

WATRS

Water Redress Scheme

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DECISION

by Abigail Jennings-Mitchell BA (Hons), DipLaw, PgDip (Legal Practice), MCI Arb

An adjudicator appointed by WATRS

under the Water Redress Scheme

Decision date: 12 November 2015

Adjudication Reference: WAT/ /0014

Between ■¹ and ■²

- The claim is made by the customer, ■, against a water and sewerage company, ■.
 - The claim dated 22 October 2015 is for the company to take the bill action "...reduce the bill (of £257.00) to one that bears some relation to the quantity of water we actually used".
 - The position of the company is explained in its 29 October 2015 defence which has not been contested by the customer by way of any reply.
 - The customer's claim is that the company should have informed him that the Rateable Value charging system at his new property would impact him financially.
 - The company's position is that it denies liability to the customer.
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Decision

1. The claim cannot succeed.

Main issues

2. I consider that the main issues in this adjudication are:
 - a. Whether the company has failed to provide its services to the standard to be reasonably expected.
 - b. Whether the reasons given by the customer are sufficient to justify the remedy sought.

Background information

3. In order to succeed in a claim against the company the customer must prove on a balance of probabilities that the company has failed to provide its services to the standard one would

¹ Customer's address for correspondence: ■.

² Company's address for correspondence: ■.

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 proved, the company will not be liable.

4. The customer and the company are aware of the facts of this case. I do not propose to recount all the facts in the same manner and order as the parties have done in their documents except where it is necessary for the purposes of this decision. I have carefully considered all of the documents submitted by the parties in support of their submissions and presented to me. The parties should also be reassured that if I have not referred to a particular document or matter specifically, this should not be taken to mean that I have not considered it in reaching my decision.

Customer's and company's positions

5. The customer submits that he bought No.■■■ in early 2012 after the previous owner had died in a house fire. The property was uninhabitable with all the utility services cut off. At the time he and his wife lived next door at No. ■■■. He and his wife began restoring the property in early 2014 using water piped from No.■■■. The building work took approximately 8 months and in the final stage a larger diameter water pipe was installed from the mains to the house in order to improve water pressure. The company was kept informed of the progress and ultimately reconnected No.■■■ to the mains. He and his wife moved into No.■■■ in late October 2014 and he informed the company that the property was now occupied. At the same time he informed the company that they were moving out of No.■■■ and would be renting it out to tenants. The customer submits that at No.■■■ they had a water meter and when they moved into No.■■■ he failed to appreciate that the property was not metered. Consequentially, it came as a shock when the first bill arrived in April 2015 in the sum of £244.00 for the six months from 6 October 2014. The customer asserts this is approximately 3 times more than the amount anticipated, based on their previous water usage in an almost identical house next door, with the same number of people. As soon as he realised the enormous difference between a metered water bill and one based on the theoretical Rateable Value system, he immediately asked the company to install a water meter. This was done in April 2015. Since having the meter installed the bill for the 5 months from 1 April 2015 is £85.14. The customer complains that at no point did the company explain the different charging regime or the fact that if he did not install a meter he would be adversely impacted financially. This is despite the company having all the information at its disposal. The customer does not accept the company's claim that he did not inform it that he was moving into No.■■■ until April 2015; the fact that the company reconnected the new larger diameter water pipe to the mains and issued a bill dated from October 2014 to April 2015 indicates the company was aware. If not a legal requirement, the customer asserts there should be at the least an ethical obligation on a utility supplier, not to completely "rip off" the customer by attempting to charge three times more than the water they actually use. The bill bears no resemblance to how much water they use.

