

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0690

Date of Decision: 21 March 2018

Complaint

In August 2017, the company sent a Final Demand requiring payment of £8,759.56. No bill for this amount was ever received prior to the Final Demand. The company threatened to send a debt collector to collect the money. The company's response to the customer's concerns about the Final Demand was very slow and unprofessional. He seeks an apology for the worry and stress inflicted as well as compensation of £10,000 for the suffering and anxiety that he and his family have had to endure.

Defence

A bill for £8,759.56 was sent to the customer on 15 June 2017. Before this, with a view to investigating the high usage on his account, the company had been writing to the customer and had attempted to call him a number of times. It transpired that the customer was being charged on the wrong meter. To reflect this, the account was retrospectively amended. After applying the adjustment, the customer's account was left in credit. £50.00 has been credited the customer's account as a gesture of goodwill. The company accepts that an inspection visit could have been scheduled sooner with the customer and has apologised for this.

No offer of settlement has been made.

Findings

Prior to the Final Demand being issued, the company's efforts to make contact with the customer were proportionate and proactive. It was aiming to investigate the reason for high meter readings. The measures taken by the company – after it was discovered that the customer had been charged on the wrong meter – were appropriate, fair and reasonable in all the circumstances.

Outcome

The company does not need to take any further action.

The customer must reply by 20 April 2018 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /0690

Date of Decision: 21 March 2018

Party Details

Customer: _____

Company: _____

Case Outline

The customer's complaint is that:

- He received a final demand letter from the company on 10 August 2017, to pay £8759.56.
- The company threatened that they would send a debt collector to his door to collect the money. This had happened only as a result of his asking the company to read his meter and send an accurate bill.
- He had never received any initial bill of £8759.56 from the company, only the final demand.
- After receiving the final demand, he contacted the company's customer service department and explained that:
 - he paid his bills regularly; and
 - this water bill should not have been so high for a six month period.
- He asked if he should ignore the final demand notice. The customer service agent advised that it should not be ignored.
- He was very frustrated and did not know what to do. His wife was so scared that she made a payment plan without his permission.
- He had written two letters to the company regarding the final demand.
- The company's response was very slow and unprofessional.
- He, his wife and his children were very worried about the debt collector every day from 10 August 2017 to 5 October 2017.
- The company's cruelty and neglect led him to believe that he had to pay almost £9,000 every six months for his water bill, which was very worrying.

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- He believes that an apology should be given by the company due to the stress inflicted upon him and his family, as well as compensation of £10,000, which would suffice for the suffering and anxiety that they have had to endure.

The company's response is that:

- Ms Jones ("Ms Jones") is the customer's wife and is the joint account holder for water services.
- In line with standard practice, the company had originally set up the customer's account based on details provided to it by the developer of his property.
- A bill for £8,759.56 ("High Bill") was sent directly to the customer's address on 15 June 2017.
- Prior to this High Bill being sent, the company had been attempting to telephone the customer and had written to him on a number of occasions. It requested that the customer contact it to book an appointment but unfortunately, no call back was received.
- Ms Jones called on 13 July 2017 and requested a copy of the High Bill. The company's agent noted that Ms Jones was shocked about the amount due. The company arranged, therefore, for another reading to be taken.
- On 31 July 2017, the company tried to call Ms Jones to schedule up an inspection appointment at the property, to check the water supply. As it was unable to leave a message, a letter was sent, which again requested that the customer make contact to arrange an appointment.
- By 3 August 2017, a temporary hold placed previously on the customer's account had expired. As the High Bill was outstanding, a final demand was sent ("the Final Demand").
- Ms Jones called on 8 August 2017. She was advised that the only way to prevent debt recovery was to put in place an affordable payment plan. It is correct that advice was given not to ignore the Final Demand sent. Even in a case where there is leakage at a property, the company would always advise customers to arrange a payment plan to pay towards the balance. The payment plan would also give the company the opportunity to investigate the high usage concerns.
- A plan was set for only £10.00 per month but this was subsequently cancelled on 9 August 2017 by the customer without any payment being received.
- In view of the payment plan having been cancelled, a Notice of Further Action was sent on 10 August 2017.
- On 5 September 2017, the customer wrote to inform the company that the telephone number, on which it had historically been trying to contact him, was incorrect.
- A visit to the property was arranged for 11 September 2017. During that visit, it was discovered that the company had been billing the customer on the wrong meter. The meter in question

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actually served a neighbouring property and there was a leak on their (i.e. the neighbour's) supply, hence the increase in usage.

