

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1876 – Metering – Problems with metered & unmeasured bills

Date of Decision: 6 April 2020

Complaint

The customer states that it was discovered in 2019 that she was paying water charges at her business premises for a bulk meter that included neighbouring properties. She claims that this goes back to 2016 (and earlier). She claims that she is due a refund and that the company should provide her with a meter to measure the water usage as the Rateable Value assessment is more costly for her.

She seeks a refund of all the overcharges and for a water meter to be installed.

Defence

The company states that it has acted in accordance with its duties and obligations in that it has referred the customer's complaints to the wholesaler and liaised appropriately between the two parties. It states that a credit of £3195.77 has been applied to the customer's account. It states that the wholesaler has offered to provide a meter if work to facilitate its installation is paid for by the customer.

No offer of settlement is made.

Findings

The company has acted in accordance with its legal obligations since it became responsible for the customer's account in 2017. The evidence does not show that the company has failed in its obligations or duties.

Outcome

The company does not need to take any further action.

The customer must reply by xx May 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1876

Date of Decision: 6 April 2020

Party Details

Customer: The Customer

Company: XWater

Case Outline

The customer's complaint is that:

- She receives services from the company at [personal information removed] the Property.
- She states that the company has been overcharging for the water services received at the Property.
- She states that this came to light when she queried a bill of £1,198.55 received in December 2018.
- She states that the meter had actually been calculating the water usage for other properties in the street, including a dentist, two shops and a residential property, and that she was being charged. She claims that this has been happening since approximately 2016.
- She states that the wholesaler, United Utilities ("UU"), offered a credit but would not give a refund for the overcharge.
- She states that the company suggested that she ask the other property owners to negotiate a refund, something which she finds unreasonable.
- She claims that the company has refused to install a new water meter, instead preferring to charge her based on Rateable Value ("RV"). The customer finds this unacceptable as it would be more expensive than a metered charge.
- She seeks a refund of all the overcharges and for a water meter to be installed.

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The company's response is that:

- It is contesting the application.
- It states that it was contacted in December 2018 by the customer in relation to a query about the charges at the Property.
- It states that it was discovered in February 2019 that the customer's services were being provided via a "bulk" system and that the meter, [personal information removed], was measuring the usage for her Property and other users.
- It states that the customer's pipework at the Property is unsuitable for a meter to be fitted that only measures the usage at the Property.
- It states that the customer would have to request a new connection and have her pipework altered to accommodate a private meter. This would be chargeable to the customer.
- It states that the customer was given a credit of £3195.77 to account for the difference between the RV and the actual metered charges paid between February 2013 and February 2019.
- It states that since February 2019 the Property charges have been estimated based on the RV system.
- It states that as the retailer it has fulfilled all its obligations to the customer and has pursued her case with the wholesaler, obtaining a credit for the period when she was overcharged.
- The company states that it has acted reasonably and appropriately.
- It does not believe that the customer's request for a remedy is substantiated.

In reply to the above, the customer states that:

- Her firm has occupied the Property since 2004 and the company has only offered to backdate the claim to 2013.
- She requires the amount of £3195.77 to be paid to her in cash and not as a credit.
- She has had plumbers look at the work required and that it is a simple job which the company could easily undertake.
- That the RV charges are far higher than metered charges would be.

How is a WATRS decision reached?

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

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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.

How was this decision reached?

1. I find it important to remind the parties that adjudication is an evidence based process and it is for the customer to show that the company has not provided its services to the standard that would reasonably be expected of it. The relevant legislation is the Water Industry Act 1991.
2. In order to clarify any potential confusion, I must also remind the parties that the company and United Utilities ("UU") are separate and distinct organisations. Following the rules of the WATRS scheme I cannot make any findings on third-party actions in my decision and must limit my considerations to matters between the customer and that company.
3. For clarity, I shall examine the following. In April 2017 the water market opened up to retailers. All non-domestic customers were moved to a wholesaler/retailer split at that time. As such, the customer's water account is under the company as a retailer and UU is the wholesaler. It must be noted that under the new arrangements that started in April 2017 a non-domestic customer only has a relationship with the retailer. The customer cannot bring a claim against the wholesaler directly, but only against the retailer. In this case, therefore, the only course of action for the customer is against the company. The obligations of the company include liaising with the wholesaler on behalf of the customer. The company cannot, however, make decisions that are directly in relation to the source and supply of the water services.

