

Household Charges Scheme Charges that apply from April 2019

Contents

1.	About this document	4
	1.1. Introduction	
	1.2. Definitions used in this document	4
	1.3. Other charges	5
2.	Household charges for water	6
3.	About charges for water	10
	3.1. Unmeasured water charges	
	3.2. Measured wholesale water charges	10
	3.3. Assessed household charge	12
	3.4. WaterSure tariff	
	3.5. Water Support scheme	14
4.	Metering policy	16
	4.1. The Water Industry (Prescribed Conditions) Regulations 1999	16
	4.2. New premises	
	4.3. Change of occupancy	16
	4.4. Domestic meter option scheme	16
5.	Payment of charges	18
	5.1. Responsibility for charge	18
	5.2. Payment options	20
	5.3. Outstanding charges and other costs	21
	5.4. Water resale	22
	5.5. Wastewater (sewerage) charges	22
6.	Charges for other services	23
	6.1. Standard drainage and water enquiry	23
	6.2. Provision and use of standpipes	23
	6.3. Charging for water used for fire fighting purposes	23
	6.4. Replacement of a lead service pipe	23
	6.5. Charges for on site visits	23
7.	Infrastructure Charge	25
	7.1. Description of charge	25
	7.2. Charge applicable from 1 April 2019	25
	7.3. Reduced charges for water efficient properties	25
	7.4. Reduced charges for redeveloped sites	
	7.5. Charge in future years	26
8.	Our commitment to you	
	8.1. Our Customer Charter - The Guaranteed Standards Scheme	27
	8.2. Our Codes of Practice for Domestic Customers	
	8.3. Our Helping Hand Scheme	27
	8.4. Complaints procedure	
	8.5. The Consumer Council for Water	
9.	Board assurance of charges	29

Contact us

Our customer services team can be contacted on:

Website <u>www.seswater.co.uk</u>

Email <u>CustomerRelations@seswater.co.uk</u>

Phone 01737 772000

Monday to Friday: 8:00am to 6:00pm

Twitter @SESWater

Address SES Water

London Road

Redhill RH1 1LJ

If you have a query about wastewater please contact the wastewater service provider:

Thames Water 0800 316 9800 **Southern Water** 0330 303 0277

A map indicating the wastewater supplier by area is available on our website.

1. About this document

This document is our Household Charges Scheme produced to comply with Section 143 of the Water Industry Act 1991 as amended (the 'Act'). It has been produced in accordance with the Charging Scheme Rules issued by the Water Services Regulation Authority ('Ofwat').

1.1. Introduction

This charges scheme outlines:

- our charging policy and practice
- the charges payable by households for the supply of water from 1 April 2019.

Please contact our customer services team if you require clarification of any of the information in this document or to request a copy of this charges scheme.

A separate document, the Wholesale Charges Schedule, outlines the wholesale charges that are applicable to businesses and is available on our website. We provide a Wholesale Service to Retailers and no longer provide a Retail Service to businesses and therefore businesses should contact their Retailer relating to charging queries from April 2018.

The charges outlined in this document have been approved by the Company's Board of Directors. A signed assurance statement is included in Chapter 9.

1.2. Definitions used in this document

For the purposes of this charges scheme the following definitions apply:

Term	Definition
Act	The Water Industry Act 1991 as amended.
Billing Year	1st April to 31st March.
Company	SES Water.
	Non-essential use, e.g. filling or topping-up swimming
Discretionary Purposes	pools, ornamental ponds, fish ponds, or garden
	watering with a sprinkler or unattended device.
Domestic Purposes	As defined in the Act.
Measured Water Supply	A supply through a water meter.
Non-Potable	Untreated water.
Potable	Treated water.
Draminas	A property, or parts of a property, which are intended to
Premises	be separately occupied.
	As defined in the Water Industry (Charges) (Vulnerable
Qualifying Person	Groups) Regulations 1999 issued by the Secretary of
	State.
Detachie Value	The valuation for a property as shown in The Inland
Rateable Value	Revenue Valuation List as at 31st March 1990.

¹ Wholesale Charges Schedule 2019-20, January 2019

Household Charges Scheme

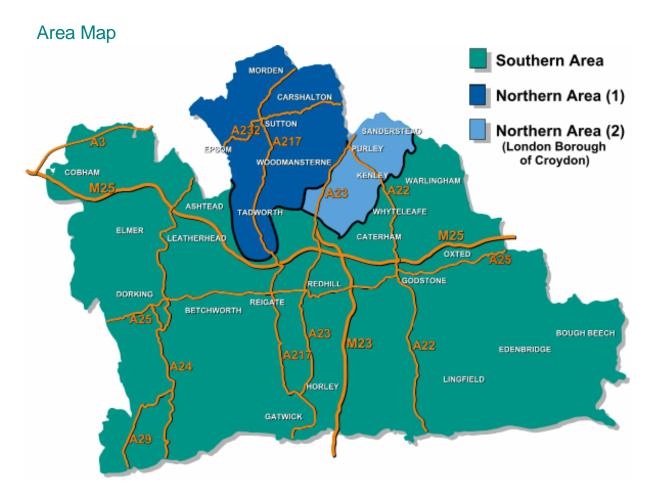
Term	Definition
Deteiler	The company providing Retail Services to customers
Retailer	within the Company's operational area.
	Customer services, which include billing, payment
Data'l Camina	handling and customer enquiries; debt management
Retail Services	and doubtful debts; meter reading; and providing
	information and administration for new connections.
Unmeasured Water Supply	A supply that is not metered.
Vulnerable Groups	Water Industry (Charges) (Vulnerable Groups)
Regulations	Regulations 1999, amended in 2005.
Wholesalers	A company providing Wholesale Services to Retailers.
	All regulated activities that are not Retail Activities. This
Wholesale Services	includes the abstraction, treatment and transportation of
	water.

