

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0698

Date of Decision: 22 March 2018

Complaint

The customer submits that the company has sent him incorrect bills and that the problems started at his previous address in 2013. The customer requests £2000.00 in compensation for “all the hassle” and “heart ache” caused by the company’s errors and for it to provide one account.

Defence

The company asserts that the customer opened a duplicate account via its website in October 2016 for his current address which it failed to spot at the time. This led to incorrect bills being sent to the customer however it resolved and simplified the issue by cancelling the accounts and opening a third account for the customer, transferring all his bills and payments across and cancelling the incorrect bills. It has applied compensatory credits of £122.38 and £204.86, which on both occasions left a nil balance. This is a fair resolution and it does not accept the customer has justified his request for further compensation. The company made no settlement offer.

Findings

The duplicate/incorrect bills sent to the customer arose following the customer opening a new account via the company’s website indicating he was a ‘new occupier’. Therefore, the customer is partly responsible for the problems that arose from this. However, the company admit its system failed to make a connection between the old and new occupier details and that the subsequent bills sent to the customer would have confused him. It also admits that its staff failed to properly understand what had happened. Due to its handling of the situation, I am satisfied that the company failed to provide its services to a reasonably expected standard. The company has taken appropriate action to address the duplicate account and billing. I do not accept that the credit of £204.86 applied against bill 16 constitutes “compensation” as the evidence indicates the company zeroed this bill due to it believing it was incorrect. However, the company provided the customer with a compensatory credit of £122.38 for the confusion and frustration caused. In view of its mistakes and the stress and inconvenience caused to the customer, I find that the company responsible to pay the customer additional compensation of £150.00.

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Outcome

The company to pay the customer additional compensation in the sum of £150.00.

The customer must reply by 23 April 2018 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 22 March 2018

Party Details

Customer: _____

Company: _____

Case Outline

The customer's complaint is that:

- The company has overcharged him and sent incorrect bills.
- The problems started during his short-term tenancy at 1 Oak Road.
- He contacted the company in late December 2013 and it set up a Direct Debit for £25.00 per month in relation to his current address: 2 Ashes Drive.
- Between 2015 and 2016 payments totalling £631.05 were debited from his account and a further 5 bills were produced amounting to £500.54.
- The customer requests that the company pay him £2000.00 in compensation for "all the hassle" and "heart ache" caused by its errors and provide one account.

The company's response is that:

- The customer's complaint relates only to his current property; 2 Ashes Drive, ('the property') and not 1 Oak Road, which was his previous address. The property is supplied via a water meter and, as such, charges are levied in line with its measured tariff. The customer initially contacted it on 7 February 2014 to register for charges with effect from 7 December 2013 and an account reference 315 [01] was opened. From the initial conversation with the customer it formed the view that it was a single occupancy and monthly payments were therefore initially set at a level of £25.00.
- Following an annual review carried out on 15 February 2015, it found that the customer's monthly payments would need to increase to £35.24. Contact subsequently received from the customer confirmed that this was a two person household. The customer was given advice on

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how to complete a leak test and further contact received from him on 9 March 2015 indicated that there was no leakage. Following a review carried out in September 2015 which took into account the outstanding balance of £182.69, it re-set the customer's monthly payment to £51.36 with the aim to clear this over twelve months. However, after contact from the customer it agreed to reduce this to £40.00 per month as he had indicated he would be working away from the property during the winter period.

- The customer then completed an online form on its website on 27 October 2016. By the way he entered the data, he indicated that he was a 'new occupier' at the property, which clearly was incorrect. This resulted in his existing account being closed and a new account opened; reference 317 [01], also in the name of ██████████
- Once it recognised what had happened, it aimed to simplify matters both for the customer and for itself, closed both accounts and opened a new account; reference 317 [02] . This reflected charges from 7 December 2013 and all payments made to it up to that point were transferred across. The changes required were complex and regrettably, lots of billing correspondence was generated, the receipt of which the customer will have found confusing.
- This was a difficult situation for the customer and on two occasions it has cancelled the outstanding balance on the account to allow a fresh start for the customer: on 13 January 2017 it cancelled £122.38 and on 7 April 2017 it cancelled £204.86 which on both occasions left a nil balance. This is a fair resolution and there is no justification for cancelling the current outstanding account balance of £95.53. At the time it presented its case to the Consumer Council for Water (CCW), it believed that its response to the customer had been a fair and reasonable one. This remains the case and it can see no reason to change its position.

