

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0834

Date of Decision: 23 October 2018

Complaint

The customer requests a surface water drainage (SWD) rebate. The company has provided a rebate for six years. However, the customer requests that the rebate is backdated to 2002. [] Water (RST) charge for collection of waste water on behalf of the company. Information about surface water drainage rebates only first appeared on RST bills in 2015; 14 years after Ofwat asked companies to rebate charges. The customer contends that as her sewerage supplier, the company should have provided information to her about the possibility of reducing her sewerage charges. In addition, the company failed to check her area appropriately for properties exempt from SWD charges, as required by Ofwat.

Defence

The company submits that the customer is billed by RST on its behalf for wastewater service charges. This means that as it provides all wastewater services to the customer, any adjustments to her charges need to be agreed by it beforehand. It received a request from RST asking for a rebate for the customer on 10 October 2017. Prior to 2007, the onus was on customers to claim a SWD rebate. In 2007, Ofwat recommended that when an existing customer applied for a SWD rebate, companies should consider other properties in the vicinity and whether they might also be eligible. It found that a neighbouring customer had applied for a rebate in 2005 and another neighbour had applied in 2014. In line with Ofwat's guidelines, it discounted the 2005 rebate, but in consideration of the rebate granted in 2014 gave the customer a rebate backdated six years to 2012, over and above her entitlement. It has no jurisdiction over how other water companies lay out their bills or what information is contained on them.

Findings

The customer's property was built prior to 1 April 2001. Under the company's Charges Scheme, for properties built prior to 2001, it will rebate the charge back to 1 April in the year in which a customer applies. Prior to 2007, the onus was on customers to claim the rebate. However, in 2007, OFWAT recommended that companies take a more proactive approach. The bills submitted by the customer in evidence supports the customer's submission that information about surface water drainage rebates only began appearing on RST bills in 2015. I note the company's submissions that it has no jurisdiction over what information is contained on other water companies' bills. However, I

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

am mindful that as described by the company, RST acts as a billing agent on its behalf and is responsible for billing and recovering revenue from its customers. I am also particularly mindful that on this basis, under OFWAT guidance, to satisfy themselves that their customers are receiving the appropriate level of service, it is good practice for water companies to ensure that standard correspondence and literature conforms to the standards expected of the water companies themselves. I am therefore not satisfied that the company has shown that provided its services to the customer to the standard to be reasonably expected in this regard. The company also failed to consider other properties in the vicinity when a neighbouring property successfully applied for a rebate in 2014. However, I note that the company has provided the customer with a rebate backdated six years. This is fair and reasonable, and appropriate for the failings shown.

Outcome

The company does not need to take any further action.

The customer must reply by 20 November 2018 to accept or reject this decision.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /0834

Date of Decision: 23 October 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- The dispute concerns a claim for a surface water drainage (SWD) rebate. The company has only provided a rebate for six years. However, the customer is seeking a rebate to 2002; the year in which she moved into the property.
- [] (RST) charge for the collection of waste water on behalf of the company. However, information about surface water drainage rebates only began appearing on RST bills in 2015; 14 years after Ofwat asked companies to rebate charges. RST is her water supplier and she usually only communicated with RST. However, the company as her sewerage supplier also had a responsibility to provide appropriate communication to her about the possibility of getting part of her sewerage charges removed.
- In addition, the company did not check her area appropriately for properties which were exempt from SWD charges as required by Ofwat.
- The customer requests that the company provide a further SWD rebate to 2002.

The company's response is that:

- The customer is billed by RST on its behalf for wastewater service charges. This means that as it provides all wastewater services to her, any adjustments to her charges need to be agreed by it beforehand.
- It received a request from RST asking for a rebate for the customer on 10 October 2017. As part of its policy, it assessed the customer's eligibility for a rebate, by checking its records to see

