

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1091

Date of Decision: 19 December 2018

Complaint

The customer submits that she contacted the company this year to ask for help as her water bills were too high. She was offered a water meter and her bills have reduced dramatically since. However, the problem is that when she contacted the company in 2007 and asked for her bill to be reduced, she was advised that her bills were based on Rateable Value (RV) and that there was nothing the company could do. The company did not make her aware in 2007 that she could have had a meter installed that could have lowered her bills. The company also added £20.00 to her bill unnecessarily in 2007. The customer requests an apology, that the company backdate her reduced charges to 2007 and pay her £2,640.00.

Defence

The company submits that the increase that the customer quotes of £20.00 was in line with its annual increase in charges. In relation to the call in 2007 during which the customer remembers making contact, it no longer has the voice recording of that call. However, the notes do not reference that it sent out any information about having a meter. This does indicate a potential missed opportunity to fully inform the customer of all the options available. Apart from this phone conversation it has regularly promoted metering on every RV bill and frequently in its customer magazine,[]. The customer had a metered installed on 2 October 2018. Based on meter reading information so far the RV charge is the cheaper option for the customer so it does not believe the customer would have saved money on a metered tariff between 2007 and 2018. It also agreed to place the customer on a Single Occupier Assessed Charge backdated to 1 April 2018 until the meter was installed. This meant that the customer benefitted from reduced charges for a period of six months. It has also seen that an error had been made with the billing of the assessed charge. It offers its apologies for this and a refund of £151.84 has been sent to the customer.

1

In respect of the £20.00 price increase, there is no evidence to show that the company failed to charge the customer in accordance with its 2007 Charges Scheme. In respect of the water meter, the company itself states that there was potentially a missed opportunity to fully inform the customer of all options available to her when she made contact by telephone in 2007. I therefore accept the customer's submission that in 2007 the company failed to make her

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aware that she could have had a meter installed which may have lowered her bills. However, the company has submitted evidence to show that the customer was subsequently made aware that she could have had a meter installed. There is also no evidence to show that the customer's charges would have been reduced and that the company should provide any refund for charges levied between 2007 and 31 March 2018. The company has already refunded overcharges for the Single Occupier Assessed Charge between 1 April 2018 and 2 October 2018. However, the company should pay the customer compensation for the stress and inconvenience caused by its failings.

Outcome

The company needs to take the following further action:

I direct that the company pay the customer the sum of £100.00 in compensation. I also direct that an authorised representative of the company provide the customer with a written apology.

The customer must reply by 22 January 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- She contacted the company this year to ask for help as her partner was moving out and her water bills were too high. She was offered a water meter and her bills have reduced dramatically since. However, when she contacted the company in 2007 and asked for her bill to be reduced, she was advised that her bills were based on Rateable Value (RV) and that there was nothing the company could do. This is incorrect. The company did not make her aware in 2007 that she could have had a meter installed, which could have lowered her bills.
- In 2007, the company also added £20.00 to her bill unnecessarily.
- The customer requests an apology, that the company backdate her reduced charges to 2007 and pay her £2,640.00.

The company's response is that:

- The increase that the customer quotes of £20.00 was in line with its annual increase in charges. The increase was £32.05 for the year 2007 to 2008.
- The customer had a meter installed on 2 October 2018. The first reading took place on 17 November 2018 and shows a daily usage is 0.47cu3; if usage remains consistent it will result in an annual bill of £618.03, which is £93.52 higher than the previous rateable value bill. Based on this meter reading information the rateable value charge is the cheaper option for the customer so it does not believe the customer would have saved money on a metered tariff between 2007 and 2018.

