

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1198

Date of Decision: 18 February 2019

Complaint

The customer states that the bills she received from the company did not reflect her actual water usage, and that she did not receive adequate support from the company when she experienced difficulty paying her bills. She requests that the company apologise and that the outstanding amount be cancelled.

Defence

The company states that the customer has been billed correctly in accordance with its applicable charges schemes. It states that the customer was offered assistance with her bills, but did not maintain payments even with this assistance.

No offer of settlement has been made.

Findings

The company failed to provide its services to the customer to the standard to be reasonably expected by the average person by failing to offer her participation in the Care scheme in April 2013.

Outcome

The company needs to take the following further action: It must reduce the amount claimed from the customer by a total of £752.33, and must apologise to the customer for failing to offer her the Care scheme when it was introduced in April 2013.

The customer must reply by 18 March 2019 to accept or reject this decision.

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The company's response is that:

- The customer never requested that a water meter be fitted at the property.
- However, the property had been examined in 2003 after a request by a previous resident, and it was decided that due to the plumbing arrangements a water meter could not be installed.
- The customer was billed according to the Rateable Value of the property, rather than on the basis of an Assessed Charge, as the former was lower.
- The customer was not eligible for its Sure scheme.
- The customer was not offered the Care scheme because it was not introduced until 1 April 2013, and the customer did not make contact from 2012 until 2017.
- The customer moved into the property on 12 July 2008.
- A County Court claim was issued against the customer in September 2009, with a default judgment being issued in November 2009.
- The costs of the court action, amounting to £147.00, were added to the customer's bill.
- In January 2010, a temporary payment plan was set up for two months, to provide the customer time to consult with the CAB.
- In March 2011, the customer's account was referred to a debt collection agency.
- The customer contacted the company on 14 June 2012 to discuss her account.
- The customer was entered into the company's Restart Scheme. While the customer initially made the agreed payments, she ultimately did not maintain payments under the scheme and so she was removed from it.
- In April 2013, the customer was again offered the opportunity to enter into the Restart Scheme. However, the customer did not make the agreed payments and she was removed from the scheme.
- The company was ultimately advised that the customer left the property on or around 1 April 2014 and so the customer's bill was reflected to adjust this.
- A new address was identified for the customer in January 2017 following a credit search. A letter before action was sent to the customer on 17 August 2017.
- The customer did not respond until 6 December 2017.
- The company responded on 12 December 2017, explaining the charges being claimed.
- Debt collection efforts continued, and the customer made contact again on 12 and 13 November 2018 to dispute the charges at the property.
- A response was provided to the customer on 26 November 2018.

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- The customer responded on 26 November 2018, including clarifying that she had left the property on 15 February 2014.
- The customer's account was amended to reflect this new exit date. A letter was sent on 11 December 2018 to the customer explaining this, apologising for the customer's discontent, but clarifying that the amounts claimed were owed.
- The company states that the customer has been billed correctly.

The customer's comments on the company's response are that:

- She requested a water meter and was told that she could not have one.
- The charge did not reflect how much water she actually used.
- The company did not ensure her bill was affordable.
- A hardship scheme was introduced in 2013, but she was never informed about it.
- She made the payments that she could afford.
- What she has already paid to the company is likely to be an accurate reflection of the amount of water she actually used.

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.

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How was this decision reached?

1. The customer has not disputed that the amounts being claimed by the company reflect bills issued to her during her time at the property, and has not argued that these bills were calculated incorrectly. Rather, the essence of the customer's claim is that the bills she received while she resided at the property did not reflect the amount of water actually used.
2. As a regulated entity, the company is required to bill its customers in accordance with a published Charges Scheme. This scheme must adhere to rules adopted by Ofwat, the Water Services Regulation Authority, the designated regulator in this sector.
3. The consequence of this is that, as specified in Rule 3.5 of the Water Redress Scheme Rules, a WATRS adjudicator does not have the authority to evaluate the fairness or correctness of a company's Charges Scheme, as this responsibility has been statutorily allocated to Ofwat. Instead, with respect to the type of claim brought by the customer, a WATRS adjudicator may only examine whether the company has properly adhered to its published Charges Scheme.
4. While the customer argues that the bills with which she was presented by the company did not accurately reflect the amount of water she was using, this is not actually a requirement for the company's bills. Rather, water companies are merely required to bill in accordance with their approved Charges Scheme, unless a customer has requested a water meter. If this happens, then Section 144A of the Water Industry Act 1991 requires that the company install a water meter and bill in accordance with actual usage, unless "it is not reasonably practicable to fix charges in respect of the premises by reference to the volume of water supplied, or to do so would involve the incurring by the undertaker of unreasonable expense."
5. In the present case, the company has explained that it had previously examined installing a water meter at the customer's property, when another party resided there, and this was not a reasonably practicable choice given the property's plumbing.
6. Because of this, the company's only obligation was to bill the customer in accordance with its Charges Scheme, even if this meant that the bills received by the customer did not reflect the amount of water she actually used. This approach is a compromise required by the reality of plumbing in some properties built before the widespread use of water meters, which makes measuring the amount of water used at a particular property impractical.