1.3. Other charges

The Company has other fixed charges for various works. These can be found in Chapters 6 and 7. Charges for connection services, e.g. connecting a new property to a water main or building a new water main, are contained in our Developer Services Charging Arrangements document which is available on our website.

2. Household charges for water

The applicable charge for the supply of water varies by region and the type of supply at the property. The Company has three charging areas – Southern, Northern (1) and Northern (2). The areas are indicated on the area map below. The charges that apply in each area shown on the following three pages.



PLEASE NOTE

This map is very small scale and is for general guidance only. Please contact our customer services team if you are not sure which area the property is located in.

Southern area charges

Unmeasured Charges			
Annual Standing Charge	£43.02		
Variable Charge (per £ of Rateable Value) (Based on Rateable Value as at 31 March 1990)	90.98p		
Miscellaneous Charges – Levied for the period 1 April to 31 March and	nd unable to be		
apportioned on change of occupation of the premises during the year.			
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£56.12		
Field supply, Cleansing supply	£110.94		
Swimming Pool (unmetered)			
9m3 to 45m3 capacity (filtered)	£13.78		
46m3 to 90m3 capacity (filtered)	£27.56		
9m3 to 45m3 capacity (unfiltered)	£51.76		
46m3 to 90m3 capacity (unfiltered)	£101.09		
Assessed Household Charge (Fixed Charge) – This charge is levied where a domestic customer requests a meter and it is either impracticable or too expensive to install or where there is no rateable value.			
Single-occupancy	£105.00		
Multi-occupancy	£133.00		
Measured Charges			
Annual Standing Charge	£25.09		
Volume Charge (per m³) – The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.	142.69p		
WaterSure Tariff (formerly Vulnerable Customer Tariff) – available to Qualifying Persons as defined by The Secretary of State.	£186.14 ¹		
Water Support Charge			
Annual Charge – This charge is applicable for all customers who are not eligible to receive the Water Support discount as described in Section 3.5.	£2.00		

¹Or the charge for actual usage, whichever is lowest.

Northern area (1) charges

Unmeasured Charges			
Licence Fee	£208.00		
Miscellaneous Charges – Levied for the period 1 April to 31 March and unable to be apportioned on change of occupation of the premises during the year.			
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£56.12		
Field supply, Cleansing supply	£110.94		
Swimming Pool (unmetered)			
9m3 to 45m3 capacity (filtered)	£13.78		
46m3 to 90m3 capacity (filtered)	£27.56		
9m3 to 45m3 capacity (unfiltered)	£51.76		
46m3 to 90m3 capacity (unfiltered)	£101.09		
domestic customer requests a meter and it is either impracticable or too install or where there is no rateable value.	<i>,</i>		
Single-occupancy	£105.00		
Multi-occupancy	£133.00		
Measured Charges			
Annual Standing Charge	£25.09		
Volume Charge (per m³) – The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.	111.42p		
WaterSure Tariff (formerly Vulnerable Customer Tariff) – available to Qualifying Persons as defined by The Secretary of State.	£186.14¹		
Water Support Charge			
Annual Charge – This charge is applicable for all customers who are not eligible to receive the Water Support discount as described in Section 3.5.	£2.00		

¹Or the charge for actual usage, whichever is lowest.

Northern area (2) charges

Unmeasured Charges			
Annual Standing Charge	£43.02		
Variable Charge (per £ of Rateable Value) (Based on Rateable Value as at 31 March 1990)	55.21p		
Miscellaneous Charges – Levied for the period 1 April to 31 March and	nd unable to be		
apportioned on change of occupation of the premises during the year.			
Religious building, Caravan (unrated), Flushing chamber, Pumping station, Standpipe	£56.12		
Field supply, Cleansing supply	£110.94		
Swimming Pool (unmetered)			
9m3 to 45m3 capacity (filtered)	£13.78		
46m3 to 90m3 capacity (filtered)	£27.56		
9m3 to 45m3 capacity (unfiltered)	£51.76		
46m3 to 90m3 capacity (unfiltered)	£101.09		
Assessed Household Charge (Fixed Charge) – This charge is levied where a domestic customer requests a meter and it is either impracticable or too expensive to install or where there is no rateable value.			
Single-occupancy	£105.00		
Multi-occupancy	£133.00		
Measured Charges			
Annual Standing Charge	£25.09		
Volume Charge (per m³) – The volume charge takes effect on 1 April. Where the consumption spans this date, the consumption will be apportioned on the basis of the number of days either side of 1 April, and charged at the appropriate rate.	111.42p		
WaterSure Tariff (formerly Vulnerable Customer Tariff) – available to Qualifying Persons as defined by The Secretary of State.	£186.14 ¹		
Water Support Charge			
Annual Charge – This charge is applicable for all customers who are not eligible to receive the Water Support discount as described in Section 3.5.	£2.00		

¹Or the charge for actual usage, whichever is lowest.

3. About charges for water

3.1. Unmeasured water charges

3.1.1. Rate-based tariff – Southern and Northern Area (2)

The occupier of any Premises in the Southern or Northern (2) area with access to a supply of water other than through a meter shall pay:

- an annual standing charge; and
- a charge calculated on the full Rateable Value of the Premises to which the water supply is made available.

3.1.2. Licence fee - Northern Area (1)

The occupier of any Premises in the Northern (1) area with access to a supply of water other than through a meter shall pay a licence fee which represents the average charge made by the Company for unmeasured supplies in the area.

Some customers pay sewerage charges by reference to the meter on their water supply even though their water supply charges are based on the licence fee. Such Premises are deemed to be Unmeasured Water Supplies. There is no difference in the entitlement to opt for a Measured Water Supply should they wish to do so. For these customers, the licence fee charge is split equally between the two bills issued each year after the meter has been read for sewerage charging purposes.

