

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X593

Date of Final Decision: 14 October 2021

Party Details

Customer:

Company:

Complaint

The customer's residential account was switched to a business account without his knowledge in the 1990's. As a consequence, the customer has been overcharged for over two decades. The customer is now on the Assessed Household Charge (AHC) and he would like this backdated to the time his account was wrongfully switched to non-household, and he would like a reimbursement of the overcharges. The customer also wants the company to register him for an online account.

Response

Until 2017, the company billed the customer for his flat on a residential Rateable Value (RV) tariff and for his garage on a commercial fixed surface water charge. This was correct and the customer was not overcharged. On 1 April 2017, W took over the billing for the garage but, following deregulation, the account has been handed back. The customer's property was assessed for a meter but was found to be unmeterable; therefore, the customer was put on the AHC. While the AHC is more favourable than the RV for the customer, this does not mean the customer has been overcharged. Therefore, responsibility to backdate the AHC and reimburse the customer is denied. Regarding the customer's request for an online billing account, the customer can arrange this on the company's website.

The company has not made an offer of settlement.

Findings

The evidence does not show on the balance of probabilities that the company has failed to provide its service to the standard reasonably expected by the average customer by overcharging the customer. Therefore, the customer's

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.

claim in this regard cannot succeed. With regard to the customer's request for an online account, I find that the information provided by the company in its response will allow the customer to open an account online and, therefore, I make no direction to the company in this regard.

Outcome

The company does not need to take any further action.

ADJUDICATOR'S FINAL DECISION

Adjudication Reference: WAT-X593

Date of Final Decision: 14 October 2021

Case Outline

The customer's complaint is that:

- On 1 April 2017, he received a letter from the company informing him that REDACTED would become his retailer. Since then, he has paid REDACTED as well as the company as the payments to the company were not cancelled.
- In the Covid-19 pandemic lockdown, a big jump in his annual water bill prompted him to review his previous bills and he discovered that his residential account with the company had been switched to a business/corporate account without his knowledge.
- He called REDACTED and was advised to deregister with them. He then tried to login to his online account on the company's website, but he could not access the account with the account number he had been provided and was advised to contact the company directly.
- After several very time-consuming attempts to get hold of the company on the telephone, he finally managed to speak with a customer service adviser and was informed that his account was a business account and that it had been changed from a residential account sometime in the 1990's.
- REDACTED refunded the total amount he had been charged since April 2017.
- On 4 September 2020, as the company had not contacted him, he wrote a letter to the company and was finally contacted on 2 October 2020.
- However, the company representative who called failed to address any of the issues relevant to his complaint, the most important of which was that the company had over charged him for more than two decades, but said that his residential account had been changed to a business/corporate account because he has a lock-up garage attached to his lease. The representative did not explain why this had not been raised before, or explain why a lock-up garage without a water connection justifies altering the status of his account from residential to corporate. He simply said that billing had been based on the rateable value of his property, but did not note the fact that his property has never been corporate in any way. The representative then suggested that he have a water meter installed; however, as he had no access to his account online and he was unable to make such a request.

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.

- After the telephone call, he emailed the company's representative and asked him to correct his account back to residential, facilitate online access to his account and assess his property for a water meter; however, he has never received a response to this email.
- He believes that the company has overcharged him for well over two decades and has discovered that one of his neighbours pays an annual charge of just £400.00 when he paid £852.69 in 2020.
- When the company finally attended to do a meter survey, it found that he could not have one fitted. Therefore, he has been put on the AHC, which will be £351.54 per year.
- He assumed he was being treated fairly by a reputable company but now feels that he has been swindled.
- He wants his account amended to residential charges from when it first became a business account in the 1990's, and he would like a reimbursement of the difference between the amount he has been wrongfully charged and the AHC he is now on.
- He would also like to be registered for an online account.

