

Water Charges Made Clear

Your questions answered

waterchargesni.gov.uk

**Non-
Domestic
guide**



Contents

Water charges made clear

When will the charges be introduced?

Paying water charges

Who pays?

Who decides how much I pay?

How will the charges affect me?

How are the charges worked out?

How much will I have to pay?

How to pay

Large user discount scheme

How can I pay?

Next steps

When can I expect more information?

The role of The Consumer Council and Regulator

Who to contact

Useful contact details

How do I get this information in other formats?

Page

3

4

9

10

11

Water charges made clear

When will the charges be introduced?

From April 2007, there will be changes to the existing charging structure for non-domestic customers, including the introduction of some new charges.

At the same time the Government will be introducing water and sewerage charges for all households in Northern Ireland.

The purpose of this guide is to:

- **help** you understand the new charges (whether you are a new or existing customer);
- **answer** any questions you may have; and
- **give** you contact details for more help and information.

The information in this guide includes details of:

- how the charges are worked out;
- how much you can expect to pay;
- how the charges will be introduced; and
- where to get more help and information.

Paying water charges

Who pays?

From April 2007, all non-domestic customers will have to pay water and sewerage charges and trade effluent charges where appropriate.

Non-domestic customers include:

- farms;
- small, medium and large businesses;
- industrial users, including factories;
- voluntary organisations;
- charities;
- public organisations; and
- churches.

Who decides how much I pay?

From April 2007, the Department for Regional Development, on behalf of the Government will decide how much the charges will be.

From 2010, the charges will be decided by an independent regulator – the Northern Ireland Authority for Utility Regulation (NIAUR).

How will the new charges affect me?

At the moment, most non-domestic customers receive a 'free' domestic

water allowance of 200 cubic metres a year. From April 2007 this domestic allowance will be phased out over the first two years and all customers will pay charges for water and sewerage services received. Water metering will continue to be the preferred basis for charging non-domestic customers for their water supply.

Unmeasured customers (those without a meter), will pay:

- a standing charge for having a water supply; and
- a variable charge based on the Net Annual Valuation (NAV) of the business premises.

All non-domestic customers will also have to pay:

- sewerage charges;
- trade effluent charges if appropriate; and
- charges for the emptying of septic tanks.

New charges will be phased in over the first two years.

You will pay:

- 1/3 of the full charge in the first year;
- 2/3 of the full charge in the second year; and
- the full amount from April 2009.

Paying water charges

How are the charges worked out?

Water Charges

If you have a water meter you will pay:

- a standing charge (determined by the size of the water supply pipe); and
- a volumetric charge (this is based on the amount of water you use).

Changes in water charges for existing metered customers will generally be small. Bills for existing customers will rise by up to £60 in 2007/2008, and by up to around £200 in 2009/2010 (as the domestic allowance is phased out). The main effect on current metered customers will be the introduction of a sewerage charge.

Many metered customers currently do not receive a metered bill because of the existing domestic allowance. However, from April 2007 the domestic allowance will start to be phased out.

In the first year, 2007/2008, the domestic allowance will be reduced to 134 cubic metres a year, in 2008/2009 it will be 66 cubic metres a year and from then on completely removed. This

means that you will receive a bill if you use more water than the reduced domestic allowance.

Of this group of metered customers those who use more than the reduced allowance will receive a bill for:

- a standing charge (currently around £50); and
- a volumetric charge, based on the amount of water used, of up to £60.

The average water (only) bill for this group of customers will be about £110 in 2007/2008 (rising to about £300 in 2009/2010). If you receive more than one domestic allowance your bill could go up by a lot more.

Your water bill will change very little if you are:

- De-rated;
- rate-exempt; or
- use a large volume of water.

Sewerage Charges

If you have a water meter and are connected to the public sewer, in the first year you will receive a new sewerage bill which will be around 40% of your water bill (unless you

Paying water charges

are a trade effluent customer). With phasing this sewerage charge will increase each year until it is around 25% higher than your water charge.

Trade effluent customers will pay a lower sewerage charge for normal sewerage (the non-process part of their discharge).

Farms will not generally receive a sewerage bill because most farms are not connected to the public sewer.

Up to 22,000 metered customers who currently do not pay a water bill because of the existing domestic allowance will have to pay the new sewerage bill.

Trade Effluent Charges

All businesses which discharge trade effluent will have to pay charges. The charges will continue to be worked out on a standard formula (based on the volume and strength of effluent) and will be brought fully in line with practice in Great Britain.

This will result in increasing trade effluent charges over several years (about 17% higher in 2007/2008). This is against very small increases in charges over the past number of years.

About half of trade effluent customers will have to pay about £100 extra a year in 2007/2008 rising to £400 a year by 2009/2010. A smaller number of customers will have to pay more than this.

How much will I have to pay?