3.1.3. Miscellaneous charges

The Company has fixed other sundry water supply charges in relation to water used for Discretionary Purposes.

3.1.4. Access to Unmeasured Water Supply

Where a rated Premise has right of access to an Unmeasured Water Supply, the full unmeasured charge will apply to that Premises, irrespective of whether or not the supply is within the boundary of the property concerned.

3.1.5. Payment and instalment options

The charge for water supplied by the Company other than through a meter shall be payable annually in advance on 1 April or in instalments.

Customers wishing to pay by instalments must make a prior arrangement with the Company to do so. Payment may be made in up to eleven instalments. The customer may choose from one of the following days on which to make their payments: 1st, 8th, 15th or 22nd of the month. Payment must reach the Company on the agreed due day each month otherwise the instalment arrangement may be cancelled and the entire outstanding balance may become due.

3.2. Measured wholesale water charges

Charges for a Measured Water Supply are based on the metered consumption at the Premises.

3.2.1. Basis of tariff

The occupier of any Premises receiving a supply of water through a meter shall pay:

- a standing charge due monthly or half-yearly, in advance, depending on billing frequency; and
- a volume charge which shall be based on the consumption of water recorded by the meter.

3.2.2. Payment and instalment options

Meters will be billed half-yearly. Payment of metered bills is due at the date of billing. By arrangement metered accounts can be paid in fixed monthly amounts throughout the year using a budget payment plan.

A budget payment plan application form which includes details of the terms of the plan is available from the customer services team. The Company will calculate the likely annual bill, based on past consumption history or, where this is not available, by estimated usage and divide this into equal monthly instalments. The monthly amount will be reviewed annually and the required payments adjusted accordingly.

Where a balance becomes outstanding, the Company may require it to be paid in full or alternatively it may, at its discretion, incorporate the amount into the budget payment plan. Any overpayment will be refunded if requested by the customer. Direct debit payments will normally be required but where the customer does not have a bank account a PayPoint Card will be provided.

3.2.3. Estimated consumption

3.2.3.1. When meter reading is not possible

Where it is not possible to read the meter, bills will be issued based on estimated use. The estimate will be based on the average of previous actual use where such data is available. If suitable data is not available an estimate based on average consumption data will be used. If customers are not happy with the estimated consumption and they provide an actual meter reading, the bill will be reissued on the basis of the customer's reading.

3.2.3.2. When the meter has ceased to register

Where a meter has ceased to register due to damage or malfunction, meter bills will be issued based on an estimated consumption. The consumption will be estimated as described in Section 3.2.3.1. The Company is committed to fair and appropriate charging and will use conservative assumptions or make an allowance in circumstances where the actual consumption at a customer's Premises is not known.

3.2.4. Leakage from metered supplies

The customer is liable for the charges associated with all the water registered on the meter. No allowance will be made in respect of water wasted by leakage from customers' internal or external pipe-work (irrespective of whether such pipework is above or below ground, or buried or visible), customers' plumbing fittings, and customers' appliances. The only exception to this is in the case of the first defect at domestic premises as specified in our Leakage Code of Practice which can be found on our <u>website</u>.

3.2.5. Meter accuracy

3.2.5.1. Testing in-situ

Where a customer has reason to dispute the accuracy of a meter the Company will carry out a free in-situ test using a vessel of a known volume. If the customer continues to dispute the accuracy of the meter the Company shall, if requested to do so, test the accuracy of the meter. The meter shall be tested in accordance with regulation 6(2) and (4) of the 1988 Measuring Equipment (Cold Water Meters) Regulations, to determine whether it falls within the prescribed limits of accuracy (whether or not it is a meter to which the regulations apply).

3.2.5.2. Charge for testing

Where a test is carried out at the request of the customer and the meter, on being tested, falls within the prescribed limits of accuracy, the customer will be charged the cost of carrying out the test. Where the meter is removed from the Premises, these charges shall not exceed £70. In other cases, these charges shall not exceed £20.

3.3. Assessed household charge

Where a meter has been requested but it is not practicable or too expensive to install a meter, the Company shall apply an assessed household charge. Examples of not practical or too expensive could be:

- where the water supply is shared by more than one property and it would require the supplies to be separated
- where there is more than one supply to the Premises
- where internal plumbing alterations are required.

This charge will not apply where there is any water used for Discretionary Purposes.

There are two assessed household charges:

- A single-occupancy charge which will be applied where the occupier can provide evidence, primarily a council tax bill, that they are the sole-occupier of the Premises
- A multi-occupancy charge for all other households.

3.4. WaterSure tariff

This tariff is available to those customers who need to use more water than the average household and could therefore face severe hardship as a result of paying for water on a measured basis.

This tariff is available to Qualifying Persons (as defined in the Water Industry (Charges) (Vulnerable Groups) Regulations 1999) who pay a metered charge. The WaterSure tariff applies for 12 months, or until the end of the billing period in which a customer ceases to be eligible. Customers meeting the requirements will pay on the basis of actual usage or the WaterSure Tariff, whichever is the lower.

Customers who use water for Discretionary Purposes will not be eligible for this tariff.

3.4.1. Eligibility criteria

The tariff is available where a customer, or people residing with them, is in receipt of one or more benefits or tax credits under:

- Part VII of the Social Security Contributions and Benefits Act 1992; or
- Section 1(4) of the Jobseekers Act 1995,

and is entitled to receive child benefit under Part IX of the Social Security Contributions and Benefits Act 1992(3) for three or more dependent children under the age of 16 who reside in the Premises or is suffering from a qualifying medical condition which causes them to use significantly more water such as:

- desquamation (flaky skin loss);
- weeping skin disease (eczema, psoriasis, varicose ulceration);
- incontinence;
- abdominal stoma;
- Crohn's disease;
- · ulcerative colitis; or
- renal failure requiring dialysis at home in this case, entitlement to the tariff is removed if the health authority contributes to the cost of water consumed.

