

# **WATRS**

## **Water Redress Scheme**

### **ADJUDICATOR'S DECISION SUMMARY**

**Adjudication Reference: WAT/ /1155**

**Date of Decision: 02 January 2019**

#### **Complaint**

The customer is displeased with the Rateable Value (RV) assigned to his property. The customer indicates that his neighbour's water charges are lower than his. The customer believes he has been overcharged by the company for the last 14 years. He indicates the company has explained that the RV assigned to the customer's property cannot be modified because the assignment of RVs was discontinued in 1990. The customer states that his neighbour was placed on an Assessed Household Charge (AHC) and he therefore requested that the company do the same for him. However, the company explained that a customer will only be placed on an AHC if their property cannot be metered. A survey determined that a meter could be installed at the customer's property and therefore the customer was given the option of remaining on his current RV or have a water meter installed. The customer does not want a water meter. The customer remains displeased with the situation and is now claiming an apology from the company, for it to place his property on an AHC and to provide him with a refund of £4500.00 (plus interest).

#### **Defence**

The company does not accept that it has failed to provide its services to the standard to be reasonably expected. The company states that the customer has always been charged correctly in accordance with its Scheme of Charges. It confirms that the customer is charged by RV and that it cannot change the assigned RV for the customer's property because the assignment of RVs was discontinued in 1990. It appreciates that the customer has requested to be placed on an AHC. However, it has already explained that an AHC is only available for properties that cannot be metered. It has confirmed that the customer's property can be metered. The company has explained that the only options available to the customer are to remain on his current RV or to be charged by water meter. The company has explained that the customer could lower his service charges if he installed a water meter but he does not wish to do this. In light of all the above, it does not accept the customer's claims for redress.

## Findings

It has not been established that the company failed to provide its services to the standard to be reasonably expected by the average person. The company has demonstrated that, in line with its Scheme of Charges, it is entitled to charge the customer for his services by RV. I am satisfied that the company has also shown that it has appropriately addressed the concerns raised by the customer.

## Outcome

The company does not need to take any further action.

The customer must reply by 30 January 2019 to accept or reject this decision.

# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1155

Date of Decision: 02 January 2019

## Party Details

**Customer:** [ ].

**Company:** [ ].

## Case Outline

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

- He is displeased with the RV assigned to his property. The customer indicates that his neighbour's water charges are lower than his. The customer therefore believes he has been overcharged by the company for the last 14 years.
- The customer complained to the company but it confirmed that he has always been correctly charged in accordance with the RV assigned to his property. The company explained that the RV assigned to the customer's property cannot be modified because the assignment of RVs was discontinued in 1990.
- The customer submits that his neighbour was placed on an AHC and he therefore requested that the company do the same for him. However, the company explained that a customer will only be placed on an AHC if their property cannot be metered.
- Following a survey, it was determined that a meter could be installed at the customer's property. Accordingly, the company explained that customer's only options were to remain on his current RV or to be charged by water meter. The customer responded that he did not want a water meter.
- The customer was displeased with the company's position (and its responses) and referred the issue to the Consumer Council for Water (CCWater). Following investigation, CCWater concluded that the company had committed no failures and that the customer had been correctly charged. The customer then complained about CCWater's review.

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- The customer remains displeased with the situation and is now claiming an apology from the company, for it to place his property on an AHC and to provide him with a refund of £4500.00 (plus interest).

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

- The customer has always been charged correctly in accordance with its Scheme of Charges.
- It confirms that the customer is charged by RV and it cannot change the assigned RV for the customer's property because the assignment of RVs was discontinued in 1990.
- It cannot comment on why RVs might differ for similar properties as these were originally set in the 1970s by an Independent District Valuer of the Inland Revenue and the Local Authority. The company does not assign or modify RVs.
- It appreciates that the customer has requested to be placed on AHC. However, it has already explained that AHC is only available for properties that cannot be metered. Following a survey, it has already been confirmed that the customer's property can be metered. Accordingly, the company has explained that the only options available to the customer are to remain on his current RV or to be charged by water meter.
- The company states that it cannot comment on any arrangements made with the customer's neighbour (as this is a private matter between the company and his neighbour).
- The company has explained that the customer could lower his service charges if he installed a water meter but he does not wish to do this.
- The company confirms that this matter was referred to CCWater and it concluded that the company had committed no failures and that the customer has always been correctly charged.
- In light of all the above, the company does not accept that it has failed to provide its services to the standard to be reasonably expected. Accordingly, it does not accept the customer's claims for redress.

