

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1874 – Billing & Charges - Problems with metered and unmetered bills

Date of Decision: 3 April 2020

Complaint

The customer's complaint concerns the amount of his invoices. He considers that he is being charged more than his neighbours despite using less water. The customer asks for an order that his bill be re-calculated taking into consideration [personal information removed]. He also asks that the instructions given to the debt recovery agency for recovery of outstanding charges should be cancelled with immediate effect.

Defence

The company considers that the customer has been properly charged by reference to the Rateable Value of his property, because he has decided that he does not want a meter installed. The company explains that it cannot install an analogue meter for the customer as it currently only installs smart meters. It considers that smart meters are entirely safe. As the customer does not qualify for its Watersure Plus scheme, the company states that it cannot adjust his bills, and given that the customer has not paid despite repeated reminders, the company considers that it was entitled to instruct debt collectors.

Findings

I find that, in accordance with its Charges Scheme, the company is entitled to charge the customer by reference to the Rateable Value of his property, given that the customer has decided that he does not want a water meter installed. As the customer does not qualify for Watersure Plus, the company was entitled to bill him the amounts that it did, and I am unable to order that the debt recovery action should be terminated.

Outcome

The company does not need to take any further action.

The customer must reply by 📅 April 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1874

Date of Decision: 3 April 2020

Party Details

Customer: Customer

Company: XWater

Case Outline

The customer's complaint is as follows:

- The customer's complaint relates to the amount that the company is billing him for water and sewerage. He has received bills of £438.64 for the 2017 - 2018 year, £538.90 for the 2018 - 2019 year, £565.32 for the 2019 - 2020 year and £577.02 for the 2020 - 2021 year.
- He points out that by comparison, his neighbours who seem to use more water than him, have lower bills. For example, he refers to neighbours who have an annual water bill of around £400 per year.
- The customer states that he applied for relief from his bills under the Watersure scheme and he considers that [personal information removed].
- The customer notes that the company offered to install a meter but as they refused to install an analogue meter and would only install a smart meter, he decided that he did not want a meter installed. This is because he does not consider the smart meter to be safe, in particular [personal information removed].
- The customer also complains that the company has instructed a debt recovery agency, to recover the amount of £726 which he says he cannot afford.
- The customer asks for an order that his bill be re-calculated taking into consideration [personal information removed]. He states that he is able to make payments of £30 per month. He also asks that the instructions given to the debt recovery agency should be cancelled with immediate effect as they will affect his ability to borrow money in the future.
- In his comments on the company's defence, the customer expresses interest in the company's Watersure scheme.

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The company's response is that:

- The company contests the customer's claim.
- The company notes that since he moved into his current property in June 2017, the customer has been charged on a "Rateable Value" basis, meaning that he is charged an amount that is fixed based on a historical assessment of the value of his home. The company has a right to charge on this basis, pursuant to s. 143 of the Water Industry Act 1991 and the company's Charges Scheme.
- Because the Rateable Value of a property cannot be appealed or updated, the company wrote to the customer when he first moved in to his property, informing him that he might save money by moving to a metered tariff. However, the company submits that unless and until the customer moves to a metered tariff, it is entitled to charge him based on the Rateable Value of his property.
- The company notes that the customer applied for its Watersure Plus scheme on 18 October 2018. However, the company determined that he did not qualify for this scheme, because his water services bill amounted to 2.75% of his total annual household income, while to qualify for the scheme, an applicant's annual water services bill must amount to 3% or more of the total annual household income.
- The customer then applied for a water meter to be installed on 21 February 2019. After an initial missed appointment, a technician visited the customer's property on 5 June 2019 and determined that it would indeed be possible to install a meter outside at the rear of his home.
- However, the customer decided that he did not want the meter fitted because it would be a smart meter and not an analogue meter. The company explained to the customer that it had taken the decision to install smart meters throughout its network, and that it was therefore unable to install an analogue meter as it no longer had these in stock.
- The company has submitted a report dated November 2015 that it commissioned from an independent body, the National Centre for Environmental Toxicology (NCET). The report is entitled "Review of the Potential Health Effects of Smart Water Meter Systems Used in the Thames Water Region", and sets out the findings of the NCET concerning the safety of the smart meters that the company was intending to deploy throughout its network. The company submits that the report shows that its smart meters are safe, and in fact have a much lower level of radio emissions than many common household appliances. In the case of the customer, the company proposed to fit the meter outside his home, which would make it even more unlikely that the radio emissions from the meter could have any effect on the customer's family.