The Company will allow doctors' (or other registered medical practitioners') certificates to be shown as qualifiers for assistance for customers who have a non-list medical condition which requires them to use large volumes of water for essential household purposes.

The conditions governing eligibility for this tariff may change from time to time in accordance with regulations issued by the Secretary of State.

3.4.2. How to apply for the tariff

Customers wishing to opt for this tariff should complete an application form which is available on our <u>website</u> or by contacting the customer services team. The form requires that the applicant provides information and sufficient supplementary evidence to allow the Company to reasonably validate the claim. Applicants will also be required to complete a declaration, giving permission for an employee of the Company to contact either Job Centre Plus, or the customer's medical practitioner, to verify the information provided.

Applications for this tariff will be checked to ensure that the customer meets the eligibility criteria. The check in respect of these applications will therefore include a test to determine whether there is significant extra use. As a quality assurance on our vetting procedures the Company will, as a matter of policy, carry out random checks on 5% of all applications for this tariff.

3.4.3. When the tariff is valid

The new tariff will be valid from the start of the billing period during which the application is received (i.e. the previous meter reading). The tariff will not run on automatically each year. In order for the tariff to continue the Company will require a new declaration to be completed at the start of each Billing Year confirming that the customer's circumstances have not changed. Where the annual declaration is not completed, or returned, charges will revert to the normal basis with effect from the start of the Billing Year.

3.5. **Water Support scheme**

The purpose of the tariff is to help those customers who are in financial hardship and are struggling to afford their water bill. A discount of 50% of the applicable charge will be applied to customers who meet the eligibility requirements of this tariff. The discount applied to both standing and variable charges for unmeasured, measured and assessed household tariffs. The scheme complies with the guidance issued by the Secretary of State in June 2012.²

The discount will last for 12 months from when the application is received. For customers meeting the eligibility requirements, the discount is applicable from the date the application for the scheme is received, and will continue, subject to receipt of a renewal notice confirming that the customer is still eligible. An additional charge of £2 per annum will be applied to all non-eligible household customers.

3.5.1. Eligibility criteria

The tariff is available where:

- a member of the household is in receipt of one or more means tested benefits; or
- combined household income is less than £16,105; and
- a member of the household is aged 62 or over, is registered disabled or has parental responsibility for a child under the age of five.

The conditions governing eligibility for this tariff may change from time to time. Decisions on eligibility and award of the tariff are at the absolute discretion of the Company.

Customers who have high water use will be expected to take additional measures to reduce their consumption. The Company will provide assistance to achieve this by providing information and devices that will reduce water use in the home. A customer may be required to have a water meter as part of this tariff, but only if this is also expected to result in reduced water charges.

3.5.2. How to apply for this tariff

Customers wishing to opt for this tariff should complete an application form which is available on our website or by contacting the customer services team. The form requires that the applicant provides information and sufficient supplementary evidence to allow the Company to reasonably validate the application. Applicants may be referred to a third party appointed by the Company for the purpose of validating applications.

Applicants may also be required to complete a declaration, giving permission for an employee of the Company to contact Job Centre Plus or other relevant organisations to verify the information provided.

All applications for this tariff will be checked to ensure that the applicant properly meets the eligibility criteria. Where there is any doubt the information supplied will be checked with the Job Centre Plus or debt advice agency (where they are involved). As a quality assurance on

² Guidance to water and sewerage undertakers and the Water Services Regulation Authority under Section 44 of the Flood and Water Management Act 2010.

our vetting procedures the Company will, as a matter of policy, carry out random checks on 10% of all applications for this tariff.

3.5.3. When the tariff is valid

The tariff will not run on automatically each year. In order for the tariff to continue the Company will require a new declaration to be completed at the start of each Billing Year confirming that the customer's circumstances have not changed. Where the annual declaration is not completed, or returned, charges will revert to the normal basis with effect from the start of the Billing Year.

3.5.4. Other company schemes

Similar schemes are offered by your supplier of sewerage services. If you receive your sewerage service from Thames Water you can apply for its scheme (WaterSure Plus) through the same application form that you send to us. Details of Thames Water's scheme and its eligibility criteria can be found on its website. If you receive your sewerage service from Southern Water you will be accepted onto Southern Water's scheme (Essentials Tariff) if you qualify for the Company's scheme. We will contact Southern Water to inform them. Details of Southern Water's scheme can be found on its website.

4. Metering policy

The Company may impose meters on Premises where allowed under legislation. The Company also operates a policy of installing meters for free on change of occupancy and provides meters to those customers wishing to switch to a Measured Water Supply.

4.1. The Water Industry (Prescribed Conditions) Regulations 1999

The Company may require that any supply is metered subject to the provisions of the Act and The Water Industry (Prescribed Conditions) Regulations 1999. These regulations provide that water companies may impose meters on customers in the following circumstances:

- where the principal use of a Premises is not as a home;
- where there is garden watering other than by hand;
- where water is used to automatically replenish a swimming pool or pond with capacity of over 10,000 litres;
- where water is used in a bath with a capacity of over 230 litres;
- where water is used in a unit incorporating reverse osmosis; or
- where the Premises are in an area of water scarcity, so determined by the Secretary of State.

Customers may not revert to an unmeasured charge if they meet the criteria in these regulations. Excepting where regulations to the contrary are made in the Act, once a meter has been installed, the meter will not be removed or the charge reverted to an unmeasured basis.