Typical water and sewerage charges for metered customers

Farms

Estimates suggest that a farm with average consumption will have to pay an extra £40 a year in 2007/2008 (rising to £120 a year in 2009/2010).

Small and medium sized businesses and organisations

It is estimated that a small to medium sized shop which uses 300 cubic metres of water will have to pay an extra £200 a year in 2007/2008 (rising to £500 a year in 2009/2010).

Manufacturers

It is estimated that large businesses carrying out general manufacturing will have to pay an extra £1,600 in 2007/2008 (rising to £4,000 a year in 2009/2010).

Paying water charges

Typical water and sewerage charges for unmeasured customers (if you do not have a meter)

The Water Service will continue to extend metering more widely throughout the non-domestic sector, so many customers who are currently unmeasured will start to receive a metered bill in the future.

Until then, unmeasured charges for water and sewerage will be made up of:

- a standing charge of between £50 – £55; plus
- a variable charge based on the NAV of your premises.

Water and sewerage charges will be capped at a maximum combined charge of £513 in 2007/2008 (full charge cap £1,540). Typical bills for water and sewerage together are likely to be as follows:

- The lowest bills will be up to £50 in 2007/2008. These will apply to properties with NAV's up to around £1,000 – for example, small first and second-floor offices, small corner shops and small stores

or workshops. This will rise to around £170 in 2009/2010.

- For high street shops in provincial towns (for example newsagents, chemists, estate agents, jewellers and boutiques) which have a NAV of between £5,000 and £6,000, the combined water and sewerage bill is likely to be up to £115 in 2007/2008, rising to around £450 in 2009/2010.
- Community, Orange and Hibernian halls with a NAV of around £3,000 to £4,000 will receive a combined water and sewerage bill of around £90 in 2007/2008, rising to around £330 in 2009/2010.
- The capped charge of £513 a year (£257 each for water and sewerage) will apply to unmeasured customers with NAV's above £40,000 although, many of these properties will be metered in the future.

The table shows the estimated 2007/2008 water and sewerage bills (at 2007/2008 prices) for unmeasured non-domestic customers.

Property NAV (£)	Estimated combined water and sewerage bill (£)	
	Year 1	Full amount without phasing
1,000	47	142
2,000	61	182
3,000	74	221
4,000	87	261
5,000	100	301
6,000	114	341
7,000	127	380
8,000	140	420
9,000	153	460
10,000	167	500
12,500	200	599
15,000	233	699
17,500	266	798
20,000	299	898
25,000	366	1,097
30,000	432	1,296
35,000	482	1,447
40,000 <small>(see note 1)</small>	513	1,540

All figures might not add up due to rounding them up or down. Note 1: The charge cap comes into effect at this NAV.

How to pay

Large user discount scheme

A discount scheme is available for customers who use more than 100,000 cubic metres of water a year.

The following table shows the discounts you can get:

Annual consumption of water	Discount
Up to 100,000 cubic metres a year	None
Between 100,000 and 250,000 cubic metres a year	20%
Between 250,000 and 500,000 cubic metres a year	25%
More than 500,000 cubic metres a year	30%

How can I pay?

You can pay your bill in a number of ways, including:

- by direct debit;
- at the post office;
- by Bank Giro;
- by debit card;
- on-line; or
- in cash.

If you want to spread the cost, you should pay by direct debit.

Next steps

When can I expect more information?

You will receive more information early in 2007.

The role of The Consumer Council and Regulator

The Consumer Council

The Consumer Council is an independent body that promotes and protects the interests of all consumers in Northern Ireland. From April 2007, The Consumer Council will become the consumer representative body for water. If you have a complaint about water or sewerage services and are not happy with Northern Ireland Water Service's response, The Consumer Council will be able to take the complaint up on your behalf.

The Regulator

From April 2007, water and sewerage will be regulated by the Northern Ireland Authority for Utility Regulation (commonly known as Ofreg). This is the same body that has regulated energy in Northern Ireland for many years. The Authority will be responsible for standards of service from 2007, and will regulate charges from 2010. The regulator's job will be to protect customers' interests by making sure that charges are fair, and that high standards of service are delivered.

Who to contact

If you have any more questions, please contact our helpline.

Phone:

0800 051 5445

Minicom:

0800 051 5446

Fax:

028 9016 8002

Lines are open from 8am to 8pm Monday to Friday, and from 9am to 1pm on Saturdays. **Calls are free.** Calls may be recorded for training purposes.

For more information, visit

www.waterchargesni.gov.uk or email info@waterchargesni.gov.uk

How do I get this information in other formats?

This leaflet is about changes to non-domestic water and sewerage charges for non-domestic customers. If you would like this information in a different language or format, or would like extra copies, please write to:

Customer Relations Centre
Capital House
4th Floor
3 Upper Queen Street
Belfast
BT1 6PU.

Phone: 0800 051 5445