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- In relation to the call in 2007 during which the customer remembers making contact to ask for advice on how to lower her bill. It no longer has the voice recording of that call, and the notes do not reference that it sent out any information about having a meter. This does indicate a potential missed opportunity to fully inform the customer of all the options available.
- The information it had available on the RV of the property, and the expected water usage (two users) would indicate that a metered bill would not be cost effective for the customer.
- To the best of its knowledge the telephone conversation would have covered the following points: that the unmeasured bill for 2007/08 year was £352.71; a determination of the expected water usage based on a series of questions that would have forecasted an annual meter bill of between £333.01 (two medium users) and £414.27 (two high users); questions about future changes in water usage, such as expanding family; and discussion around the difference between unmeasured and metered charges.
- However, apart from this phone conversation it has regularly promoted metering on every RV bill and frequently in its customer magazine, []. It has tried to provide the customer with all the information it has to choose the right payment option including sending its 'Help with your bills' leaflet that outlines its social policy schemes. It has sent information on how to order free water saving devices and it has tried to provide direct help over the phone.
- It agreed to place the customer on a Single Occupier Assessed Charge backdated to 1 April 2018 until the meter was installed. As the meter was installed on 2 October 2018, this meant that the customer benefitted from reduced charges for a period of six months.
- It has also seen that an error had been made with the billing of the assessed charge. It offers its apologies for this and a refund of £151.84 has been sent to the customer.

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

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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. I must remind the parties that adjudication is an evidence-based process.
2. 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.

Price increase in 2007

3. 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.
4. A company's Charges Scheme must be approved by OFWAT. There is no evidence to show that the company's 2007 Charges Schemes was not approved by OFWAT or did not comply with OFWAT's Charging Rules.
5. Similarly, there is no evidence to show that the company failed to charge the customer in accordance with its 2007 Charges Scheme. In the absence of any evidence showing otherwise, I find that the customer has not shown that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.

Water meter

6. The company itself states that there was potentially a missed opportunity to fully inform the customer of all options available to her when she made contact by telephone in 2007. I therefore accept, on a balance of probabilities, the customer's submission that in 2007 the company failed to make her aware that she could have had a meter installed that may have lowered her bills. I

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find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.

7. However, although the company has not submitted in evidence copies of the customer's bills to support its submission that it promoted metering on the customer's bills, it has provided excerpts from its 2012, 2013 and 2015 [] magazine to show that the customer was provided with information about metering and saving money on her water bills. The customer does not refute receipt of the magazines. I therefore find that the customer was subsequently made aware that she could have had a meter installed, which may have lowered her bills. I must take this into account in my findings for redress below.

Single Occupier Assessed Charge

8. The company itself acknowledges that it an error had been made with the billing of the assessed charge. I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.

Redress

9. In respect of the customer's request that the company backdate her reduced charges to 2007, as discussed above, there is no evidence to show that the company charged the customer incorrectly in 2007. In addition, I note the company's submissions that following the installation of the meter, based on the meter readings, the RV charge is the cheaper option for the customer. Therefore although I appreciate the customer's position, there is no evidence to show that the customer's charges would have been reduced and that the company should provide any refund for charges levied between 2007 and 31 March 2018. I also note that the company has already refund overcharges for the Single Occupier Assessed Charge between 1 April 2018 and 2 October 2018. Consequently, this aspect of the customer's claim is unable to succeed.
10. However, in respect of the customer's claim for compensation, in light of my findings that the company failed to provide its services to the customer to the standard to be reasonably expected by failing to make the customer aware that she could have had a meter installed in 2007, and by its error with the billing of the Single Occupier Assessed Charge, I find that the customer is entitled to a measure of compensation for the stress and inconvenience experienced as a result. However, I find that the amount claimed by the customer is

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disproportionate to the failing shown. In addition, as discussed above, I find that the customer was subsequently made aware that she could have had a meter installed. Having carefully considered the evidence provided, I consider the sum of £100.00 to be a fair and reasonable level of compensation. No evidence has been submitted to this adjudication to support a larger sum of compensation. I therefore direct that the company pay the customer the sum of £100.00 in compensation.

11. In respect of the customer's claim for an apology, in light of my findings above, I find that it would be fair and reasonable to direct that an authorised representative of the company provide the customer with a written apology.

Outcome

The company needs to take the following further actions:

I direct that the company pay the customer the sum of £100.00 in compensation. I also direct that an authorised representative of the company provide the customer with a written apology.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 22 January 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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**U Obi LLB (Hons) MCI Arb
Adjudicator**

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