



## Water and Sewerage Bills 2002-03

**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 Customer Service Committees are statutory bodies set up by the Director General to represent water and sewerage customers in their regions.**

### **OFFICE OF WATER SERVICES**

Centre City Tower, 7 Hill Street, Birmingham B5 4UA. Phone: 0121 625 1300 • Fax: 0121 625 1400

Website - [www.ofwat.gov.uk](http://www.ofwat.gov.uk) • E-mail - [enquiries@ofwat.gsi.gov.uk](mailto:enquiries@ofwat.gsi.gov.uk)

Printed on environmentally-friendly paper

Published April 2002

© Crown Copyright



## Water & Sewerage Bills 2002-03

### How will the average household bill change on 1 April 2002?

In April 2002, household customers will see an average reduction in their water and sewerage bills of 0.3% (excluding inflation). Average bills for water and sewerage range from £197 (Thames Water Utilities Ltd) to £327 (South West Water Ltd).

Tables 1 and 2 show:

- Average annual household bills for water and sewerage for 2001-02 and 2002-03;
- 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 (78% in 2001-02) 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 23% in 2002-03) 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 2002-03.

### How are changes in average bills decided?

The annual change that companies can make to bills, 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 2002.

### 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: 2002-03 Average household bills for water

In April 2002, household customers will see an average reduction in their water bills of 0.4% (excluding inflation).

Since privatisation in 1989, average household bills for water have increased by 20.0% (excluding inflation).

COMPANY	% change in bills <sup>1</sup>			Average bill for <sup>2</sup>	
	1989-90 - 2002-03 (excluding inflation) <sup>3</sup>	2001-02 - 2002-03 (excluding inflation) <sup>3</sup>	2001-02 - 2002-03 (including inflation) <sup>3</sup>	2001-02 £	2002-03 £
<b>WATER AND SEWERAGE COMPANIES</b>					
Anglian Water Services Ltd	11.0	1.2	2.0	111	113
Dŵr Cymru Cyfyngedig	2.4	-2.5	-1.6	126	124
Northumbrian Water Ltd:					
Northumbrian Water	5.6	-0.7	0.2	88	88
Essex & Suffolk Water	20.9	-0.4	0.5	110	111
Severn Trent Water Ltd	44.8	-1.2	-0.4	108	108
South West Water Ltd	16.0	2.1	3.0	112	115
Southern Water Services Ltd	12.0	-2.5	-1.6	91	90
Thames Water Utilities Ltd	26.8	-0.7	0.1	104	104
United Utilities Water plc	33.9	0.9	1.8	107	109
Wessex Water Services Ltd	15.8	-0.1	0.8	112	113
Yorkshire Water Services Ltd:					
Yorkshire Water Services	3.7	-0.7	0.2	103	104
York Waterworks	7.6	-0.5	0.4	90	90
<b>WATER ONLY COMPANIES</b>					
Bournemouth & W Hampshire Water	25.0	0.5	1.4	100	101
Bristol Water plc	12.6	0.5	1.4	104	106
Cambridge Water plc	2.4	-2.3	-1.5	91	90
Dee Valley Water plc	-7.1	-1.5	-0.7	105	104
Folkestone & Dover Water Services Ltd	40.9	1.6	2.5	122	125
Mid Kent Water plc	6.1	2.7	3.6	122	127
Portsmouth Water plc	4.8	-1.5	-0.6	75	75
South East Water plc	7.3	-1.2	-0.4	122	121
South Staffordshire Water plc	16.8	-0.6	0.3	86	86
Sutton & East Surrey Water plc	9.8	-1.5	-0.6	122	121
Tendring Hundred Water Services Ltd	57.0	3.7	4.6	140	146
Three Valleys Water plc:					
Three Valleys Water	23.0	0.4	1.3	111	112
North Surrey Water	39.4	-5.9	-5.1	109	103
<b>INDUSTRY AVERAGE</b>	<b>20.0</b>	<b>-0.4</b>	<b>0.5</b>	<b>106</b>	<b>107</b>

<sup>1</sup> Percentage changes between 2001-02 and 2002-03 are calculated from average bills expressed in pounds and pence.

<sup>2</sup> Percentage increases exclude the effect of inflation. Inflation, as measured by the Retail Price Index, increased by 57.82% between November 1988 and November 2001 and 0.87% between November 2000 and November 2001.

