

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1036

Date of Decision: 15 March 2019

Complaint

The customer states that the company has billed him incorrectly since 1996.

Defence

The company states that the customer has been billed correctly. No offer of settlement has been made.

Findings

The company has satisfactorily established that the customer has been billed correctly and that it made appropriate efforts to explain to the customer that his billing was correct.

Outcome

The company does not need to take any further action.

The customer must reply by 12 April 2019 to accept or reject this decision.

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- The company confirmed that this was correct, but that the customer's address was incorrectly recorded on his account.
- The company confirmed that the customer was being billed on the basis of the correct Rateable Value for his property, at the correct address.
- The customer did not accept this explanation and believed that he had been incorrectly billed since 1996.
- A series of communications resulted between the parties, with the company arguing that the customer had been billed correctly, but the customer remaining unconvinced.
- The company believes that it has provided its services to the customer to the standard to be reasonably expected by the average person, and has made a goodwill payment to the customer of £50.00.

The customer's comments on the company's response are that:

- The company changed its position during his initial phonecall in order to protect themselves from liability for overbilling.
- Properties of some of his neighbours are not being billed at comparable rates, and the company has not provided adequate detail on the billing of properties in the ABC 1AB postcode.
- The customer raises additional matters that were not raised in the original WATRS application.

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.

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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. While the customer's WATRS application focuses exclusively on the correctness of the billing of his property, his comments on the company's defence raise additional issues relating to the company's customer service.
2. Under Rule 5.4.3 of the Water Redress Scheme Rules, "The customer cannot introduce new matters or evidence in their comments on the company's response; the adjudicator will disregard any such material if submitted."
3. Therefore, this decision will only address the billing issues raised in the original WATRS application.
4. The customer argues that the company has failed to establish that it has been billing him correctly, and it is understandable why the customer would have questions in this respect. The company has acknowledged that it has had an incorrect address on the customer's account and in November 2015 contacted the customer to state that as he had not been previously billed by the company, he would now be billed on the basis of an Assessed Volume Charge (AVC). This resulted in a significantly lower bill than the bill the customer has indeed been paying. Moreover, while the company emphasises that the customer is being billed correctly on the basis of the Rateable Value (RV) of his property, it also acknowledges that the RV of properties at the incorrect postcode the company had applied to the customer's bill is substantially higher than the RV of properties at the customer's correct postcode.
5. Given this background, it is understandable that the customer would question whether he has been being billed correctly by the company.
6. Nonetheless, the company has provided evidence sufficient to establish that the customer has been billed at the correct RV for his property, despite the error regarding his address.

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7. The customer has expressed an ongoing concern that the company changed its view on the correct amount of his bill within a single phonecall, even though he states this decision did not result from additional information provided to the company during that call.
8. However, the customer's interpretation of this phonecall appears to rest on a misunderstanding of the methods by which the company bills its customers, and specifically the difference between RV and AVC billing. Indeed, in his comments on the company's defence, the customer states that two of his neighbours "are still on an assessed charge, all the same Rate Bands". An "assessed charge", however, is a fundamentally different type of billing than billing based on "Rate Bands".
9. As the customer recognises, he is currently billed on an RV basis, and the company has supplied detailed documentation that satisfactorily establishes that the company is applying the correct RV to the customer's property.
10. The customer has supplied a bill from a neighbour with the same RV, which shows a charge lower than that of the customer. However, this bill is from 2009-10 and so cannot serve as a valid basis for comparison to the customer's current charge.
11. I find, therefore, on the basis of the evidence provided to me, that the customer is being charged correctly based on the RV of his property.
12. However, when the company contacted the customer in November 2015, it stated that he would be billed on the basis of "assessed charge", or AVC. The customer appears to have understood the reference to "assessed charge" as being a reference to RV billing, which is based on the value of his property at a specific point in time. AVC billing, however, is based on the size and type of a property or on the number of occupants in the property. It often will, therefore, differ from the RV charge that would be applicable to the same property.
13. As stated by the company, AVC billing is only available to customers if they have requested that a water meter be installed but the company has not been able to install one. Therefore, because the customer has not yet requested that a water meter be installed, he is not entitled to be charged on an AVC basis, and is properly charged on an RV basis.

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14. Under the Water Industry Act 1991, properties that have not previously been billed on an RV basis may be billed by the company with reference to the volume of water used at that property. This can mean the installation of a water meter or on an AVC basis, the latter being based on an estimate of the water used at a property. However, a water company cannot usually mandate that a property be billed with reference to the volume of water used at that property unless the customer has requested that this be done, by requesting the installation of a water meter.
15. The consequence of this is that when the company sent the November 2015 letter, based on the mistaken belief that the customer had not previously been paying a water bill at his property, it incorrectly believed that it was entitled to require that the customer have a water meter installed at his property and that he be billed on an AVC basis until this was done.
16. However, once the customer notified the company that he had indeed been paying a bill based on the RV of his property, during the initial phone call, the company correctly recognised that it was not permitted to bill the customer on an AVC basis, for the reasons explained in Paragraph 14 above. Instead, it was obligated to bill him on an RV basis. As this was in fact what the company had been doing, it properly affirmed to the customer that his original bills were correct, and the charge stated in the November 2015 letter was incorrect.
17. While I accept that this has not been explained to the customer as clearly as could have been done, I nonetheless also acknowledge that the company did make repeated attempts to explain to the customer that he had been billed correctly.
18. As a result, I find that the customer has been billed correctly and that the company has satisfactorily attempted to explain to the customer the basis of his billing. I therefore also find that the company has thereby provided its services to the customer to the standard to be reasonably expected by the average person.
19. Consequently, the customer's claim does not succeed.

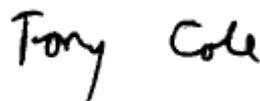
Outcome

The company does not need to take any further action.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
 - The customer must reply by 12 April 2019 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.
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Tony Cole, FCI Arb

Adjudicator

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