

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0713

Date of Decision: 9 May 2018

Complaint

The customer complains about high bills received from the company and its failure to inform him sooner about its WS tariff in 2015. He also experienced problems when attempting to renew the WS tariff each year with the company. The company unfairly reported late payments to a credit reference agency, which negatively impacted on his credit score. He feels as though the company has treated him poorly and it refused his request for compensation when he complained. The customer requests compensation (an unspecified amount) for the distress and inconvenience caused over the past 3 years.

Defence

The company submits that it provided the customer information about its WS tariff when he advised he was on state benefits. It then applied this to the customer's account as soon as it received the completed forms and documentation. Further, it renewed the customer's WS tariff in 2016 and 2017, once in receipt of the necessary forms. It has never reported negatively to credit reference agencies against the customer, although it incorrectly advised the customer that it had done so. It is not liable to pay the customer compensation as it has responded to his communications in a timely manner and there have been no failings with its WS process or with managing the customer's account.

Findings

The company provided the customer with information about its WS tariff at an appropriate time and reasonably dealt with the customer's queries and WS tariff application. It also adequately handled the customer's WS renewal applications in 2016 and 2017. However, it unreasonably delayed with responding to his complaint and incorrectly advised the customer that it had reported his late payments when it had not. Therefore, the company did not provide its service to the standard that one would reasonably expect in these instances.

Outcome

The company shall pay the customer £50.00 in compensation.

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The customer must reply by 7 June 2018 to accept or reject this decision.

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Party Details

Customer: []

Company:[].

Case Outline

The customer's complaint is that:

- On moving into his flat 3 years ago, he immediately received a very high bill from the company. After talking to friends he realised his monthly charge (for a single person) was the same, if not more, than others who lived in big houses and so he called and wrote to the company querying the high bill. He also advised that he suffered from depression and was on benefits. The company eventually wrote to him advising that the bill was correct.
- After someone he knows suggested that a water meter might reduce his bill, he contacted the company again to ask that it fit a meter. A representative eventually came to his home who asked him where the tap was. As he had no idea, he was told that a meter could not be fitted, however it agreed his £30.00 monthly tariff was too high and it was reduced to £20.00 per month. He still thought the bill was too high and this was the reason he had not paid the direct debit (DD). He contacted the company again to advise of this and query the bill.
- He virtually had to "beg" the company before, after many weeks, it advised him of the existence of its WS tariff for those on benefits. He asked the company why he had not been advised of this tariff earlier. As a result, he did not receive a correct bill until September 2015 (it was reduced to approximately £10.00 per month). The company apologised for this; however, he had to pay the re-billed amount for the year via DD from September 2015 to April 2016. The customer is unhappy with the length of time it took before the company informed him about its WS. He considers the company failed to identify him as a vulnerable customer.
- The company told him it had reported his late payment resulting in a negative mark on his credit file. He had wondered why he had been turned down when he had applied for credit. The customer feels this impact on his credit file is unfair as it was due to the company's inability to

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provide a correct bill. He did not claim for compensation from the company at the time as he was unwell at the time.

- There have been problems every year when he is required to renew his WS; in 2016 the company told him it had sent numerous letters of renewal but he did not receive any of them, despite encountering no issues with the post elsewhere. The company then disappplied WS, until he queried this.
- To minimise the risk of the same problems occurring in 2017 when renewal was due, he called the company 6 times to monitor renewal dates. When he sent his renewal documents the company confirmed receipt of these only to then advise him that it had not received them and him having to re-send them to the company.
- The customer submits that when he complained about the service, the company refused to pay compensation. The customer requests that the company pay him an (unspecified) amount of compensation for the stress, upset and grief caused by the company's poor treatment, not only in 2015, when it got his bills wrong, but for the problems encountered when renewing the tariff in 2016 and 2017.

