

Chapter 22

Regulatory accounts

Current Cost Accounting

Covering:
Activity costing analysis -
Sewerage service

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Activity costing analysis - sewerage service

This table consists of 33 lines within four main headings. It includes operating costs and capital maintenance costs. The information in this table is used for operating costs, trends analysis and for the compilation of unit costs. The table is split into three separate tables: NI Water only, PPP only and Total costs. The PPP only table refers to NI Water expenditure associated with operating the PPP facilities. The reporting requirements relate to the appointed business and table 22 is no exception.

NI Water should provide data relating to services provided by its PPP wastewater contractor operated works. A commentary should be provided confirming the costs that **NI Water incur** associated with PPP operations. These should be reported in the PPP only table in lines 2 (power), 8 (other direct costs), 9 (total direct costs), 10 (general and support expenditure), 11 (functional expenditure), 13 (Scientific services), 16 (rates) and 21a (PPP unitary charge)). The company should also report the payment by the concessionaire to the operators split by functional area. This line will stand alone and is not incorporated in the calculation of total costs. The data in the PPP only section should be consistent with that reported in chapter 43.

- **Direct costs**

These are costs that are directly attributable to each service activity, namely sewerage, sewage treatment, and sludge treatment and disposal. Such costs include apportionments, where such apportionments are necessitated by operational considerations (for example where mobile gangs are used to operate both water and sewerage activities). The direct costs incurred in the provision of general and support activities are given in total for the sewerage service and are also apportioned between service activities.

- **Operating expenditure**

The costs of subjective elements (i.e. rates, doubtful debts, or exceptional items) are included at the sewerage service level only, and are not apportioned between service activities.

- **Reactive maintenance**

The costs of reactive maintenance expenditure on sewerage infrastructure and non-infrastructure assets, which are included within operating expenditure for each of the service activities.

- **Capital maintenance**

The capital charges for each service category for infrastructure renewals expenditure, infrastructure renewals accrual/prepayment and current cost depreciation. Other capital charges are included at the service level only and are not apportioned between service activities.

Please note that the current cost depreciation charge, as defined in this table, is the gross figure, i.e. before the amortisation of deferred credits. This figure is not the same as the current cost depreciation charge stated in table 29 line 5.

Company commentary

Allocation of costs: NI Water must explain the basis for allocation of costs between opex, capex and capital maintenance; between water and sewerage services; and between service areas within the sewerage service. NI Water should clearly state any general allocation rules, which have been used by a company, their contractors or agents (e.g. a rule requiring the capitalisation of any expenditure greater than £100). NI Water should also detail any changes in judgements, apportionments or adjustments since the prior year, including changes to their capitalisation policies.

- It is important for NI Water to explain how costs related to business activities (particularly customer services/billing) and indirect costs (general and support expenditure, restructuring provisions and other atypical items) are allocated between the water and sewerage services; and
- It is important that all companies clearly explain the allocation of indirect costs between the individual service areas.

System and controls

NI Water should provide a commentary detailing the costing methodology and details of any developments and improvements made in the financial year. This should include an update of the development and implementation of relevant controls and an assessment of how effectively they are operating.

NI Water should highlight any significant internal control weaknesses identified during the year, including from Internal Audit findings, and their assessed impact plus details of processes implemented/ to be implemented to prevent such reoccurrences.

Atypical costs and provisions: NI Water must reveal and explain all significant atypical costs and provisions which have occurred during the reporting year, regardless of whether or not they are declared as exceptional items. NI Water should report atypical costs net of any cost savings associated with the atypical event, for example a reduction in pumping and treatment costs due to lower distribution input during a drought.

- Business restructuring costs including the Business Improvement Programme. (Please provide a brief description of the costs split between redundancy payments, pension contributions and consultants' fees etc.);
- Compensation payments (for one-off events, but not standard GSS or customer charter payments);
- Costs attributable to unusual weather conditions;
- Pension holidays; and
- Rebates of Environment Agency or other service charges, including rates.

In addition, NI Water must disclose the reasons for any exceptional items, which have been declared, and whether they are expenses or provisions for future costs.

NI Water must disclose the purpose and amount of any provision included in operating expenditure, and disclose the amount of provision expended or released in the reporting year.

Changes in costs: NI Water must explain all changes between the prior year (inflated) and reporting year in each element of operating expenditure, including reactive and planned maintenance, where the change in an element exceeds 2% of total operating expenditure, and explain fluctuations in any element of direct costs or operating expenditure which has changed by more than 30% of the prior year figure. An element here refers to a specific category of cost in a service area. So, for example, a change in power costs for the sewage treatment service area above the threshold would need to be explained, as would a change in

materials and consumables for the sewerage service. If the total column for any category of cost changes above the threshold, this will also need to be explained if it has not already been explained by changes in the individual service areas.

