

# Chapter 6a

## Bad debt

### Revenue outstanding and associated debt-related costs

Covering:  
Information for the Bad Debt Notified Item

## Section 2

### Chapter 6a

# Information for the Bad Debt Notified Item

#### Guidance

This table has six blocks and a total of 63 lines (of which three are calculated). It covers:

- Revenue outstanding – measured households;
- Revenue outstanding – unmeasured households;
- Revenue outstanding – measured non-households;
- Revenue outstanding – unmeasured non-households;
- Revenue written off - households; and
- Customer services operating expenditure

**The first two blocks do not require completion while there is no domestic charging in place, so have been ‘greyed out’ for this return.**

The information provided in this table will be used to monitor the impact of the ban on disconnection introduced by the Water and Sewerage Services (Northern Ireland) Order 2006.

All monetary values should be given in outturn prices.

We expect NI Water to report in line with this guidance. If any of the requirements or definitions set out in this guidance is not met, NI Water should set out clearly how they are not met, why not and what plans they have in place to report in line with the requirements in future years.

#### Common definitions

**Household revenue outstanding** means the amount of revenue relating to water and / or sewerage charges (whether measured or unmeasured) at the end of the report year that has been billed to households but which has not been collected. Unmeasured revenue billed in the report year but relating to charges for services to be delivered in the following year should not be included.

Revenue outstanding should be reported in the relevant age bands and additionally report in commentary the percentage of revenue in the reporting year received post year end until the AIR 13 submission and perceived likelihood of collection of remaining amounts. In the supporting commentary NI Water should state the costs associated with debt management and provide a detailed breakdown of its principal components.

Revenue that has been written off should **not** be included in the revenue outstanding lines.

Revenue outstanding should **not** include any costs that a customer has been billed for in connection with recovery actions (for example, costs associated with court actions), either in the report year or in previous years.

NI Water should **not** report revenue outstanding which they are collecting on behalf of another water or sewerage company. They should, however, report revenue which is due to be collected by another water company or third party (such as a Local Authority) on their behalf, which remains **outstanding to NI Water** at the end of the report year.

Revenue outstanding should be split between measured households and unmeasured households on the basis of how the household is charged at the end of the report year, i.e. if a household switches to a meter during the report year any revenue outstanding, including unmeasured revenue outstanding at the time of switching, should be reported as measured revenue outstanding. Similarly, where a measured household

reverts to an unmeasured charging basis within the report year any revenue outstanding at the end of the report year should be classed as unmeasured revenue outstanding.

**Non-household revenue outstanding** means the amount of revenue relating to water and/or sewerage charges (whether measured or unmeasured, potable or non-potable), trade effluent charges, special agreement charges and large user charges at the end of the report year that has been billed but which has not been collected. Unmeasured revenue billed in the report year but relating to charges for services to be delivered in the following year should not be included.

Revenue that has been written off should **not** be included in the revenue outstanding lines.

Revenue outstanding should **not** include any costs that a customer has been billed for in connection with recovery actions (for example, costs associated with court actions), either in the report year or in previous years.

In addition, NI Water to state in the supporting commentary, the total subsidy received in relation to non household customers and the amount not received/ outstanding in relation to 2012/13.

**Households with revenue outstanding** are households where revenue relating to water and /or sewerage charges has been billed but has not been collected at the end of the report year. Households owing unmeasured revenue billed in the report year for services to be delivered in the following report year should **not** be included.

Households who are billed by another water or sewerage company or third party (such as a Local Authority) for either or both services and have revenue **outstanding to NI Water** should be reported in the relevant lines.

Where a customer with revenue outstanding vacates a property or moves outside the area and leaves no forwarding address, NI Water should report the household within the relevant lines. Where a customer owns a number of household properties which each have revenue outstanding, each individual household should be reported separately – i.e. numbers should be based on “households” and not “bills” or “accounts”. However, where a customer with revenue outstanding moves and provides a forwarding address that household should be counted once, even if arrears have also been built up at the new address (on the assumption that revenue outstanding at each address will be consolidated into one account).

Households who have had revenue outstanding written off during the year and as a result no longer has any revenue outstanding should **not** be included in the number of households with revenue outstanding lines.