4.2. New premises

The Company requires that a supply of water for all Premises built after 31 March 1989 shall be provided only through a meter and shall be subject to the charges fixed for measured supplies. This also applies to Premises created by alteration to an existing premise.

4.3. Change of occupancy

Whenever the occupancy of a Premises with an Unmeasured Water Supply changes, either due to a sale or tenancy change, the Company requires that the supply to that property be provided through a meter and shall be subject to the charges fixed for measured supplies.

If there is an existing meter at a property, and there is a change of occupancy at the property, the Company may decide to levy a measured charge to the new occupier, even if the previous occupier was charged on an unmeasured basis.

4.4. Domestic meter option scheme

4.4.1. Measured charges notice

In accordance with the provisions of the Act, household customers can request to pay on the basis of usage and have a meter installed free of charge. The quickest and easiest way to apply for a meter is by using our <u>online application form</u> or by contacting the customer services team who will be happy to help with your application.

4.4.2. Capping charges and right to revert

The majority of customers that switch to a metered charge see a reduction in their bills. For two years following the switch we commit to ensuring that the customer pays no more than they would have if they had remained on an unmetered charge.

Customers who opt to have a meter installed will have the right to revert to the unmeasured basis of charge within a period of two years from the date that the meter is installed.

4.4.3. Timing of installation

Free meters will be installed on a rolling geographic basis and should be installed within 3 months of the application. Preference will be given to elderly or disabled customers.

4.4.4. Application of charges

Where the meter is not installed within 3 months metered charges will be calculated and applied retrospectively as if they had been installed by this time. This amendment will be applied once the meter has been installed and consumption levels can be established.

4.4.5. Meter location

Meters will normally be installed at the Company's preferred location in the footway adjacent to the main. Where we cannot meter the supply at this position, we will fit the meter at a suitable alternative location free of charge and will take into account requests from the customer about its location. Where the meter can be fitted at the Company's preferred location and the customer requires it to be fitted at an alternative location the difference in installation costs will be charged to the customer.

4.4.6. Meter reading service

We will read each meter for the purposes of billing. In addition, we offer a free meter reading service for those customers who find it difficult to read their meter. Please note that you will not normally be billed on this reading, as requests for this service will not necessarily coincide with your billing cycle.

4.4.7. Properties in multiple occupation

We will consider the installation of single meters to properties in multiple occupation (such as blocks of flats) provided that one person or body (e.g. a residents' association or managing agent) is willing to accept responsibility for the bill. We will also consider the installation of a second meter for individual units provided that it does not entail disproportionate costs.

4.4.8. Meter ownership

Any meter fitted under the scheme will remain the property of the Company.

4.4.9. Disputes

The Water Services Regulation Authority (Ofwat) shall determine any dispute concerning refusal to install a meter free of charge.

5. Payment of charges

5.1. Responsibility for charge

Water charges are payable by the occupier of the Premises, or the person who uses the supply, except where the owner of the Premises is liable by enactment or by agreement with the Company.

5.1.1. Premises let on short-term lease

Where Premises are let on a lease or licence for a period of twelve months or less or on terms which involve the use by the tenant or licensee of communal facilities, the owner of the Premises shall be liable to the Company as the occupier of the Premises for charging purposes unless the Company has agreed that a person other than such owner shall be so liable.

5.1.2. Landlord's responsibilities

Section 144C of the Act requires the owner of residential Premises which are occupied by one or more persons other than the owner (and not by the owner) to give the Company information about the occupiers.

To help landlords manage the requirements this legislation places on them the water industry has set up a tenant address portal (www.landlordtap.com) which allows landlords or managing agents to register details of new tenancies and those liable for water at their properties.

5.1.3. Joint supplies

Where two or more Premises in separate occupation are:

- served by a supply through one meter;
- have one Rateable Value; or
- are charged on a miscellaneous basis,

the Company will require one person to be responsible for the account, or that the supplies are separately metered at the customers' expense.

5.1.4. Moving house

5.1.4.1. Metered properties

Customers moving out of or into metered properties should advise the Company at least two working days in advance so that a meter reading can be taken. Where a customer who is moving out of a property fails to inform the Company of the end of their occupancy at least two working days in advance they will be liable for all charges up until:

- any day on which the meter would normally have been read in order for the amount of charges to be determined;
- any day on which any other person informs the Company that they have become the new occupier of the Premises and the meter is read; or
- we find out otherwise about the change.

For notification of changes in retrospect, standing charges will be closed to the date of change and volume charges closed to the date of the meter reading as above. Where a

customer moves into a metered property and does not inform the Company of the start of their occupancy, they shall be liable for all charges from the date of their occupancy or, if the property is not occupied, from the start of their responsibility for the water service charges at the property.

5.1.4.2. Unmetered properties

Customers moving out of or into unmetered properties should advise the Company at least two working days in advance. Where a customer who is moving out of a property fails to inform the Company of the end of their occupancy at least two working days in advance they will be liable for all charges up until:

- any day on which any other person informs the Company that they have become the new occupier of the Premises; or
- · we find out otherwise about the change.

Where a customer moves into an unmetered property and does not inform the Company of the start of their occupancy, they shall be liable for all charges from the date of their occupancy or, if the property is not occupied, from the start of their responsibility for the water service charges at the property.

5.1.4.3. Information for new occupiers

Customers moving into a property can obtain information on how the property is supplied (unmetered or metered) and the current scale of charges from the customer services team.

5.1.5. Unoccupied properties

Where a property is unoccupied, the charge remains payable unless the Company is informed in advance and has the option to turn off the supply at the principal boundary stopcock. No allowances will be made on Premises vacant for a period of less than three months. If the customer requests and consents to be disconnected all water charges are waived.