Total operating expenditure: NI Water must explain any difference between total operating expenditure as shown in table 22 line 21 and in table 36 line 21.

Pensions: NI Water should identify in the commentary the total element relating to pension costs reported in table 22. NI Water is also asked to set out the level of their actual pension contributions in the report year. NI Water should explain the procedure used to allocate pension costs between the water and sewerage service (where applicable). NI Water must also ensure that the actuarial assumptions underpinning the FRS17 valuation are made available to the Auditor on request.

If NI Water is using the multi-employer exemption under FRS 17, it should explain how reported costs in table 22 differ to those that would have been reported had FRS 17 been fully adopted.

NI Water should include in its commentary a description of the methodology for apportioning pension costs between water and sewerage, the split between appointed and non-appointed and the split across different lines in tables 21 and 22.

In addition, NI Water should detail the split between regular and deficit payments where applicable.

Third party costs: NI Water should detail those costs which they have reported in third party costs, and confirm that any associated income has been reported as third party services in table 23. If costs have been allocated between third party and appointed business activities, NI Water should explain the basis on which this allocation has been made.

Sewerage infrastructure renewals charge (IRC): line 24 is the IRC made to the profit and loss account for the year. Please refer to company, reporter and auditor guidance. All commentary on IRC should be provided in chapter 33.

Donations to charitable trusts or other funds assisting customers with payment difficulties should be included in the customer services line (line 12), otherwise NI Water should state in which line they have accounted for the costs. NI Water must confirm how much they have paid to charitable trusts or other funds assisting customers with payment difficulties. Where the costs have been accounted for in different lines in previous years, please specify which line they have been included in and disclose the amounts.

NI Water must disclose in their commentary, fines paid or provisions made against Section 34 of The Street Works (Northern Ireland) Order 1995 for prolonged occupation of the highway. Preferably this should be reported in the other direct costs line, otherwise NI Water must state where they have accounted for the fines.

If fines were paid or provisions made in the report year these must also be recorded in the commentary.

Discharge costs should now be included in line 7 (service charges)

General and support costs

Line 10 of table 22 relates to general and support costs. NIW should provide a detailed breakdown of the costs included within general and support costs. This should include a table in the supporting commentary of the principal components of general and support costs in excess of £1m. NI Water should refer to the supplementary guidance entitled "Chapter 21 and Chapter 22 General and Support cost guidance" for guidance on categorisation of general and support costs.

Employment costs

Line 1 of table 22 relates to employment costs. NIW should provide a detailed breakdown of the costs included within employment costs. This should include a table in the supporting commentary of all components of the principal components of employment costs in excess of £1m e.g. wages, salaries, pension, etc.

Hired and contracted

Line 4 of table 22 relates to hired and contracted costs. NIW should provide a detailed breakdown of the costs included within hired and contracted costs. This should include a table in the supporting commentary of the principal components in excess of £1m e.g. consultancy, contractors etc.

Guidance to Reporters

Changes in costs: Reporters should check that NI Water has provided explanations on the reasons for changes and fluctuations in costs where the conditions noted in the above subsection apply. If they have not, reporters should comment themselves. In addition, reporters should give an opinion based on their knowledge of the business on NI Water's explanation of any significant changes in costs, particularly where they relate to changes in operating conditions.

Cost allocation: Reporters should comment on the appropriateness of NI Water's cost allocation procedures.

Sewerage infrastructure renewals charge: Reporters should refer to the reporter guidance in chapter 33. All commentary on IRC should be provided in that chapter.

Reporters should:

- check that NI Water has disclosed any donations to charitable trusts and other funds assisting customers with payment difficulties as requested, otherwise reporters should comment themselves;
- check that NI Water has disclosed the amount of fines paid or provisions made against Section 34 of The Street Works (Northern Ireland) Order 1995 for prolonged occupation of the highway. If not the reporter should comment themselves.
- if fines were paid or provisions made in the report year, check that these have been also been disclosed.

Guidance to Auditors

See separate guidance for auditors.