<sup>3</sup> Percentage changes and level of bills for 2001-02 and 2002-03 are estimates based on provisional and forecast data provided by each company.

**Table 2:  
2002-03 Average household bills for sewerage**

In April 2002, household customers will see an average reduction to their sewerage bills of 0.2% (excluding inflation). Since privatisation in 1989, average household bills for sewerage have increased by 20.2% (excluding inflation).

COMPANY	% change in bills			Average bill for <sup>1</sup>	
	1989-90 - 2002-03 (excluding inflation) <sup>2,3</sup>	2001-02 - 2002-03 (excluding inflation) <sup>2,3</sup>	2001-02 - 2002-03 (including inflation) <sup>1</sup>	2001-02 £	2002-03 £
<b>WATER AND SEWERAGE COMPANIES</b>					
Anglian Water Services Ltd	8.5	1.7	2.6	153	157
Dŵr Cymru Cyfyngedig	33.6	1.2	2.1	148	152
Northumbrian Water Ltd	30.7	0.1	1.0	112	113
Severn Trent Water Ltd	2.9	-0.6	0.2	96	96
South West Water Ltd	60.1	1.8	2.7	206	211
Southern Water Services Ltd	30.8	-0.4	0.4	151	152
Thames Water Utilities Ltd	19.5	-1.3	-0.5	93	93
United Utilities Water plc	30.3	-0.9	0.0	122	122
Wessex Water Services Ltd	9.5	-1.1	-0.2	133	133
Yorkshire Water Services Ltd	18.0	-0.9	-0.1	112	112
<b>INDUSTRY AVERAGE</b>	<b>20.2</b>	<b>-0.2</b>	<b>0.7</b>	<b>120</b>	<b>121</b>

- Percentage changes between 2001-02 and 2002-03 are calculated from average bills expressed in pounds and pence.
- Percentage increases exclude the effect of inflation. Inflation, as measured by the Retail Price Index, increased by 57.82% between November 1988 and November 2001 and 0.87% between November 2000 and November 2001.
- Percentage changes and level of bills for 2001-02 and 2002-03 are estimates based on provisional and forecast data provided by each company.

**Table 4:  
2002-03 Price limits<sup>1</sup>**

COMPANY	Price limit %	Price limit plus inflation (0.87%)
<b>WATER AND SEWERAGE COMPANIES</b>		
Anglian Water Services Ltd	2.2	3.1
Dŵr Cymru Cyfyngedig	0.7	1.6
Northumbrian Water Ltd	0.0	0.9
Severn Trent Water Ltd	-1.0	-0.1
South West Water Ltd <sup>1</sup>	4.4	5.3
Southern Water Services Ltd	0.0	0.9
Thames Water Utilities Ltd	0.0	0.9
United Utilities Water plc	0.0	0.9
Wessex Water Services Ltd	0.0	0.9
Yorkshire Water Services Ltd	0.0	0.9
<b>WATER ONLY COMPANIES</b>		
Bournemouth & W Hampshire Water plc <sup>1</sup>	0.4	1.3
Bristol Water plc	1.0	1.9
Cambridge Water plc	-1.2	-0.3
Dee Valley Water plc <sup>1</sup>	-0.5	0.4
Folkestone & Dover Water Services Ltd	3.0	3.9
Mid Kent Water plc <sup>1</sup>	3.2	4.1
Portsmouth Water plc	-1.3	-0.4
South East Water plc	-1.5	-0.6
South Staffordshire Water plc	-1.0	-0.1
Sutton & East Surrey Water plc <sup>1,4</sup>	2.1	3.0
Tendring Hundred Water Services Ltd <sup>1</sup>	3.6	4.5
Three Valleys Water plc	0.0	0.9
<b>INDUSTRY AVERAGE</b>	<b>0.3</b>	<b>1.2</b>

- The price limits are the annual price limits for each company for the years 2000-2005 set by Ofwat in November 1999.
- The price limits for Dŵr Cymru and Tendring Hundred Water reflect Ofwat's interim determination published in December 2000.
- 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.
- The price limits for South West Water, Bournemouth & West Hampshire Water and Dee Valley Water reflect Ofwat's interim determination published in December 2001.
- Sutton & East Surrey Water increased their charges by less than their price limits allowed. This was in anticipation of Ofwat lowering their price limits through an interim determination in the future.

