

## **Water rates and Sewerage Charges; impact on church properties**

**Background Information on “Sewerage Charges” received from  
Cathedral & Church Buildings Division,  
Church House, Great Smith Street  
London SW1P 3AZ**

**Please note, this represents our own understanding of the regulatory position and is intended for general guidance only.**

1. Broadly, since the 1999 Water Industry Act, the water companies have introduced new charging regimes for the three main elements of drainage:
  - (1) foul water drainage: waste water from sinks, WCs etc
  - (2) surface water drainage: rainwater run off from roofs and car parks into main drains
  - (3) highways water drainage: a contribution towards the overall cost of drainage for public highways
2. Distinct approaches are taken to: (a) household customers and (b) non-household customers, a category which draws together business and non-business users.
3. For non-household customers, most charging was formerly on the basis of rateable value of the property. Under the new regimes, the general shift is towards charging for foul water drainage in relation to metered supply, where a meter has been fitted. Surface water drainage is to be charged by reference to the footprint of buildings and drained car parks or hard standings on a site. This is on the basis that it more fairly reflects the relative use of the public drains. The contribution towards global cost of providing for drainage of the public highways is also to be assessed with reference to the site area, though with no potential for reduction.
4. Properties which were formerly exempted in their own right from business rates, such as places of worship or properties used for the disabled, or which enjoyed relief by virtue of being charities, such as Scout halls, or providing key rural services, such as village post offices, will be subject to the same rates as business users, as they fall within the non-household category.
5. The change is represented as cost neutral to the water companies because the overall payment to them by all non-household customers should remain the same. It is the relative apportionment between business customers and places of worship, charitable etc customers which has altered. Costs to individual classes of customer within the non-household category can vary substantially.
6. Under the new arrangements, the water companies send an assessment based on information they have in hand to the customer. It is acknowledged that this may not be wholly accurate. Revised charging begins immediately. It is the responsibility of the customer to apply for relief or to demonstrate errors on the part of the company:

**Example from United Utilities website:**

“Find out where the surface water from your premises flows to and draw an accurate diagram. This must show the following:

- roads, footpaths and neighbouring premises;
- permeable areas such as any permanently grassed or cultivated area of playing field, farmland, racecourse, sports ground, golf course, parkland etc;
- the boundary of your premises;
- any nearby public sewers; and
- where your surface water drains to.

If the charging value of your premises is over £1,000 or the site area is >649m<sup>2</sup>, the diagram must be drawn and certified by a qualified professional, such as an architect or a surveyor. They will also be able to help you if you are in any doubt about your site drainage.”

7. Examples of the surface water and highways drainage charging bands by surface area (excluding standing charges) for 2008-9:

8.

Charging Band	Chargeable Area (m <sup>2</sup> )	Surface Water (£)	Highway Drainage (£)	Surface Water and Highway Drainage (£)
1	0-124	49	49	98
2	125-299	122	122	244
3	300-649	273	272	545
4	650-1,499	617	616	1,233
5	1,500-2,999	1,290	1,290	2,580
6	3,000-6,999	2,868	2,867	5,735
7	7,000-11,999	5,448	5,448	10,896
8	12,000-17,999	8,603	8,602	17,205
9	18,000-24,999	12,330	12,330	24,660
10	25,000-49,999	21,506	21,506	43,012
11	50,000-74,999	35,843	35,843	71,686
12	75,000-99,999	50,181	50,180	100,361
13	100,000-124,999	64,518	64,518	129,036
14	125,000-149,999	78,856	78,855	157,711
15	150,000 and above	81,447	81,446	162,893

(United Utilities)

9. The charging regimes were approved by Ofwat, which also monitors water companies' performance against the Government' guaranteed standards of service ([www.ofwat.gov.uk/aptrix/ofwat/publish.nsf/content/guaranteedstandardsscheme](http://www.ofwat.gov.uk/aptrix/ofwat/publish.nsf/content/guaranteedstandardsscheme)). Customer interests are also safeguarded by the relevant regional Consumer Councils for Water ([www.ccwater.org.uk](http://www.ccwater.org.uk)).

Cathedral & Church Buildings Division, 18 June 2008