The Company recognises that there may be situations (such as in the case of emergency hospital admissions) where customers may not be able to provide advance notice of a property becoming unoccupied. The Company will consider cases presented to it where evidence (e.g. a council tax rebate) can be provided to confirm that a property was not occupied in a given period and that it was not possible to advise the Company of this in advance. However, as above, no allowance will be made for periods of less than three months.

5.1.6. Split Premises

Where an existing rated premise is split into separate units, and new units are created for separate and exclusive occupation, the Company may require that the newly created units be supplied by meters. Where it is not practicable, or too expensive to install meters, the Company may apply a charge based on a split of the original Rateable Value or the assessed household charge.

5.2. Payment options

5.2.1. Payment methods

All customers may pay by any of the following methods:

Method of Payment	Notes
Direct Debit	Customer may choose from one of the following days of the month on which to make their payment: 1st, 8th, 15th or 22nd. Where an instalment or budget payment is not received by the agreed day of the month, the arrangement will be cancelled and a notice will be sent for the full outstanding balance.
PayPoint Card	Cards can be used to make payments at one of approximately 200 local payment centres in the Company's area.
Debit Card	Call our dedicated payment line on 0800 587 2936 or our customer services team to make a payment. No charges apply.
Credit Card	Call our dedicated payment line on 0800 587 2936 or Customer Services team to make a payment. Credit card transactions may be subject to an additional charge dependent on rates prevailing at the time.
At a bank by Bank Giro (cash or cheque)	Customers can pay in cash free of charge at any branch of Natwest Bank in the Company's area of supply. Other banks will make a charge if you do not have an account with them.
At a Post Office	Customers may be required to pay the Post Office in- payment fee.
Post (Cheque or Postal Order)	Send to the Company's head office address; London Road, Redhill, RH1 1LJ.
On our Website	Use your Debit or Credit Card using our payment portal on www.seswater.co.uk .
Internet or Telephone Banking	Payment should be made to sort code 57-00-76, account number 00000000.

5.2.2. Payment terms for tenants

Payment terms for tenants who pay their water charges with their rent to a landlord such as a housing association, local housing authority or private landlord, may differ from the above.

5.2.3. Water Direct – direct payment from benefit

Customers who are in receipt of income support and in arrears with their bills can elect to have their charges paid direct from the benefits they receive. This scheme is called Water Direct and is subject to the customer being in receipt of certain benefits, namely:

- Income-based jobseekers allowance;
- Employment and support allowance; or
- Pension credit.

It is also available to those receiving Universal Credit but there is a requirement for a minimum debt for these claimants.

Customers who would like to use the Water Direct payment option should first contact their Job Centre Plus and advise the Company. In accordance with our Code of Practice on Debt for Domestic Customers, provided that we have a customer's National Insurance number, we may apply to Job Centre Plus on a customer's behalf if:

- they have failed to respond to requests for payment;
- they have failed to maintain their payment plans; or
- we have already told them we intend to take court action, or court action is the next step we intend to take.

5.3. Outstanding charges and other costs

5.3.1. Collection of outstanding charges

The Company will comply fully with its Code of Practice on Debt for Domestic Customers in progressing the recovery of outstanding charges. Copies of this document are available on our website or free of charge upon request.

5.3.2. ClearStart scheme

ClearStart is a scheme to provide additional support to customers who have a history of arrears with the Company and who demonstrate a willingness to pay for their ongoing water charges.

The scheme requires the customer to commence payment of their current water charges and to make a contribution to the arrears. Once regular payments have been made for a period of 3 months (or such other period as the Company deems sufficient) then the customer will be entitled to receive a reduction in the arrears equivalent to the contributions being made. This equal contribution by customer and Company will continue until the total arrears are paid off. However, the Company's contribution will cease if the payment of the current water bill is interrupted.

The scheme will be offered at the absolute discretion of the Company.

5.3.3. Void cheques

We may add an administration charge of £20 to the balance outstanding in respect of each void cheque. This is to cover the additional costs incurred in tracing, re-debiting and pursuing payment.

5.3.4. Rejected direct debits

The charges levied by our bank in respect of unpaid direct debits where these are rejected as "refer to payer" advices may be added to the charges outstanding. There may also be an administration charge of £10 in respect of each rejected debit.

5.3.5. Legal action costs

All court fees, solicitors costs and other legal costs in connection with proceedings issued to recover unpaid water charges and all court fees and disbursements (including the costs of tracing and serving debtors) incurred in enforcing any judgment obtained in such proceedings will be charged to the customer.

5.3.6. Other costs

An administration fee of £30.00+VAT per action may be charged instead of solicitors costs in respect of accounts subject to legal actions. This will be treated in the same way as legal costs and become due on issue of an action. The statutory court fees will be charged in addition to this fee.

A sundry fee of £10.00+VAT may be charged in respect of certain customer requests which are outside our range of normal services. This fee will apply to (but not be limited to) requests such as:

- producing a copy bill for use by a customer's solicitor or other third party; or
- refunding a second-half year instalment where a customer has paid the full year and subsequently decides during the Billing Year that they want to pay in two halfyear instalments.

5.3.7. Clearing costs

Where the Company levies costs, any monies received will be allocated to clear those costs first.

5.3.8. Allocation of payments

After being allocated against any outstanding costs, payments will be allocated to clear the oldest debts first except if specified otherwise at the time of payment or where it has otherwise been agreed by the Company, e.g. under the ClearStart scheme.

5.4. Water resale

The Water Resale Order gives protection to people who buy their water or sewerage service from another person or company instead of directly from a water or sewerage company. Anybody reselling water or sewerage services must charge no more than the amount they are charged by the water company, plus a reasonable administration charge.

