

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT-X284

Date of Decision: 10 February 2023

Complaint

The customer says that the company has billed him incorrectly, and has refused to lower his charges even though he has provided proof that his property was previously over-valued.

Response

The company says that it has billed the customer correctly in accordance with the rateable value of the Property, and that the rateable value has not changed.

No offer of settlement has been made.

Findings

The company has 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 10 March 2023 to accept or reject this decision.

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Date of Decision: 10 February 2023

Party Details

Customer: The customer

Company: The company

Case Outline

The customer's complaint is that:

- He is paying more for his water than his neighbours because the Property is in the wrong band.
- He has corrected his council tax banding, but the company has refused to adjust his water rates to match the updated banding.
- He requests that his billing be reduced to reflect the reduced rateable value of the Property.

The company's response is that:

- The customer first made contact about the billing of the Property on 15 March 2013.
- The company explained that it did not set the rateable value of the Property.
- The customer again made contact about the billing of the Property on 27 June 2018.
- The company explained that it did not set the rateable value of the Property, and that different properties on the same street can have different rateable values.
- The customer again made contact on 31 August 2018, and explained that his council tax band had been reduced.
- The company explained that council tax and rateable value are not related, but that it was possible to apply for a water meter.
- The customer made contact again on 26 September 2022, and the company repeated its explanation.
- The company is obligated to bill the customer in accordance with the rateable value of the Property, although the customer is entitled to request a water meter.

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- Rateable values have not been updated since 1990, and it is no longer possible for a rateable value to be changed.

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. 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

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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, while I accept the genuineness of the customer's concern about the billing of the Property, the company's charges scheme specifically requires that customers billed on an unmeasured basis have their charges determined by the rateable value of their property.
5. The customer has emphasised that the council tax band for the Property has been reduced, but as argued by the company, the council tax banding of a property and the rateable value of a property are different valuations. The valuation used for calculating council tax charges is the price the property would have sold for on the open market in England on 1 April 1991. On the other hand, the valuation used for determining the rateable value of a property is the rent that could have been charged for a property.
6. Moreover, while it is possible to challenge the valuation of a property for council tax purposes, it is no longer possible to challenge the rateable value assigned to a property. As a result, while the customer has successfully challenged the council tax banding of the Property, this change does not affect the rateable value of the Property.
7. In turn, the company does not itself have the power to change the rateable value of the Property, and as explained above, under its charges scheme it cannot bill a property on an unmeasured basis other than in accordance with the rateable value of the Property.
8. In his comments on the Proposed Decision in this case, the customer raised the concern that his current billing might be high because in 1997/98 his father agreed to make increased payments to clear an arrears on the account. However, the company has provided clear evidence justifying the customer's current billing rate, on the basis of the rateable value of the Property. As explained above, this is the basis on which the Property is correctly billed, although the customer retains the right to request a water meter.
9. I must, therefore, find that the company has billed the customer correctly. In addition, I find that the evidence shows the company responding appropriately to the customer's contacts and explaining clearly the limitations to its ability to change the billing of the Property.

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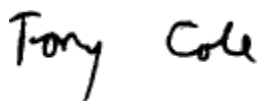
10. For the reasons given above, I find that the company has provided its services to the customer to the standard to be reasonably expected by the average person, and the customer's claim does not succeed.

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 10 March 2023 to accept or reject this decision.
- If you choose to accept this decision, the company will have to do what I have directed within 20 working days of the date on which WATRS notifies the company that you have accepted my decision. If the company does not do what I have directed within this time limit, you should let WATRS know.
- If you choose to reject this decision, WATRS will close the case and the company will not have to do what I have directed.
- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision. WATRS will therefore close the case and the company will not have to do what I have directed.



Tony Cole, FCI Arb

Adjudicator

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