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7. No evidence has been presented that would suggested that the company did not bill the customer correctly in accordance with the Charges Schemes that were in effect while the customer was in residence at the property.
8. The company's charges schemes also include payment schemes designed to assist customers in certain circumstances, however the company has explained that prior to 1 April 2013 the customer did not qualify for any of its schemes other than the Restart Scheme. This was offered to the customer twice, but the customer was unable to maintain the payments it required. In addition, the company has explained that the customer was billed on the basis of the Rateable Value of the property, rather than on the basis of an Assessed Charge, as the former was lower.
9. As a result, I find that the company provided its services to the customer to the standard to be reasonably expected by the average person until 1 April 2013.
10. However, on 1 April 2013, the company introduced the Care scheme, which reduces payments for qualifying individuals on low incomes. The company acknowledges that this scheme, for which the customer may have qualified, was never offered to the customer, but argues that this is because the customer did not make contact from 2012 until 2017.
11. The company, though, also notes that in April 2013 the customer was provided with a second opportunity to participate in the Restart Scheme, a scheme specifically designed for customers that had experienced difficulties paying their bill.
12. The company, therefore, had clear knowledge when the Care scheme was introduced on 1 April 2013 that the customer was experiencing difficulties paying her bills, of a longstanding nature including a previous court judgement, and I find that it constituted a failure by the company to provide its services to the customer to the standard to be reasonably expected by the average person not to highlight this assistance scheme to the customer. The Care scheme would not have reduced the amount the customer already owed to the company, but would have made her ongoing payments more manageable. In that way it would also have facilitated the customer's successful participation in the Restart Scheme, potentially resulting in her debt to the company being resolved.

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13. The company has clarified that in the period from 1 April 2013 until the customer departed from the property she was billed £504.65, and the Care scheme allows a reduction of up to 50% on bills. Therefore, I find that it would be fair and appropriate for the company to reduce the customer's bill for this period by 50%, taking into account the statements the customer has made about her income at that time.
14. Consequently, the company must reduce the amount claimed from the customer by £252.33.
15. In addition, it is clear that the customer's problems paying her bill in this period caused her significant distress, and that distress would have been lessened had the company provided the customer with the assistance available under the Care scheme. This scheme would not only have significantly reduced her annual bill, but would thereby have enhanced her ability to repay the company the amounts already overdue. Therefore, in consultation with the WATRS Guide to Compensation for Inconvenience and Distress, I find that an additional payment would be appropriate of £500.00, in recognition of the significant distress that would have been experienced by the customer at this time, contributing to the customer's decision to leave the property.
16. Consequently, the company must reduce the amount claimed from the customer by £500.00.
17. In addition, the customer requests that the company apologise, and I find that an apology would be appropriate with respect to the company's failure to offer the customer participation in the Care scheme.
18. Consequently, the company must apologise to the customer for failing to offer her the Care scheme when it was introduced in April 2013.
19. For the reasons given above, the company must reduce the amount claimed from the customer by a total of £752.33, and must apologise to the customer for failing to offer her the Care scheme when it was introduced in April 2013.

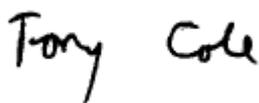
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Outcome

The company needs to take the following further action: It must reduce the amount claimed from the customer by a total of £752.33, and must apologise to the customer for failing to offer her the Care scheme when it was introduced in April 2013.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 18 March 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.



Tony Cole, FCI Arb

Adjudicator

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