

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1014

Date of Decision: 17th April 2019

#### Complaint

The customer states that she is being unfairly charged for the company's services at her address, [ ]. ("the Property.") She states that RST Water would only charge £250.00 a year and that the company's charges are in excess of this. She claims that the company will not remove the meter and that they refuse to amend her charges. She states that there have been previous problems with the bills involving her being wrongly charged.

The customer seeks a direction that the company remove the water meter and charge her an annual rate of £250.00. Failing this, she requests that she be allowed to move to another provider. She seeks an apology. She seeks £2,600.00 in compensation.

#### Defence

The company states that it is acting according to its legal obligations under the relevant legislation. It states that it has its own charges schedule and that it cannot remove the meter. It states that under current legislation the customer cannot choose her provider as hers is a residential account. The company states that it has made gesture of goodwill to the customer as it accepts that errors were made regarding the billing on her account.

#### Findings

The company states that it has withdrawn the account from the collection agency, waived the fees of £90.00, it has removed the default from her account and waived the outstanding fees up to September 2018, an amount of £509.77.

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The customer has shown that the company has breached its duty of care in its actions in relation to the billing and the customer service aspects of this case.

**Outcome**

The company shall pay £200.00 to the customer and make an apology.

The customer must reply by 21<sup>st</sup> May 2019 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1014

Date of Decision: 17th April 2019

## Party Details

Customer: [ ]

Company: [ ].

## Case Outline

### **The customer's complaint is that:**

- When she first moved to her property she was charged for the previous owner's bill.
- She states that she was later charged for her neighbour's usage.
- The customer claims that the meter that the company fitted is not working properly and that it "spins round very fast" when water is being used.
- The customer states that the company estimated an amount of £420.00 per year for her usage.
- She claims that this is too high and that the appropriate amount would be a figure similar to that which is charged by RST Water of £250.00.
- The customer states that the company has refused to remove her meter and that she is entitled to return to unmetered provision.
- The customer states that the company has refused to set a rate of £250.00 and refuses to let her move to another provider.
- The customer seeks a direction that the company remove the water meter and charge her an annual rate of £250.00. Failing this, she requests that she be allowed to move to another provider. She also seeks an apology and £2,600.00 in compensation.

### **The company's response is that:**

- The company states that it is compliant with the legislation in this matter.

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- It cites the Water Industry Act 1991 (“WIA”).
- The company states that it does have different charges than other providers and that this is justifiable and legitimate.
- The company states that the customer does not have an option to have the meter removed as she lives within an area designated as having “serious water stress”.
- The company states that the customer may not choose her provider under the legislation in place.
- The company states that there is no evidence that the meter is faulty.
- The company states that it was discovered in 2016 that the customer shared a meter with a neighbour and all prior metered charges from October 2015, when the customer moved into the Property, were cancelled.
- It states that it came to light in 2018 that the account had been updated with the wrong details.
- The company recognises that there have been service failures.
- The company states that it has applied two amounts of £50.00 credit to the account.
- Also, the company states that it has withdrawn the account from the collection agency, waived the fees of £90.00, it has removed the default from her account and waived the outstanding fees up to September 2018, an amount of £509.77.

In reply to the company’s defence the customer states:

- That meters cannot be compulsory.
- That she is not satisfied with the company’s response after all the stress and inconvenience caused.

In reply to the customer’s comments the company states:

- The its meters are not Smart meters.
- There is a Universal Metering Programme (“UMP”) approved by DEFRA and OFWAT.

In a further reply the customer states:

- She rejects the company’s statements and states they have no evidence regarding the UMP.

### How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

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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. The customer's complaint is in three main parts: her being charged for the previous owner's water, the confusion and erroneous charges from her neighbour's water use and the issue of how her own account should now be managed. The company has not addressed the first part of the complaint, the second part is accepted, and the third part is defended.
2. I wish to state at this point that I have carefully considered all the available information in this case. If I do not refer to a matter it is only because I did not find it relevant to the main points in the case.
3. The customer has not provided sufficient evidence of this part of the complaint. I do not find that there is any fault on the part of the company in this regard, based on the evidence presented.
4. Regarding the problem of being charged for her neighbour's water. The company has states that after the customer moved into her Property in 2015 it was later discovered in 2016, that the Property shared a water meter, no:806[ ], with the neighbouring property. The company states that this meter was removed and that, eventually in October 2017, all the charged accruing at the Property were waived. It states that the customer's account was moved to Assessed Measured ("AM") charges, but that these were not levied until after 29 January 2017 as the customer was

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renovating the Property. The company states that when the charges on the account were waived in October 2017 there should have been an amount of £50.00 in credit showing on the account. This money had been allowed to the customer in recognition of the billing errors. However, it is noted by the company in its defence that this amount was not credited at the time. It states that this has since been credited to the customer's account.