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

- whether any other customer in the postcode area where she lives had received a rebate in the past and whether there was any record of a surface water connection to the customer's property. It found that one other customer had applied for a rebate in 2005 and another in 2014.
- From April 2001, Ofwat asked companies to rebate SWD charges where customers were not connected to the sewer. At that time Ofwat stipulated that the onus was firmly on the customer to claim the allowance. In 2007, Ofwat introduced best practice guidelines including that when an existing customer applied for a SWD rebate, companies should consider other properties in the vicinity and whether they might also be eligible.
 - In line with Ofwat's guidelines which came into force from 2007, it discounted the 2005 rebate given to another customer, but in consideration of the rebate granted in 2014 and that its proactive approach should have meant that the customer received her rebate from 1 April 2014, it provided a rebate back to 1 April 2012 which represents a rebate for 6 years, in line with the limitation. It has provided the customer with a rebate over and above the customer's entitlement.
 - The customer has provided a bill from RST dated 1 April 2015 which states information regarding SWD rebates. The customer does not state why she did not apply for a rebate at that time.
 - Unfortunately with regards to the other bill provided by the customer dated 4 June 2013, this is not her annual water bill which would have been dated 1 April 2013. There are two pages missing from this particular bill and it has been advised by RST that the two missing pages did have information about surface water rebates.
 - Irrespective of this, it has no jurisdiction over how other water companies lay out their bills, or, what information is contained on them. If the customer remains dissatisfied with the information on the bills, she may wish to contact RST about this.

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.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

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. Under Section 143 of the Water Industry 1991 Act, the company is entitled to make a Charges Scheme that fixes the charges for any services provided by the undertaker in the course of carrying out its functions.
2. A company's Charges Scheme must be approved by OFWAT. There is no evidence to show that the company's Charges Schemes have not been approved by OFWAT or comply with OFWAT's Charging Rules.
3. It is not disputed that the customer's property was built prior to 1 April 2001. I therefore accept the company's submission that under its Charges Scheme, for properties built prior to 2001, it will rebate the charge back to 1 April in the year in which a customer applies.
4. I also accept the company's submissions that prior to 2007, the onus was on customers to claim the rebate. However, in 2007, OFWAT recommended that companies take a more proactive approach and when an existing customer applied for a SWD rebate, companies should look at other properties in the vicinity to determine whether they might also be eligible.
5. The customer states that information about SWD rebates only began appearing on RST bills in 2015; 14 years after Ofwat asked companies to rebate charges. The customer submits that the company as her sewerage supplier also had a responsibility to provide appropriate communication to her about the possibility of getting part of her sewerage charges removed.
6. The company submits that RST acts on its behalf and bills the customer for wastewater service charges. The company also explains that on this basis any adjustments to the customer's

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

charges needs to be agreed by it beforehand. However, the company submits that it has no jurisdiction over how other water companies lay out their bills or what information is contained on them.

7. The customer has submitted a copy of the reprint of her 2013 bill from RST in evidence. I will accept the customer's submission that this is not new evidence but another copy of evidence already submitted. There is no evidence on the bill to show that the customer was informed of the option to apply for a SWD rebate.
8. I note the company's submissions that it has no jurisdiction over what information is contained on other water companies' bills. However, I am mindful that as described by the company, RST acts as a billing agent on its behalf responsible for billing and recovering revenue from its customers. Therefore I am also particularly mindful that under Ofwat guidance, to satisfy themselves that their customers are receiving the appropriate level of service, it is good practice for water companies to ensure that standard correspondence and literature conforms to the standards expected of the water companies themselves. I am therefore not wholly satisfied that the company's submissions are supported on this basis. I find that the company has not shown that provided its services to the customer to the standard to be reasonably expected by the average person in this regard.
9. In addition, the company itself submits that neighbouring properties received a SWD rebate in 2005 and 2014. As above, in 2007 OFWAT recommended that when an existing customer applied for a SWD rebate, companies should look at other properties in the vicinity to determine whether they might also be eligible. There is no evidence to show that when the guideline came into being in 2007, companies were required to go back retrospectively into their files to see who had applied for a rebate prior to 2007. As recommended by OFWAT, the company should have taken a proactive approach on receipt of the application made in 2014 and in 2014 considered other properties in the vicinity and whether they might also be eligible. The company did not do so. Consequently, in the absence of any evidence showing otherwise, I am therefore also not satisfied that the company has shown that provided its services to the customer to the standard to be reasonably expected by the average person in this regard.
10. However, I note that the company has provided the customer with a rebate backdated six years, more than the customer is entitled to under its Charges Scheme as the customer's property was built prior to 1 April 2001. Having carefully considered the matter, I find that this is fair and

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

reasonable, and appropriate for the failings shown as I accept the company's submission that in line with Ofwat's 2007 guidelines, it discounted the 2005 rebate given to another customer. It is also not in dispute that the customer was notified the option to apply for a SWD rebate from 2015.

11. In view of the above, the customer's request for a further rebate is unable to 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 20 November 2018 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.



U Obi LLB (Hons) MCI Arb
Adjudicator

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.