6. The company submits that the customer called it on 14 October 2013 to advise that he was the new owner of No. ■■■ but that the property had been empty since February 2013 and would remain empty. He was advised to call back if anything changes. The customer called on 24 October 2013 enquiring about a new clean water supply and was directed to its website. On 14 March 2014 the customer completed an online application form for a new water connection. In this application form he answers a set of questions including: Q. Is there an existing supply? To which he answered Yes; Q. Is the existing supply metered? To which he answered No; and Q. Do you require a meter? To which he answered Yes. The company asserts that it called the customer on 26 March 2014 to discuss the new connection and confirm the size of the new connection, a 32mm metered water supply. On 10 April 2014 it provided a quote to the customer, sent via email, for the new connection, which was £1016.40. The same day the customer replied asking it to justify how it would cost more than £1000.00 for a relatively simple reconnection. The company asserts that it did not hear from the customer again for almost a year. On 11 March 2015 the customer called and explained he had moved out of No. ■■■ as of 6 October 2014. He said he had already had an account opened at No. ■■■ but when checked there was not one, therefore it set up an account the following day and sent a bill for the period 6 October to 31 March 2015. It has no record of the customer contacting it in October 2014 as claimed and its records show he did not proceed with the new connection. Therefore, the customer either continued with the existing water supply or went ahead with the larger supply pipe and had it connected privately which the company submits is an illegal connection. It asserts that when properties are being renovated charges are still payable however as the customer did not inform it that he had started renovating the property, he has been billed approximately £287.00 less than he should have been. As a goodwill gesture it did not charge the customer retrospectively. The customer was advised of this decision in its response to the customer dated 5 October 2015.

Adjudicator's findings and reasons

7. I find that:
- a. I acknowledge that the company installed a water meter at No. ■■■ ('the Property') in April 2015 in accordance with the customer's request. However, the dispute relates to the customer's bill issued prior to the water meter being installed, in the amount of £257.00 for the period October 2014 to April 2015 which the company calculated using the Rateable Value System.
 - b. The customer submits that the bill using the Rateable Value System is approximately 3 times higher than the metered bills he received when inhabiting the next-door property which is almost identical and with the same number of people. In the absence of any rebuttal by the company I accept the customer's assertion in this respect and also his

submission that since having the water meter installed at the Property, his bill for approximately the same period is considerably less at £85.14.

- c. However, I acknowledge that the claim is that the company should have alerted him to the adverse financial impact of not having a water meter installed at the Property as the customer asserts it had all the information at its disposal.
- d. In light of the customer's answers given in his online application dated 14 March 2014 titled 'Application for a new water supply connection' ('the Application') for the company to upgrade his water supply, it is clear that the customer was aware that the existing water supply at the Property was not metered.
- e. I acknowledge the company's submission that following the customer's email contact on 10 April 2014 in which he queried the cost it quoted for the requested work to the water supply at the Property, it has no record of the customer proceeding with the new connection. Further that this indicates that the customer either: 1) continued with the existing supply pipe or 2) got the supply pipe privately connected which it claims is illegal. Whilst I am unable to consider the veracity of any such claims by the company, either way I am satisfied that the customer was aware that no water meter has been installed at the Property and therefore that any bills would be based on the Rateable Value system.
- f. I have not been provided with any evidence that the company is under a duty, legal or otherwise, to accurately predict a customer's usage of water and notify them of any potential financial savings from having a water meter installed.
- g. Further, I acknowledge the company's assertion that the customer did not inform it that he had moved into the Property until March 2015; at which point it billed him based on his occupation at the Property for the previous 6 months as advised. It submits that if the customer had contacted it in October 2014 as claimed, it would have issued a bill at this point as well as providing a welcome pack which includes advice about the benefits of a water meter. The company asserts that the first opportunity it had to discuss the different billing methods with the customer was on 11 March 2015.
- h. Therefore, whilst not obliged to inform the customer about the financial benefits of having a water meter installed, I am also inclined to find that the company was not given a reasonable opportunity to inform the customer of such information prior to the customer informing the company in March 2015 that he had already moved into the Property.

- i. In light of my above observations, the customer has not established that a failure by the company to advise him of the financial implications of not having a water meter installed amounts to any breach by the company of its obligations. Further, as I accept that the company was not informed that the customer had moved into the Property until March 2015, I accept that it did not have a reasonable opportunity to provide him with the standard information it says it usually provides in a welcome pack in regards to the benefits of having a water meter. Therefore, I find no evidence of the company failing to provide its service to the standard one could reasonably expect; and as a consequence, I am not satisfied that the customer has justified the remedy sought.

Conclusion

8. My conclusions on the main issues are that:
 - a. There is no evidence that the company has failed to provide its services to the standard to be reasonably expected.
 - b. The reasons given by the customer are not sufficient to justify his claim.
9. Therefore, the claim cannot succeed.



**Abigail Jennings-Mitchell, BA (Hons), DipLaw, PgDip (Legal Practice), MCI Arb
Adjudicator**