

## CASE SUMMARY

Complaint against the Water Supplies Department for failing to take action to disconnect the water supply to a premises according to the law, resulting in the complainant's being accused by the Department of default in the payment of the water charges for the period from 1995 to 1997

### The Complaint

The complainant used to run a store in a premises on Hong Kong Island. Several years ago, he sold the premises and closed the store. In February 1998, the complainant received a notice from the Water Supplies Department (WSD) advising that the outstanding water account of the above premises amounted to more than \$60,000. After obtaining the relevant information from the WSD, he found that the outstanding water account in respect of the premises in question was for the period from October 1995 to March 1997. The complainant opined that once the premises in question was in arrears with the payment of the water charges, the WSD should immediately issue a warning letter advising the consumer that it would take action to disconnect the water supply to the premises according to the law. The complainant was dissatisfied that the WSD had failed to take such action, resulting in his being accused of default in the payment of several water bills. Therefore, he lodged a complaint with The Ombudsman.

### Opinions and Conclusion

2. Section 7 of the Waterworks Ordinance (the Ordinance) provides that the Registered Consumer (RC) shall be responsible for the payment of all charges for water consumption as recorded by the meter of the metered premises. According to the WSD's records, the store owned by the complainant was the RC of the premises in question. However, when the store was closed and its owner moved out from the premises, he had not applied to the Department for the termination of the

consumership in accordance with the provisions of the Ordinance, so the store owner was still held responsible for the payment of the water charges incurred at the premises.

3. Section 10 of the Ordinance also provides that the WSD may disconnect the inside service of the premises concerned if any charge in respect of the service is not paid when it becomes due, if there is any breach of the law, or if there is no consumer for the service. Furthermore, according to the departmental procedures, the WSD will consider disconnecting the water supply to the premises if the WSD staff have served the "Notice of Inaccessible Meter" thrice for not being able to take the meter readings and still the RC does not contact the Department.

4. In the present case, when the WSD staff went to the premises on 29 February 1996 to take the meter reading, he found that the meter hand had been smeared, hence it was impossible to read the meter. The meter was then replaced on 1 March, but the reading taken from the old meter was found to be not reliable. On 30 April, the WSD staff took the reading as recorded by the new meter. The WSD staff went to the premises in question again on 3 July and 29 October, but on both occasions the passage to the meter was locked, so the meter reading could not be taken. The WSD staff had served the "Notice of Inaccessible Meter" on both occasions.

5. Since the WSD staff had not been able to take the meter reading, the Department could only assess the water consumption and water charges with reference to the reading taken on 30 April 1996. On 13 February 1997, the WSD issued a water bill covering the period from October 1995 to October 1996 and the due date for payment was 10 March 1997. Before the due date, the WSD could not disconnect the water supply to the premises concerned on the grounds that the RC had not paid the water charges. Later on, as the building concerned would be demolished soon, the WSD removed the meter in question on 5 March 1997. Hence, the water supply to the premises had not been disconnected for arrears of the water charges payment. Subsequently, the WSD issued another water bill covering the period from October 1995 to March 1997 and the amount of the water bill was calculated in accordance with the assessed water consumption.

6. Upon investigation, this Office found that in August 1997, the estate agent had told the WSD the correspondence address of the tenant of the premises. The WSD

had attempted to contact the latter for the settlement of the outstanding water account, but was refused. This Office also found that in November 1997, the estate agent had already verbally confirmed to the WSD that the premises in question had been vacant since May 1996. However, as the sum involved was large, the WSD considered that it should do its utmost to locate the RC so that the outstanding water account could be settled, and it was not until May 1998 that the WSD wrote to the estate agent to request a written confirmation. As a result, the adjustment of the amount of the outstanding water account was delayed until June 1998.

7. This Office considers that all along, i.e. from the time the old meter hand was found to have been smeared until the new meter was removed, the WSD had acted according to the relevant ordinance and the departmental procedures in handling the water account in respect of the premises. According to the law, the complainant, being the RC of the premises, shall be responsible for the payment of the water charges. Since the WSD staff had not been able to take the meter reading, it is reasonable that the Department exercised discretion not to disconnect the water supply to the premises in question immediately. However, when the WSD found out in November 1997 that the premises had been vacant since May 1996, it had failed to verify this immediately, not even when the WSD asked the complainant to settle the outstanding water account in February 1998, causing him to lodge this complaint. The WSD explained that during the period from February to May 1998, the Department had been trying to explain to the complainant why it had not taken action to disconnect the water supply to the premises when the RC was in arrears with the payment of the water charges. The WSD only verified with the estate agent in May 1998 when it found that the agent could furnish information to assist in resolving the case. This Office is of the view that had the WSD confirmed the matter with the estate agent earlier, this complaint could have been avoided, and the handling of the matter by the Department left much to be desired.

8. All points considered, The Ombudsman concludes that the complaint is partially substantiated. The Ombudsman is pleased to note that the WSD has adjusted the amount of the outstanding water account to \$6,000-odd and notified the complainant of the arrangements for the refund of the balance of the deposit.

## Response from the Director of Water Supplies

9. The Director of Water Supplies has raised no objection to the contents of this investigation report.

Office of The Ombudsman

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