Where households have revenue outstanding spanning more than one age band they should be reported in the **oldest age band only**.

Households should be reported on the basis of whether the household is charged on a measured or unmeasured basis at the end of the report year.

In addition, NI Water to state in the supporting commentary, the total subsidy received in relation to household customers and the amount not received/ outstanding in relation to 2012/13.

**Revenue written off** is revenue relating to household and non household water and/or sewerage charges that have been written off in the report year, net of revenue collected from households or agents during the year that had previously been written off. Revenue of all ages that has been written-off should be included.

Revenue written off in previous report years should **not** be included.

Revenue written-off in relation to court or other debt recovery costs should **not be included**. However, NI Water may if they wish inform us in their commentary of amounts of revenue written-off relating to court costs/legal fees.

**Outstanding revenue collection operating expenditure** means all operating expenditure directly relating to the collection of outstanding household revenue. Further detail and a breakdown of the areas of expenditure to be included are set out on page 6.

“**Household**” is defined in Section 2 Chapter 7 of the Annual Information return 2013 reporting requirements. “Mixed-use” premises should be excluded from household lines.

### **Basis of split between household / non-household and measured / unmeasured data**

We expect NI Water to now be in a position to report actual data split between households and non-households, and between measured and unmeasured.

Where NI Water has not been able to do so, details on how splits have been derived and reasons for why actual data cannot be provided must be included in the commentary.

### **Billing errors**

NI Water should provide details of any major billing errors or any inaccuracies noted with regard to the billing system reported in year or post year end. In this context major relates to billing errors with a financial impact of £100,000 or greater. NI Water should detail the financial impact of the errors/ inaccuracies (if any) and the steps taken by NI Water to address these errors/ inaccuracies and the associated timeframe for rectification.

## **Company commentary**

### **General**

For all numbers included in the table, NI Water must:

- explain whether they have been extracted directly from systems or have been manually calculated in some way;
- state the source of the customer data- e.g. Land and Property database, NISRA, etc.
- for all numbers which have been obtained directly from systems, explain how they have been extracted and the source of the data (for example, billing system, General Ledger, standalone spreadsheet);
- where it has not been possible to extract data directly from systems explain why this has not been possible;
- where numbers have not been extracted directly from systems explain how they have been derived, along with the basis of any apportionment used. This is particularly important in the case of splits between household and non-household numbers;
- explain whether any manual adjustments have been made to numbers extracted from systems in order to produce the numbers in the table, for example, to reconcile numbers between different billing / accounting systems;
- explain why any adjustments are needed, how they are applied between household and non-household data, and the value of the individual adjustments;
- where any methodology used to calculate data within the table has changed when compared to that used in previous years, include details as to whether previous years' data should also be restated. Wherever possible, all data should be reported on a consistent basis; and
- explain any material changes in reported data between years. 'Material' is defined as +/- 20% (inflated to current year prices) for lines 1 to 58a and +/- 30% (inflated to current year prices) for lines 59 to 63.
- describe in detail the basis of its bad debt provisioning policy and any underlying assumptions made.

### **Revenue outstanding lines**

NI Water should confirm in their commentary how they have defined "revenue outstanding" and how revenue due under instalment plans (including direct debit) is reported.

Where revenue due under instalment plans is included in the revenue outstanding lines, NI Water should provide detail in their commentary on how much revenue is due under such plans.

If NI Water wish to set out details on the level of recovery costs, for example court and legal fees which have been added to a household's revenue outstanding figures and which also remain outstanding; these should be included in the commentary and not within the reported numbers.

Where revenue outstanding cannot be reported accurately in the individual age bands, for example due to previous years' charges being combined with current years' charges to reconcile total debt, NI Water should use reasonable endeavours to apportion the revenue outstanding into the relevant age bands. NI Water's commentary should set out clearly whether any apportionment has been undertaken and if so the basis on which this was calculated.

### **Number of properties with revenue outstanding**

Where a property has revenue outstanding across more than one age band NI Water should report the household against the **oldest age band only**.

