

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X231

Date of Final Decision: 29 November 2022

Party Details

Customer:

Company:

Complaint

The customer's water bill stated that customers with a total household income of less than £16,480.00 are eligible for REDACTED. As the customer's income is less than £16,480.00, he applied for REDACTED but was told that he was not eligible as his water bill was less than 3% of his income. As the information on the customer's bill was misleading and clearly stated he was eligible, he believes he is entitled to the discount. In view of this, the customer would like the company to reduce his bill, preferably by allowing him to join REDACTED.

Response

A customer can join REDACTED if their water bill amounts to 3% or more of their household income, and either the household's income is less than £16,480.00 or someone in the household receives pension credit. The customer does not meet the eligibility criteria so the company denies responsibility to apply the REDACTED tariff to the customer's account, or reduce his bill in any other way. However, the company accepts that the information displayed on its bills may have led the customer to believe he may qualify and, in light of this, it has amended the information that will be displayed on future bills.

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 failing to apply the REDACTED tariff to the customer's account. In view of this, I cannot direct the company to reduce the customer's charges and 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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Case Outline

The customer's complaint is that:

- On 31 May 2022, he raised a complaint with the company about his eligibility for the REDACTED Scheme.
- The basis of his complaint is that he relied on the wording displayed on his bill, which said that a customer will be eligible for REDACTED if "either someone in your household claims pension credit or your total household income is under £16,480.00". His income is less than £16,480.00 so he applied, but he was told he was not eligible because his water charges are less than 3% of his income.
- He accepts that the website states that a customer will be eligible "If someone in your household receives Pension Credit, and your annual water bill is 3% or more of your net household income (after housing costs, rent or mortgage payments)". However, the information on his bill clearly said that a customer is eligible if their income is less than £16,480.00; therefore, he believes he is entitled to the discount.
- The company says that the information on his bill was correct but the limited space on its bills means that it could not reproduce all the information about REDACTED that is outlined on its website. However, the company says that it understands why he may have believed that the 3% criteria did not apply if his income was below the threshold, so it is going to change the wording on its bills. He questions why the company would change the wording if the information was not incorrect.
- As he fits the eligibility criteria outlined on his bill, he would like the company to reduce his charges, preferably by letting him join REDACTED.

The company's response is that:

- REDACTED can give a reduction of up to 50% if a customer's water bill amounts to 3% or more of their household income, and either the household's income is less than £16,480.00 or someone in the household receives pension credit.
- While the customer's income is below the income threshold, his bills are not more than 3% of his household income. The customer's last two six monthly metered bills total £171.22, equating to

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1.19% of his income, so under the rules of the scheme he is not eligible for any discount at this time.

- The REDACTED Scheme was introduced following customer research and is essentially funded by all paying customers. Therefore, it has a duty to apply the scheme consistently and it has correctly explained to the customer why he does not qualify.
- It appreciates that a lot of people are struggling financially at the moment and if a customer does not qualify on the basic criteria, it can offer support if a customer's income is not enough to cover essential bills. In this case, the customer would need to submit a financial assessment from an independent debt advice organisation, such as StepChange Debt Charity, along with an application.
- In terms of the information it provides on its bills, it has limited space so this can be a challenge but the information it provided was correct. That said, it understands why the customer may have believed the 3% criteria did not apply if his income was below the threshold.
- The information on the bills said, "With REDACTED, you could get a discount of up to 50% if your water bill is 3% or more of your household income (after rent or mortgage) and either someone in your household claims pension credit, or your total household income is under £16,480. Your total household income includes your benefits, such as universal credit and housing benefit, but doesn't include disability benefits".
- It always welcomes feedback and has amended the wording on its bills to say: "REDACTED can give you a discount of up to 50% if your water bill is 3% or more of your household income (after rent or mortgage), and one of the following applies; your household income is less than £16,480, or someone in your household receives pension credit. Your household income includes your benefits such as universal credit and housing benefits but doesn't include disability benefits. You may also be eligible if your income isn't enough to cover your essential bills – you'll need a financial assessment from an independent debt charity such as StepChange Debt Charity, along with your application. Visit REDACTED to check if you qualify."
- In view of the above, it denies liability to allow the customer to join REDACTED.

