## Wednesday 3 February 2016 Water and sewerage bills Press release



## Household water and sewerage bills for 2016-17

The average household water and sewerage bill in England and Wales for 2016-17 will be £389 – an increase of £2 (less than 1%) compared with the previous year.

The increase is in line with the 5-year plans developed by every water and sewerage company after extensive consultation with customers and confirmed by the industry regulator, Ofwat in 2014.

Despite this small increase, water and sewerage companies will deliver a 5% average drop in real terms in prices between 2015 and 2020.

It will help water companies invest £44bn over five years in better services, greater resilience and environmental improvements. Their tough targets include:

- Saving 370 million litres of water a day by tackling leakage and promoting efficiency
- 32% reduction in the time interruptions affect the supply of water
- 33% fewer properties flooded by wastewater from sewers.

Over the same period, one million more people will also be able to get help in paying their bills. From this summer, all water companies will have met their commitment to introduce their own social tariffs, in addition to their other schemes of financial support.

Water UK Chief Executive, Michael Roberts, said: "For just over £1 a day, households across the country can have access to high quality water services day and night. The supply of clean water at the turn of a tap, together with waste water treatment services, provides the lifeblood of the nation and the foundation for our health and well-being.

"Water companies understand the pressures on customers' pockets and are committed to keeping household bills as low as possible while still investing in vital improvements. Through continued efficiency improvements the water industry is set to lower prices for households by 5% on average in real terms between 2015 and 2020."

...ends...

## **Notes to editors:**

- 1. Companies decide each year the level at which they will set charges for customers, making sure they do not exceed the overall revenue that Ofwat has allowed them in its final determinations.
- 2. Companies are allowed to add the RPI rate of inflation to the wholesale element of their bills on an annual basis. The inflation figure used this year is 1.1% the Retail Price Index (RPI) annual inflation in November 2015, as released by the Office of National Statistics in December 2015.
- 3. Customer satisfaction with the value for money of water services has increased from 69% in 2009 to 75% in 2014. (CCWater research Annual Tracking Survey, March 2011, Water Matters 2015).
- 4. During 2016 all water and sewerage companies will have put in place their own schemes in place to help those struggling to pay their water and sewerage bills. These schemes vary from company to company and details can be found on their various websites or from other advisory organisations such as Citizens Advice.
- 5. Since privatisation in 1990 the water industry has invested in excess of £130 billion on new facilities and infrastructure as well as upgrading and modernising key installations and pipe and sewer networks.
- 6. The current investment programme ensures water companies will continue to help provide essential infrastructure and support a wide range of jobs in every region to spur growth. Overall, the UK water industry contributes at least £15bn to the UK economy each year.
- 7. Average bills for each company are shown in the table below.

## Forecast average household bills in 2016/17

Water and sewerage companies	Average water bill 2016/17	Change from 2015/16	Average sewerage bill 2016/17	Change from 2015/16	Average combined bill 2016/17	Average change in combined water and sewerage bill	
Anglian	£182	£3	£229	£2	£411	£5	1%
Dwr Cymru	£181	£0	£257	£0	£438	£0	0%
Northumbrian							
North East	£174	£1	£203	£5	£378	£7	2%
Severn Trent	£172	-£3	£157	£3	£329	£0	0%
South West	£219	-£4	£319	£8	£488	£5	1%
Southern	£147	£2	£264	-£9	£411	-£7	-2%
Thames	£198	£2	£176	£2	£374	£5	1%
United Utilities	£201	£1	£214	£2	£415	£3	1%
Wessex	£234	-£1	£226	+£1	£460	£0	0%
Yorkshire	£162	£3	£204	£2	£366	£5	1%
Water only companies	water bill 2016/17					bill – not including sewerage charges	
Affinity							
Central region	£174					£2	1%
East region	£174					£0	0%
Southeast region	£206					£3	2%
Bournemouth	£136					£1	1%
Bristol	£175					-£2	-1%
Dee Valley	£145					£7	5%
Northumbrian	W110						270
Essex & Suffolk	£236					£4	2%
Portsmouth	£98					£1	1%
South East	£198					£0	0%
South Staffordshire							
Cambridge	£127					-£2	-2%
South Staffordshire	£142					-£2	-2%
Sutton and East Surrey	£186					£3	2%
						Overall average change (combined bill)	
National average bill (England and Wales)	£183	£1	£206	£1	£389	£2	1%

- a) Average bills for 2016-17 are estimates based on forecast data provided by water companies.
- b) The average household bill is, by definition, an average across all customers. Individual customers' bills may be more or less than the average because of their particular characteristics, for example, whether

they have a water meter. Changes to customers' bills will vary according to which company supplies them. Some customers receive their water services from one company and receive their sewerage services from another. To calculate the average combined bill, you must add the average water bill to the average sewerage bill.

- c) The change in the Wessex Water bill is a comparison against the forecast average 2015-16 bill published by Water UK in January 2015.
- d) Since April 2013, household customers served by South West Water have benefited from a Government Contribution, which reduces the bill for all households by £50 per year. This £50 reduction is applied to the combined average bill in this table. Without the Government Contribution, South West Water's combined average bill would be around £538.
- e) The national average bill figure for England and Wales of £389 is weighted to reflect the number of customers served by individual companies. It also does not factor in the Government Contribution to South West Water's household bills. The national average bill figure therefore incorporates an average South West Water household bill of £538.
- f) All figures have been rounded to the nearest whole number. Some numbers may not add up due to rounding.

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