Column definitions

- Column 1:** **Sewerage:** Include all direct costs associated with sewerage, including agency costs and routine maintenance. (Non-routine maintenance should be charged to general and support activities.) Exclude all costs associated with sea outfalls. Exclude terminal pumping costs (i.e. costs incurred in pumping to treatment works).
- Column 2:** **Sewage treatment:** Include all direct costs associated with sewage treatment, including terminal pumping costs and routine maintenance. (Non-routine maintenance should be charged to general and support activities.) Include the costs of sewage exports, but exclude the cost of treating imported sewage. For these purposes, the latter costs should be estimated, and adjustments made to the appropriate subjective lines (and compensating adjustments made under Services provided for third parties). Include all costs associated with sea outfalls, except the costs of sludge disposal where sea outfalls discharge treated effluent, and sludge is disposed of separately.
- Column 3:** **Sludge treatment and disposal:** Include all direct costs associated with sludge treatment and disposal, including routine maintenance. (Non-routine maintenance should be charged to general and support activities.) Include the cost of sludge exported, but exclude the cost of treating and disposing of imported sludge. For these purposes, the latter cost should be estimated, and adjustments made to the appropriate subjective lines (and compensating adjustment made under Services provided for third parties). See RAG 4.03 for description of activities.
- Column 4:** **Sewerage service total:** where entries are required in columns 1, 2 and 3, column 4 is calculated from those entries.

Table 22 line definitions

SERVICE ANALYSIS – SEWERAGE

A DIRECT COSTS

1	Employment costs	£m	3dp
Definition	The sum of the total costs of non-manual and manual manpower which are directly attributable to each of the individually identified service activities: sewage treatment and sludge treatment and disposal. To be included are the gross salaries and wages of all employees within the relevant activity, including payments resulting from bonus and profit-related payment schemes, employer's National Insurance contributions, superannuation, unfunded pension liabilities, sick pay, sickness benefits, private health insurance, retirement awards, death in service benefits, private health insurance, retirement awards, paid leave, subsistence, travel, entertaining and conference expenses.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

2	Power	£m	3dp
Definition	All energy costs, including sewerage agency power costs and the climate change levy, other than energy used for transport and energy costs, including the climate change levy, associated with the provision of depots and offices (which are included in General and support activities), which are directly attributable to each of the individually identified service activities: sewerage, sewage treatment and sludge treatment and disposal.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

3	Agencies	£m	3dp
Definition	All costs of subcontracting sewage services to local authorities, which are directly attributable to each of the individually identified service activities: sewerage, sewage treatment and sludge treatment and disposal. The power costs incurred by sewerage agencies should be included in line 2, not in this line. All other subcontracted sewerage services are included in Hired and contracted services.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

4	Hired and contracted services	£m	3dp
Definition	All hired and contracted equipment and services, which are directly attributable to each of the individually identified service activities: sewage treatment and sludge treatment and disposal. (Hired services include the hire of vehicles and plant, which is included in general and support activities). Contracted services exclude all contracted labour; professional advice (such as lawyers and consultants); computer software; and local authority contracts for the collection of water and sewerage charges. (The provision of services by associated companies is dealt with in line 5.)		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

5	Associated companies	£m	3dp
Definition	<p>The total cost of associated companies which are directly attributable to each of the individually identified service activities: sewage treatment and sludge treatment and disposal.</p> <p>If the total cost of all hired and contracted services from associated companies (excluding services that are capitalised or included in infrastructure renewals expenditure or prepayment/accrual) exceeds 20% of the total operating cost of the appointed business, before interest and tax, then such costs must be analysed across the headings of the segmental analysis as if the sub-contracted activities were carried out by the Appointee. If the total costs of such subcontracted services fall below this limit then NI Water may, instead of the foregoing analysis, identify their total cost as a separate and additional component of the segmental analysis within the commentary.</p>		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

6	Materials and consumables	£m	3dp
Definition	<p>All materials and consumables that are not in Hired and contracted services which are directly attributable to each of the individually identified service activities: sewage treatment and sludge treatment and disposal.</p> <p>This category of cost includes equipment (such as small tools and clothing), provisions, tarmac and backfill materials, but excludes all items capitalised or included within infrastructure renewals expenditure. (Most if not all stock items fall into this category.)</p>		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

7	Service charges	£m	3dp
Definition	Total costs of service charges by the Environment Agency) for discharge consents, which are directly attributable to individually identified service activities: sewage treatment and sludge treatment and disposal.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

8	Other direct costs	£m	3dp
Definition	Any other operating costs, but excluding interest and taxation, on an aggregated basis, including costs associated with the provision of depots and offices, and insurance premiums where such costs exceed 5% of total operating costs, an analysis should be provided, also include fines and penalties, which are directly attributable to individually identified service activities: sewage treatment and sludge treatment and disposal.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