5. The customer has not challenged this history of events in her reply. I therefore accept the content of the company's defence on these points. I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person regarding these billing issues. I note that the company has attempted to make amends and I shall deal with this below when deciding the appropriate remedy to award.
6. The main area of contention between the parties is the issue of appropriate charges and metering. The customer states that she now has a meter installed and that it is faulty. She claims that it goes around to fast when she is using water. The company states that a meter was fitted in March 2017, serial number 904[ ]. It states that there is no evidence that the meter is faulty. The company states that it did attempt to visit the property to investigate the complaints of the customer, but that access could not be gained to the Property.
7. I note that in the Consumer Council for Water ("CCW") notes there is a letter dated 2 July 2018 from the company to the customer. This states that the correspondent has reviewed the water usage from March 2017 to 10 May 2018. The outcome is stated as follows: *"As you can see from the above your average daily usage is around 332 litres per day. This is the amount I'd expect a household of 2 to 3 people to use. Regrettable, from your email I can't see how many people are living in the property, so I can't advise whether your usage is in line with what I'd expect. If your household size is 2-3 people, I wouldn't have any concerns about your usage. If you are living on your own please let me know, as it may be worth sending out Water Usage Team to your property, to investigate your usage."*
8. The company has stated in its defence at paragraph 15: *"Based on true readings from the meter, the recorded water consumption between March 2017 and May 2018 is consistent with a household of 2 people, and since May 2018 it is consistent with a household of one person."*
9. In consideration of these issues I am cognisant that all the evidence before me indicates that the Property was only ever a household of one person. I cannot see evidence that there was any

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follow up to the letter of 2 July 2018 suggesting that the Water Usage Team should attend. I do consider that the letter of 2 July 2018 does, in a limited way, support the concern that the customer has regarding the water meter. The evidence does not show that the company has followed up on this concern as expressed in its letter of 2 July 2018 and in this regard, I find that it has failed to provide its services to the customer to the standard to be reasonably expected.

10. The customer states that she has requested that the meter should be removed and that she should be on a tariff similar to her old provider, RST Water. I shall deal with this in two parts. Regarding the removal of the water meter. The customer has provided a letter from the Right Honorable [ ] MP dated 3 April 2014. This states that there is no government plan to *“bring forward compulsory water metering. No company is ever required to introduce compulsory metering, even in an area of severe water stress.”* The company’s response to this is that it introduced a 5 year plan in 2010 called the Universal Metering Programme (“UMP”) and that this “supersedes” the letter above and that it is approved by DEFRA and OFWAT. The customer has provided a further reply in which she states that there is no proof of this scheme and that OFWAT require the company to remove the meter if requested. She also states that she was not informed that she would not be able to have the meter removed.
11. In considering this matter I first note that it is highly unusual to allow two further replies, as I have done in this case. I do this to allow maximum latitude to each party to argue the point. I note that although the letter dated 14 April 2014 refers to company’s not being “required” to introduce compulsory metering. The companies are free, however, to introduce metering, but are not compelled by legislation to do so. The company states at paragraph 19 of its defence that a customer may not be able to switch back to unmetered charges “it the customer lives in an area of water stress where the government has allowed compulsory metering”. The company has also produced an OFWAT leaflet to this effect. I note that the legal position is that while a company is not required to introduce compulsory metering, it may do so in areas designated as areas of water stress. Therefore, I do not find, on the evidence presented, that the company is at fault in this regard.
12. The customer states that she wishes to be placed on a tariff the same as RST Water. She has produced evidence in this regard that I have carefully read through. The company has produced a lengthy explanation of its charges and evidence of how this is calculated. It is worth stating here that I note the company does not have to remove the meter, and even if it did, in the case of a faulty meter, it has stated that it would replace it with another meter. That aside, I cannot find that

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there is any fault with the company's explanation of its charging system. It has complied with the appropriate legislation and has gone to considerable lengths to show that its charges are legally structured and applied. There is no legislation or guidance provided by the customer to counter this. I understand that customer is aggrieved that the cost for a single person is considerably higher than in her old location under RST Water, but I do not find that that is due to any fault of the company.

13. Remedies: In considering the appropriate direction to make in respect of remedies I take full account of paragraph 31 of the company's defence. This amounts to the following: The company states that it has withdrawn the account from the collection agency, waived the fees of £90.00, it has removed the default from her account and waived the outstanding fees up to September 2018, an amount of £509.77. Further, in making this award, I acknowledge the distress evidenced by the customer at the proceedings for the recovery of the account charges that was instigated by the company. I do not suggest that the company was acting illegally.
14. The customer seeks that the water meter should be removed. I do not make this direction as I do not believe it is appropriate to insist on the company carrying out an action that it is not obliged to execute. The evidence did not show that the water meter was faulty. I found that the company failed to follow up on concerns that the meter may not be recording properly, but I shall deal with this as a customer service issue when directing compensation.
15. The customer seeks a direction that she should be charged £250.00 per annum for her water. I did not find that there were any grounds to this argument. I did not find that the company failed in its charging scheme or in its method of calculation. Therefore, I cannot make this direction.
16. The customer seeks to be allowed to move to another provider. The legislation as it stands in England and Wales does not allow for a residential customer to choose a provider. The company is not being unreasonable in refusing this to the customer as it is not within its power to facilitate this. Therefore, I do not make this direction.
17. The customer seeks compensation of £2,600. I note that there were a number of failings in the customer's billing history. The company has accepted that it has failed in this regard. I also note my further finding regarding the action taken over the complaint about the potential fault in the water meter. I consider that the amount sought by the customer is in excess of most claims of this nature. Taking into account that the company has already cleared the outstanding account,

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waived its collection charges and withdrawn the account from the collection agency. I direct that it pays an amount of £200.00 to the customer in compensation for stress and inconvenience experienced.

18. The customer seeks an apology, I direct that the company makes an apology to the customer for its failings regarding the billing and customer service.

19. I appreciate that the customer will be disappointed in the remedy, even though I have found in her favour. However, I must emphasise that it is outside the scope of the WATRS scheme to direct remedies that the company is not obliged to carry out in law.

#### **Outcome**

The company shall pay compensation of £200.00 to the customer and make an apology.

#### **What happens next?**

- 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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A handwritten signature in cursive script, reading "J J Higgins", on a light green rectangular background.

J J Higgins, Barrister, ACI Arb.

Adjudicator

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