



Press statement

For immediate release

Government fails to include metering policy in water bill consultation

Today's Government consultation on water bills in England addresses affordability concerns for some households, but is still a long way from building a sustainable and affordable water charging regime. The Government consultation on the Walker Review, which was released today, has a glaring omission - a Government strategy to encourage widespread water metering by 2020.

While the Defra consultation has some measures that could increase support to some customers, the Fairness on Tap coalition - a group made up of 12 leading environmental organisations - believes that the whole system of water charging is unfair, with poorer households subsidising the water bills of the more affluent up to the tune of £400 million each year.

The coalition is calling on the Government to go further and reform water charging with three essential steps: meters, tariffs and water efficiency. This is outlined in a Fairness on Tap report released today to coincide with the consultation.

Rose Timlett, Freshwater Policy Officer, WWF-UK, speaking on behalf of Fairness on Tap said:

"Today's consultation by Defra is a step forward but there is a big gap relating to the lack of a Government position on encouraging more people to take up water meters. Not only would a reformed charging system based on greater water metering help encourage more sustainable water use, it would also address the current unfair cross-subsidies that people not on meters - often those on low incomes - pay to those that don't need it."

"Wildlife is also under pressure. With average water consumption at 150 litres per person per day, and no incentives to reduce that, huge volumes of water are being taken out of our rivers not leaving enough for species such as trout, salmon and kingfishers."

Each of us is also paying between £12- 14 a year to cover other people's unpaid water bills and many people are paying huge bills to cover other people's excessive water use. The current 'all you can use' charge for water, provides no incentive to be water-efficient or allows customers to be in control of their own bill.

Currently, about one third households in England and Wales have a water meter. Estimates suggest that this will rise to 50% by 2015 and 80% by 2030, as more customers opt to pay by meter. However, the government could save water customers up to £1.5 billion in installation costs alone by setting out plans for a national metering switchover.

Such a switchover - seeing 80% homes with a meter by 2020 plus social tariffs and water efficiency - could also help thousands of families who are loosing out in the meantime and help ensure national standards in customer care, so that all water customers are helped with the change to a meter and offered free water efficiency advice, no matter where they live.

Nicci Russell of Waterwise said:

"As climate change bites and there are more people and less water, we need to use water more wisely. In the long term a charging system which is based around metering, alongside fair tariffs and water efficiency, will mean fairer and more affordable water bills for customers - it is the only way to fix the current affordability issue in water bills."

Copies of the Fairness on Tap report are available to download
<http://www.fairnessontap.org.uk/>

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Editor's notes

Fairness on Tap is a coalition of organisations calling for a fair deal for water - for customers and the environment. We include: Angling Trust, Association of Rivers Trusts, Buglife, Chartered Institution of Water and Environmental Management, Great British Refurb, National Trust, RSPB, Salmon and Trout Association, The Wildlife Trusts, Waterwise, Wildfowl and Wetlands Trust and WWF-UK. We believe government should set out a strategy to install water meters in at least the 80% of England where there is greatest pressure on the freshwater environment and people's pockets by 2020. This must be supported by fair tariffs to make water bills affordable for everyone and help to reduce water waste and protect the freshwater environment.

The report Making the Case for Metering is available on request and to download from www.fairnessontap.org.uk It includes a number of case study families who are available for interviews to talk about their experiences in having a water meter - some of which have made significant savings on their water bill (over £500 per year). In addition, there are a number of case studies for regional media.

Water metering has benefits for consumers, water companies, and the environment, helping to deliver water savings of 10-15%. However, meters are only part of the solution: they must be supported by a package of tariffs which ensures that those who need help paying for water get help and provide incentives to reduce waste, as well as advice, information and equipment to help households save water.

In 2009, Defra commissioned an independent review of charging for household water and sewerage services by Anna Walker ('the Walker Review'). It concluded that the current system of water charging in England and Wales is outdated and unsustainable and that charging by volume of water used - metering - is the fairest approach.

The Walker Review estimated that the costs of installing a meter for an 'opt-in' customer is about £220 per household. However, with systematic metering average installation costs could be reduced by 20 - 50%, which compares favourably against other methods of meeting water demand. The Review concluded that the benefits would outweigh costs where water is scarce and in areas where there are current high levels of metering (approximately 80% of England and Wales). The Walker Review also estimates that there are around £600 million of transfers (cross-subsidies) between rateable value bill payers each year. Only £180 million of this is going to low-income households (with some of that coming from other low-income households). The remaining £420 million is subsidising those who don't need help paying bills, and some of this is comes from those who themselves need help.

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