

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1607

Date of Decision: 13 January 2020

Complaint

The customer submits that the company failed to tell him about the tariff 'Assessed Household Charge' when he called in 2013 to inform the company of his occupancy and enquired about the most competitive tariff. He was told by the call handler that he was already on a competitive tariff. After talking to a different call handler in 2018, an application for a water meter was raised by the company on his behalf. He now benefits from the tariff Assessed Household Charge, which is cheaper for him. He therefore requests that the company backdate the Assessed Household Charge tariff to the start of his occupancy in 2013.

Defence

The company submits that it has no record of the customer requesting a water meter in 2013 or prior to August 2018 and therefore the customer's charges were correctly based on the Rateable Value of the Property. As it was unable to fit a water meter at the customer's property, it offered its 'alternative' to measured charges tariff, Assessed Household Charge, which is a fixed rate charge related to the number of bedrooms and the number of people residing at the address. The customer's tariff was transferred to this tariff effective from the date he first applied for a water meter. The company denies it is liable to backdate the Assessed Household Charge to the start of the customer's occupancy. The company did not make a settlement offer.

Findings

There is no evidence of the customer either requesting a water meter prior to 13 August 2018 or of him enquiring about the tariff at the start of his occupancy in 2013. Therefore, I find there is insufficient basis for me to conclude that the company's failure to install a water meter/transfer the customer's tariff to its Assessed Household Charge since the start, is evidence of it failing to provide its services to a reasonably expected standard. In light of this and as I am satisfied the Rateable Value charges applied to the customer's account prior to 13 August 2018 are correct, I am unable to uphold the claim.

Outcome

The company does not need to take any further action.

The customer must reply by 10 February 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 13 January 2020

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- When he called the company in 2013 to inform it of his occupancy, he enquired about the most competitive tariff and was told by the call handler that he was "already on a competitive tariff".
- He only discovered the information he had been given by the call handler in 2013 was incorrect when he raised it again with a different call handler in 2018. This call handler went through the meter application process with him and raised an application for a water meter, on his behalf over the telephone.
- He now benefits from the alternative measured tariff Assessed Household Charge, which works out to be cheaper for him.
- In view of that he was misinformed by the company in 2013, he has been financially disadvantaged.
- He therefore requests a refund of charges; the difference between the amount he had paid on Rateable Value compared to the lower charges based on the Assessed Household Charge tariff.

The company's response is that:

- In summary, the customer is requesting that it backdate his Assessed Household Charge (AHC) tariff to 2013 when he moved in to his property and refund the difference between AHC and the Rateable Value (RV) charges he paid between 2013-2018.
- As the customer applied for a water meter in 2018 and AHC is only applicable when a customer has applied for a water meter and it has found that it is unable to fit one, it disputes this claim.

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- The customer did not contact it when he moved to: 272 The Colonnades in 2013; his water services account was opened using information provided to it by the previous tenant's letting agency.
- It only received one telephone call from the customer between 2013 and 2018; in 2016 when he called to check details for setting up Online Account Management (OAM), which he did successfully the same day.
- On 13 August 2018, it received a call from the customer and completed an application for a water meter for him.
- It carried out a survey at the customer's property on 12 September 2018 and confirmed that it was unable to fit a meter. The customer was then eligible for AHC and it opened a new account for him based on the AHC from 13 August 2018, being the date of his application and the date a metered charges notice was served on it.
- The option to apply for a water meter has always been available to the customer. The leaflet: 'Everything you'll ever need to know about your water supply' informs customers regarding the option of a water meter and was sent to the customer with his Welcome Letter on 21 March 2013. Bills sent to the customer between 2013-2018, also advertised metering on the reverse of each of the bill, with the exception of the 2013 bill. The annual billing leaflets sent with the customer's bill each year until he registered for online banking in November 2016, also informed him about water meters.
- AHC is only applicable once a customer has applied for a water meter and it has carried out a survey to confirm whether it is possible to fit one. The OFWAT website makes the position clear on how the Scheme may be used and states: "You will not be offered an assessed charge unless you apply for a meter."
- The purpose of the charge is to make sure that customers are not unreasonably disadvantaged because they cannot have a meter. The charge is not available to customers if it is practicable for the company to fit a meter at their property. This applies across the industry and to deviate from this would put other customers at a disadvantage.
- The OFWAT charging rules, which all water companies have to follow when setting tariffs, specifies that companies are only required to offer the AHC tariff when a measured charges notice has been given (i.e. the customer has asked for a meter or been included as part of the Progressive Metering programme) but cannot be fulfilled. Each property must be surveyed individually in order for AHC to be applied.
- AHC is also detailed in its Charges Schedule (available on its website) and both are updated annually.

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- The option to apply for a water meter and information about AHC is also available on its website.
- Prior to August 2018, the customer had not applied for a water meter or contacted it other than to check details for OAM in 2016.
- Therefore, the customer's AHC charges have been correctly applied from August 2018 and the RV charges prior to this, were correct.

Reply

- In his Reply, the customer reiterates that when he signed up for water with the company upon purchasing his flat, he asked for the best deal (as he does with all his bills). He thought this was given to him until he was subsequently advised by the same customer service team that he was definitely not on the most competitive deal. If the difference was a few percent then he can understand however paying more than one hundred percent more is: "not right and deceitful".
- He is not an expert in water rates and trusted the company's customer service team.
- This is the reason he has asked for a refund of the difference between his current rate and the rate paid since his first discussion with the company.

