

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1806

Date of Decision: 25 February 2020

#### Complaint

The customer's complaint relates a change in the way he is billed by the company. The company attempted to fit a water meter at the customer's property in 2017, but as this was not possible, it notified the customer that he would be transferred from a Rateable Value tariff to an Assessed Household Charge tariff in 2019. As a result, the customer's bill has increased from £176 to £242 per year. The customer considers that this is excessive, and also objects to the fact that although he paid his bill for 2019-2020 in full, the company subsequently charged him an additional amount of £29.25. The customer asks to be put back on the Rateable Value tariff and reimbursed for the amounts he considers he has been overcharged. He also asks for compensation for distress and inconvenience in the amount of £2,000.

#### Defence

The company rejects the customer's claim. It states that in accordance with its Progressive Metering Programme, it attempted to install a meter at the customer's property but as this was not possible, the policy required it to change the customer's tariff to the Assessed Household Charge tariff. The company notified the customer two years in advance, on 26 June 2017, and sent a further letter on the subject on 26 June 2018. The company also argues that the amount it charged the customer for the year 2019 - 2020 was correctly calculated. It therefore states that, apart from a late response to a letter (for which the customer was credited the sum of £30), there have been no failures in the service it has offered.

#### Findings

The company's decision to change the customer's tariff was made under its Progressive Metering Programme. Under this programme, the company was entitled to transfer the customer to the Assessed Household Charge tariff in circumstances where it could not install a meter at his property. The company gave the customer sufficient notice of the change, two years and one year in advance. There is no possibility, under the programme, for the customer to return to the Rateable Value tariff. I do not consider that the company's decision is incorrect or that there have been service failings which have caused the customer distress or inconvenience. I also consider that the customer's bill has been correctly calculated. I am therefore unable to award the customer the remedies he seeks.

#### Outcome

The company does not need to take any further action.

The customer must reply by 24 March 2020 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

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Date of Decision: 25 February 2020

## Party Details

Customer: [ ] (customer)

Company: [ ] (company).

## Case Outline

### **The customer's complaint is as follows:**

- The customer complains about the level of his bill for the water and sewerage services provided by the company.
- The customer was initially billed on a Rateable Value tariff. In 2017, the company attempted to install a water meter at the customer's property. As this was not possible, it notified the customer that he would be moved to the Assessed Household Charge tariff.
- The customer's bill for 2019-2020 was previously £176.04, but it has now risen to £242.51. The customer considers that this is excessive. He asks to be put back onto the Rateable Value tariff.
- The customer states that the company is wrong to say that it attempted to contact him by telephone, because he never gave the company his telephone number. He also denies receiving a letter dated 26 June 2019 from the company.
- In addition the customer states that he paid his water bill for the year 2019 to 2020 in full on 1 April 2019. He complains that the company subsequently billed him for a further £29.25 for the same year, which wiped out his compensation of £30 in respect of the company's late reply to his complaint. The customer considers that this is unreasonable. He claims a full refund of the amounts that he considers were overcharged.
- He also asks for compensation for distress and inconvenience, in the amount of £2,000.

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### **The company's response is that:**

- The company contests the customer's claim.
- The company explains that under its Progressive Metering Programme (PMP) it is in the process of installing water meters for all of its customers. In circumstances where it is not possible to fit a meter, the company will move the relevant customer from the Rateable Value tariff to a new tariff, called the Assessed Household Charge (AHC) tariff. In such cases, the company has historically allowed the relevant customer a two-year "comparison period" in which the customer can choose to move to the AHC tariff if he or she wishes to do so. After the "comparison period", the relevant customer is automatically moved to the new AHC tariff. The company explains that this is in order to ensure that all its customers are charged fairly by reference to the amount of water that they use.
- In this case, the company explains that it tried to fit a meter at the customer's property in 2017, but was unable to do so. It therefore wrote to the customer on 26 June 2017 advising that he would be moved to an AHC tariff after a comparison period of two years, unless the customer chose to move to this tariff at an earlier date.
- The company wrote to the customer again on 26 June 2018 to notify him that it would move him to the new tariff in one year.
- On 12 January 2019, the customer wrote to the company to complain about the new tariff. The company replied on 23 January 2019, explaining that he would be moved to the new AHC tariff because his property was un-meterable, that his yearly charge would be £242.51, and that this would take effect from 26 June 2019. The customer then referred his complaint to CCWater in May 2019.
- The company wrote to the customer to respond to his CCWater complaint on 10 June 2019. The company explained that it had started to implement its Smart Metering Programme in the customer's area in August 2016. As a result, it tried to install a meter at the customer's property but it could not do so because of pipework constraints. Following its policy, it then notified him that it would transfer him to the AHC tariff.
- Because this response was not sent within the company's target response time of 10 working days, the company paid the customer compensation of £30 under its Customer Guarantee Scheme. This amount was credited to the customer's account.
- On 27 June 2019, CCWater notified the customer that it would not be able to force the company to change the customer's tariff.
- On 3 October 2019, the customer wrote to the company to complain about that he had received another bill for the year 2019 - 2020, because he considered that he had already paid for his