The company's response is that:

- It has completely reviewed the customer's accounts for the flat and the garage and found that it billed the customer on a residential RV tariff for the flat and a commercial fixed surface water charge for the garage until 2017. This was correct and the customer was not overcharged.
- On 1 April 2017, when the market opened up, it sent a letter to the customer to explain that W would be taking over the billing of the garage. This information was also included on its bills and it stopped charging for the garage when W started to bill the customer.
- The water industry was then told that garages related to residential properties were not to be deemed as commercial, but residential instead. Following the deregulation, the garage account has been handed back from W, so it will start billing the customer for the garage again in due course. As W refunded all the money the customer paid, the customer has not been overcharged.
- In line with Section 144A of the Water Industry Act 1991, the customer served a Measured Charges Notice (MCN) and requested to be billed on metered charges under its Optional Metering Scheme, but the customer's water supply cannot be metered. Therefore, since 23 November 2020, it has billed the customer on the AHC, in line with guidelines set by Ofwat, the industry regulator.
- At the complaint stage, it reviewed the customer's account and made a number of significant goodwill gestures. It also acknowledged its failure to reply to correspondence within ten working days and the length of time the complaint took to resolve, and paid all relevant CGS payments.

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.

- Even though the customer has not been overcharged, to show its willingness to provide excellent customer service to the customer, it agreed to provide a credit of £162.35, half of the money the customer paid on RV compared to AHC from 1 April 2020. This is very generous because its Charges Scheme states that AHC charges will apply from the date a property is found to be unmeterable.
- In view of the above, responsibility to backdate the AHC and provide a refund is denied.
- With respect to the request to provide online account billing, the customer can arrange this on its website. The account number is 900053143959.

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.

How was this decision reached?

1. As an adjudicator operating under the WATRS Scheme Rules, I can only direct the company to reduce the customer's charges if I find that the company has failed to provide its service to the standard reasonably expected by the average customer by overcharging the customer.
2. However, having considered the evidence provided by the parties, I find that the company correctly charged the customer on a RV basis for the flat until the property was deemed unmeterable in November 2020, and correctly billed the garage on a non-household basis until

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.

the account was transferred to W in 2017, as garages were treated as non-household at this time.

3. The evidence shows that the water industry was then informed that garages for residential properties could be treated as residential and, therefore, the customer's garage account should have been transferred back to the company by W; however, I accept that it was not the company's responsibility to request the transfer of the garage account from W.
4. The evidence shows that W has refunded the customer for the charges paid in full. Therefore, as it stands, the customer has paid nothing for the garage since 2017. However, the company has stated that it will soon start to bill the customer for the garage on a residential basis and the charges may be backdated, and I accept that the company is entitled to do this.
5. Since the customer's property was deemed unmeterable by the company in November 2020, the customer's tariff has been changed to the AHC. As the customer had not previously applied for a meter, I accept that the customer was not entitled to the AHC before this date. Therefore, while I appreciate that the AHC is financially favourable for the customer, I do not find that the customer was being overcharged by the company when the account was based on RV.
6. In view of the above, I do not find that the company has overcharged the customer and I do not find that the company has failed to provide its service to the standard reasonably expected by the average customer. Therefore, I cannot direct the company to backdate the AHC and reimburse the customer the difference between the RV charges and the AHC and, while I appreciate that the customer will be disappointed by my decision, the customer's claim in this regard cannot succeed.
7. With regard to the customer's request for an online account, I find that the information provided by the company in its response will allow the customer to open an account online and, therefore, I make no further direction to the company in this regard.
8. In response to the preliminary decision, the customer has provided some comments and states that they still believe that they are entitled to an offer of settlement on the basis that they have been wrongly classed as a commercial property instead of a residential one. I understand that

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.

my decision was not what the customer hoped for, however, the evidence does not support the customer's claim and, therefore, my decision remains unchanged.

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 within 20 working days 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.

K S Wilks

Katharine Wilks

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.