

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X887

Date of Final Decision: 30 April 2022

#### Party Details

**Customer:** The Customer

**Company:** The Company

#### Complaint

After moving into her property, the customer telephoned the company on several occasions to discuss her high Rateable Value (RV) charges and her payment plan, but she was not advised to apply for a meter. On 3 December 2021, a technician from the company attended the customer's property to carry out a meter survey as part of the company's compulsory metering programme and, as the customer's property could not be metered, she was put on the Assessed Household Charge (AHC) from that date. As the company missed several opportunities to advise the customer to apply for a water meter, she would like the company to backdate the AHC to 18 January 2020, the date she first moved into her property.

#### Response

The company provided the customer with information about metered charges on her welcome letter and bills, but the customer did not apply for a meter. On 3 December 2021, the company carried out a meter survey at the customer's property as part of its Progressive Metering Programme ("PMP"), and found that a meter could not be installed. Therefore, the company followed its Charges Scheme and applied the AHC to the customer's account from that date. As the customer has been charged correctly, the company denies liability to backdate the AHC to the date the customer moved into her property.

#### Findings

The evidence does not show that the company has failed to provide its service to the standard reasonably expected by the average customer by refusing to backdate the AHC on the customer's account. Therefore, the customer's claim does not succeed.

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Outcome

The company does not need to take any further action.

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# ADJUDICATOR'S FINAL DECISION

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## Case Outline

### **The customer's complaint is that:**

- After she moved into her property, she queried her high Rateable Value (RV) charges with the company, but was not advised that she could apply for a meter. She also contacted the company to set up a payment plan, but was not advised to apply for a meter then either.
- On 3 December 2021, a technician from the company attended her property to carry out a meter survey as part of the company's compulsory metering programme. As her property could not be metered, she was put on the AHC from that date.
- She asked the company to backdate the AHC to when she first moved into the property, but the company refused on the basis that the tariff only applies once a meter survey has been completed and it has been determined that a meter cannot be fitted.
- However, she feels that she should have been advised to apply for a meter by the company during the telephone calls about her charges and her payment plan and, if she had been, the company would have carried out a meter survey, discovered she could not have a meter, and put her on the AHC much sooner than it did.
- The company said it is unclear whether different tariffs were discussed during the telephone calls and it may have missed opportunities to give her information about meters, so it offered her two £20.00 gestures of goodwill, which it later increased to £56.22 (the balance on her account on 31 March 2022).
- However, she is unhappy with the amount offered as the difference between the RV and the AHC charges for the relevant period is £304.16.
- In view of this, she would like the company to backdate the AHC to 18 January 2020, the date she first moved into her property.

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

- Section 143 of the Water Industry Act 1991 gives it the power to set a Charges Scheme. Its Charges Scheme explains that properties without a water meter are usually billed using a tariff

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known as Rateable Value (RV). The Charges Scheme also explains that if a customer applies for a water meter but it is unable to fit one, it will apply the AHC tariff if it is less than the RV.

- The customer first made contact on 7 February 2020 to say she had moved into her property on 18 January 2020. An account was set up for the customer and, as the property did not have a meter and no resident of the property had previously applied for one, the customer was charged on RV.
- Water companies are obligated to let customers know about metering and how they may apply, and it provided this information to the customer on her welcome letter and on her bills, and the information is also available on its website. However, the customer did not submit an application for a meter or ask for any further information.
- As the customer did not apply for a meter, she remained on the unmetered RV based charge. However, it surveyed the customer's water supply to see if it could fit a meter under its PMP, which has been approved by OFWAT. The meter survey showed that the customer's property was on a shared supply and could not be metered, so it provided the customer with information about the AHC and converted her account from the RV basis of charge to the AHC with effect from 3 December 2021, the date of the survey. This is in line with its policies and its Charges Scheme.
- It previously acknowledged that there may have been opportunities to speak to the customer about metering on 7 and 10 February 2020 when she rang to set up a payment plan and, therefore, it offered a goodwill gesture of £40.00 (two payments of £20.00) and then removed the customer's outstanding balance as a gesture of goodwill. However, metering is not relevant to calls about payment plans, and it is not normal procedure to discuss issues unless they are relevant to the reason for the customer's call, so it is not sure that the goodwill gestures offered were necessary. However, it accepts that it was good customer service to offer the goodwill gestures anyway. It disputes that the customer called to discuss her high charges before the AHC had been applied to her account on 3 December 2021.
- There have been no other customer service failings which would warrant any compensation being awarded to the customer.
- It is essential not treat any of its customers more favourably than others as it must always abide by its Charges Scheme, which has been approved by OFWAT. In view of this, it cannot deviate from its policies and Charges Scheme to make an exception for the customer.
- It does not believe WATRS should award the outcome sought by the customer because such a decision would be against the Water Industry Act 1991, OFWAT's view on how the AHC should be applied and its Charges Scheme, which has been approved by OFWAT.