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water for the 2019 - 2020 year. The company wrote to the customer on 7 October 2019 (although the letter is incorrectly dated 7 September 2019) to explain how the bill had been calculated.

- The company considers that its decision to move the customer to the AHC tariff was correctly taken in accordance with its Progressive Metering Programme. It states that it gave the customer reasonable notice of the change in tariff. It further argues that the customer's revised bill was correctly calculated. The company therefore considers that the customer is not entitled to an order that he should be moved back to the Rateable Value tariff, nor to any reimbursement in respect of his bill.
- The company also disputes that it should pay any amounts to the customer as compensation for distress or inconvenience, because it considers that it has not been responsible for any service failures.

### 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's first complaint relates to the fact that the company has moved him from his previous tariff, which was based on the Rateable Value of his property, to a new tariff, called the Assessed Household Charge (AHC). While, under the Rateable Value tariff, the customer's water and sewerage charges were calculated on the basis of a historical valuation of his property which had been decided by the Inland Revenue's District Valuer, under the AHC tariff, the customer's charges will be calculated by reference to the fact that he is the sole occupier of the property.
2. As explained by the company, the decision to move the customer from the Rateable Value tariff to the AHC tariff was taken in accordance with the company's standard policy, because it could not fit a meter at the customer's property.
3. The customer is unhappy because the new tariff is more expensive than the previous tariff. However, I find that the company's decision to move the customer to the new tariff was taken in accordance with its Charges Scheme and Charges Schedule. Section 9 of the Charges Scheme sets out the company's Progressive Metering Scheme, which allows it to put in place a system whereby meters are gradually installed for all of its customers. Section 9(5)(d) of the Scheme states that where the company has been unable to fit a meter, the customer at that property will be charged by reference to the AHC tariff after a certain period of time (this is now one year, but in 2017 it was two years). Similar provisions are set out in the Company's Charges Schedule 2019-2020, page 11, Section 3.3.
4. The company failed to install a meter at the customer's property under its Progressive Metering Scheme and it gave the customer proper notice that he would be moved to the AHC tariff. It was therefore entitled to charge the customer by reference to this tariff, even though this means that the customer will be charged more for his water. The company's policy also does not allow the company to move the customer back to a Rateable Value tariff. I am therefore unable to grant the customer the order that he seeks, to the effect that the company should move him back to his previous tariff.
5. The customer also complains about the fact that although he paid his bill for the year 2019 - 2020 in full on 1 April 2019, the company later billed him for a further £29.25.
6. However, this additional bill came about as a result of the customer being moved from the Rateable Value tariff to the AHC tariff. The customer paid his Rateable Value tariff charges of

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£176.04 in full. However, the customer was then moved to the AHC tariff on 26 July 2019, which meant that the company closed his Rateable Value account and opened a new AHC account.

7. In closing the account, the company deducted the sum of £41.36 in respect of the customer's charges from 1 April 2019 to 26 June 2019 from the total amount of £176.04 that the customer had paid for the year. The company also credited the customer with the sum of £30 as compensation for its late response to the customer's letter to CCWater, as explained above. The remaining amount of £164.68 was carried forward to the customer's new account. The AHC bill for 26 June 2019 to 1 April 2020 was £193.93. The difference between these two amounts, the sum of £29.25, was then billed to the customer.
8. In summary, therefore, the reason why the company charged the customer an additional amount of £29.25 for the year 2019 - 2020 was because he had been moved to a higher tariff. I consider that the company's calculation of these charges was correct, and so I am unable to order repayment of any sums to the customer.
9. Finally, the customer has claimed £2,000 for distress and inconvenience. However, for the reasons set out above I do not consider that the company has been responsible for any service failings (aside from a late response to a letter, for which the customer has been credited with the sum of £30). I am therefore unable to award any compensation for distress or inconvenience.

#### **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 24 March 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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