

## Reform of water and sewerage services in Northern Ireland

The Government has decided to reform water and sewerage services in Northern Ireland. An important part of reform is the introduction of new water and sewerage charges.

The Government's proposals for charging were announced by John Spellar MP, Minister of State for Northern Ireland on 13 September 2004. This leaflet explains the changes to the existing arrangements for non-domestic customers.

### Why the arrangements are changing

- 1 We want to improve the standard of our water and sewerage services and make them as efficient and effective as the best services elsewhere.
- 2 We must make sure our drinking water meets increasingly tough public health standards. We also need to protect the environment by improving how waste water is treated before it is returned to rivers or the sea.
- 3 We need to make sure that agriculture, industry and households make an adequate contribution towards paying for water and sewerage services.

In doing this, we need to invest up to £3 billion over the next 20 years.

### Who will pay the charges?

Anyone whose premises is connected to the mains water supply or the public sewerage system (or both) will have to pay charges. If your premises has a septic tank, you will not pay sewerage charges (although there would be a charge for emptying the tank).

### The kind of charges that will apply

A large number of non-domestic customers already pay metered water charges and a small number also pay trade effluent charges. These arrangements will continue. Water Service will accelerate its programme of installing meters in non-domestic properties and will extend the scope of the existing metered regime.

If it is not possible to install a meter, we may apply an assessed charge. We will charge all other customers an unmeasured charge.

### How the changes will affect existing metered water customers

Existing metered water customers pay a standing charge and a 'volumetric charge' based on the amount of water they use. This structure of charges will not change.

However, the existing domestic allowance will be removed. For many industrial customers who do not receive the allowance, this will not affect their water bills. However, for most customers, water charges will increase by around £160 a year. For some customers who receive more than one allowance, the increase will be higher.

Metered customers who currently do not pay charges (because they use less water than the domestic allowance) will receive a water bill under the new arrangements. For most customers, it should be less than £200 a year.

For the first time, a new volumetric sewerage charge will be introduced for all metered customers. This will be made up of a standing charge and a volumetric charge, and will apply to all metered premises that are connected to the public sewer. The size of the new sewerage bill will be roughly the same as the new water bill.

### What are assessed charges?

For a small number of premises, installing a meter can be technically difficult or expensive. In the past, we have not installed meters in these premises. Under the new arrangements we will agree an estimate of water use with the occupant. This will be an 'assessed' charge.

### What are unmeasured charges?

Each non-domestic customer who does not have a meter will pay standing charges for water and sewerage services similar to the domestic standing charges. Customers will also pay a charge based on the net annual value (NAV) of their premises. A property with a NAV of £1,000 is likely to have a combined water and sewerage charge of around £130 a year (£2.50 a week). A property with an average NAV of around £10,000 will pay around £370 a year (£7.10 a week). The maximum combined charges will be around £1,500 a year in total.

At this stage, we can't say exactly how much each unmeasured customer will pay. The following table shows examples of the average level of unmeasured charges in 2006-2007 for different customer groups.

Type of property	Number of properties	Average combined charge (£)
Commercial	32,500	360
Industrial	2,500	550
Public service	3,500	520
Educational	500	650
Recreational	500	520
Religious	500	435
Voluntary	2,000	225

### Will the charges be phased in?

If you already pay charges you will continue to do so as before. However, all changes will be phased in. This means that you will pay:

- one-third of the new volumetric sewerage charge, or one-third of the new unmeasured water and sewerage charges, in the first year;
- two-thirds in the second year; and
- the full amount in the third year.

The domestic allowance will be phased out in the same way. You can get more information on what you might pay by visiting the Water Reform website or by contacting us.

### What about trade effluent charges?

The scope of trade effluent charges will be extended and the way in which the charges are worked out will be in line with practice in Great Britain. Charges will be applied to all premises where there is a trade effluent discharge consent – whether it is rated or not. (Currently only customers who don't pay rates pay trade effluent charges.) Trade effluent charges will be charged on process discharge only. Sewerage charges will be charged on any non-trade effluent discharge.

### How will my NAV be set and will I be able to appeal the valuation?

The Valuation and Lands Agency (VLA) values all properties for rating purposes. We will take the valuation (NAV) of your premises from the current valuation list. For exempt or de-rated premises, we will use the exempt valuation or the total valuation for the premises. You will be able to appeal against your valuation in the normal way. You can find more information about the valuation process at [vla.nics.gov.uk](http://vla.nics.gov.uk)

### How can I comment on these proposals?

We have assessed the effect of these proposals on businesses and the commercial, voluntary and community sectors.

You can get a copy of this impact assessment and a policy paper on Water Reform from:

Water Reform Unit  
Department for Regional Development  
6th Floor  
Lancashire House  
5 Linenhall Street  
BELFAST  
BT2 8AA.

Phone: 028 9054 2985

Fax: 028 9054 7875

E-mail: [queries@waterreformni.gov.uk](mailto:queries@waterreformni.gov.uk)

Website: [www.waterreformni.gov.uk](http://www.waterreformni.gov.uk)

If you have a question about the new charges you can also contact the Water Charging Team:

Phone: 028 9035 7404

Fax: 028 9035 7614

E-mail: [WaterChargingQueries@waterni.gov.uk](mailto:WaterChargingQueries@waterni.gov.uk)

