

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/2004

Date of Decision: 22 July 2020

Complaint

The customer has complained that charges made by the company are high in comparison with charges made by other water services providers. The customer does not consider that the company has provided an adequate explanation to justify the charges levied.

The customer seeks a reduction in charges for water and sewerage services.

Response

Charges for water and sewerage services are approved by the regulator. Charges reflect the various characteristics of the company and are influenced by factors including the geographical nature of the area and population density.

Sewerage services are provided by a different company and the company is acting as billing agent for the sewerage services provider. The company has no control over charges for sewerage services.

Charges to the customer cannot be changed. The company's offer of a payment plan remains open to the customer.

Findings

Charges levied by the company are in line with the company's published scheme of charges. The company has acted in accordance with the requirements of the Water Industry Act 1991 in respect of charges.

The company has responded to written complaints submitted by the customer in accordance with the requirements of the Guaranteed Standards Scheme.

The customer has not demonstrated any failure on the part of the company to meet the standards to be reasonably expected.

Outcome

The company does not need to take any further action.

The customer must reply by 19 August 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/2004

Date of Decision: 22 July 2020

Party Details

Customer: (Removed)

Company: (Removed)

Case Outline

The customer's complaint is that:

- The customer is not happy with the level of charges for services from the company when compared with other water companies, in particular in comparison with the water company serving the area where the customer used to live.
- The customer does not accept the explanation provided by the company that there are geographical reasons influencing costs.
- In the customer's comments on the company's response, the customer considers the company has not justified or given adequate explanation for its charges.
- The customer seeks a reduction in his bills from the company to bring charges into line with those made by other water companies.

The company's response is that:

- Charges for water and waste water are approved by the regulator. Charges are determined and approved in order to ensure that water companies have sufficient income to undertake work required over a five year period.
- The company collects charges for waste water on behalf of the wastewater services provider, which is a different company. The company has no control over the charges made by the wastewater services provider.
- Charges reflect the geographical nature of the area concerned which can result in considerable variation in regional charges around the country.

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- Water charges cannot be changed. However, the company has advised the customer that alternative tariffs may be available and has also advised a payment plan can be offered.

How is a WATRS decision reached?

In arriving at my decision, I have considered two key issues:

1. Whether the company failed to provide services to the customer according to legislation and to standards reasonably expected by an average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing of the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on the balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and 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. If I have not referred to a particular document or matter specifically, this does not mean I have not considered it in reaching my decision.

How was this decision reached?

1. The customer moved to a different county around three years prior to making a complaint and his water services are supplied by a different provider to that in his previous property. On 30 March 2020, the customer submitted a complaint to the company expressing his dissatisfaction that that charges for water and wastewater services were significantly higher than they were with a different provider. The customer has provided examples of the difference in the charges for water supply and wastewater. The customer noted that supplies at his previous property and his current property were metered. The customer requests that the company reviews its charges.
2. The company responded in writing on 7 April 2020. The company stated that charges made by all water and wastewater companies are approved by the regulator and that charges set by companies reflect the various characteristics of each company, which are largely dependent on

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geographical features of the area concerned. The company also explained that in relation to its own area, there were a large number of coastal towns spread over a wide area which was a major difference when making a comparison with the customer's previous water services provider.

3. The company also stated that sewerage services were provided by a different provider and that the company was only the billing agent with no control over charges for wastewater. The company has, however, explained that companies are required to comply with environmental legislation in relation to discharges to the sea and that this has required significant investment to ensure compliance with those standards. The company has also explained that charges to customers are influenced by operating conditions faced by each company, density of customers within an area, length of wastewater network and level of treatment for wastewater.
4. The customer replied to the company on 7 April 2020 stating that he did not agree with the position put forward by the company and requested that his complaint was reviewed. The company replied on 15 April 2020 and confirmed its position. The company also referred to being able to offer a payment plan and to alternative tariffs that might help the customer if he was eligible.
5. It is important to note that a WATRS adjudication can only deal with matters defined within the rules. Rule 3.5 of the scheme notes categories of disputes where the scheme cannot be used. These include any matters over which Ofwat has powers to determine an outcome and disputes relating to the fairness of contract terms and/or commercial practices.
6. Section 142 of the Water Industry Act 1991 (the "Act") allows a water services provider to fix charges for the provision of its services and to demand and recover charges fixed by the provider. Section 143 of the Act allows a water services provider to publish a charges scheme setting out details of charges to be applied to customers.
7. The company has explained the methods of charging set out in its charges scheme. A charging scheme published by a company forms part of its commercial terms. I note the customer does not consider the company has provided adequate justification for its level of charges. Whilst I acknowledge the company has only provided a general explanation of the factors influencing its charging levels, it is reasonable to conclude that as charges must be agreed with the regulator that the regulator is satisfied that the company's charges are justified.

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8. Disputes in relation to rates set out in the company's scheme of charges are, under Rule 3.5 of the WATRS rules, not a matter that can be determined by a WATRS adjudicator. I am therefore unable to give any direction in relation to the company's published charges scheme. However, I am able to examine whether or not the company has correctly applied its scheme of charges to the customer's situation.
9. I have reviewed the scheme of charges published by the company and also by the sewerage services provider. The unit volumetric rates for water supply and wastewater in the published schemes are £1.8022 and £2.456 respectively. These are consistent with the unit rates the customer states he has been charged.
10. I find the company has applied volumetric charges in accordance with its published scheme of charges. I therefore make no direction in regard to this matter.
11. I have also examined the company's responses in relation to the Guaranteed Standards Scheme (GSS). Under the GSS, where a customer submits a written complaint to a company, or queries in writing the correctness of a bill, the company must provide a substantive response within 10 working days of receipt of the complaint or query.
12. The customer submitted a written complaint on 30 March 2020 and the company replied on 7 April 2020. The customer followed up his complaint in writing on 2 April 2020 and the company replied on 15 April 2020. The company's replies were within the period allowed under the GSS.
13. I find the company has responded to the customer's written complaints within the times required by the GSS and therefore has complied with the requirements of the GSS.
14. In conclusion, I find no failure on the part of the company to provide its services to a standard to be reasonably expected and therefore make no direction to the company to take any action.

Outcome

The company does not need to take any further action.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
 - The customer must reply by 19 August 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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Signed

A handwritten signature in black ink, appearing to read 'Ian Raine', with a long horizontal flourish extending to the right.

Name

Ian Raine (BSc CEng MIMechE FCIArb MCIBSE)

Adjudicator

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