5.5. Wastewater (sewerage) charges

The Company collects the wastewater charges on behalf of Thames Water in parts of the area to which Thames Water provides these services. The charges are levied and collected in accordance with the Thames Water's Charges Scheme. Thames Water's contact details are provided at the start of this document.

For customers who are served by Southern Water receive a bill directly from them. Southern Water's contact details are provided at the start of this document.

6. Charges for other services

6.1. Standard drainage and water enquiry

Your wastewater provider can provide this information for both drainage and water. The contact details for their property enquiry divisions are below.

Thames Water

Telephone: 0845 070 9148

www.thameswater-propertysearches.co.uk

Southern Water

Telephone: 0330 303 0276

www.southernwater.co.uk/property-searches-

<u>overview</u>

6.2. Provision and use of standpipes

The provision of standpipes will be handled by an appointed, specialist, outsourced provider, Supply UK Water Services. They can be contacted on 0844 984 0156 or at www.aquamcorp.co.uk/water-services. Conditions apply to the extraction of water from the Company's mains. See our factsheet, Extracting Water from Company Mains, available on our website

6.3. Charging for water used for fire fighting purposes

In accordance with section 147 of the Act, no charge is made for water used for fire fighting purposes, for the testing of apparatus installed or equipment used for extinguishing fires or for the purpose of training persons for fire fighting.

6.4. Replacement of a lead service pipe

We operate a scheme to replace lead service pipes free of charge, subject to works meeting our policy criteria. Not all properties are suitable for this scheme, for example if the replacement is linked to upsizing of the supply or redevelopment of the property. If your application is accepted we will replace the lead pipes that we are responsible for and connect the new supply pipe to our water main.

6.5. Charges for on site visits

All 'on site' charges include a rate for the first half hour which includes the travel time to the property where the work will be carried out. Each additional hour (or part of an hour) after that time is charged at the same rate. The charge includes the services of one of the Company's employees and all the tools and equipment necessary to undertake the task. Office based charges are half hourly.

Abortive visits will be charged when we are unable to obtain access to a site that we have been asked to attend or where the customer has not arrived within 15 minutes of the scheduled meeting time.

Normal working hours are Monday to Thursday 8.00am to 4.30pm and Friday 8.00am to 4.00pm.

Household Charges Scheme

Works	Charge	Comments
Inspection visit at request of customer	-	No charges for first visit.
Repeat inspection following contravention (normal working hours)	£45.00	Charge includes first half hour on site. Each additional hour charged at same rate.
Repeat inspection following contravention (outside normal working hours)	£67.50	Charge includes first half hour on site. Each additional hour charged at same rate.
Repeat inspection following contravention (midnight/bank holiday/Sunday)	£90.00	Charge includes first half hour on site. Each additional hour charged at same rate.

7. Infrastructure Charge

7.1. Description of charge

An infrastructure charge will be payable on all new water connections where water will be used for Domestic Purposes. The charge is described in section 146(2) of the Act.

The infrastructure charge has been determined in accordance with the Charging Scheme Rules published by Ofwat In particular the charge has been set based on the following principles:

- that charges should reflect: fairness and affordability; environmental protection; stability and predictability; and transparency and customer-focused service; and
- that the amount of such charges will over each period of five consecutive charging years ending on 31 March 2023 and, thereafter, on 31 March in each subsequent year cover the costs of Network Reinforcement that the relevant undertaker reasonably incurs, less any other amounts that the relevant undertaker receives for Network Reinforcement.

Network Reinforcement refers to work other than Site Specific work, as defined below, to provide or modify such other water mains and such tanks, service reservoirs and pumping stations, as is necessary in consequence of the Site Specific installation or connection of water mains or service pipes pursuant to a duty imposed on the undertaker by the Act.

Site Specific refers to work on, or the provision of, water structures or facilities located on a development as well as work to provide and connect a requested water main or communication pipe on, to or in the immediate vicinity of, the development.

7.2. Charge applicable from 1 April 2019

An Infrastructure Charge shall be paid on all new connections where water will be used for Domestic Purposes. The fixed amount for the Infrastructure Charge from 1 April 2019 to 31 March 2020 is £350 per premises.

This charge has been calculated based on the overarching principle that infrastructure charges should reflect the costs of the investment we make in the network to increase its capacity to deliver the water needed to supply new properties, while maintaining service levels for all customers. This is the average cost of the infrastructure improvements over the prior five-year period up to and including 31 March 2018.

7.3. Reduced charges for water efficient properties

A discount on the Infrastructure Charge is available for properties built to a higher standard of water efficiency than required by building regulations.³ We are offering the following discounts:

• A 15% reduction on the fixed price listed above if all bathroom fittings are 'A'-rated based on the Water Label OR rainwater harvesting or greywater recycling is fitted. This equates to a water usage of around 105 litres / person / day.

³ Building requirements are contained in Part G of the Building Regulations, 2010.

• A 30% reduction if all bathroom fittings are 'A'-rated based on the Water Label AND either rainwater harvesting or greywater recycling is fitted. This equates to a water usage of around 80 litres / person / day.

The developer shall provide evidence of the rating of fittings to be installed. Where rainwater harvesting or greywater harvesting is installed we will require evidence that the pipework connections to the system are installed by a plumber qualified under the Watersafe scheme.⁴ We also require evidence that these systems are maintained under a management contract to ensure they continue to provide water efficiency savings and to minimise the risk of leakage or water quality issues.

7.4. Reduced charges for redeveloped sites

A discount on the Infrastructure Charge is available where a site is developed or redeveloped and there were, within the period of five years before the development or redevelopment began on that site, premises with a water connection (direct or indirect) for Domestic Purposes.

7.5. Charge in future years

In future years the charge will change based on a rolling five-year average of the cost of investing in the network that is triggered by new developments and the additional capacity needed to serve them. The rolling average will be calculated using the latest complete year of data available in the January prior to the year in which the charge will apply.

