Chapter 17a
Sewerage service explanatory factors

Covering:
Disaggregated sewerage service explanatory factors

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Guidance

This table collects information on the company's sewerage services (both costs and explanatory factors) to enable us to update our sewerage service models.

It is recognised that the company is not in a position to report the relevant data on a sub-regional basis this year. However it is expected that this will be the case in the future. Therefore the guidance has included reference to sub-regional requirements.

We will use this information to assess the comparative efficiency of the company. Disaggregated information is required below the company regional level because of the relatively small number of sewerage comparators. This is intended to improve the reliability and robustness of the models.

The company must complete this table on a sub-regional basis for a number of areas (according to their size) following the criteria set out below:

- areas must be based on the operating units by which a company's region is managed;
- the connected (resident) population of each area must be between 150,000 and 1,500,000;
- each area must form a single geographical unit with a contiguous boundary (i.e. geographically separated areas should not be combined for reporting purposes);
- the areas must cover the whole of a company's region (to ensure that the totals calculated in the final column of table 17a reconcile with information in the Annual Information return);
- the number of areas on which the company report must be at least two for NI Water.

There will be some flexibility in the application of the criteria, but if companies are not able to meet them, they must consult with the Comparative Efficiency Team prior to the submission of the sewerage service explanatory factors.
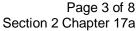
Non-resident population data will be checked for consistency with information from the appropriate regional tourist board. We will make adjustments where we think this data is not consistent.

Company commentary

The company should provide commentary:

- identifying the location of each area and giving some background information on its nature, such as its topography and whether it is predominantly rural or urban in character;
- explaining the methods used to report costs for the areas, setting out clearly any allocation rules used;
- revealing any assumptions made in arriving at costs or explanatory factor information; and

- commenting on all changes (lines 7 to 11) between the prior year (inflated for cost) and reporting year, where a change exceeds 10% of the prior year's figure.

The company must check that the following data is consistent. The company must explain in the commentary any reasons why this data is not consistent.

- Volume of sewage collected in table 17a (line 3, 'total' column 9) should equal the volume waste water returned in table 14 (line 7);
- Annual average resident connected population in table 17a (line 1, 'total' column) plus annual average non-resident population in table 17a (line 2, 'total' column) should equal the total connected population in table 13 (line 10)
- Total length of sewer in table 17a (line 6, 'total' column 9) should equal the total length of sewers in table 16 (line 13);
- Direct costs in table 17a (line 7, 'total' column 9) should equal direct costs in table 22 (line 9, column 1);
- Power costs in table 17a (line 8, 'total' column 9) should equal power costs in table 22 (line 2, column 1);
- Service charges in table 17a (line 9, 'total' column 9) should equal service charges in table 22 (line 7, column 1);
- General and support costs in table 17a (line 10, 'total' column 9) should equal general and support costs in table 22 (line 10, column 1); and
- Functional expenditure in table 17a (line 11, 'total' column 9) should equal functional expenditure in table 22 (line 11, column 1).

The company need to report the non-resident population for each of the sewerage sub-areas in line 2. The total should include holiday and tourist population. The company is to include in the commentary a statement detailing the estimation method used including the date of the data on which the estimate is made. An acceptable method would be to obtain from tourist boards estimates of the number of bed-spaces available for non-residents. Except where there is firm evidence to the contrary, undertakers should assume a two-thirds occupancy rate for four months in the year. Where firm evidence is available, it should be stated in the commentary. The company should not include any allowance for daily commuters or day visitors.

Guidance to Reporters

The Reporter must comment on the:

- accuracy of the explanatory factors reported for each area and any assumptions made by the company in arriving at the reported figures;
- methods used by the company to record costs for each area and the methods used to allocate costs between areas;
- accuracy of the reported cost information and should check that the company has provided explanations on the reasons for changes in fluctuations in costs where the conditions noted in the above subsection apply; and
- methods used to calculate resident and non-resident population. Where the company has not updated their non-resident population figures in the last five years or based their calculation on data that is over five years old, reporters should comment on the accuracy of the non-resident population figures.