NI Water should explain in their commentary whether the number of properties reported as having revenue outstanding to NI Water includes those properties who are provided with either a water or sewerage service by an alternative supplier. Details should be provided on the number of customers reported as having revenue outstanding that are supplied for a second service by an alternative supplier. A breakdown of this into the separate age bands is not required.

### **Third party and local authority arrangements**

Where a third party such as a Local Authority or Housing Association is responsible for the collection of revenue from households, NI Water may not be aware of how many households owe revenue to the third party. In these circumstances, we do not require details on the level of revenue outstanding or the number of households owing money to the third party. However, if the third party has revenue outstanding which is due to be paid to NI Water but which has not been recovered, this should be reported within the revenue outstanding lines.

NI Water should provide details on the number of household properties billed under local authority arrangements within their commentary.

### **Write-off lines**

NI Water should confirm that all revenue written-off relates only to household water and sewerage charges (write-offs relating to court costs etc should not be included).

Where revenue which has been written-off is subsequently recovered, the recovered monies should be netted off the reported write-off numbers. NI Water should explain how much revenue has been netted-off in this way.

Similarly, where NI Water sell off bad debt to external debt collection agents, any payment received from the agent should be netted-off the reported write-off numbers. Details of whether or not such agreements exist should be set out in NI Water's commentaries along with brief details on the terms of the agreement, the volume of debt that has been sold and the payment received for the debt.

NI Water should set out details of their write-off policy and explain any changes between years in their policies, procedures or practices in relation to write-offs along with the reasons for any changes.

Where a change in write-off policy (including 'house-keeping' exercises) results in a material change in the level of reported write-off, NI Water should explain whether this level is likely to continue in future years or is being reported as an atypical cost in this report year only.

### **Customer services operating expenditure lines**

NI Water must explain the basis of allocation of customer services operating expenditure between the categories in lines 59-63, and clearly state any allocation rules that have been used. The allocation of indirect costs between these lines should be clearly explained.

NI Water must explain all material changes (+/-30%) between 2011-12 (inflated to current year prices) and 2012-13 in each element of customer services operating expenditure.

NI Water should confirm that line 63 equals the sum reported in table 21 line 13 and (where applicable) table 22 line 12. An explanation must be provided where it does not.

### **Specific guidance for line 59 – General customer services operating expenditure**

Only costs incurred in the report year should be included in line 59.

NI Water must reveal and explain any significant atypical costs relating to outstanding revenue collection that have been incurred in the report year.

Any changes in policy (accounting policies or management practices) relating to outstanding revenue collection that result in material changes to this line should be explained.

Commentaries should include a detailed breakdown of all costs. Where no costs are incurred in a particular category, NI Water should make this clear in their commentaries.

#### **Stationery**

- Costs of reminder bills;
- Targeted collection letters;
- Printing;
- Postage; and
- Telephone costs.

NI Water should present the total customer services operating expenditure in line 59. In lines 59i, ii and so on as required, NI Water should break all components of customer services operating expenditure into components of >£1m into each of these additional lines and include the operating expense title in the respective table line. A commentary should be provided detailing the type of expenses included in each constituent line. Additional lines may be added as required.

#### **Hired and contracted services/associated companies**

- Costs of outstanding revenue collection services purchased and of commission payments to third parties contracted for billing services. This would include commission costs payable to Local Authorities and Housing Association relating to collection agreements (debt collection element only) and commission or fees payable to outsourced debt collection agents.
- Employment of an enforcement officer to target post summons recovery actions such as attachment of earnings, charging orders, bailiffs, etc.

#### **Debt collection teams**

- Costs of call centre staff dealing with payment arrangements or dealing with enquiries following the dispatch of reminders, summonses etc (debt handling)
- Staff salaries (relating to staff directly employed for debt collection purposes)
- Transport costs (e.g. running costs of vehicles used specifically in debt collection)
- Staff training initiatives (where specifically related to debt recovery procedures)

#### **Court and Legal Fees**

Costs of court and legal fees should be reported net of any amount recovered from customers. Any monies received from a customer in relation to the court and legal costs (which may include monies received following court action taken in a previous report year) should be subtracted off the court and legal fees reported in the current report year. Revenue recovered from customers in relation to outstanding water and sewerage charges should not be deducted from the court and legal fees.