**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.

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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 is displeased with the RV assigned to his property. The customer indicates that his neighbour's water charges are lower than his. The customer therefore asserts that he has been overcharged by the company for the last 14 years. The customer believes that he should be entitled to be placed on AHC like his neighbour. The company has explained that the customer has been charged correctly, that it cannot change the RV assigned to his property and that he is not eligible for AHC because his property can accommodate a water meter. The customer remains dissatisfied with the company's position and its responses. The customer is therefore claiming an apology, for the company to place his property on an AHC and for it to provide him with a refund of £4500.00 (plus interest).
2. I remind the parties that adjudication is an evidence-based process and, in order for any remedy to be awarded, the evidence must show that the company has not provided its services to the standard that would reasonably be expected of it.
3. I note that the customer challenges the overall fairness of the company's set policies/Scheme of Charges. It is very important to highlight that the examination remit of WATRS is limited and I must draw attention to the fact that reviewing/amending a company's set policies/Scheme of Charges falls entirely outside the scope of WATRS. Accordingly, I am unable to examine/address the customer's concerns in relation to this particular matter. However, I am still able to address the elements of the customer's complaints that fall within the remit of this scheme. I will proceed accordingly.
4. I find that, in accordance with the relevant provisions of the Water Industry Act 1991 (notably sections 142-143), companies are entitled to set their own Scheme of Charges and charge their customers accordingly. I note that the company's Scheme of Charges sets out that it is entitled

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to charge its customers using the RV assigned to their property. Consequently, I must conclude that RV charging is a valid method for the company to raise its charges. Accordingly, I do not find that the company's action of charging the customer by the RV assigned to his property amounts to a failure to provide its services to the standard to be reasonably expected by the average person.

5. I acknowledge that the customer has indicated that he is displeased with the RV assigned to his property. Upon careful review of all the submissions provided by the respective parties, I do not find any evidence that would enable me to conclude that the RV assigned to the customer's property is incorrect. However, and in any event, I must highlight that the company does not have the authority to assign or modify RVs. By way of explanation, I draw attention to the fact that RVs were assigned by the Valuation Office of the Inland Revenue until the practice was discontinued in 1990. Therefore, I am unable to conclude that the customer's dissatisfaction with the RV assigned to his property (and the company's inability to modify it) amounts to a failure on the part of the company to provide its services to the standard to be reasonably expected by the average person.
6. I note the customer has complained that the company did not accept his request to be placed on AHC (like his neighbour). Following review of all the available submissions (with particular attention paid to Ofwat's guidance documents, the company's Scheme of Charges and its Code of Practice), I find that an AHC is only available for properties where a water meter cannot be installed. I note that the company's survey has confirmed that the customer's property can accommodate a water meter. Therefore, the customer is not eligible for AHC. I am mindful that the company has conveyed this information to the customer and explained that his only options are to remain on RV or to have a water meter installed. Consequently, I find that the company was entitled to refuse to place the customer on AHC and that the company has not failed to provide its services to the standard to be reasonably expected by the average person.
7. In the interests of completeness, I must also highlight that I am unable to address/examine any issues regarding private arrangements that may have been made between the company and the customer's neighbour (a third-party who is not a party to this adjudication). Nevertheless I accept that in any street neighbouring properties may be charged differently as this is perfectly possible within the approved charging scheme.

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8. Having reviewed the communications between the parties in relation to this issue, overall, I am satisfied that the company provided appropriate responses/explanations to the customer and consistently maintained its position that it is correctly charging him by RV in accordance with its set Scheme of Charges. Furthermore, I am satisfied that any potential confusion between the parties (regarding matters such as metering) has been appropriately addressed. In particular, I note that during the course of its communications with the customer, the company explained that the assignment of RVs to properties was discontinued in 1990, explained why it could not place the customer on AHC and why it could not comment on any arrangements between the company and the customer's neighbour. I note the company also advised that the customer's charges could be less if he opted to install a water meter. I acknowledge that the customer's concerns have been referred to CCWater and it found no failures on the part of the company. In light of all the above, under the circumstances, I find that the company's actions in response to the customer's concerns do not amount to a failure to provide its services to the standard to be reasonably expected by the average person.
9. Consequently, following a full review of all the evidence available to me, I am not satisfied that the company's actions amount to a failure to provide its services to the standard to be reasonably expected by the average person. Consequently, in the absence of any substantiated failures on the part of the company, I am unable to uphold the customer's claims for redress.
10. The customer is not obliged to accept this decision and remains free to pursue resolution through all other avenues as available to him.

#### 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 30 January 2019 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.



**E. Higashi** LLB (Hons), PGDip (LPC), MCIArb.

**Adjudicator**