

From: Brian Timms [\[mailto: \[REDACTED\]\]](#)
Sent: Friday, 14 September 2012 9:10 AM
To: IPART Mailbox
Subject: Submission on sewerage pricing

G'day IPART or Rebecca Bishop,

I attach a submission on sewerage pricing for one bedroomed flats that I made to Hunter Water in June. I thought they would pass it onto you directly, but they have at told me in a recent reply to send it directly to you. It was originally written for the enquiry you are making on Water Board charges for the next 3 years.

Yours sincerely

Brian V Timms

[REDACTED]
19 June 2012

Hunter Water Board

Dear Sir/Madam.

Re pricing for one bedroomed flats.

We own a block of four one bedroomed flats in Cooranbong for which in recent years there has been a massive increase in our water bills under a different pricing regime that was used in the past. It seems to us this regime takes no account of capacity of flats/units, so that one bedroomed flat/units with just one person each are discriminated against (they should not be treated as average 2 or 3 bedroom flats with 2-4 people in them). This discrimination now means that the yearly water bill exceeds the land rate bill — \$1721 HWB charges for the financial year 2011-12 as against \$1325 LMCC Rates for the same period. In our 30 year experience as landlords this is the only instance we know of this inverse balance. Obviously something unfair is afoot.

The result of this is lower income for us the owners and higher rents than we would normally charge for the tenants. In 1994-5, before the present high water charges for our flats, water charges comprised 5.7% of gross income, compared to 7.3 % in the 2011-12 year. We can only increase our rents so much to cover the excessive charges. Both the single tenants and the landlords lose out. We are not saying that four flats should be charged as one house (but later I will show that our four flats are indeed behaving like one house), but the present charges are excessive and discriminatory.

We note in your leaflet inviting comment on HWB prices for 2013-2017 that for the average household the sewerage service charge is 59% of the total bill. For our block of four flats it is 81%. By the way for our house the percentage is 64% which is a little higher than your average probably because we are careful with water usage. Anyhow the fact remains that charges are very skewed for our one bedroomed flats, pointing again to an unfairness in your pricing system.

Now let me compare our own home, against a dual occupancy property we own in Morisset to these four flats (see Table 1).

Table 1. Comparison of HWB bills for May 2012 for my properties*

Site	[REDACTED]	[REDACTED]	[REDACTED]
Dwellings	4 bedroomed house	2 houses, 3 & 4 beds	4 x one bedroom flats
No. of residents	2	6 (+2 babies)	4 (occasionally 5)
Water Service	\$6.28	\$9.82	\$6.28
Sewer Service	\$173.75	\$271.49	\$454.64
Environment Improvement	\$11.62	\$11.62	\$11.62
Water usage	\$77.90	\$216.60	\$89.30

*These May bills are typical for those of the last 2 years.

Obviously the different combinations of residents use water differently. Water usage is below average at our house and at the flats and also would be about average if for the dual occupancy if each house was treated separately. I think is this partly because I have every water saving device available fitted in almost all units, though the presence of babies works against this in the dual occupancy. Despite the flats using less water than average for a whole household, the sewer service charge is more than double (actually 2.6 times). I realise this charge should be a little more for the flats compared to houses as all the tenants could flush the toilet at once creating a capacity problem, whereas in a house only one toilet could be used at once. Again the conclusion is the charge for the four flats is excessive and grossly unfair. Having flats/units on one block of land is supposed to be an efficient use of space, but Hunter Water under the present pricing regime discriminate against wise planning policy.

We entreat the HWB to re-examine the sewerage access charge to flats, especially to smaller flats and in the light of our experience with the present charging regime. The present system is NOT fair.

Thankyou

Yours sincerely,

B V and BM Timms