**Donations to Citizens Advice Bureau**

Donations to Citizens Advice Bureau / Money Advice Centres should be included.

Donations to charitable trusts assisting customers in debt should not be included. These should be included in line 61.

**Other costs** (directly associated with the collection of outstanding revenue from households, except for current cost depreciation).

- Overheads – such as accommodation, supervision, management etc.
- Restart schemes – donations to schemes not formally recognised as Charitable Trusts.

Where any other costs relating to debt recovery are not included in the breakdown set out above, NI Water should include in their commentary an explanation of what the costs are for, how they relate to debt recovery and the value.

Any material change (i.e. +/- 30%) to any element of outstanding revenue collection operating expenditure should be set out in the commentary along with an explanation of the reason for the change.

Where significant exceptional capital costs associated directly with outstanding revenue collection have been incurred, NI Water should report the amount in their commentary, clearly explaining the reason for the costs.

**Line 62 – operating expenditure due to vulnerable household customers**

NI Water must reveal and explain any significant atypical costs relating to the vulnerable groups scheme that have been incurred in the report year.

**Guidance to Reporters**

Reporters are not required to comment on this table.

**Guidance to Auditors**

See "Auditors' guidance", part E, "Bad debts".



## Table 6a line definitions

### A REVENUE OUTSTANDING – MEASURED HOUSEHOLDS

<b>1</b>	Total revenue outstanding <48 months (measured households)	£m	3dp
<b>Definition</b>	The total amount of revenue that, at the end of the report year, has been outstanding from measured households for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Calculated: sum of lines 3, 5, 7, 9 and 11.		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>2</b>	Number of measured households with outstanding revenue <48 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>3</b>	Revenue outstanding < 3 months (measured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured households for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>4</b>	Number of measured households with outstanding revenue < 3 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>5</b>	Revenue outstanding 3-12 months (measured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured households for at least 3 months, but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		



<b>6</b>	Number of measured households with outstanding revenue 3 -12 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for at least 3 months but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>7</b>	Revenue outstanding 12-24 months (measured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured households for at least 12 months, but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>8</b>	Number of measured households with outstanding revenue 12-24 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for at least 12 months but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>9</b>	Revenue outstanding 24- 36 months (measured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured households for at least 24 months, but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>10</b>	Number of measured households with outstanding revenue 24 - 36 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for at least 24 months but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>11</b>	Revenue outstanding 36 - 48 months (measured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured households for at least 36 months, but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>12</b>	Number of measured households with outstanding revenue 36 - 48 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for at least 36 months but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>13</b>	Revenue outstanding > 48 months (measured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured households for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>14</b>	Number of measured households with outstanding revenue > 48 months	nr	0dp
<b>Definition</b>	The number of measured households at the end of the report year with revenue that has been outstanding for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

## B REVENUE OUTSTANDING – UNMEASURED HOUSEHOLDS

<b>15</b>	Total revenue outstanding <48 months (unmeasured households)	£m	3dp
<b>Definition</b>	The total amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Calculated: sum of lines 17, 19, 21, 23 and 25.		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>16</b>	Number of unmeasured households with outstanding revenue <48 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>17</b>	Revenue outstanding < 3 months (unmeasured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>18</b>	Number of unmeasured households with outstanding revenue < 3 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>19</b>	Revenue outstanding 3 -12 months (unmeasured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for at least 3 months, but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>20</b>	Number of unmeasured households with outstanding revenue 3 -12 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for at least 3 months but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>21</b>	Revenue outstanding 12-24 months (unmeasured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for at least 12 months, but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>22</b>	Number of unmeasured households with outstanding revenue 12-24 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for at least 12 months but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>23</b>	Revenue outstanding 24 - 36 months (unmeasured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for at least 24 months, but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>24</b>	Number unmeasured households with outstanding revenue 24 - 36 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for at least 24 months but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>25</b>	Revenue outstanding 36 - 48 months (unmeasured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for at least 36 months, but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>26</b>	Number unmeasured households with outstanding revenue 36 - 48 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for at least 36 months but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>27</b>	Revenue outstanding > 48 months (unmeasured households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured households for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>28</b>	Number of unmeasured households with outstanding revenue > 48 months	nr	0dp
<b>Definition</b>	The number of unmeasured households at the end of the report year with revenue that has been outstanding for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

