



Most customers in England and Wales continue to pay for their water and sewerage bills on an unmeasured (fixed) basis. Water companies are required by law to use rateable values to calculate customers' unmeasured bills.

What is a rateable value?

Rateable values are an assessment of the annual rental value of a property. The assessments were carried out by the District Valuer's office of the Inland Revenue and were used by local authorities as the basis for the General Rates system of local taxation between 1967 and 1990. They were last fully updated in 1973.

On 1 April 1990 General Rates were replaced by the Community Charge (Poll Tax), which was then replaced by the current Council Tax system. However rateable values continue to be used as the basis for unmeasured water and sewerage charges.

How are rateable values calculated and how do I know that mine is correct?

The assessment took account of the size of the property, its general condition, access to local amenities and other factors like the view from the property.

However, the assessment may have taken place as long ago as 1973 and so the current condition of the property and its surroundings now may not reflect those at the time the assessment was made.

Water companies hold a list of the rateable values for properties in their areas which show the values as they were maintained on 31 March 1990. The company can confirm the rateable value they are using to calculate your bill, but don't have the power to alter or replace it. There is no mechanism for appealing against a rateable value.

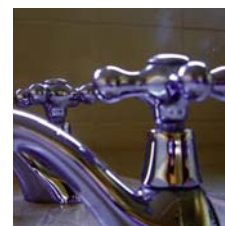
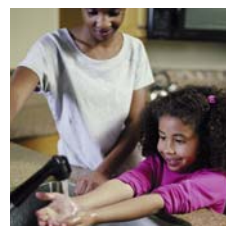
Why isn't Council Tax used to calculate bills?

Legislation prevents the use of the Council Tax register for any purpose other than local government taxation, which means water companies can't base charges on Council Tax. Council Tax is based on a property's market value, and any change to your banding will not impact on the rateable value used by your water company.

What can I do if I think my rateable value is too high?

If your property has changed in size or use from domestic to commercial or vice versa, the rateable value may no longer be valid. The water company may insist that a meter is installed or apply a new fixed charge. You have no way of changing the rateable value of your property, even if you think a mistake was made during the assessment. However, the Water Industry Act 1999 acknowledged that customers wouldn't have the opportunity to appeal against the rateable value of their property if they felt it to be unfair.

As a result all customers paying an unmeasured charge are given the option of changing to a



metered charge. Companies are now required to install a water meter free of charge at a customer's request, provided that the property's pipe work allows this and the installation won't be too expensive.

If a water meter can't be fitted because of your property's plumbing, or the water company considers it too expensive, they should offer to place you on its assessed charge scheme if the assessed charge is lower than your current rateable value.

Your water company or your local Consumer Council for Water office can provide you with more details about assessed charges on request. If you disagree with your company's refusal to install a meter on the grounds of cost, you can ask Ofwat (the water industry regulator) to review the matter. Ofwat can be contacted via their website at www.ofwat.gov.uk or by calling 0121 625 1300.

Metering usually benefits customers who live in properties with high rateable values and use little water. Your local Consumer Council for Water office can advise you of any potential savings. Alternatively you can use our water meter calculator to see what your likely metered bill would be.

If a water meter doesn't reduce your bill, you can go back to an unmeasured charge, but only within 12 months of the meter being fitted. However, the meter will not be removed and future occupants will have to pay metered bills.

A water meter calculator can be found on our website at www.ccwater.org.uk.

What you can do now

- Check whether you could save money by switching to a metered supply.

You have a right to clear information about the different tariffs available and a responsibility to read the information sent with the bill.

You have a right to have a water meter installed free of charge and a responsibility to find out how to use water wisely and how a meter may help.

There is a range of printed fact sheets available from the Consumer Council for Water or visit www.ccwater.org.uk.