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- As the customer has been billed correctly, it disputes responsibility to backdate the AHC to the date the customer moved into the property.

### 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. The customer believes that the AHC should be backdated to 18 January 2020, the day she moved into her property, on the basis that the company should have advised her to apply for a meter when she queried her high RV based charges and made contact to set up a payment plan on 4 and 7 February 2020.
2. The company disputes that the customer made contact to discuss her charges before 4 December 2021, but accepts that it may not have discussed metering with the customer when she made contact to set up her account and her payment plan on 4 and 7 February 2020. The company says that it provides its customers with information about metering on all of its bills and this information can also be found on its website. The company states that despite receiving information about metered charges, the customer did not apply for a meter, so it surveyed the customer's property for a meter on 3 December 2021 as part of its PMP. The company states

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that, in line with its Charges Scheme, the AHC was correctly applied to the customer's account from that date as the survey determined that the property could not be metered.

3. As the adjudicator in this dispute, I will only be able to direct the company to backdate the AHC on the customer's account if the evidence shows that, on the balance of probabilities, the company has failed to provide its service to the standard reasonably expected by the average customer by refusing to do so.
4. Having reviewed the evidence, I accept that the company's Charges Scheme entitles the company to charge unmetered customers on the RV tariff and that, as the customer's property was unmetered when she moved in, the customer's charges were correctly based on the RV tariff at that time. Further, I accept that the company's Charges Scheme states that a customer is entitled to the AHC if their property is surveyed for a meter but a meter cannot be fitted. In this case, in line with the company's Charges Scheme, I accept that the company was correct in switching the customer from RV based charging to the AHC after the customer's property was surveyed for a meter and found to be unsuitable.
5. However, the customer's claim that she is entitled to have the AHC backdated because the company failed to inform her that she could apply for a meter is central to this dispute because the customer states that if she had been given this information, she would have applied for a meter and been put on the AHC much sooner than she was.
6. Having reviewed the letter to the customer from the company dated 17 March 2022, I accept that the company admitted that during telephone calls on 7 February 2020 and 10 February 2020 it missed opportunities to inform the customer about metered charges, and the company provided the customer with a goodwill gesture for this failing. However, in the company's response to the customer's claim, the company states that it is unclear whether metering was discussed or should have been discussed during these calls, as the customer called to discuss her payment plan, not her high charges.
7. Having reviewed the copies of the call notes included in the company's response, I find that on the balance of probabilities the customer called to set up a payment plan and the customer's charges were not discussed at this time. I also accept that information about water meters was

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not relevant to the call and therefore the company was not obliged to provide it, so I find no failing on the company's behalf in this respect.

8. However, even if the evidence had confirmed that the company did not but should have discussed metering with the customer during these telephone calls, and this amounted to a failing on the company's behalf, I find that the goodwill gesture already provided to the customer would be sufficient to compensate the customer for such a failing. Also, I do not find that such a service failing would entitle the customer to have the AHC backdated on her account in any event. This is because the letter sent from the company to the customer, dated 8 February 2020, and the customer's annual bill for 2020-2021, both of which have been provided in evidence, show that the customer had already been told that metered charges may be cheaper than the tariff she was paying, and the company's Charges Scheme does not allow the company to backdate the AHC as a remedy for service failings.
9. In view of the above, I accept that the company has correctly applied the AHC from 3 December 2021 and, therefore, I do not find that the company has failed to provide its service to the standard reasonably expected by the average customer by refusing to backdate the AHC any further. Therefore, while I understand that the customer will be disappointed by my decision, the customer's claim does not succeed.

#### **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 13 May 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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*K S Wilks*

Katharine Wilks

**Adjudicator**

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