

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1217

Date of Decision: 15 March 2019

Complaint

The customer has a dispute with the company regarding the methodology it has employed in calculating her water charges during the period 2008 to 2018. The customer claims that if she had meter based charges rather than the Rateable Value calculation used by the company she would have paid much less for her service during this 10-year period. The customer claims the company was not proactive in monitoring her water usage and in not offering to install a meter. The customer claims for the company to install a meter at her property and refund the difference she has overpaid due to not having measured charges.

Defence

The company states that it has acted in compliance with the governing legislation in calculating the customer's charges according to the Rateable Value of her property. The company asserts it is under no obligation to propose to install a meter and that it has prominently displayed all advice on how a customer may switch to measured charges if so desired. The company is currently in the process of installing a meter at the customer's property following her request, but declines to reimburse any previously raised charges as they believe they were correctly applied. The company has not made any offer of settlement to the customer.

Findings

The company acted correctly in calculating the customer's charges according to the Rateable Value methodology, and I do not direct that the company refund any amount of such charges. The company is not required to proactively monitor the customer's account to check water usage nor is it required to discover if a customer is a sole occupier or suffering financial difficulties. Consequently, I find that the company has not failed to provide its services to the extent to be reasonably expected by the average person.

Outcome

The company does not need to take further action.

The customer must reply by 12 April 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1217

Date of Decision: 15 March 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- She has experienced an ongoing dispute with the company regarding the basis of the billing methodology used by the company over a period of ten years when calculating her water and sewerage charges. Despite her ongoing communications with the company and the involvement of CCWater the dispute has not been settled.
- The customer states that her charges during the period 2008 to 2018 have been based on the Rateable Value of her property. She further asserts that she has estimated that this methodology has resulted in her paying an average monthly charge in excess of £50.00, with a current charge of £64.73, while she understands that had her water been metered her monthly charges would have been £27.00.
- The customer further claims that her property is rated in band D for Council Tax purposes. She asserts that she has liaised with some of her neighbours whose properties are also rated Band D and she believes they are all paying monthly charges closer to £50.00 rather than her current £65.00. She further notes that many of the neighbouring properties house families whereas she is a single occupant.
- The customer records that in November 2018 she requested the company to install a water meter at her property, but to date it has not been fitted due to an ongoing supply pipe leakage.

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The customer is concerned that she is being charged a higher rate to cover the water loss from the leak.

- The customer asserts that the company should have been proactive and made itself aware of her water usage and circumstances and proposed either to install a meter or to offer her a reduced charging rate to reflect her single occupant status. The customer further states that she is undergoing financial difficulties and would have expected the company to be monitoring her account such that it gave her the best possible water charge calculations.
- On or around 15 November 2018, the customer escalated her complaint to CCWater who investigated the issues with the company on her behalf. Despite the intervention of CCWater, the dispute is ongoing and the company has not revised its standpoint.
- Consequently, the customer, on or around 05 February 2019, has referred the matter to the WATRS Scheme whereby she seeks to have the company install a water meter at her property, and refund the amount of the charges overpaid due to the company using the Rateable Value method of calculation compared to a metered charge during the period 2008 to 2018.

The company's response is that:

- The company in its defence paper dated 25 February 2019 confirms that the customer contacted it on 05 November 2018 to query her charges and claim that she believed the charges to be too high. The company further confirms that the customer currently pays water and sewerage charges based on the Rateable Value method.
- The company notes that properties constructed since 01 April 2000 are metered, but that any property built prior to this date has unmeasured charges which are calculated on the rateable value of the property unless the owner has chosen optional metering. The company notes that the Rateable Value was fixed by the District Valuations Office prior to 1990 and, although it has remained unchanged, the company is still required by law to use the value set by the Valuations Office.
- The company asserts that it does not have a compulsory metering policy for properties built before 01 April 2000 but that all household customers may request the company to install a meter. In order to assist any customer to choose optional metering, the company states that it proactively advertises the necessary details of metering on its website, on official publications, and on customers' bills for unmeasured charges.

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- Regarding the customer's claim that the company should have been proactive and have made itself aware of her water usage, the company states that as no meter was installed at the property it had no way of knowing the level of water usage.
- In respect of the customer's assertion that she has financial difficulties, the company states that it has a range of support tariffs that the customer is able to apply for, and each application is evaluated on an individual basis.
- The company states that the customer opened her account with it on 29 August 2008, and that from this date to 05 November 2018, when she contacted it to query her charges, the only contact instigated by the customer was on 01 April 2015 when she advised of a change in payment method to the Direct Debit system. The company further notes that from the time of opening her account the customer has always paid her charges in full, and this allied to the minimal contact from the customer led it to assume that it did not need to contact her to discuss the metering option.
- The company confirms that once the customer contacted it on 05 November 2018 it has proactively discussed the metering option and subsequently the customer requested the installation of a meter. The company states that the meter is not yet installed due to the customer having to first repair a leakage to a pipe located underneath her property. The company asserts that the meter will only be installed after the leakage is repaired such that the customer is not metered for water that will escape from the broken pipe.
- The company notes that all the previous and current unmeasured charges are correct and payable by the customer. The company asserts that it has acted fairly and has responded quickly to the customer's request for a water meter, and consequently, it declines to make any adjustments to or refund any of the charges previously levied.

