

WATRS

Water Redress Scheme ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X094

Date of Final Decision: 6 September 2022

Party Details

Customer:

Company:

Complaint

The customer claims the company had incorrectly charged him on an Assessed Household Charge instead of being metered. When this issue was raised, the company failed to provide cost and feasibility estimates to install a single meter. Furthermore, the company has made various errors with his account when switching over from the old accounting system. It has also failed to consider the presence of soakaways at his property. The customer is seeking the company to provide cost and feasibility estimates so a single meter can be installed at his property so he can be billed on a metered basis, take the soakaways at the property into account when calculating his charges and provided compensation for the various errors with his account when switched over from the old accounting system.

Response

The company says that the cost and feasibility estimate of the installation of a single meter and soakaway rebate issue have not been raised through the company's complaints procedure. Therefore, these aspects of the customer's claim fall outside the scope of this adjudication. The customer has been correctly billed on a Rateable Value basis up until it was found that a meter could not be fitted, and then he was changed to an Assessed Household Charge, which does consider property occupancy levels. Where there have been failings with the customer's account, the customer has been adequately compensated. The company has not made any offers of settlement.

Findings

I am satisfied the evidence points to the fact the company did not fail to provide its services to the customer to the standard to be reasonably expected regarding billing on an Assessed Household Charge basis, the customer's Direct Debit and the changeover of the customer's account to its new billing system. Where there have been failures in service the customer has been adequately compensated.

Outcome

The company does not need to take any further action.

The customer has until 4 October 2022 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

- The company had incorrectly charged him on an Assessed House Charge instead of being metered. When this issue was raised, the company failed to provide cost and feasibility estimates to install a single meter.
- Furthermore, the company has made various errors with his account when switching over from the old accounting system and has failed to consider the presence of soakaways at his property.
- The customer is seeking the company to provide cost and feasibility estimates so a single meter can be installed at his property, and he can be billed on a metered basis, take the soakaways at the property into account when calculating his charges and provided compensation for the various errors with his account when switched over the from the old accounting system.

The company's response is that:

- The cost and feasibility estimate of the installation of a single meter and the customer's soakaway rebate issue have not been raised through the company's complaints procedure.
- Therefore, these aspects of the customer's claim fall outside the scope of this adjudication.
- The customer has been correctly billed on a Rateable Value basis up until it was found that a meter could not be fitted, and then he was changed to an Assessed Household Charge, which does consider property occupancy levels.
- Where there have been failings with the customer's account, the customer has been adequately compensated.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

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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.

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 around whether the company has incorrectly charged the customer on an Assessed House Charge instead of being metered and also made errors when changing the customer's account from its old billing system to its new.
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 Customer Guarantee Scheme (CGS).
4. Under Section 142 to 143 of the Water Industry Act 1991, the company is permitted to charge for water and wastewater services provided and make a Charges Scheme which essentially fixes charges to be paid for services provided. However, as made clear in WATRS Rule 3.5, "*any matters over which OFWAT has powers to determine an outcome*" cannot be considered by WATRS. The question of whether a company has adhered to Section 142 to 143 of the Water Industry Act 1991 is a matter for OFWAT to determine, and therefore I will make no findings on this matter in this decision.
5. Furthermore, under WATRS Rule 1.6, if the dispute has not been resolved to the customer's satisfaction after exhausting the company's complaints procedure and after mediation and formal investigation by the Consumer Council for Water ("CCWater"), only then can the matter be raised

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in adjudication. I understand that the issues surrounding both the costs of installing a single meter at the customer property and that of soakaways at the property have not been raised before this WATRS adjudication. Therefore, these issues fall outside the scope of this adjudication, and I find I am unable to adjudicate upon these aspects of the customer's claim. However, I find I can deal with whether the company has incorrectly charged the customer on an Assessed House Charge instead of being metered and made errors with the customer's Direct Debit when changing the customer's account from its old billing system to its new one.

