

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X584

Date of Final Decision: 9 October 2021

Party Details

Customer: The Customer

Company: The Company a water and sewerage company.

Complaint

The customer claims that the company has overcharged her between 2002 and 2018. Within this period, the company continued to charge her as if her property was still a business, despite the business ceasing in 2002. The customer is seeking the company to refund her overcharges and explain her charges between 2002 and 2007.

Response

The company says for the period 1 November 2002 to 8 July 2005 it did bill the customer as if her property was still a business. However, due to the cancellation of the surface water and highways drainage charges back to 1 April 2004, the customer has been undercharged for 1 November 2002 to 8 July 2005. From 9 July 2005 to 22 January 2008, the customer has been billed domestic charges, which were raised based on the meter readings taken at the time. The company cannot provide a more detailed explanation as it only keeps copies of its bills and letters for 6 to 7 years in line with the Limitation Act 1980. The company admits errors were made when the customer's charges were changed to its domestic tariff, and a goodwill gesture of £150.00 to be provided to the customer to reflect this. The company has not made any further offers of settlement.

Findings

Whilst I am satisfied that the evidence shows the company did fail to provide its services to the standard to be reasonably expected regarding the customer's charges between 2002 to 2018, the customer has suffered no loss as the customer has already been adequately compensated. The reasons and evidence provided by the customer are not sufficient to justify her claim that the company further explain her charges between 2002 and 2007 or provide a refund. Furthermore, I am satisfied there have been no failings concerning customer service for which the customer has not already been adequately compensated.

Outcome

The company does not need to take any further action.

The customer must reply by 6 November 2021 to accept or reject this decision

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

ADJUDICATOR'S FINAL DECISION

Adjudication Reference: WAT-X584

Date of Final Decision: 9 October 2021

Case Outline

The customer's complaint is that:

- The company has overcharged her between 2002 and 2018, as within this period, the company continued to charge her as if her property was still a business, despite the business ceasing in 2002.
- The customer is seeking the company to refund her overcharges and explain her charges between 2002 and 2007.

The company's response is that:

- For the period 1 November 2002 to 8 July 2005, it did bill the customer as if her property was still a business.
- However, due to the cancellation of the surface water and highways drainage charges back to 1 April 2004, the customer has been under billed for the period 1 November 2002 to 8 July 2005.
- From 9 July 2005 to 22 January 2008, the customer has been billed domestic charges, which were correct and raised based on the meter readings taken at the time.
- The company cannot provide a more detailed explanation as it only keeps copies of its bills and letters for approximately 6 to 7 years in line with the Limitation Act 1980.
- The company admits an error was made in 2007 when the customer's charges were changed to its domestic tariff, and a goodwill gesture of £150.00 has been provided to the customer to reflect this.

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 another disadvantage as a result of a failure by the company.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

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 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. The dispute centres on whether the company overcharged the customer between 2002 and 2007 due to applying commercial metered charges rather than domestic charges.
2. The company must meet the standards set out in OFWAT's Charges Scheme Rules, the Water Supply and Sewerage Services (Customer Service Standards) Regulations 2008 and the Water Industry Act 1991.
3. The company also has certain obligations regarding its customer services as set out in OFWAT Guaranteed Standards Scheme and its own Guarantee Standards Scheme (GSS).
4. From the evidence put forward by the customer and the company, I understand that on 20 February 2007 the company set up a new domestic account for the customer with the start date of 9 July 2005. Before this period, the evidence shows that the customer was charged commercial metered charges rather than domestic charges. As a meter was fitted at the property, charges were raised on the company's standard domestic metered tariff. The evidence shows that the customer was not eligible for the company's Single Person Tariff as this was usually only available for sole occupiers if a meter cannot be fitted at a property. On 4 May 2007, the company sent a letter and breakdown showing how the charges had been calculated from 1 November 2002 to 20 February 2007.
5. The customer first contacted the company to dispute the 2002 to 2007 charges in 2010. The evidence shows that on 6 September 2010 and 5 October 2010, the company sent letters to the customer confirming that she was now billed domestic charges. The next time the customer disputed her charges from 2002 was in 2013, and the evidence shows that the company reiterated that she was still being billed domestic charges.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