The company's response is that:

- The customer moved into the flat at []('the property'), on 9 May 2015 and it sent him a bill for the period 9 May 2015 to 31 March 2016 based on the Rateable Value ('RV') of the property, £343.35. It also sent information about how to apply for a water meter with its Welcome letter dated 12 May 2015.
- It received the customer's application for a water meter on 10 June 2015 and on 7 July 2015 it surveyed his property for a water meter. Due to the customer being on a shared external supply and it being unable to locate the internal stop valve (ISV), it was unable to fit a water meter.
- The customer complained on 16 July 2015 regarding his RV bill and on 21 July 2017, it transferred his account to its single occupier Assessed Household Charge (AHC) and sent a final RV bill for period 9 May 2015 to 10 June 2015 (being the date of his application for a water meter). On 22 July 2017 it received a letter from the customer advising that as he could not have a meter fitted he would be put on the sole occupancy rate but that he had not heard anything. On the same day it sent the customer an AHC single occupier bill for 10 June 2015 to 31 March 2016.
- The customer had first advised that he was on benefits in his email of 16 July 2015 but he did not advise of his medical condition. In its response email of 23 July 2015 (5 working days later) it

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advised the customer of its WS and provided a link so the customer check if he qualified. It therefore denies the claim that it took months to inform the customer about its WS.

- On 27 July 2015, it received an email from the customer querying his tariff, DD options, listing his medical conditions and also stating he was unsure he would qualify for its WS. On 30 July 2015, it spoke to the customer and advised him it would send the WS application form through the post. On 5 August 2015, it spoke again to the customer who advised he had received the WS information.
- As it had not received payment from the customer, it sent a reminder on 12 June 2015 which provided a telephone number for customers who are having difficulty paying their bill. The onus is on the customer to let it know they are experiencing difficulty. It did not receive any calls from the customer until 30 July 2015, by which time he had already applied for the WS.
- On 17 August 2015, it closed the customer's AHC account and sent him a final AHC bill from 10 June to 13 August 2015 and on 18 August 2015, sent him a new WS bill for 13 August 2015 to 31 March 2016, which included details of his new DD payment schedule.
- On 17 July 2016, it sent the customer a WS letter. As it had not received the customer's renewal forms it sent reminders on 22 September 2016 and 6 October 2016. On 26 October 2016, it closed his WS account due to not receiving the customer's renewal forms and opened a single occupier AHC account and sent the customer an AHC bill.
- On 31 October 2016, it spoke to the customer who advised he had not received the renewal letters but would send proof of income. On receipt of the documents it transferred his account back to WS. On 21 November 2016, it replied to the customer's complaint received and explained it had sent the renewal forms and reminders and confirmed that his credit score had not been affected. It suggested the customer register for Online Account Management (OAM) so that he would receive the renewal via email but the customer did not request this until December 2017.
- On 8 August 2017, the customer called concerned about not receiving the renewal letter. This was sent to him on 4 October 2017 and emailed to the customer on 7 October 2017.
- On 1 November 2017, it received an email from the customer that he had returned his renewal forms 2 weeks previously and he also mentioned the 3 letters he had not received the previous year. It received a further email on 6 November 2017 asking if it had received the forms. On 7 November 2017, it sent a chase letter asking for the forms. On 10 November 2017, it received an email from the customer with his forms attached. It confirmed receipt on 14 November 2017 after receiving a further email from the customer querying if they had been received.

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- It advised the customer on 17 November 2017 that it needed evidence of his Housing Benefit (HS) or Employment Support Allowance (ESA) as his bank statement did not show a breakdown of his benefits or and any relevant deductions. When the customer provided this it advised it saw no reason why his WS would not be renewed but that it would confirm this within 5 working days. On 22 November 2017, it confirmed his WS had been renewed.
- On 19 December 2017, it received a call from CCW asking to consider a goodwill payment for 3 years of issues with his WS renewal and credit score. It received the CCW complaint in writing on 2 January 2018. On 10 January 2018, it emailed the customer giving a breakdown of the action on his account and explaining that it would not be providing a goodwill payment as it had responded to the customer in a timely manner and acted correctly when managing in his account. It did incorrectly advise that his credit score has been affected however the company confirms that it has never reported negatively against the customer at his current address.
- The company denies the claim for compensation as there have been no failures on its part.