6. The evidence shows that on 1 March 2016, the customer contacted the company as a Direct Debit he had set up to pay his 2015-2016 bill had not been successfully activated and as such, no payments had been made for the charges for that year. Due to this, the company added the overdue balance from 2015-2016 to his 2016-2017 bill. The evidence shows that the company credited the customer 50% of his 2015-2016 bill due to not successfully activating the customer's Direct Debit.
7. The evidence shows that the customer continued to pay his charges via Direct Debit monthly rather than annually. On 25 March 2020, the customer contacted the company to query his bill and request whether a water meter could be installed at his property. The company provided a breakdown of the customer's account and explained that in 2019 it changed its billing system to a new one, and all information was correctly transferred across.
8. The customer disagreed and queried how the company arrived at its charges and the Direct Debits made. The company responded and explained that the customer was charged on a Rateable Value basis. However, he could apply for a meter to be installed, which may reduce his bills. Between 25 February 2021 and 9 April 2021, various discussions took place between the parties resulting in the company crediting the customer account £80.00 and slightly amending the customer's Direct Debit.
9. On 9 April 2021, the company received a metering application from the customer and undertook a meter survey at the property. However, it was found that a meter could not be installed, and the customer was advised on 4 June 2021 that he would be placed on an Assessed Household Charge. Following this, the company issued a new bill considering the change from rateable Value to Assessed Household Charge.

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10. The evidence shows that the customer continued to pay by Direct Debit, which would have left a balance on the account in January 2022 of £8.91. I understand that this balance was paid on 25 January, and on 29 January 2022, the customer raised a further complaint concerning the company chasing him for the £8.91 by letter when he was paying Direct Debit and that he had requested his bills to be sent by email.
11. I understand that the company responded to these complaints, explaining that the customer was correctly charged on an unmeasured basis, these bills were correct, and the customer's Direct Debit was correctly allocated. The customer remained unhappy with the company's responses and progressed his complaint to CCWater to resolve.
12. Following discussions with CCWater, the company explained that no large Direct Debit was applied for or taken from the customer's bank and asked for a copy of the letter sent asking for payment of £8.91. The company confirmed that it did send reminders by post and the reasons why. It also provided a breakdown of the customer's account and explained the basis of Assessed Household Charge and that even if a bedroom is being used for another purpose, it is still a bedroom and therefore Assessed Household Charge charges on three bedrooms are correct. Furthermore, the customer is not a sole occupier and did not qualify for single occupancy Assessed Household Charge. I understand that the company advised that a £50.00 goodwill had been added to the customer account along with CGS payments.
13. However, the customer remained unhappy as he believed that the company had incorrectly charged him on an Assessed House Charge instead of being metered and also made errors when changing his account from its old billing system to the new, and on 11 July 2022, the customer commenced the WATRS adjudication process.
14. As to whether the company correctly charged the customer, the evidence shows the customer was initially billed on a Rateable Value. The Rateable Value is based on the value of the customer's property, location, and proximity to local amenities. It was set in the 1970s by an independent District Valuer and the Local Authority. From the evidence put forward by the company, the Rateable Value system does not consider whether or not the property has single occupancy, and the company offers no single-person reduction.

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15. The company has two tariff systems in place, either the Rateable Value or by a meter. If a meter cannot be installed at the property, then the customer can be placed on an Assessed Household Charge, which does consider property occupancy levels.
16. However, the Assessed Household Charge, unless the occupier is a single occupier, is based on the number of bedrooms in the property. The evidence shows that the customer has three bedrooms in the property, and it matters not whether the bedrooms are currently used as bedrooms. When requested, the evidence shows that the company thoroughly explained how the Assessed Household Charge was derived and why the customer did not qualify for a single occupier allowance. Furthermore, I cannot find any evidence to suggest that the customer was a single occupier. Therefore, I find the customer has been billed the correct Assessed Household Charge.
17. Concerning the change from the old billing system to the new and the customer's direct debits, on a careful review of the evidence, I find that where errors were identified by the company, the company has made adequate compensation or paid CGS payment. Furthermore, I find that the company has explained the customer's account and the Direct Debit payment and provided a full breakdown of the customer's account when requested.
18. The company has certain obligations in respect of its customer services. From the evidence provided, such as the timeline set out in the company's defence, I am satisfied that by the end of the company's dialogue with the customer, the company had adequately explained the reasons behind the Assessed Household Charge, the Rateable Value Tariff, the customer's Direct Debits and how they were applied regarding the customer's account. Furthermore, where there have been perceived failures in customer service, the company has made appropriate payments as set out in the company's response.
19. The customer and company have made various comments on the preliminary decision and having carefully considered each aspect of both sets of comments, I find that they do not change my findings, which remain unaltered from the preliminary decision.
20. Considering the above, I find the evidence does not prove the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning billing on an Assessed Household Charge basis, the customer's Direct Debit and the

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changeover of the customer's account to its new billing system. Regarding customer service, I am satisfied the company provided a reasonable level of customer service throughout its dialogue with the customer and where there were service drops, the company made appropriate goodwill and CGS payment.

Outcome

The company needs to take no further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 4 October 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.



**Mark Ledger FCI Arb
Adjudicator**

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