9	Total direct costs	£m	3dp
Definition	The total direct costs attributable to individually identified service activities: sewage treatment and sludge treatment and disposal.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 1, 2, 3, 4, 5, 6, 7 and 8 for NIW and sum of lines 2 and 8 for PPP only table.		
Responsibility	Comparative Efficiency and Performance		

10	General and support expenditure (NIW Only)	£m	3dp
Definition	<p>The aggregate direct cost of general and support activities is termed general and support expenditure.</p> <p>General and support activities include all centrally provided services, except for any items specifically covered under the individually identified activities. The following services should be included:</p> <ul style="list-style-type: none"> • administrative; • financial; • legal and property management; • research and development; • policy determination, implementation and monitoring; • audit; • public and employee relations; • data processing; • planning liaison; • vehicles and plant (including hired vehicles and plant, and leased company cars); • electrical and mechanical maintenance; • land and property maintenance; • materials storage; • operational and technical support; and • general and support buildings. <p>Where an associated company provides such services, the relevant charge should be included.</p> <p>The direct costs of general and support activities are not required to be separately identified for publication, but must be allocated across service activities and the individually identified sewage treatment and sludge treatment and disposal activities as general and support expenditure.</p> <p>In addition, NI Water to refer to supplementary guidance chapter entitled “Chapter 21 and Chapter 22 General and Support cost guidance.”</p>		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

11	Functional expenditure	£m	3dp
Definition	<p>The direct costs incurred in the provision of each of the individually identified service and business activities, plus in each case an allocation of direct costs incurred in the provision of general and support activities.</p>		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 9 and 10		
Responsibility	Comparative Efficiency and Performance		

B OPERATING EXPENDITURE

12	Customer services	£m	3dp
Definition	<p>Total costs directly associated with customer services, except for current cost depreciation.</p> <p>Include the customer accounting, the reading of meters, debt recovery, customer enquiries relating to tariff matters and charging/billing, and complaints handling. (The costs incurred within the water distribution and sewerage activities in dealing with complaints about matters, other than those related to tariff changes and charging/billing should be recorded within those activities.) The cost of billing services purchased should be included but the costs of services provided for third parties excluded. For these purposes, the latter cost should be estimated, and adjustments made to the appropriate subjective lines (and compensating adjustments made under Services provided for third parties). Include donations made to charitable trusts assisting customers or to other funds assisting customers with payment difficulties.</p> <p>See RAG 4.03 for further definitions.</p>		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

13	Scientific services	£m	3dp
Definition	<p>Total costs directly associated with scientific services except for current cost depreciation.</p> <p>Include the costs of scientific and laboratory services, and of the monitoring of quality. The cost of such services' purchases should be included, but the cost of services provided for third parties excluded. For these purposes, the latter costs should be estimated, and adjustments made to the appropriate subjective lines (and compensating adjustments made under Services provided for third parties).</p> <p>See RAG 4.03 for further definitions.</p>		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

14	Other business activities	£m	3dp
Definition	Total costs directly associated with other business activities except for current cost depreciation. This should include the cost of regulation, including all incremental managerial costs of regulation, viz. licence fees payable to NIAUR etc. in respect of regulation; certification fees associated with the Licence requirements and staff and associated costs incurred in the preparation of submissions to, and liaison with, regulators. (Note: Northern Ireland Environment Agency charges are included under the operational activities.)		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

15	Total business activities	£m	3dp
Definition	Cost of total business activities except for current cost depreciation.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 12, 13 and 14		
Responsibility	Comparative Efficiency and Performance		

16	Rates	£m	3dp
Definition	The cost of all rates.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

17	Doubtful debts	£m	3dp
Definition	The charge/credit to the profit and loss account for bad and doubtful debts.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

18	Exceptional items	£m	3dp
Definition	Exceptional items are defined in FRS3, 'Reporting financial performance'.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

19	Total opex less third party services	£m	3dp
Definition	Total operating expenditure less third party services		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 11, 15, 16, 17 and 18 For PPP only: sum of lines 11, 13 and 16		
Responsibility	Comparative Efficiency and Performance		

20	Third party services – opex	£m	3dp
Definition	The operating costs of providing sewage services to third parties, to include: <ul style="list-style-type: none"> • rechargeable works; • treatment and disposal of imported sewage and sludge; • sewer diversions; and • repairs to customers' connecting drains (if NI Water has in the past reported the cost of repairs to customer's drains under a different heading, this should be explained in the commentary). 		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance		

20a	Total PPP unitary charges	£m	3dp
Definition	The total opex element of the PPP unitary charge for the sewerage service.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Comparative Efficiency and Performance Team		