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.

If the evidence provided by the parties does not prove both of these issues, the company will not be directed to do anything.

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 that I have not considered it in reaching my decision.

How was this decision reached?

1. I 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.

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2. The dispute concerns alleged poor treatment of the customer by the company in relation to billing, a delay in informing the customer regarding the existence of its WS tariff and also problems encountered renewing WS each year.
3. I acknowledge receipt of the CCW documents and both the company's log of its contacts with the customer since May 2015 and supporting documents provided at Appendices 1 to 25 of the Defence.
4. In regards to the company's methods of billing and tariffs, I find that RV is a standard billing method used by water companies where there is no meter at a customer's property. This value was provided by the District Valuers Office of the Inland Revenue and was frozen in 1989. The company's AHC and AHC (sole occupier) tariffs are usually used when a customer has requested a water meter but the company cannot fit one to their property for reasons such as the customer being on a shared supply. Furthermore, the company's WS is a social tariff, which is eligible to customers who are in receipt of certain benefits (this is subject to annual renewals).

2015 bills and WS

5. The company billed the customer for water usage when he first moved to the property in May 2015, based on RV. As there was no water meter fitted at the property, I am satisfied his bill was correct. Having reviewed the evidence, I am satisfied that the company provided the customer with information regarding water meters with his first bill of 12 May 2015, including that a water meter may reduce his bill. Further, I find that when the customer applied (online) for a water meter, the company assessed the viability of fitting a water meter at his property within a month. Once the company had concluded it was unable to fit a meter due to the customer being on a shared external supply and because it could not locate the IVS, it transferred his account to the less expensive sole occupier AHC tariff, in accordance with its policy. However, I accept there was a delay of around 2 weeks before the company transferred the customer's account to AHC and it appears it only took this action following an email from the customer chasing this issue. However, as the company then backdated the customer's tariff to the date he had first applied for the water meter (10 June 2015), I am satisfied that, overall, the service provided by the company in this regard was at a reasonably expected standard.

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6. In regards to the customer's claim that the company should have identified he was eligible for its WS tariff sooner, whilst I accept the onus is on the customer to tell the company if they are having trouble paying bills, I consider it good practice for the company to make customers aware of the existence of any available social tariffs, particularly more vulnerable customers who need help paying their water bills. I find this to be in accordance with the regulator, OFWAT's, guidance on the same. Based on the evidence, I find that the first time the customer told the company he was in receipt of state benefits, was in his email of 16 July 2015. Whilst there was contact from the customer prior to 16 July 2015, this was to query the RV bill whereby he informed the company that he was a single person living in one bedroom flat. I do not find it reasonable to conclude that the company ought to have known from this that the customer was on state benefits, had medical conditions or was experiencing difficulty paying his bills. I am satisfied that soon after the customer's email of 16 July 2015, the company sent him information about its WS on 23 July 2015 and then switched the customer to this tariff around a month later in August 2015. I do not consider there was any service failure by the company in not identifying sooner that the customer may be eligible to apply for WS. Furthermore, on balance, I accept the company's assertion that information on its WS scheme as well as other schemes, were available on its homepage on its website. The company has also highlighted that the payment reminder it sent the customer on 12 June 2015 had included a phone number to call if he was having difficulty paying the bill.