The Reporter should also:

- check that the company has clearly explained changes in cost and explanatory factor data as required in the guidance to the company; and
- ensure that all assumptions are revealed and comment on whether the figures reported are consistent with those reported elsewhere in the sewerage service explanatory factors;

Table 17a line definitions

A   SEWERAGE SUB AREAS - GENERAL

1	Annual average resident connected population	000	1dp
Definition	The annual average resident population connected to the sewerage system in each of the sewerage sub-areas.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input. Total' column is calculated as the sum of the input columns.		
Responsibility	Comparative Efficiency and Performance Team		

2	Annual average non-resident population	000	1dp
Definition	Include the holiday and tourist population connected to the sewerage system in each area, averaged over the year. Do not include any allowance for daily commuters or day visitors.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input. 'Total' column is calculated as the sum of the input columns.		
Responsibility	Comparative Efficiency and Performance Team		

3	Volume of sewage collected (daily average)	Ml/d	1dp
Definition	Average daily volume of sewage collected in each area.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input. 'Total' column is calculated as the sum of the input columns. The total should reconcile with table 14 line 7.		
Responsibility	Comparative Efficiency and Performance Team		

4	Total connected properties	nr	0dp
Definition	Number of connected properties in each area at year end.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input 'Total' column is calculated as the sum of the input columns.		
Responsibility	Comparative Efficiency and Performance Team		

5	Area of sewerage district	km^2	0dp
Definition	Area of sewerage district.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input 'Total' column is calculated as the sum of the input columns.		
Responsibility	Comparative Efficiency and Performance Team		

B   SEWERAGE DATA

6	Total length of sewer	km	0dp
Definition	The length of sewer in each area, including rising mains, combined sewers, and length of Section 24 sewers.		

Primary Purpose	Informing relative performance and efficiency assessments.
Processing rule	Input 'Total' column is calculated as the sum of the input columns. The total length of sewer should reconcile with table 16 line 14.
Responsibility	Comparative Efficiency and Performance Team

C COSTS

7	Sewerage: Direct Costs	£000	0dp
Definition	The total direct cost incurred in each of the sewerage areas as defined in RAG 4.03.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input 'Total' column is calculated as the sum of the input columns. The total must reconcile with table 22 line 9 column 1.		
Responsibility	Comparative Efficiency and Performance Team		

8	Sewerage: Power Costs	£000	0dp
Definition	The total power costs incurred in each of the sewerage areas.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input 'Total' column is calculated as the sum of the input columns. The total must reconcile with table 22 line 2 column 1.		
Responsibility	Comparative Efficiency and Performance Team		

9	Sewerage: Service Charges	£000	0dp
Definition	The service charges (NIEA) incurred in each sewerage area.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input 'Total' column is calculated as the sum of the input columns. The total must reconcile with table 22 line 7 column 1.		
Responsibility	Comparative Efficiency and Performance Team		

10	Sewerage: General & Support Expenditure	£000	0dp
Definition	The general and support expenditure allocated to each sewerage area as defined in RAG 4.03.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input 'Total' column is calculated as the sum of the input columns. The total must reconcile with table 22 line 10 column 1.		
Responsibility	Comparative Efficiency and Performance Team		

11	Sewerage: Functional Expenditure	£000	0dp
Definition	The sum of sewerage direct costs and general and support expenditure for each area, as defined in RAG4.03.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	The total must reconcile with table 22 line 11 column 1. Calculated: line 7 plus line 10.		
Responsibility	Comparative Efficiency and Performance Team		

CHANGE CONTROL SHEET
CHAPTER 17a

2008/1.0	First issue of chapter for the SBP period
2009/1.0	Second issue of chapter for the SBP period - PPP reporting requirement removed - Guidance on non-resident population amended - EHS reference changed to NIEA