



Household Customer Charges 2020/21

Statement of Significant Changes

13 January 2020

Statement of Significant Changes to Household Customer Charges 2020/21

As part of Ofwat's Charges Scheme Rules issued in July 2019 (Clause A2), each undertaker is required to provide to the Water Services Regulation Authority a statement setting out any significant changes anticipated by the undertaker.

The Board and Audit Committee of Affinity Water Limited have overseen the preparation of this Statement of Significant Changes for Household Customer Charges 2020/21 ("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 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 19/05", 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 for 2020/21; and
- Assessed the effects the 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%.

A handwritten signature in black ink, appearing to read "Patrick Bourke".

Patrick O'Donnell Bourke
Independent Non-Executive Director

Appendix 1

Movement in Typical Bills 2020/21

Typical Customer	2019/20 £/year	2020/21 £/year	Change
Average Household Measured Customer (Central Region)	152.61	142.41	-6.7%
Average Household Measured Customer (East Region)	170.97	159.55	-6.7%
Average Household Measured Customer (Southeast Region)	209.60	195.61	-6.7%
Average Household Unmeasured Customer (Rickmansworth Region)	187.31	179.58	-4.1%
Average Household Unmeasured Customer (Colne Region)	208.50	199.90	-4.1%
Average Household Unmeasured Customer (Lee Region)	226.37	217.02	-4.1%
Average Household Unmeasured Customer (North Surrey Region)	195.47	187.40	-4.1%
Average Household Unmeasured Customer (East Region)	240.27	230.35	-4.1%
Social tariff Central & East Region	100.60	97.90	-2.7%
Social tariff Southeast Region	100.60	97.90	-2.7%
Household Measured Customer Low consumption 65m ³ /year Central	96.90	90.41	-6.7%
Household Measured Customer Low consumption 42m ³ /year East	101.38	94.60	-6.7%
Household Measured Customer Low consumption 65m ³ /year Southeast	148.56	138.63	-6.7%
Household Measured Customer High consumption 300m ³ /year Central	344.85	321.84	-6.7%
Household Measured Customer High consumption 225m ³ /year East	419.73	391.76	-6.7%
Household Measured Customer High consumption 300m ³ /year Southeast	583.26	544.38	-6.7%
Household Assessed 1 occupier (Central Region)	96.90	90.40	-6.7%
Household Assessed 2 occupiers (Central Region)	149.70	139.70	-6.7%
Household Assessed 3 occupiers (Central Region)	206.60	192.80	-6.7%
Household Assessed 4 or more occupiers (Central Region)	263.60	246.00	-6.7%
Household Assessed 1 occupier (East Region)	101.40	94.60	-6.7%
Household Assessed 2 occupiers (East Region)	164.00	153.10	-6.6%
Household Assessed 3 occupiers (East Region)	228.40	213.10	-6.7%
Household Assessed 4 or more occupiers (East Region)	322.30	300.80	-6.7%
Household Assessed 1 occupier (Southeast Region)	148.60	138.60	-6.7%
Household Assessed 2 occupiers (Southeast Region)	241.00	225.00	-6.6%
Household Assessed 3 occupiers (Southeast Region)	340.90	318.20	-6.7%
Household Assessed 4 or more occupiers (Southeast Region)	440.80	411.40	-6.7%
Watersure customer (Central & Saffron Walden Region)	173.28	161.14	-7.0%
Watersure customer (Southeast Region)	210.60	193.37	-8.2%
Watersure customer (East Region)	181.68	170.51	-6.1%
Average Measured Non-contestable Business Customer Central Region	543.21	506.98	-6.7%
Average Measured Non-contestable Business Customer Southeast Region	740.49	691.14	-6.7%
Average Measured Non-contestable Business Customer East Region	555.42	518.41	-6.7%
Average Unmeasured RV non contestable business customer (Rickmansworth)	399.59	383.15	-4.1%
Average Unmeasured RV non contestable business customer (Colne)	419.71	402.44	-4.1%
Average Unmeasured RV non contestable business customer (Lee)	401.57	385.00	-4.1%
Average Unmeasured RV non contestable business customer (North Surrey)	372.06	356.72	-4.1%
Average Unmeasured RV non contestable business customer (Folkestone)	736.98	706.61	-4.1%