

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0924

Date of Decision: 12 November 2018

Complaint

The customer states the company is acting unfairly and unreasonably in classifying her holiday home as a commercial premises and applying unmeasured charges to her account. She wants the company to bill her using assessed charges, as it did previously.

Defence

The company states the wholesaler is responsible for the property classification and the charges applied. It says it has made representations to the wholesaler on the customer's behalf, to no avail.

Findings

The customer has not proven any failing by the company.

Outcome

The company does not need to take any further action.

The customer must reply by 10 December 2018 to accept or reject this decision.

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Date of Decision: 12 November 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- She owns a property that is rented out on a commercial basis for part of the year only. The remainder of the time it is used by family, friends or is unoccupied. She originally paid for water usage by way of an assessed charge.
- In March 2017 her water supplier, [] Water, transferred her account to the water retailer, []. Her property was reclassified as a commercial premises and her bills were calculated using unmeasured charges based on the rateable value of the property. However, the unmeasured charges are much higher than the assessed charges.
- She has asked the company to bill her using assessed charges or to reclassify her property as domestic premises, however it has refused.
- She is aware that other water suppliers offer commercial premises the assessed charge and so she feels the company is acting unreasonably and unfairly.
- She wants her bill to be calculated using the assessed charge.

The company's response is that:

- It is completely independent from the wholesaler, [] Water. It is the wholesaler who sets the charges and tariffs for customers.
- As the customer complains about her charges it asked the wholesaler to comment on the claim.

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- The wholesaler submits that WATRS should not adjudicate on this matter as it does not have jurisdiction to do so. Rather the classification of the customer's premises and its charges schemes are matters reserved for Ofwat. Nonetheless, it confirms it has acted correctly.
- The company says the wholesaler charges it based on the rateable value and so it must charge the customer based on the rateable value and it cannot change 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.

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. In order to make a decision in this matter I must clearly distinguish between actions taken by the wholesaler and the duty owed by the retailer (the company) to its customers. Since the water market in England opened up to retailers in April 2017, all non-household customers have been moved to a wholesale/retail split service. As a result, a non-household customer now only has a relationship with the retailer. In turn, an adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, as the party to the case, has responsibility, and not those things for which the wholesaler has responsibility. This

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includes, however, the effectiveness with which the retailer has operated as an intermediary between the wholesaler and the customer.

2. The customer is understandably unhappy that her water charges have increased. However, the decision to classify the customer's property as non-household and the decision to charge non-household customers based on unmeasured charges was made by the wholesaler. As explained above, I cannot make findings related to the wholesaler's decision, as it is not a party to this case. I can however consider how the retailer (the company) communicated the wholesaler's decision to the customer.
3. The documents demonstrate the company raised the customer's complaints with the wholesaler and then fed back its response to the customer. Namely, that the wholesaler would not change the classification of her property or the basis on which it charged her. And, that this was in line with the wholesaler's policy and Ofwat guidance.
4. In consideration of the evidence provided I am satisfied the company discharged its duty to the customer by making representations to the wholesaler on her behalf. Therefore I find that the company has not failed in this respect.
5. I appreciate that the customer will be disappointed with the outcome of this decision. However, for the reasons explained above, I am unable to find any failing by the company and so the customer's claim is unable to succeed.
6. In her comments the customer asks that I check if the company has recorded the correct rateable value for her property. However, I have not requested this information. This is because it is the wholesaler who sets the charges for the customer and therefore it is the wholesaler's responsibility to use the correct rateable value. As explained above, it is not within my remit to consider or comment on the actions of the wholesaler.

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 10 December 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.
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Justine Mensa-Bonsu, LLB (Hons), PGDL (BVC)

Adjudicator

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