## C REVENUE OUTSTANDING – MEASURED NON HOUSEHOLDS

<b>29</b>	Total revenue outstanding <48 months (measured non households)	£m	3dp
<b>Definition</b>	The total amount of revenue that, at the end of the report year, has been outstanding from measured non households for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Calculated: sum of lines 31, 33, 35, 37 and 39.		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>30</b>	Number of measured non households with outstanding revenue <48 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>31</b>	Revenue outstanding < 3 months (measured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured non households for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>32</b>	Number of measured non households with outstanding revenue < 3 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>33</b>	Revenue outstanding 3-12 months (measured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured non households for at least 3 months, but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>34</b>	Number of measured non households with outstanding revenue 3 -12 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for at least 3 months but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>35</b>	Revenue outstanding 12-24 months (measured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured non households for at least 12 months, but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>36</b>	Number of measured non households with outstanding revenue 12-24 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for at least 12 months but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>37</b>	Revenue outstanding 24-36 months (measured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured non households for at least 24 months, but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>38</b>	Number of measured non households with outstanding revenue 24 - 36 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for at least 24 months but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>39</b>	Revenue outstanding 36 - 48 months (measured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured non households for at least 36 months, but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>40</b>	Number of measured non households with outstanding revenue 36 - 48 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for at least 36 months but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		



<b>41</b>	Revenue outstanding > 48 months (measured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from measured non households for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>42</b>	Number of measured non households with outstanding revenue > 48 months	nr	0dp
<b>Definition</b>	The number of measured non households at the end of the report year with revenue that has been outstanding for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

#### D REVENUE OUTSTANDING – UNMEASURED NON HOUSEHOLDS

<b>43</b>	Total revenue outstanding <48 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The total amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Calculated: sum of lines 45, 47, 49, 51 and 53.		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>44</b>	Number of unmeasured non households with outstanding revenue <48 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>45</b>	Revenue outstanding < 3 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>46</b>	Number of unmeasured non households with outstanding revenue < 3 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for less than 3 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>47</b>	Revenue outstanding 3 -12 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for at least 3 months, but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>48</b>	Number of unmeasured non households with outstanding revenue 3 -12 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for at least 3 months but less than 12 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>49</b>	Revenue outstanding 12-24 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for at least 12 months, but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>50</b>	Number of unmeasured non households with outstanding revenue 12-24 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for at least 12 months but less than 24 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>51</b>	Revenue outstanding 24 - 36 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for at least 24 months, but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>52</b>	Number unmeasured non households with outstanding revenue 24 - 36 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for at least 24 months but less than 36 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>53</b>	Revenue outstanding 36 - 48 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for at least 36 months, but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>54</b>	Number unmeasured non households with outstanding revenue 36 - 48 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for at least 36 months but less than 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>55</b>	Revenue outstanding > 48 months (unmeasured non households)	£m	3dp
<b>Definition</b>	The amount of revenue that, at the end of the report year, has been outstanding from unmeasured non households for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

<b>56</b>	Number of unmeasured non households with outstanding revenue > 48 months	nr	0dp
<b>Definition</b>	The number of unmeasured non households at the end of the report year with revenue that has been outstanding for over 48 months.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team/ Regulatory Finance		

## E REVENUE WRITTEN OFF

<b>57</b>	Amount of revenue written off from measured households	£m	3dp
<b>Definition</b>	The amount of revenue outstanding from measured households that has been written off in the report year, net of any revenue collected from measured households during the report year that had previously been written off.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>57a</b>	Amount of revenue written off from measured non-households	£m	3dp
<b>Definition</b>	The amount of revenue outstanding from measured non-households that has been written off in the report year, net of any revenue collected from measured non-households during the report year that had previously been written off.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>58</b>	Amount of revenue written off from unmeasured households	£m	3dp
<b>Definition</b>	The amount of revenue outstanding from unmeasured households that has been written off in the report year, net of any revenue collected from unmeasured households during the report year that had previously been written off.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>58a</b>	Amount of revenue written off from unmeasured non-households	£m	3dp
<b>Definition</b>	The amount of revenue outstanding from unmeasured non-households that has been written off in the report year, net of any revenue collected from unmeasured non-households during the report year that had previously been written off.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