Renewal

7. It is evident that the company disappplied the WS and reverted the customer's account to AHC on 26 October 2016 when it did not receive the renewal forms from the customer. The customer believes that the company failed to send him the renewal forms or the reminder letters when it claimed it had, which resulted in his WS not being renewed on time. I acknowledge that it seems very unlikely that mail would go missing in the post on each of the 3 occasions the company said it had sent this information to customer. However, at Appendix 10, the company has supplied screen shots of it system entries dated 17 July 2016, 22 September 2016 and 6 October 2016 which indicate that it sent renewal letters to the customer at these times. As I find this evidence to be supportive of the company's position, I do not accept that the customer's non-receipt of the forms and letters can be attributed to the company's failure to send them to the customer. In any event, I am satisfied that the company restored the customer to the position he would have been in, had it not removed the WS, as the company reapplied the customer's WS tariff on 7 November 2016 after receiving the requisite information from the

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customer on 1 November 2016, as it backdated the charges as if the WS had not been removed.

8. The customer complains about further problems he encountered at the 2017 WS renewal. I can see he called the company on 8 August 2017, as he was concerned about the need to renew the WS to avoid having the WS tariff removed, as had happened the previous year. Although the company advised it would send these forms out to him, it did not send renewal forms to the customer until 2 months later on 4 October 2017 (and again by email on 7 October 2017); this was 3 months later than the previous year. However I accept the explanation from the company that this was because the renewal date had been changed from August to October.
9. The customer submits that when he returned his renewal documents the company confirmed receipt of these only to then advise him that it had not received them. I note that the company does not accept this and that the customer has not provided a copy of the acknowledgement. It is clear that on 30 October 2017 the customer contacted the company by email stating that he had returned the forms in its prepaid envelope 10 or 12 days earlier but had not heard anything. The company replied by email on 1 November 2017 stating it had not received the renewal forms. The customer re-sent the forms to the company by email on 10 November 2017. The company on 14 November 2017 confirmed receipt and advised that his account was going through renewal. On 17 November 2017 the company asked for evidence of the customer's HS or ESA. I accept that this was due to the bank statements provided not showing a breakdown of the customer's benefits or any relevant deductions. The customer emailed this evidence the same day and then contacted the company on 20 November 2017 requesting confirmation that it had all the necessary documentation. On 21 November 2017, the company wrote to the customer stating it saw no reason why the WS would not be renewed but that it would confirm the outcome within 5 working days however the company confirmed the next day that his WS had been renewed. In light of my above observations I find that, while it is disputed whether or not the first renewal form was in fact received and acknowledged by the company, the service provided to the customer, did not fall below a reasonable standard.

Complaint

10. It is evident however that the customer first raised a complaint with the company regarding the disputed issues, on 1 November 2017 by email. He reiterated his complaint to the company in further emails dated 6 November 2017 and 9 November 2017. In the absence of any evidence

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to the contrary, I find that the company failed to respond the issues raised by customer's complaint until 10 January 2018, after the customer had escalated his complaint to CCW and following contact from CCW. Therefore, I find this is evidence of the company failing to provide its services to a reasonably expected standard.

Credit Score

11. The customer submits that the company reported late payments to credit reference agencies and he explains that any payments that he made late in 2015 was because he disputed the RV and then the AHC bills he had received from the company, which was unresolved until September 2015 after he had applied for WS. The company in the Defence denies reporting negatively against the customer whilst at his current address and asserts his credit score would not have been affected. As the evidence provided by the company, in its Defence, is supportive of its submission and as I have not been provided with any evidence showing otherwise, on balance I accept the company's submission in this regard. However, in its response to the customer of 10 January 2018, the company stated it had reported negative scores against his credit file due to his late payments during the first few months he had moved into the property. Therefore, I consider the company's contradictory advice provided in this regard, is further evidence of it failing to provide its service to a reasonable expected standard.
12. Therefore, in light of the company's service failings to the effect that it unreasonably delayed with issuing a response to the customer's complaint and provided incorrect information in its 10 January 2018 response to the customer regarding its negative credit reporting, I find it fair for the company to pay the customer £50.00 in compensation for the stress and inconvenience caused to the customer.

Outcome

The company shall pay the customer £50.00 in compensation.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.

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- The customer must reply by **7 June 2018** 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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A. Jennings-Mitchell, Ba (Hons), DipLaw, PgDip (Legal Practice), MCI Arb
Adjudicator

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