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. 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. 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.
2. The dispute concerns the customer's water charges raised by the company in relation to his property at [] (the Property) for the period 21 March 2013 to 13 August 2018. I acknowledge that during this timeframe the customer's charges were based on the RV of his home, however, following the company's survey carried at the customer's property on 12 September 2018 to establish if a meter could be fitted, the company opened a new account for the customer based on its AHC tariff. It is clear that the company had deemed the customer's property to be "unmeterable" due to the supply coming into the building being shared between all the flats and also because the company was unable to find a stop valve inside the customer's flat where it could fit an internal meter. I acknowledge that the company offers its AHC tariff as an 'alternative' to measured charges and is a fixed rate charge related to the number of bedrooms and the number of people. I accept that the company switched the customer onto this tariff after comparing this with his existing RV charges.
3. The company has submitted evidence of the customer's annual bills for the contested period, which I find range from £557.27 to £592.02. Whilst I have not been supplied with evidence of the customer's bills based on the company's AHC tariff since 13 August 2018, I accept the customer's claim that they work out cheaper for him and note his estimate that he was paying approximately £25.00 more each month when charged on the RV tariff.
4. I accept the company's assertion that that under its Charging Scheme, a customer must apply for a meter before they can be considered for the AHC and this reflects OFWAT charging rules that specify that companies are only required to offer the AHC tariff when a measured charges notice has been given (i.e. the customer has asked for a meter or been included as part of the Progressive Metering programme) but this cannot be fulfilled (as determined by a survey carried out at the individual property).

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5. It is not in dispute that the customer's account was transferred to the AHC tariff following the customer's applying for a water meter on 13 August 2018 (completed by the company on the customer's behalf) and the company having deemed his property unmeterable. However, I acknowledge that the crux of the matter lies in the customer's complaint that he was not told about the option of a water meter/AHC charge when he specifically enquired about the "most competitive tariff" at the outset. The customer claims he was advised by the call handler that he was "already on a competitive tariff" and it was only when he asked about this again in 2018 that he was taken through the water meter process.

6. The company, in its Defence, denies the customer called it at the start of his occupancy of the Property and contends it opened the customer's water account based on information it received from the previous tenant's letting agency. The company has supplied evidence of the letter dated 22 March 2013 from the previous tenant's letting agency (that it received on 25 March 2013) advising that the Property had been sold to the customer. This position is different to that stated in its response to CCW dated 16 August 2019 in which the company refers to an initial phone call when it was asked to open an account at the Property from 18 March 2013. The company provides the account note of the "call" in this letter which states: "Caller advise to set up an A/C for [] wef 180313". However, in its Defence, the company says the account note was created on its receipt of the letter received and there was no call. It highlights that its account note states the method of communication as 'W' denoting "written", which it says shows the communication was written and not a call. Whilst I consider this aspect of the account note along with the letter from the letting agency, is supportive of the company's submission, I find that within the note itself it also states: "The move in has already been actioned with effect from 21/3/13". To me this suggests that the company had already received notice of the customer moving into the Property prior to its receipt of the above mentioned letter but the source of the notification is unclear. The customer submits that he called the company at the start of the occupancy, however, I find that there is a lack of substantive evidence to confirm that the customer called the company at the start of his occupancy or that he specifically asked for "the most competitive" tariff. As such, on balance, I find there is insufficient basis for me to determine that the company's failure to take the customer through its water meter application process or discuss this option, at this time, in case they were likely to be more competitive, amounts to evidence of a service failure by the company.

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7. Having reviewed the industry regulator OFWAT's website, I accept that that RV charges are based on the RV of properties that were assessed and set between 1973 and 1990 by The Inland Revenues District Valuer based on criteria including size, location, proximity to amenities and desirability. Whilst these have not been updated since 1990, as per the OFWAT guidelines, I am satisfied from that water companies are able to continue charging customers on the RV basis until such time a customer applies for a water meter. Therefore, I am satisfied that the customer's RV charges since the start of his occupancy until when a water meter was requested, were correct.
8. The company has also highlighted that the customer's paper bills included information on the option of switching to a water meter/measured charges and I find that leaflets it sent to the customer also provided comparisons between 'unmetered households' on RV charges and 'metered' households (that only pay for the volume of water used). Therefore, I am satisfied that the company has demonstrated that it took reasonable steps to inform the customer about the option of a water meter and, as I accept the onus is the customer to ask for a water meter if they believe they would be better off on measured charges due to their individual circumstance, I am satisfied this evidence supports my above finding that there is no evidence of any service failure by the company.
9. Therefore, due to a lack of evidence of the customer requesting a water meter prior to 13 August 2013 and as I accept that the customer's RV charges from March 2013 until 13 August 2018 were correct, I cannot find that the quality of the service provided by the company, fell below a reasonably expected standard. As a consequence, I find there are no grounds to uphold the claim for the company to backdate the AHC charges to the start of the customer's occupancy in March 2013.

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 10 February 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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A. Jennings-Mitchell, Ba (Hons), DipLaw, PgDip (Legal Practice), MCI Arb
Adjudicator

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