

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X663

Date of Final Decision: 20 December 2021

Party Details

Customers: The Customers

Company: The Company

Complaint

The company carried out an enforced repair on a communal pipe serving the customers' property, four other privately owned properties, and fifteen properties owned by the council. The total repair cost was £1,120.00 and this was split between the twenty properties equally. However, the private property owners are also being charged £100.00 each for administration, but the council is being charged one £100.00 administration fee for all fifteen of its properties, equating to £6.66 per property. This is not fair and the customers want the company to reduce their administration charge to £6.66.

Response

Under Section 75 of the Water Industry Act 1991, a water undertaker has the power to recover any expenses reasonably incurred in serving a Waste Water Notice from the person on whom it is served. The owners of the properties involved were each served with one Waste Water Notice regardless of how many properties they own; therefore, the administration costs were not increased by the council owning fifteen of the properties. In view of this, the company denies responsibility to reduce the administration fee.

The company has not made an offer of settlement.

Preliminary

The evidence does not show that that the company failed to provide its service to the standard reasonably expected by the average person by charging the council only one administration fee. Therefore, the customer's claim does not succeed.

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.

Preliminary

The company does not need to take any further action.

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Case Outline

The customers' complaint is that:

- On 21 July 2021, they received a letter from the company stating that they would be charged £56.00 + VAT for a section of communal pipe to be replaced, and a further £100.00 for administration.
- On 16 August 2021, they called to complain about the amount requested. The company explained that the total repair cost was £1,120.00 and this was split between twenty properties, making the cost £56.00 plus VAT for each property. Out of those twenty properties, fifteen belong to the local council, but the council has only been charged one £100.00 administration fee, equating to £6.66 each property, when the five private properties have been charged £100.00 each. This is not fair.
- None of the private properties are willing to pay this extortionate fee, but are happy to pay the £56.00 + VAT and a £6.66 administration fee; a total of £73.86.
- On 16 August 2021, the company emailed and said, "We charge £100.00 administration fee per property and this has been reflected, naturally we did not charge (REDACTED) council a £1500 admin fee as they were responsible for 15 properties but they were our point of contact i.e we called and wrote to them, with regards to their properties directly and then on an individual basis for everyone else. As explained on the phone an enforced repair on your water supply pipe is a last resort and a lot of work goes into this to arrange the repair."
- They spoke to CCW on the 25 August 2021 and were advised to make an official complaint to the company, so they emailed their complaint to the company on 25 August 2021. The company's Executive Relations Team replied on 2 September 2021 and said it is entitled to charge them the £100.00 administration fee.
- They contacted CCW again and were advised to go through Stage 2 of the company's complaints procedure, so they emailed the company on 30 September 2021. On 7 October 2021, CCW informed them that it was unable to force the company to reduce the charge.
- They want the company to reduce the administration fee to £6.66, as that is what the council has paid per property.

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The company's response is that:

- Under Section 75 of the Water Industry Act 1991, a water undertaker has the power to recover any expenses reasonably incurred in serving a Waste Water Notice from the person on whom it is served.
- On 15 September 2020, the owners of the properties REDACTED, including the customers and the local council, were served with Waste Water Notices relating to an enforced repair.
- It served each owner one Waste Water Notice, as opposed to a Waste Water Notice for each property they owned; therefore, each owner was charged one administration fee. Its Leakage Booklet outlines the procedure it follows, and this states that its administration costs will be recovered from those served with a Waste Water Notice.
- The fee covers the cost of administering the enforcement of the Waste Water Notice and it followed the same process with the council as it did with the other owners involved; it did not involve fifteen times more work, therefore only one administration fee per owner was applied. It did not contact the council separately for each of the fifteen properties they own; therefore, it is reasonable that it only charged one £100.00 fee to the council.
- If it charged the other affected properties £6.66 each, it would not recover the costs incurred in issuing the notices and liaising with the owners to arrange the repair.
- In view of this, liability to reduce the administration fee is denied.

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.

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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. The customers' complaint is based on their belief that the administration fee charged by the company for the Waste Water Notices should be split between the twenty properties involved, rather than the six property owners involved.
2. The company refers me to section 75(9) of the Water Industry Act 1991 and, having reviewed this legislation, I accept that it entitles the company to recover the expenses reasonably incurred in preparing and serving the Waste Water Notices from the property owners to whom the notices were served, including the customers. I also find that the company's Leakage Policy entitles the company to charge the customers an administration fee.
3. The company has explained that the enforced repair costs were split equally between the twenty properties involved, but the administration costs involved in preparing and serving the Waste Water Notices were the same for each owner because each owner was served with one notice, regardless of how many properties they own.
4. Having reviewed the evidence provided by the parties, I find that the customers' claim can only succeed if the evidence demonstrates on the balance of probabilities that the company has failed to provide its service to the standard reasonably expected by the average customer by charging each property owner for the administration involved in preparing and serving one notice, rather than splitting the administration costs involved in preparing and serving all the notices, equally between each property.
5. However, having reviewed the evidence, on the balance of probabilities, I accept that the company was entitled to serve each property owner with one notice, even if they owned more than one of the affected properties. Further, I accept that serving the council with one Waste Water Notice relating to all fifteen of its properties would not have involved more administration than serving the customers with one Waste Water Notice relating to their single property.

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6. As each Waste Water Notice most likely involves a similar amount of administration, it is reasonable for the company to charge the same administration fee for each notice. Therefore, I do not find that it would have been reasonable for the company to split the cost of the six notices between the twenty properties instead of charging each property owner for the individual notice they received.
7. I also find that the company could only justify charging an administration fee for each property owned by the council if it had served a separate notice for each property. However, serving separate Waste Water Notices for each of the council's properties would have increased the administration fee charged to the council, but it would not have reduced the administration fee charged to the customers.
8. In view of the above, I do not find that the company has failed to provide its service to the standard reasonably expected by the average customer by charging the council the same administration fee as the customers. Therefore, while I appreciate that the customers will be disappointed by my decision, the customers' claim to have the administration fee reduced cannot succeed.
9. Following the preliminary decision, the customers have requested a breakdown of the £100.00 administration fee charged by the company and have explained that they requested this information previously but it was not provided. However, I find the £100.00 administration fee reasonable for the work involved in issuing the Waste Water Notice and, therefore, make no direction to the company in this regard.

Outcome

The company does not need to take any further action.

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 3 January 2022 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.

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- 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

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