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⁴ www.watersafe.org.uk

8. Our commitment to you

8.1. Our Customer Charter - The Guaranteed Standards Scheme

Our Customer Charter sets out service standards for:

- · Appointments to visit you
- · Account queries
- Requests about payment arrangements
- Complaints about water services
- · Notices of planned interruption of supply
- Notice of emergency interruption of supply
- · Where the supply is not duly restored
- Water pressure problems.

Visit our website for a copy of our Customer Charter or contact the customer services team.

8.2. Our Codes of Practice for Domestic Customers

We operate codes of practice for domestic customers that covers the range of services we provide to our customers, including:

- How to make a complaint
- How we manage customer debt
- · Leakage from customers supply pipes.

Visit our website for a copy of our Code of Practice or contact the customer services team.

8.3. Our Helping Hand Scheme

We provide a number of additional services to help customers who may find themselves in situations of vulnerability including those with a disability. We have a leaflet that describes all of the services on offer which can be obtained from our website or by contacting the customer services team. If you would just like to talk to us about the services then please ring the team.

8.4. Complaints procedure

If you have a complaint you should, in the first instance, refer the matter to the Head of Retail Services. If you are not satisfied with the response, then you can write to the Managing Director and ask for a review.

Please visit our website for further information or contact the customer service team.

8.5. The Consumer Council for Water

Your interests as a water user are represented by the Consumer Council for Water. They consider such matters as services, planning, charges and complaints.

If, after you have exhausted the Company's complaints procedure referred to above, you still feel that the matter has not been dealt with satisfactorily, you should refer it to:

SES Water

Consumer Council for Water 1st Floor Victoria Square House Victoria Square Birmingham B2 4AJ

Tel: 0300 034 2222 (Lines are open between 8.30am and 5.00pm Monday-Friday)

email: enquiries@ccwater.org.uk

web: www.ccwater.org.uk

9. Board assurance of charges

Ofwat, the economic regulator for the water sector, requires the Company's Board of Directors to make a statement regarding assurance of charges. This assurance statement is copied below.

Statement of Assurance on Household Charges for 2019/20

We confirm that the Board has reviewed the Company's household charges for 2019/20 and has approved them.

The Board certifies that:

- 1. The Company considers that it has complied with its legal obligations relating to the charges published in the Household Charges Scheme.
- 2. We have assessed the effect of the charges that will apply from April 2019 on customers for a range of different customer types. The Board confirms that no customers will see charges increase by more than 5% for 2019/20 and therefore no formal impact assessments or handling strategies have been developed.
- 3. The Company has appropriate systems and processes in place to make sure that the information contained in the Household Charging Scheme is accurate.
- 4. The Company has consulted the Consumer Council for Water (CC Water) in a timely and effective manner on the information contained in the Household Charges Scheme.

In making this statement of assurance the Board has relied on:

- The information presented to it on the charge setting process and expected outcome on future charges at the Audit Committee meetings held on 27 September 2018 and 21 November 2018. This included the Company's view on how the proposed charges met all legal and regulatory obligations.
- 2. The Company's well established risk management, monitoring and control systems and processes described in the Company's Strategic Report which can be found on pages 28 and 29 of the Company's 2018 Annual Report, available on the Company's website.
- The Company's planned and completed assurance activity for annual charge changes explained in its Company Monitoring Framework publications, available on the Company's website.
- 4. The report from the provider of independent assurance of charges for 2019/20 which highlighted no issues or concerns with the procedures followed and the resulting charges contained in the Household Charges Scheme.

- 5. The change in charges for a range of different customer types as presented by the Company and replicated below. The change is primarily driven by the price control framework. This allows recovery of:
 - wholesale revenue that changes year-on-year principally based on inflation and what is termed the annual 'K-factor' which is determined by Ofwat; and
 - retail revenue from each customer that changes year-on-year based on a value determined by Ofwat.

The Company's K-factor for wholesale revenue for 2019/20 is 1.10% and inflation represents a 3.2% increase. The overall change in wholesale revenue is a 3.36% increase which is lower than the combined effect of inflation and the K-factor because growth in customers is expected to offset some of the increase. Retail revenue has reduced year-on-year resulting in the percentage changes outlined in the table below.

Customer type	Final 2019/20 charges vs 2018/19 charges	
Customer type	Southern area	Northern area
Unmeasured - RV of £150	2.8%	2.6%
Unmeasured - RV of £300	3.0%	2.9%
Unmeasured – Licence fee	-	3.1%
Measured - uses 125 m3/year	2.7%	2.6%
Measured - uses 200 m3/year	3.0%	2.8%
Measured - uses 300 m3/year	3.1%	3.0%
Assessed – single occupier	2.4%	2.4%
Assessed – multi occupier	4.4%	4.4%

Notes: RV = Rateable Value

6. The Company's report on its consultation with CC Water replicated below.

Date	Action	Content and feedback
		CC Water requested information on assumptions
7 August	Data request	for allowed revenue calculations and average bill
		changes.
	Email	Sharing of allowed revenue assumptions and bill
17		changes.
September	Liliali	CC Water did not request further information due
		to the average bill change being well below 5%.
	Email	Outline of the latest view on charge impacts as
1 November		presented to the Audit Committee on 21
		November.
		Provision of final bill impact information following
		confirmation of November's inflation figure.
04.5	Email	00 W 4
21 December		CC Water responded with a letter acknowledging
		the engagement process that had been
		conducted.

Signed on behalf of the Board of Directors on 7 January 2019.

Anthony Ferrar (Managing Director)

Murray Legg

(Senior Independent Non-executive Director and Charleman of the Audit Committee