- However, the usage on which the company had been incorrectly billing the customer was lower, in fact, than the actual usage recorded on the correct meter for his property. In order not to disadvantage the customer financially, the company cancelled all readings backdated to 3 March 2015. (3 March 2015 was the date when the usage on the incorrect meter had started to increase).
- The company then retrospectively adjusted the account such that – for the period between 3 March 2015 to 11 September 2017 – the customer was only billed for fixed charges and no water use at all. It was explained to the customer that going forward, he would be billed on the correct meter, based on his actual usage.
- On 19 September 2017, a bill was sent showing that the customer was now in credit (due to the adjustments made). The company wrote to the customer on the same day explaining the actions taken.
- Since being informed that the telephone number held for them was incorrect, the customer and Ms Jones have not been willing to provide an up-to-date telephone number. They also did not respond to the letters that were sent requesting that they contact the company, prior to an earlier bill of 23 May 2017.
- The company does not accept that it ever led the customer to believe that he would have to pay £9,000.00 every six months.
- The 11 September 2017 inspection visit was arranged on 31 August 2017. The period between that 31 August date and the customer's account being updated with the correct details and rebilled, amounted to two weeks and five days only.
- It submits that the customer's £10,000 compensation claim is unsubstantiated.
- As to the allegation that its response was slow and unprofessional, the company accepts that there were earlier occasions where an appointment could have been made with the customer and it has apologised for this. It has also added a credit of £50.00 to the customer's account as a gesture of goodwill.
- The company has apologised to the customer for sending the Final Demand after the original hold expired on Mr Brown's account and was not replaced.
- It has further applied a Customer Guarantee Scheme (CGS) payment of £40.00 in the customer's favour, leaving his account £350.87 in credit, which he can request to be refunded or it can be offset against future bills.

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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.

If the evidence provided by the parties does not prove both of these issues, the company will not be directed to do anything.

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 should remind the parties that adjudication is an evidence-based process where the burden of proof rests on the claimant, in this case the customer, to prove their case on the balance of probability.
2. I should also acknowledge that I have had the benefit of reading the customer's comments, filed on 5 March 2018, in response to the company's defence ("Comments").
3. As I read it, the customer's fundamental complaint arises from his receiving – in August 2017 – the company's final demand ("Final Demand") to pay £8,759.56. I note the customer's submission that the Final Demand came completely out of the blue. He states that no prior bill had been received for this sum and therefore, understandably, the Final Demand caused no small amount of shock and worry.
4. I have focused on whether that shock and worry might potentially have been avoidable. On this, I have looked particularly at:
 - a. what reasons there seem to be for the Final Demand arriving out of the blue (as the customer submits it did); and
 - b. whether, during the two year period prior to the Final Demand being sent, the company might reasonably have approached matters differently.

