



Your local supply, on tap

Charges Scheme Charges 2019/20

Statement of Significant Changes

Publication Date: 11 January 2019



Statement of Significant Changes to Charges Scheme Charges 2019/20

The Board and Audit Committee of Affinity Water Limited have overseen the preparation of this Statement of Significant Changes for Charges Scheme Charges 2019/20 ("Statement of Significant Changes"). Because of the timing of the publication of this Statement of Significant Changes in relation to scheduled meetings of the Board, the Board established a board committee which included executive and independent non-executive directors to act on behalf of the full Board to review its preparation.

The Board committee on behalf of the Board has:

- reviewed the requirements published in "Information Notice 18/18", setting out Ofwat's expectations for this Statement of Significant Changes;
- considered the requirements of Annex A2 of Ofwat's Charges Scheme Rules in respect of this Statement of Significant Changes;
- considered the actions undertaken by management to prepare charges scheme charges for 2019/20; and
- assessed the effects the charges scheme charges will have on customers' bills for about 30 types of customer, differentiated according to factors including the following:
 - geographical location;
 - charging method - measured / unmeasured / assessed;
 - consumption band - average, low and high consumption; and
 - Watersure and social tariff customers.

Based on this analysis, Affinity Water confirms that it does not expect there to be any water bill increases of more than 5% from the previous year for any given customer type, assuming a constant level of consumption. A summary of the expected bill changes is set out in Appendix 1.

Affinity Water further confirms it is not making any significant changes to its charging policies from the previous charging year.

The Board committee has also considered the effects of Affinity Water's household bill changes when combined with expected wastewater bill changes in the Thames and Anglian wastewater regions, where our customers receive a combined bill for water and wastewater services. Whilst we cannot provide any assurance on this point, we anticipate that the level of increase in the combined water and wastewater bills for most customers will be less than 5%. We also understand that customers in the Southern wastewater region who are billed direct by Southern Water for wastewater charges will experience an increase in their wastewater charges of less than 5%.

Patrick O'D Bourke

A handwritten signature in blue ink that reads "Patrick Bourke".

**Independent Non-Executive Director
On behalf of the Board**

11 January 2019

Appendix 1

Expected Water Bill Changes 2019/20 – Charges Scheme Charges

Typical Customer	2018-19 Bill	2019-20 Bill	Variance (%)
Average Household Measured Customer (Central Region)	150.91	152.61	1.1%
Average Household Measured Customer (Southeast Region)	206.76	209.05	1.1%
Average Household Measured Customer (East Region)	168.89	170.79	1.1%
Average Household Unmeasured Customer (Rickmansworth Region)	187.43	187.31	-0.1%
Average Household Unmeasured Customer (Colne Region)	208.67	208.50	-0.1%
Average Household Unmeasured Customer (Lee Region)	226.55	226.37	-0.1%
Average Household Unmeasured Customer (North Surrey Region)	195.62	195.47	-0.1%
Average Household Unmeasured Customer (East Region)	240.46	240.27	-0.1%
Average Household Unmeasured Customer (Saffron Walden Region)	200.57	200.42	-0.1%
Social tariff Central & East Region	97.50	100.60	3.2%
Social tariff Southeast Region	97.50	100.60	3.2%
Household Measured Customer Low consumption 65m ³ /year Central Region	95.80	96.90	1.1%
Household Measured Customer Low consumption 42m ³ /year East Region	100.23	101.38	1.1%
Household Measured Customer Low consumption 65m ³ /year Southeast Region	146.92	148.56	1.1%
Household Measured Customer High consumption 300m ³ /year Central Region	341.07	344.85	1.1%
Household Measured Customer High consumption 225m ³ /year East Region	415.14	419.73	1.1%
Household Measured Customer High consumption 300m ³ /year Southeast Region	576.99	583.26	1.1%
Household Assessed 1 occupier (Central Region)	95.80	96.90	1.1%
Household Assessed 2 occupiers (Central Region)	148.00	149.70	1.1%
Household Assessed 3 occupiers (Central Region)	204.30	206.60	1.1%
Household Assessed 4 or more occupiers (Central Region)	260.70	263.60	1.1%
Household Assessed 1 occupier (East Region)	100.50	101.40	0.9%
Household Assessed 2 occupiers (East Region)	162.20	164.00	1.1%
Household Assessed 3 occupiers (East Region)	225.90	228.40	1.1%
Household Assessed 4 or more occupiers (East Region)	318.80	322.30	1.1%
Household Assessed 1 occupier (Southeast Region)	146.90	148.60	1.2%
Household Assessed 2 occupiers (Southeast Region)	238.40	241.00	1.1%
Household Assessed 3 occupiers (Southeast Region)	337.20	340.90	1.1%
Household Assessed 4 or more occupiers (Southeast Region)	436.10	440.80	1.1%
Watersure customer (Central & Saffron Walden Region)	175.56	173.28	-1.3%
Watersure customer (Southeast Region)	208.92	210.60	0.8%
Watersure customer (East Region)	175.56	181.68	3.5%

Note: End customer bills calculated by assuming a constant level of consumption across years