 323930

Lo-call: 0845 795 9369

e-mail: [eastern@watervoicetrent.org.uk](mailto:eastern@watervoicetrent.org.uk)

## WaterVoice Northumbria

Customers of Northumbrian Water and Hartlepool Water

Eighth Floor, Northgate House, St Augustine's Way, Darlington DL1 1XA

Tel: 01325 464222

Fax: 01325 369269

Lo-call: 0845 708 9367

e-mail: [northumbria@watervoicetrent.org.uk](mailto:northumbria@watervoicetrent.org.uk)

## WaterVoice North West

Customers of North West Water

Suite 902, Ninth Floor, Bridgewater House, Whitworth Street, Manchester M1 6LT

Tel: 0161 236 6112

Fax: 0161 228 6117

Lo-call: 0845 705 6306

e-mail: [northwest@watervoicetrent.org.uk](mailto:northwest@watervoicetrent.org.uk)

## WaterVoice South West

Customers of South West Water

First Floor, Broadwalk House, Southernhay West, Exeter EX1 1TS

Tel: 01392 428028

Fax: 01392 428010

Lo-call: 0845 795 9059

e-mail: [southwest@watervoicetrent.org.uk](mailto:southwest@watervoicetrent.org.uk)

## WaterVoice Southern

Customers of Southern Water, Portsmouth Water, Mid Kent Water, Folkestone & Dover Water, South East Water

Fourth Floor (South), High Holborn House, 52/54 High Holborn, London WC1V 6RL

Tel: 020 7831 4790

Fax: 020 7831 7253

Lo-call: 0845 758 1658

e-mail: [southern@watervoicetrent.org.uk](mailto:southern@watervoicetrent.org.uk)

## WaterVoice Thames

Customers of Thames Water, Three Valleys Water, and Sutton & East Surrey Water

Fourth Floor (South), High Holborn House, 52/54 High Holborn, London WC1V 6RL

Tel: 020 7831 4790

Fax: 020 7831 4850

Lo-call: 0845 758 1658

e-mail: [thames@watervoicetrent.org.uk](mailto:thames@watervoicetrent.org.uk)

## WaterVoice Wales (DyfrLais Cymru)

Customers of Dee Valley Water and Dŵr Cymru Welsh Water

Room 140, Caradog House, 1-6 St Andrews Place, Cardiff CF10 3BE

Tel: 029 2023 9852

Fax: 029 2023 9847

Lo-call: 0845 707 8267

e-mail: [wales@watervoicetrent.org.uk](mailto:wales@watervoicetrent.org.uk)

## WaterVoice Wessex

Customers of Wessex Water, Bournemouth & West Hampshire Water, Bristol Water, Cholderton & District Water and Thames Water (at Tidworth)

2 The Hide Market, West Street, St Phillips, Bristol BS2 0BH

Tel: 0117 955 7001

Fax: 0117 955 7037

Lo-call: 0845 707 8268

e-mail: [wessex@watervoicetrent.org.uk](mailto:wessex@watervoicetrent.org.uk)

## WaterVoice Yorkshire

Customers of Yorkshire Water

Eighth Floor, Northgate House, St Augustine's Way, Darlington DL1 1XA

Tel: 01325 469777

Fax: 01325 369269

Lo-call: 0845 708 9368

e-mail: [yorkshire@watervoicetrent.org.uk](mailto:yorkshire@watervoicetrent.org.uk)

Website: [www.watervoicetrent.org.uk](http://www.watervoicetrent.org.uk)

Ofwat is a government department headed by the Director General of Water Services.

It is responsible for making sure that the water industry in England and Wales provides customers with a good quality and efficient service at a fair price. It is independent of the water industry.

The ten regional WaterVoice Committees are statutory bodies set up by the Director General to represent water and sewerage customers in their regions.



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