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Water UK statement on water companies' PR14 business plans

Water companies have listened to their hard-pressed customers over the last year and looked to ensure their bills for 2015-2020 will be as low as possible, while also continuing to invest so customers can count on safe, reliable water and sewerage services.

Almost all companies are holding down their bills to keep them in line with or lower than inflation from 2015-20.

In this next price review period, companies will continue their drive to be even more efficient, and will reduce returns to investors, to keep bills down.

This means water companies will be able to maintain the high quality of drinking water, meet their extensive legal obligations and duties to protect the environment, and deliver the improvements that their customers want, while keeping increases as low as possible.

All companies will be continuing the industry's major investment programme to maintain and improve the high standard of water and sewerage services – investment that also boosts economic growth and sustains jobs throughout the country.

Each company's plan is based on the needs and priorities of their customers and communities they serve. These needs and priorities, and the investments that are required to meet them, vary across the country – for example further improvements to the quality of beaches to boost local tourism in coastal areas, increasing the resilience of water supplies to droughts in water-stressed areas, and reducing sewer flooding.

The environmental regulators and the drinking water quality regulator have also ensured that companies' business plans will see them continue to protect the environment, including our rivers and coastal waters, and that our drinking water quality remains amongst the best in the world.

In their business plans, companies will also provide continued and enhanced funding for the wide range of social support measures already in place. Many water companies have set up and contribute to social funds and charitable trusts which have helped hundreds of thousands of customers in need. Others write-off amounts of customers' debt if they demonstrate consistent efforts to bring down their arrears, or give customers free access to debt and money advice and give financial support to Citizens Advice bureaux.

More than 70,000 people in England are already on the current national social tariff Watersure, which caps bills for some metered customers who are on means-tested benefits. In Wales 54,000 are either on the Welsh Water Assist tariff which is based on the Watersure tariff but set at a lower rate and extended to unmeasured customers, or benefit from other forms of social assistance.

In their business plans, many companies have confirmed they will introduce additional social tariffs, to make bills affordable for even more of their customers under financial pressure, and other companies also already have additional schemes to help those who have difficulty in paying.

For more than a year companies have carried out their biggest ever consultations with their customers while developing their plans, which they submitted to Ofwat, the independent economic regulator, today. And for this price review, independent consumer representative groups have had a formal role as Customer Challenge Groups, scrutinising and challenging every company throughout the process.

Also, Ofwat has given companies more freedom to develop plans that suit their customers, and more flexibility in how to deliver the outcomes customers want. As a result, each company has produced plans based on the services customers want and are willing to pay for, and delivered in the best value, most sustainable way.