21	Total operating expenditure	£m	3dp
Definition	Total operating expenditure		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 19, 20 and 20a.		
Responsibility	Comparative Efficiency and Performance		

C REACTIVE AND PLANNED MAINTENANCE (INCLUDED IN OPEX) – (These lines are not required to be completed for the PPP only tables)

22	Reactive and planned maintenance infrastructure	£m	3dp
Definition	The reactive and planned maintenance expenditure on sewerage infrastructure assets for each of the individually identified service activities, sewerage, sewage treatment and sludge treatment and disposal included in operating expenditure. This should include expenditure on: <ul style="list-style-type: none"> • sewer collapses and blockage repairs; • routine sewer flushing and cleaning; and • planned routine and reactive maintenance of pumping plant. 		
Primary Purpose	Informing relative performance and efficiency assessments.		
Reference	Input		
Responsibility	Network Regulation Team		

23	Reactive and planned maintenance non-infrastructure	£m	3dp
Definition	The reactive and planned maintenance expenditure on sewerage service non-infrastructure assets for each of the individually identified service activities: Sewerage, Sewage treatment and Sludge treatment and disposal included in operating expenditure. This should include expenditure on: <ul style="list-style-type: none"> planned routine and reactive maintenance of pumping plant; planned routine and reactive maintenance of sewage treatment works and instrumentation; and buildings and ground maintenance. contracts for maintenance of computer equipment 		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Network Regulation Team		

D CAPITAL MAINTENANCE – (These lines are not required to be completed for the PPP only tables)

24	Infrastructure renewals charge (excluding third party services).	£m	3dp
Definition	Infrastructure renewals charge, excluding any part which relates to infrastructure assets which are not used for third party services.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

25	Current cost depreciation (allocated)	£m	3dp
Definition	The current cost depreciation charge on tangible fixed assets, for each of the individually identified service activities, Sewerage and Sludge treatment and disposal. Note that this figure is not net of the amortisation of deferred credits and intangible assets, which are shown separately on lines 26 and 27.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

26	Amortisation of deferred credits	£m	3dp
Definition	The amortisation of deferred credits arising from third party contributions on non-infrastructure assets. These are amortised over the life of the related asset.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

27	Amortisation of intangible assets	£m	3dp
Definition	Any amortisation or other reduction in the balance sheet valuation of intangible assets, such as goodwill.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

28	Business activities current cost depreciation (non-allocated)	£m	3dp
Definition	The current cost depreciation, at the aggregate level for each service, attributable to the assets used in the business activities (i.e. customer services, scientific services and other business activities (lines 12 -14)).		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

29	Capital maintenance excluding third party services	£m	3dp
Definition	Capital maintenance less capital maintenance charges in respect of third party services.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 24, 25, 26, 27 and 28.		
Responsibility	Regulatory Finance Team		

30	Third party services – current cost depreciation	£m	3dp
Definition	Current cost depreciation on non-infrastructure assets used only for third party services.		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

31	Third party services – infrastructure renewals charge	£m	3dp
Definition	Infrastructure renewals charge on infrastructure assets used only for third party services		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Input		
Responsibility	Regulatory Finance Team		

32	Total capital maintenance	£m	3dp
Definition	Total capital maintenance (including capital maintenance in respect of third party services)		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 29, 30 and 31.		
Responsibility	Regulatory Finance Team		

33	Total operating costs	£m	3dp
Definition	Total operating costs		
Primary Purpose	Informing relative performance and efficiency assessments.		
Processing rule	Calculated: sum of lines 21 and 32		
Responsibility	Comparative Efficiency and Performance		

CHANGE CONTROL SHEET

CHAPTER 22

2008/1.0	First issue of chapter for the SBP period
2009/1.0	<ul style="list-style-type: none"> • Second issue of chapter for the SBP period; • Additional reporting requirements for systems and controls added; • Added new requirements for reporting general and support, hired and contracted and employment costs; • New reporting requirement for PPP costs in lines 9, 10, 10a, 11, 13 and 20a of guidance. • Amended processing rule for line 21.
2010/1.0	<p>Third issue of chapter for the SBP period.</p> <ul style="list-style-type: none"> • Extra section added to refer NI Water to the supplementary guidance entitled “Chapter 21 and Chapter 22 General and Support cost guidance” for guidance on categorisation of general and support costs. • Additional pension reporting requirements. • Revised PPP reporting requirements. • Revised guidance for line 9. • Deletion of line 10a. • Inclusion of line 21a.