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.

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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 states that he meets the criteria for joining the REDACTED Scheme, as outlined on his bill, so the company should apply the discounted tariff to his account. The company says that the brief information provided on the customer's bills was correct, but customers are directed to its website to view the full eligibility criteria. However, the company understands why the customer thought he was eligible, so it has amended the wording of the information on its future bills to prevent this happening again.
2. For clarity, I must first explain that Rule 3.5 of the WATRS Scheme Rules states that WATRS cannot be used to adjudicate on "disputes relating to the fairness of contract terms and/or commercial practices". In view of this, I am unable to consider whether the company's REDACTED eligibility criteria are fair; however, I am able to consider whether the company has applied them correctly.
3. This means that, as the adjudicator in this dispute, I will only be able to direct the company to reduce the customer's charges by allowing him to join REDACTED 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 failing to apply the REDACTED eligibility criteria correctly.
4. Having considered the bill dated 25 May 2022, provided in evidence by CCW, I find that the information provided on the bill about REDACTED states that a customer should visit the company's website to check if they qualify for the discounted tariff. This is because the information on the bill states: "With REDACTED, you could get a discount of up to 50% if your

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water bill is 3% or more of your household income (after rent or mortgage) and either someone in your household claims pension credit, or your total household income is under £16,480. Your total household income includes your benefits, such as universal credit and housing benefit, but doesn't include disability benefits. Visit REDACTED to check if you qualify”.

5. When the link is followed, the website states:

“If you're on a low income or receive pension credit, we may be able to reduce your bill by up to 50%. Who can apply?”

If your total household income is less than £17,005, and your annual water bill is more than 3% of your net household income (after housing costs, rent or mortgage payments) or,

If someone in your household receives Pension Credit, and your annual water bill is 3% or more of your net household income (after housing costs, rent or mortgage payments), or

Your income is not enough to cover your essential bills - in this case, you'll need a financial assessment from an independent debt advice organisation, such as StepChange Debt Charity, along with your application.”

6. The website then provides information about how to work out whether water charges amount to 3% or over of a household's income, how to apply for the REDACTED tariff, and the supporting documents that are needed to process an application.
7. I appreciate that the information and the eligibility criteria displayed on the website appears to have been amended to reflect an increased income threshold since the customer made his application. However, on balance, I am satisfied that the information provided on the company's website clearly states that a customer must meet the income criteria and demonstrate that their water charges are 3% or more of their household income.
8. I accept that the information provided on the bill dated 22 May 2022 can reasonably be interpreted to mean that a person may qualify based on the household income only, as stated by the customer. However, I do not find that the customer's bill amounts to a contract, as suggested by the customer, and I do not find that the brief information about REDACTED

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provided on the bill is legally binding in any way. In any event, I am pleased that following the customer's complaint, the company has rewritten the information to ensure that the information provided is clearer.

9. As the customer accepts that his water charges amount to less than 3% of his household income, I accept that the company has applied the REDACTED tariff correctly and that, at the present time, the customer does not qualify for it. However, I am pleased to note that the company can offer further support if a customer's income is not enough to cover essential bills and it has invited the customer to submit a financial assessment from an independent debt advice organisation, such as StepChange Debt Charity, along with an application, for consideration.

10. As there is no evidence to show that the company has failed to apply the REDACTED eligibility criteria correctly, or has failed to outline the terms and conditions of the REDACTED tariff correctly, I do not find that the company has failed to provide its service to the standard reasonably expected by the average person by refusing to allow the customer to join REDACTED. I understand that the customer will be very disappointed by my decision, but as I have found no failing on the company's behalf, the customer's claim cannot 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 December 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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