

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT-X822

Date of Decision: 24 March 2022

Complaint

The customer says that the company did not supply her with adequate information to allow her to decide whether to have a meter installed. As a result, she has been overcharged for a number of years.

Response

The company says that it has billed the customer correctly and regularly advised the customer that it might be possible to save money by having a meter installed.

The company previously offered the customer a goodwill gesture of £60.00, but this was declined.

Findings

The company provided its services to the customer to the standard to be reasonably expected by the average person.

Outcome

The company does not need to take any further action.

The customer must reply by 21 April 2022 to accept or reject this decision.

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Date of Decision: 24 March 2022

Party Details

Customer:

Company:

Case Outline

The customer's complaint is that:

- She paid for water since 2006 on the basis of the rateable value of the Property.
- She subsequently discovered that her charges were high compared to what she might have been paying if the Property was metered.
- She applied for a meter but was told by the company that one could not be fitted in the Property.
- The company confirmed that she would be moved to the Assessed Household Charge.
- This substantially reduced her bills.
- She was never advised by the company that her charges were higher than an average comparable household should be paying.
- The company has not adequately explained the basis on which she has been charged.
- The company has offered compensation of £60.00, but this was declined.
- She claims compensation of £7,056.00.

The company's response is that:

- The customer's account for the Property was opened on 26 July 2006.
- The customer is only billed for water, and was billed on the basis of the rateable value of the Property.
- Bills and billing leaflets sent to the customer noted the option of having a meter installed.
- As a compulsory metering programme is not operative in the area of the Property, the company can only install a meter when requested by a customer.

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- The customer requested a meter on 28 February 2021.
- The Property was surveyed and found to be unmeterable.
- The customer was moved to an Assessed Household Charge, in accordance with the company's Charges Scheme, effective 22 April 2021.
- On 24 July 2021, the customer made contact about wastewater charges that had been incorrectly added to her account.
- The company's agent agreed in goodwill to backdate the application of the Assessed Household Charge to 1 April 2020.
- The customer remained unhappy about her past bills, but the company confirmed that the customer had been billed in accordance with its charges scheme.
- The company denies liability for the customer's claim.

The customers comments on the company's response are that:

- The company has not adequately explained why she was not informed that her charges were significantly higher than average.
- Some of the documentation submitted by the company is not relevant to her claim.
- The company has correctly calculated the amount she is in credit, but its explanation is incorrect.

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. As a regulated water retailer, the company is required to bill its customers in accordance with a published charges scheme and to provide its services in accordance with its licence and any applicable Ofwat guidance. The company's charges scheme must adhere to rules made by Ofwat, the Water Services Regulation Authority, the designated regulator in this sector.
2. The consequence of this is that, as specified in Rule 3.5 of the Water Redress Scheme Rules, a WATRS adjudicator does not have the authority to decide on the fairness or correctness of a company's charges scheme, as this responsibility has been given by the Water Industry Act 1991 to Ofwat.
3. Instead, with respect to the type of claim brought by the customer, a WATRS adjudicator may only examine whether the company has properly adhered to its published charges scheme and to its licence and any applicable Ofwat guidance, and whether it has fulfilled its customer service obligations to the customer.
4. In the present case, the company has satisfactorily established that the Property has been billed in accordance with its charges scheme. Therefore, as just explained, the company must be found to have met its obligations to the customer in this respect. If the customer wishes to challenge the bases for charging included in the company's charges scheme, she must do so with Ofwat.
5. The customer has also complained that the company did not specifically notify her that she was being charged significantly more than she might otherwise have been paying, thereby depriving her of the ability to request a meter sooner. However, the company has satisfactorily established that the customer was reminded on a regular basis of the possibility of requesting a meter and that this might result in a reduction in her charges. Moreover, the company's charges scheme is clear that the Assessed Household Charge that the customer now pays, and that she relies upon as evidence that she has previously been overcharged, is only available if a meter has been requested by a customer but could not be fitted. As the customer had not requested a

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meter until 28 February 2021, she was not entitled to be billed on the basis of the Assessed Household Charge and so was not being overcharged by the company in this respect.

6. It should also be emphasised that the company did not have the right to require the customer to have the Property assessed for a meter, and thus also for potential application of the Assessed Household Charge, as Section 144B of the Water Industry Act 1991 limits the situations in which a company may require installation of a meter, and none of those situations applied to the customer.
7. Although the customer argues that she was paying more than a similar average household would pay, the customer was billed on the basis of the rateable value of her Property, which is the correct basis for charging the customer under the company's charges scheme where she has not requested a water meter.
8. The customer objects that the company's documentation referred to the basis of her charges as being "the size of your property and the location", and that this is not completely accurate. However, while this is not a technically complete description of rateable value I do not find that it is misleading given the centrality of these factors in the establishment of the rateable value for a Property and the lack of information available on how rateable values were originally set. As stated by Ofwat, "Rateable Values were an assessment of the annual rental value of a property. They were used by local authorities for the General Rates system of local tax between 1967 and 1990. Assessments were made by the District Valuer's office of the Inland Revenue and, at the time, households were able to appeal the Rateable Value of their property. Each local authority took a number of factors into account when it set rateable values. These included the size and general condition of the property and the availability of local services. We have no specific details about how properties were assessed and cannot tell you why similar properties have a different rateable value."
9. In view of the preceding, I find that the company has provided its services to the customer to the standard to be reasonably expected by the average person with respect to both its billing of the customer and with respect to the information provided to the customer regarding her billing.

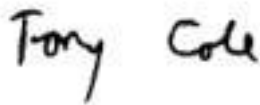
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Outcome

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 21 April 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.
 - 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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Tony Cole, FCIArb

Adjudicator

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