6. On 16 July 2015, the company spoke again with the customer and confirmed she was being billed domestic charges after she had contacted the Consumer Council for Water. On 31 July 2015, the company sent a breakdown and consumption profile to the Consumer Council for Water. On 20 August 2015, the company sent a further response to the Consumer Council for Water addressing the customer's concerns with her level of water use and agreed to install a data logger to monitor the status of water usage.
7. On 17 June 2016, as the customer continued to dispute her level of water usage, the company agreed as a goodwill gesture to change her charging basis to its Assessed Volume Tariff based on the property type from 12 July 2014. Unfortunately, a system error occurred during the re-bill, and the evidence shows that as a measure of apology on 28 December 2016, the company removed charges for 2016/2017 and applied a further credit adjustment agreeing to bring the balance to zero.
8. On 5 October 2020, the customer contacted the company and requested a breakdown of her account, and subsequently, on 20 October 2020, she stated that she felt she had been overcharged previously. On 22 October 2020, the company responded, explaining that relevant adjustments to change the charging tariff for her previous address were updated in 2007 and that she had been billed domestic charges.
9. Between 23 October 2020 and 25 January 2021, various correspondence took place between the parties. On 25 January 2021, the company advised the customer that before the Single Person Tariff charges were applied from 2014, standard household metered charges had been billed from 1 November 2001. The company highlighted the previous breakdown information provided with its earlier reply of 6 November 2020 and enclosed a copy of the oldest bill image on its files for 2013. The company explained that its standard document retention policy is seven years, which means it no longer had a copy of the letter and breakdown information it sent in 2007 confirming household charges had been raised. However, the customer remained unhappy as she still believed that the company overcharged her between 2002 and 2018 and, on 10 August 2021, commenced the WATRS adjudication process.
10. As to whether the company overcharged the customer between 2002 and 2018 due to applying commercial metered charges rather than domestic charges, the evidence shows that, between the period 1 November 2002 to 8 July 2005, it did bill the customer as if her property was still a business. The company states within its response that commercial metered charges and the

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

surface water and highway drainage raised from 1 November 2002 to 8 July 2005 were £801.76. I understand that this also included some credit that had been applied to the customer's account.

11. For the same period of 1 November 2002 to 8 July 2005, the evidence shows that the estimated domestic charges would have been £845.56. Accordingly, I agree with the company's position that the customer was undercharged for this period. Concerning the period 9 July 2005 to 22 January 2008, the evidence shows that the customer has been billed domestic charges, which were raised based on the meter readings taken at the time. Having reviewed appendices 34 and 35 of the company's response, which shows the charges raised from 9 July 2005 to 22 January 2008, I find that the company raised the correct domestic charges based on the readings taken at the time.
12. The evidence shows that the customer was not eligible for the company's Single Person Tariff as this was usually only available for sole occupiers if a meter cannot be fitted at a property, however, I understand that in 2016, the company agreed as a goodwill gesture to change her charging basis to its Assessed Volume Tariff from 12 July 2014. The evidence shows that a system error occurred during the re-bill, and as a measure of apology the company then removed charges for 2016/2017 and applied a further credit adjustment bringing the customer balance to zero.
13. Whilst I am satisfied that the evidence shows the company did fail to provide its services to the standard to be reasonably expected regarding the customer's charges between 2002 to 2018, as the commercial charges between 1 November 2002 to 8 July 2005 were lower than the domestic charges and the amount charged between 9 July 2005 to 22 January 2008 correct, I find that the customer has not suffered any financial loss or another disadvantage. Furthermore, where the company did make an error in 2016, the company removed the charges for 2016/2017. Accordingly, I find this aspect of the customer's claim fails.
14. The company has certain obligations in respect of its customer services. After careful review of the evidence, I find the company had not given clear or concise guidance throughout the dialogue and this failure to provide sufficiently informative responses to the customer's complaint has led to a long, drawn-out dispute. However, I am satisfied that the explanation of the charges set out in the company's response adequately explains the charges billed between 1 November 2002 and 22 January 2008.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

15. I note that the customer has complained throughout her dialogue that the company's responses were unclear and uninformative. This has been highlighted by the issues surrounding the change from commercial to domestic charges in 2007 and the continued comments from the company that it had billed domestic charges from 2002. The company admits these errors, and within its response, it has agreed to send a goodwill payment of £150.00 as a measure of apology. On careful review of all the evidence and taking account of the length of time that this dispute has been ongoing, I am satisfied that these failures fall within Tier 1 of the WATRS Guide to Compensation for Inconvenience and Distress. I consider that the company's offer of a goodwill payment of £150.00 adequately covers the customer for any inconvenience and distress incurred due to the company's customer service failings. Accordingly, no further sums are due for this aspect of the customer's claim.
16. The customer has made comments on the preliminary decision stating that her claim was that the company has overcharged her from 2002 through to 2018, not the limited period 2002 to 2007. On review of the dates, I find that this fact does not change my decision on this aspect of the claim as the evidence shows that the customer was only charged commercial charge until 9 July 2005 and thereon was charge domestic rates. Furthermore, the commercial charges were less than what would have been charged if she had been charged domestic rates and where the company made errors with the domestic charges the customer has already been adequately compensated. Having carefully considered each aspect of the customer's further comments I find that they do not change my findings, which remain unaltered from the preliminary decision.
17. Whilst I am satisfied that the evidence shows the company did fail to provide its services to the standard to be reasonably expected regarding the customer's charges between 2002 to 2018, the customer has suffered no loss as the customer has already been adequately compensated. The reasons and evidence provided by the customer are not sufficient to justify her claim that the company further explain her charges between 2002 and 2007 or provide a refund. Furthermore, I am satisfied there have been no failings concerning customer service for which the customer has not already been adequately compensated.

Outcome

The company does not need to take any further action

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 6 November 2021 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.



Mark Ledger FCI Arb
Adjudicator

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.