**F CUSTOMER SERVICES OPERATING EXPENDITURE**

<b>59</b>	Total General customer services operating expenditure	£m	3dp
<b>Definition</b>	<p>Total costs directly associated with customer services, except for current cost depreciation, costs directly associated with outstanding revenue collection for households, costs of services provided to third parties, donations to charitable trusts assisting customers in debt or administering provisions for vulnerable customers.</p> <p>Include the costs of customer accounting, the reading of meters, customer enquiries relating to tariff matters and charging or billing, and complaints handling. Costs of initial bills should be included; including purchased billing services, but not costs of subsequent reminder bills.</p>		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>59 i, ii, iii, iv etc</b>	General customer services operating expenditure components	£m	3dp
<b>Definition</b>	<p>Breakdown of general customer services operating expenditure presented in line 59. NI Water should detail the principal components of general customer services operating expenditure and present all components over £1m in lines i- iv. Additional lines may be added as required.</p>		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>60</b>	Outstanding revenue collection operating expenditure (households)	£m	3dp
<b>Definition</b>	Total costs directly associated with the collection of outstanding revenue from households, except for current cost depreciation.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>60a</b>	Outstanding revenue collection operating expenditure (non households)	£m	3dp
<b>Definition</b>	Total costs directly associated with the collection of outstanding revenue from non households, except for current cost depreciation.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>61</b>	Donations to charitable trusts assisting customers in debt (households)	£m	3dp
<b>Definition</b>	Donations to charitable trusts assisting customers in debt.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>62</b>	Operating expenditure due to vulnerable household customers.	£m	3dp
<b>Definition</b>	Total operating costs directly associated with the administration of the provision for vulnerable customers.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Input		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

<b>63</b>	Total customer services operating expenditure	£m	3dp
<b>Definition</b>	Total costs directly associated with customer services, except for current cost depreciation, as defined in table 21, line 13 (for the water service) and table 22, line 12 (for the sewerage service) of the Annual Information return.		
<b>Primary Purpose</b>	Informing future price limit determinations.		
<b>Processing rule</b>	Calculated: sum of lines 59, 60, 60a, 61 and 62. This line should equal the sum of Annual Information return table 21, line 13 and table 22 line 12 for the relevant year.		
<b>Responsibility</b>	Comparative Efficiency and Performance Team		

## CHANGE CONTROL SHEET

### CHAPTER 6a

2008/1.0	First issue of chapter for the SBP period.
2009/1.0	Second issue of chapter for the SBP period. <ul style="list-style-type: none"> <li>• Added additional guidance and lines for reporting non domestic outstanding revenue</li> <li>• Added additional guidance and lines for reporting customer services expenditure to obtain more detailed reporting;</li> <li>• Additional requirements added for billing errors;</li> <li>• Additional requirements added for post year end receipts;</li> <li>• Additional requirements for stating the source of customer data;</li> <li>• Additional requirements for bad debt provisioning policies.</li> </ul>
2010/1.0	Third issue of chapter for the SBP period. <ul style="list-style-type: none"> <li>• Additional requirements in relation to presentation of subsidy.</li> <li>• Additional requirements added for the presentation of customer services operating expenditure (line 59).</li> <li>• Additional line 60a added for revenue collection for non household customers.</li> </ul>
2011/1.0	First issue of chapter for the PC10 period. <ul style="list-style-type: none"> <li>• Slight guidance amendments and lines 1-28 'greyed out' in the tables and guidance.</li> </ul>
2012/1.0	Second issue of chapter for the PC10 period. <ul style="list-style-type: none"> <li>• Lines 60, 61 and 62 greyed out as they relate to costs associated with household debt.</li> <li>• Clarification of first bullet points to include six blocks of information.</li> </ul>
2013/1.0	Third issue of chapter for the PC10 period <ul style="list-style-type: none"> <li>• Lines 57 and 58 greyed out as they relate to household revenue written off.</li> </ul>