**Table 3:  
Measured & unmeasured household bills 2002-03**

**AVERAGE UNMEASURED**

Water	£112
Sewerage	£125
<b>Total<sup>1</sup></b>	<b>£236</b>

Change of 0% (excluding inflation) and 0.9% (including inflation) over last year.

**AVERAGE MEASURED**

Water	£91
Sewerage	£106
<b>Total<sup>1</sup></b>	<b>£198</b>

Change of 0% (excluding inflation) and 0.9% (including inflation) over last year.

In 2001-02 approximately 22% of households were on metered charges. This is expected to rise to 23% by 31 March 2003

<sup>1</sup> The totals do not reconcile due to rounding

## Where does your money go?

For 2002-03, the average water and sewerage bill works out at 62p per day. This compares with the following:

Small loaf	35-69p
Daily newspaper	30-50p
One pint of milk	28-41p
Litre of sparkling bottled water	19-69p
A day's TV	31p

The examples below are a guide to what you get for your money. The figures are based on an

average cost per litre of 0.14 pence for water supplied and taken away. The average cost per litre of water may vary from company to company.

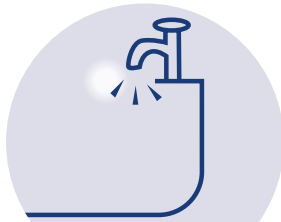
In practice, what you get for your money may be more or less than shown.

The cost of electricity for using the appliances and heating the water is based on an effective price of 7.55 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



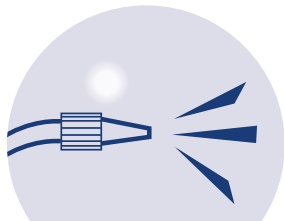
**Taking a bath**

Assuming 80 litres of water: 11p  
Heating the water: 19p



**Using a washing machine**

Assuming 65 litres of water: 9p  
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: 76p



**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

## Contacting your Customer Service Committee

(Your local CSC can be found under "water" in the phone book)  
Calls to all Lo-call numbers are charged at local rates

### ■ Customers of Severn Trent Water and South Staffordshire Water

Ofwat Central CSC  
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: clcsc@ofwat.gsi.gov.uk

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

Ofwat Eastern CSC  
Carlyle House, Carlyle Road, Cambridge CB4 3DN  
Tel: 01223 323889 Fax: 01223 323930  
Lo-call: 0845 795 9369  
e-mail: encsc@ofwat.gsi.gov.uk

### ■ Customers of Northumbrian Water and Hartlepool Water

Ofwat Northumbria CSC  
Eighth Floor, Northgate House, St Augustines Way, Darlington DL1 1XA  
Tel: 01325 464222 Fax: 01325 369269  
Lo-call: 0845 708 9367  
e-mail: nbcsc@ofwat.gsi.gov.uk

### ■ Customers of United Utilities

Ofwat North West CSC  
Suite 902, Ninth Floor, Bridgewater House, Whitworth Street, Manchester M1 6LT  
Tel: 0161 236 6112 Fax: 0161 228 6117  
Lo-call: 0845 705 6316  
e-mail: nwcsc@ofwat.gsi.gov.uk

### ■ Customers of South West Water

Ofwat South West CSC  
First Floor, Broadwalk House, Southernhay West, Exeter EX1 1TS  
Tel: 01392 428028 Fax: 01392 428010  
Lo-call: 0845 795 9059  
e-mail: swcsc@ofwat.gsi.gov.uk

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

Ofwat Southern CSC  
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: snscsc@ofwat.gsi.gov.uk

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

Ofwat Thames CSC  
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: tmcsc@ofwat.gsi.gov.uk

### ■ Customers of Dŵr Cymru Welsh Water and Dee Valley Water

Ofwat CSC for Wales  
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: wlscsc@ofwat.gsi.gov.uk

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

Ofwat Wessex CSC  
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: wxscsc@ofwat.gsi.gov.uk

### ■ Customers of Yorkshire Water

Ofwat Yorkshire CSC  
Eighth Floor, Northgate House, St Augustines Way, Darlington DL1 1XA  
Tel: 01325 469777 Fax: 01325 369269  
Lo-call: 0845 708 9368  
e-mail: ykscsc@ofwat.gsi.gov.uk