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

- The customer responded to the company's Defence paper on 01 March 2019 and noted the company's explanation of the basis of unmeasured charges, and she confirmed that her property was constructed in the 1960's. She additionally noted that her water charges increased each year yet the Rateable Value remains unchanged, and reiterates her belief that her charges have been and remain too high. Having used the company's online consumption calculator she estimates a monthly charge of £26.50 would be expected through a meter rather than the £66.00 she is currently being charged through the Rateable Value method. The customer notes

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the company's comment on having a range of support tariffs and questions why it has not contacted her to offer such a tariff.

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 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 dispute relates to the customer's unhappiness that the company has, for the period 2008 to 2018, based her water and sewerage charges on the Rateable Value method of calculation, and did not during this time offer her the option to change to measured readings or to offer her a support tariff as she was experiencing financial difficulties. Consequently, the customer requests that the company install a water meter and refund her the amount she believes she has overpaid due to not having a meter. The company asserts it has acted reasonably throughout, that the unmeasured charges were correctly levied, and confirms that it has commenced procedures to install a meter. It thus declines to reimburse any of the charges requested by the customer.
2. I note that the WATRS adjudication scheme is an evidence-based process and it is for the customer to show that the company has not provided its services to the standard that would reasonably be expected of it.

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3. From the evidence submitted to me I am satisfied that the customer is the owner of the property in question, and has opened an account with the company as from 29 August 2008. I am further satisfied that from this date up to present the customer's water and sewerage charges were calculated by the company using the Rateable Value method.
4. The customer has confirmed that her property was built in the 1960's, and as such it will not have had a water meter installed at that time. Government legislation requiring that all new properties have meters was not introduced until 01 April 2000. It is not mandatory that properties constructed before this date must have water meters retroactively installed.
5. As the customer's property had no water meter installed the company correctly used the Rateable Value method to calculate the unmeasured water charges. The customer has raised the issue that discussions with her neighbours indicate that nearby properties of a similar nature are paying lower monthly charges than she is. However, I am aware that Rateable Values were fixed by the District Valuation Office sometime during the period between 1973 and 1990 based on various criteria and it is not possible to understand any discrepancies between the values given to adjacent properties. The water utility companies are not permitted to change the Rateable Value stated by the Valuations Office, and additionally it is important to note that unmeasured charges are exactly that and are not related to the actual amount of water used by the customer. Thus, I find, on a balance of probability, that the company has used the correct method of calculating the water charges applicable to the customer and thus I shall not direct that it refunds the customer any part of the charges levied to date.
6. The applicable legislation does not require water utility companies to install water meters in properties built prior to 01 April 2000 but it does require them to clearly provide all necessary information to permit customers to make an informed choice as to whether or not installation of a meter would be beneficial and to promptly install a meter when requested by a customer if certain criteria are met. From the evidence supplied to me, I am satisfied on a balance of probability that the company has complied with its obligation to provide information on how to switch from unmeasured to measured charges. I find that the company has not failed its duty of care to provide the customer with sufficient information in respect of metering, including the necessary procedure to request fitting a meter.
7. The customer has claimed that the company has not been proactive in monitoring her water usage. However, without a meter I do not believe it is possible for the company to monitor water consumption and again I find that the company has not failed its duty of care to manage to customer's account with skill and care.

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8. The customer has also claimed that the company has not been proactive in proposing that she switches to metered charges. As detailed earlier in this decision, the company has no legal obligation to mandatory install a meter nor to propose to customers to install one. The responsibility for having a meter installed in a property rests with the customer and I have not been provided with any evidence that she made any such request prior to 05 November 2018. Again, I find that the company complied with its duty of care regarding managing the customer's account with a reasonable level of skill.
9. The customer has stated that she is a single person with financial difficulties and questions why the company was not proactive in offering her a support tariff. I am conscious, however, that she does not explain how the company could have known of her financial situation as she had failed to inform it and request assistance. Again, as with the issue of switching from unmeasured to measured water charges, I am satisfied that the company has taken reasonable measures to inform its customers of the possibility of securing a support tariff in times of hardship. Thus, I am further satisfied that the company did not fail its duty of care to inform the customer of financial assistance plans available, but, again, I find that it is the responsibility of the customer to seek such assistance and not for the company to offer it on an individual basis.
10. Regarding the customer's claim that neighbours in the same Council Tax band are paying a lower monthly charge notwithstanding that certain of the properties house families while she is a sole occupant, I note that the Single Occupant discount applied for Council Tax purposes does not apply to water charges. Thus, the company has no obligation to apply such discount in this case.
11. Upon contacting the company on 05 November 2018, the customer was informed about the possibility to change to measured charges and subsequently she applied to the company to have a meter installed. The company has stated that it has delayed installing the meter until such times as leakages in the water supply pipe to the customer's property are fixed otherwise she may pay for water passing through the meter but being lost through leakage. I note that this allays the customer's concern over paying for water resulting from the leakage as the unmeasured Rateable Value methodology, which takes no account of actual water usage, will continue until such time as the meter is installed.
12. I find that under the criteria to be met for requesting optional metering the company is acting within the limits of the criteria in expecting the customer to repair the leaks to her water supply pipe prior to installing a meter. The customer confirms that the pipe leakage under her property is being repaired under her own insurance and that work was expected to commence on 04

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March 2019. Thus, I find that the company has acted in a reasonable manner and has not failed in its duty of care to install the requested meter within a reasonable period.

13. My conclusion on the main issues is that the company has not failed to provide its services to a standard to be reasonably expected by the average person. Therefore, my decision is that the claim does not succeed.

Outcome

The company does not need to take further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 12 April 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.



Peter R Sansom
MSc(Law); FCIArb; FAArb; Member London Court of International Arbitration;
Adjudicator

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