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4. It is common case in this application that it was discovered that the customer was paying for a bulk meter reading that included properties other than her own. This came to light after the customer complained about the amount of charges on her bill in December 2018.
5. The matters in dispute are (a) the refund requested by the customer and (b) the installation of a meter to serve the Property separately as requested by the customer.
6. In relation to (a) the refund requested by the customer. The customer has stated in her application that the problem goes back to “*at least 2016 (and earlier)*”. She requests a refund from the company for all the overcharging due to her having paid for meter charges from a bulk meter covering not only her own but other properties.
7. The company states that it has credited the account of the customer for an amount of £3155.77 which was to cover a period from 11th February 2013 to 25th February 2019. This is not challenged in the customer’s reply. Rather, she states that she should have this amount as a refund and not a credit.
8. The customer further states in reply that as she has been a resident in the property since 2004 she would also consider that she should be receiving a refund dating back to 2004 rather than 2013.
9. I have to note here that this application must be based on what was stated in the application form. The basic claim cannot be altered in the reply as the company has not had an opportunity to answer the assertion made by the customer. Further, I have no supporting evidence regarding the billing or residency dating back to 2004. Therefore, I shall be taking the point initially made in the customer’s application (2016 and thereabouts) as the starting point for this claim.
10. The duty of the company is to present the requests of the customer to the wholesaler, UU, and to report back to the customer. It should provide effective communications. I note that in the papers of the Consumer Council for Water (“CCW”) the correspondence indicated that this was done on behalf of the customer.
11. In relation to (b) the installation of a meter. I take into account two particular matters that arose from my assessment of the evidence presented. (i) the company states that the RV charge

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would be lower than the metered charge, according to the wholesaler. However, this statement does not seem to take into account that the metered charge was a bulk meter and did not only relate to the customer's property. In this case it would not be a true comparison of the charges. This leads me to point (ii) where the company states that the wholesaler has said "...*they can pay on RV going forward although the charges they have paid on the meter will stand as they are lower than being on RV.*" This seems to contradict the former statement, that the RV charges would be lower than metered charges and does lend support to the customer's contention that she would be paying less on a private meter.

12. Notwithstanding, I have to make clear that these matters are not the fault of the company, which is reporting the information it is given from the wholesaler to the customer.
13. The customer seeks the company to assist her in having a meter fitted at her property. I note that the correspondence between the parties indicates that the company has relayed the position of the wholesaler to the customer. This is that the customer may have a meter fitted but it would be at her own cost. It is stated that she would have to request a new connection.
14. The customer has indicated in this regard that she feels she has a right to this remedy. However, I have not been directed to any legislative or other guidance to support this assertion, nor am I aware of any such obligation on the part of the company.
15. I take into account that the company has made the request to the wholesaler and provided the customer with the answer to the query, albeit an answer that it not satisfactory to the customer. I further note that the wholesaler is not refusing to supply a meter, but that the customer is being advised that she will have to make her property suitable for the installation of a meter.
16. I accept the customer was aggrieved at finding that she was paying for other properties as well as her own. However, I do not find that there is any delay or fault in the actions of the company in referring the issues to the wholesaler for resolution. I further note that a credit has been added to the customer's account for the amount of £3195.77.
17. I note that the option of paying the bulk charges and splitting the payments with the other customers was not one that the customer was prepared to accept. This is understandable and is a matter for the customer. However, it is not unreasonable for this option to have been offered as a solution given that bulk meters do operate in this way between shared properties.

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18. I note that the customer has indicated that plumbers have visited the property and have ascertained that the works required are not as difficult as indicated by the company and the wholesaler. This is a matter that has not been evidenced and, in any case, it is a matter that is dealt with by the wholesaler and not one that the company has any power over.
19. I understand that the customer may remain dissatisfied by the outcome of this application but I have addressed the matters arising in the light of the present legal situation.
20. In making this application I have taken into account all the matters raised by both parties and have referred to the most central issues. The decision is made based on the legal duties and obligations of the company in the present legal framework.
21. I do not find that the evidence shows that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person. For that reason this application fails.

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 xx May 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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J J Higgins, Barrister, ACI Arb.

Adjudicator

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