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- The company considers that because the customer has refused to have a water meter fitted, it is correct for it to continue to charge the customer on the basis of the Rateable Value of his property. As the customer does not qualify for the Watersure Plus scheme, the company submits that it is unable to meet the customer's request to recalculate his bill taking into account [personal information removed]. The company does note, however, that if the customer has a meter installed, he may be eligible for assistance under the Watersure scheme (which is different from the Watersure Plus scheme), and that this may reduce his bills.
- The company therefore submits that the customer's bills were correct, and because the customer failed to keep up with his payments despite a number of warnings, it was entitled to instruct the debt recovery agency to recover the unpaid debt. The company considers that it followed the procedure set out in its Charges Scheme and its guidance published on the internet before it instructed the debt recovery agency. It states that it cannot accept the customer's offer to pay £30 per month, because this would not be sufficient to cover his current annual charges and therefore his arrears would continue to build up.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

I have carefully considered all of the evidence provided. Please note that if I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

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How was this decision reached?

1. The customer complains about the level of his water and sewerage charges, arguing that they are higher than those of his neighbours who use more water. As explained by the company, the customer's charges are calculated by reference to the Rateable Value of his property. I therefore need to consider whether the company is entitled to charge on this basis, or whether it should, as argued by the customer, be taking other factors into account.
2. I note that the way in which the company can fix charges is governed by the law, in particular the Water Industry Act 1991. Sections 142 and 143 of this Act permit the company to establish a Charges Scheme. Section 8 of the Water Industry Act 1999 permits water companies to establish charges for properties based on their Rateable Value.
3. In this case, the company has indeed drawn up a Charges Scheme for 2019 - 2020. This provides, at page 6, that properties which do not have a water meter will be charged by reference to their Rateable Value. The company's charges scheme has been approved by its regulator, Ofwat and charging by this method is industry practice.
4. The customer has a right to apply for a water meter, but has stated that he does not want this as the only meters that are supplied by the company are smart meters. The customer is worried that the radio emissions from a smart meter would be damaging to his family's health
5. While it is understandable that the customer is concerned about his family's health, he has not demonstrated that the smart meters used by the company would pose a risk. The company has submitted a report that it commissioned from an independent body, the NCET, investigating the potential health effects of the meters that the company proposed to use. The report concluded that the smart meters are safe.
6. In any event, in charging the customer on the basis of the Rateable Value of his property in circumstances where he had decided that he did not want a meter installed, the company was acting in line with its Charges Scheme. I consider that it was entitled to do this and that in doing so, it was acting in accordance with the law.
7. The customer has asked for his bills to be recalculated to take into consideration [personal information removed]. However, the company has determined that the customer is not entitled to

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benefit from its Watersure Plus scheme. The company cannot therefore be required to take these factors into consideration in determining the level of the customer's bills. The company has, however, indicated that the customer might be eligible for the company's Watersure Scheme, which is a different scheme that is applicable for customers who have a water meter. If the customer is interested in this scheme it is up to him to accept the installation of a meter and make an application under this scheme.

8. Finally, the customer also asks that the instructions given to the debt recovery agency should be cancelled with immediate effect. However, as explained above, I consider that the company was entitled to charge the customer on the basis of the Rateable Value of his property. The company sent the customer several payment reminders and warnings before instructing debt collectors. I consider that it was entitled to do this and am unable to order the company to cancel its instructions.

Outcome


The company does not need to take any further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by  April 2020 to accept or reject this decision.
- When you tell WATRS that you accept or reject the decision, the company will be notified of this. The case will then be closed.
- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision.



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Natasha Peter (Barrister, FCIArb)

Adjudicator

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