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5. I have reviewed the detailed 'chain of events' set out by the company on pages 1 to 4 of its defence ("Timeline"). I am satisfied - and find - as a matter of fact:
 - a. that readings were taken by the company on the various dates in 2015, 2016 and 2017 as mentioned in the Timeline; and
 - b. that those readings were abnormally high and tended to indicate high usage (or higher usage than in the past, at least); and
 - c. that this prompted the company to want to investigate the accuracy of the readings and what explanation there might be for the apparent high usage.
6. I note that the Timeline discloses a series of attempts by the company to contact the customer. I am satisfied that the company's aim in trying to make contact with the customer at these stages was to try to throw some light on the reasons for the unusually high meter readings.
7. On the balance of probability, I find that these various (unanswered) telephone calls and letters were in fact made or sent by the company on the dates listed. I accept the Timeline as factually accurate and reliable, therefore, in these respects. Specifically, on the strength of defence exhibit 'evidence 1', I accept and find that a bill for £8,759.56 was sent out to the customer on 15 June 2017 (i.e. a few weeks before the Final Demand).
8. In his Comments, the customer states that he did not receive the letters that the Timeline mentions were sent on (or shortly after) 29 March 2016 or on 23 September 2016.
9. It seems to me, therefore, that this was the main reason why the Final Demand came as a shock to the customer: the company had not been able to establish contact with the customer in the two years previously. More to the point, whilst it had made efforts in this regard, it had not been able to speak to the customer about the high meter readings that it had taken.
10. The Timeline shows that - between September 2015 and March 2016 - the company made three attempts to reach the customer by telephone (but none was successful). I have noted the customer's Comments about this:
 - a. "... We did not know that they would need to contact us by telephone, we assumed that they would contact us via written letters, therefore, we had not provided our contact number to them. We contacted [] via post, so expected the response to also be via post ...";

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- b. "...[] had 'apparently' contacted me on my private telephone number many times and failed to reach me, yet they did not think of an alternative solution to reach me. Although it is quicker to communicate with telephone, I believe it is not a good way to communicate. With a phone conversation, it is difficult to keep proof of events which is why I contacted them via written letter. It is also informal and unprofessional. Every time we had contacted [], they had never mentioned that they had tried to contact us ...";
- c. "... I feel vulnerable to give my name, address, date of birth, telephone number and whether we live in a freehold property or rented property. [] asked all the above information every time we had call to them - providing all our personnel information to a person whom we do not know is not our protection ..."

11. I do follow the points that the customer is making in his Comments about telephone communications. However, I am not persuaded that it was "*unprofessional*" for the company to have sought to contact the customer by telephone, as he suggests. On the contrary, as I see it, it was a normal and perfectly appropriate means by which to try to get in touch with the customer. I note also that the company says that it tried to call the customer "... *on the number [it] had recorded on his water services account ...*" I do not consider that the company could have done very much more in all the circumstances. I do not accept the customer's argument that it was incumbent on the company to "... *think of an alternative solution to reach [him] ...*"

12. I have assessed the appropriateness of the company's actions once it was discovered that the customer had been billed on the wrong meter. It adjusted its charges, I note, so that – for the period between 3 March 2015 to 11 September 2017 – the customer was retrospectively billed on a fixed charge basis as opposed to a water usage basis. This seems to me to have been a fair and reasonable response on the company's part.

13. I do not consider that the customer has made out his case that the company led him to believe '*... that he would have to pay £9,000.00 every six months ...*'

14. There were some failings in the company's provision of its services to the customer, which it has itself acknowledged in this case. These were:

- a. its sending of the Final Demand after the original hold expired on the customer's account (and was not replaced); and

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- b. its acceptance that it could have been more proactive in scheduling up an inspection appointment with the customer (in order to progress its investigations regarding the high meter readings).
15. As a reflection for these failings, I note that the company has apologised to the customer and credited his account with a goodwill payment of £50.00. Additionally, I note that the company has applied a £40.00 Customer Guarantee Scheme (CGS) payment of in the customer's favour so that his account now stands in credit. In all the circumstances, I find that the apologies given by the company were proportionate and that the payments made by way of goodwill gestures were adequate.
16. Beyond the issues referred to in paragraphs 14 and 15 above, by dealing with its charges in the way that it has, the company has – I find - adequately discharged the responsibilities it owes to the customer. The customer's complaint, therefore, together with his request for a more extensive apology and compensation of £10,000, is unable to succeed.

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 20 April 2018 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.

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Nik Carle, LLB (Hons), Solicitor, DipArb, FCIArb

Adjudicator

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