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.

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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 remind the parties that adjudication 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.
2. The dispute relates to alleged billing/overcharging. The customer has provided evidence of bills and correspondence in support and the company has supplied data showing the customer's accounts, bills and payments since 2013. I also acknowledge receipt of the CCW documents which includes both the parties' correspondence exchanged since 2013 and the company's notes made of its telephone conversations with the customer.
3. The customer first moved into the property in late 2013. The customer contacted the company on 7 February 2014 to notify the company of this and it opened an account (reference 315 [01]) in the customer's name to register for charges with effect from 7 December 2013. It is apparent from the evidence that the customer later advised the company that he had first occupied the property on 28 November 2013, however the company advised it did not wish to adjust the charges to reflect this slightly earlier date.
4. Whilst the customer has not particularised specific claims in his WATRS application, having reviewed the evidence, it is clear that the customer was unhappy about the company increasing his monthly Direct Debit (DD) from £25.00 to £35.24 in February 2015 after its review found the customer's monthly DD was not covering his charges and again to £51.36 following its review in September 2015 with the aim to pay-off the arrears over 12 months. I can see that following the customer's call of 26 October 2015, the company agreed to reduce his monthly DD amount to £40.00 as he had advised that he would be away from the property a lot during that winter. The company has explained that the original DD amount of £25.00 was set too low as it was under the impression from its call with the customer on 7 February 2014 that it was a single occupancy. I accept this explanation and I am satisfied that the action taken by the company to

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rectify this by increasing the customer's monthly DD following its reviews, was reasonable. Around the same time the company also provided the customer with a leak test which showed no leakage. In light of my above observations, I find no evidence of the company providing its services to the customer below the standard to be reasonably expected at this stage.

5. A second account was set up in relation to the property and the company has explained this was due to the customer having completed a form on its website on 27 October 2016 with the data he entered indicating that he was a 'new occupier'. The customer has not disputed this and therefore I accept the company's above assertion. I find this transaction automatically closed the customer's existing account and opened a new account; reference 317 [02] (second account), also in the name of ██████ resulting in new bills generated, dating back to 2013.
6. In light of the parties' correspondence included in the CCW bundle, I can see that the customer complained to the company on 22 November 2016 about having received bills totalling £500.54 when he had already paid the company for its services during the same period. It is apparent that over the subsequent months the parties were in communication regarding the customer's duplicated account and bills produced. The company in its letter to the CCW dated 4 October 2017, admits that at the point the second account was created no connection was made between the old occupier and the new occupier being the same person. Further, it states that from when the second account was created, its staff had difficulty in understanding what had happened. I can see that in an attempt to resolve and simplify the situation, it closed both the first and second accounts and opened a new account in December 2016; reference 317 [03](third account). However, the company accepts that due to the complex adjustments required, lots of billing correspondence was generated, the receipt of which the customer will have found confusing. I can see this included a bill being produced in the amount of £221,806.70 on 14 December 2016. Furthermore, in its response to the customer dated 7 April 2017, the company advised the customer it had cancelled his bill number 16 of £204.86 as it was not confident this was correct either.
7. Therefore, the overcharging/duplicate bills stemmed from the customer opening a new account for the property in October 2016 and inputting data indicating he was a new occupier (albeit with the same name and other details, for example the move in date). However, the company's system failed to identify or prevent this happening at the time and the company also failed to adequately rectify the problems this caused including incorrect billing sent to the customer.

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Whilst I find that the customer is partly responsible for the issues caused by his creation of a duplicate account, I find that the company's handling of the situation fell below the standard to reasonably expected.

8. As mentioned above, the customer has not clearly particularised the claims or issues in his WATRS application or supporting documents as such it is unclear if he disputes the current account balance of £95.53 (as at the date of the Defence), on his (third) account. However the company has submitted Excel spreadsheets showing of all the customer's bills and payments made across all of the customer's three accounts. I find these confirm cancellation of the bills on the second account and that a compensatory credit of £122.38 was applied on 13 January 2017 for the "confusion and frustration" caused and that a credit of £204.86 was applied on 7 April 2017 against bill number 16 on the basis that the company was not confident it was correct. Although this evidence does not include the customer's incorrect bill dated 14 December 2016 for £221,806.70, in light of the evidence, I am satisfied this bill was cancelled by the company shortly after it was brought to its attention by the customer.
9. Whilst the customer has stated the problems started at his previous address, he has not explained the alleged issues in his WATRS application nor have I been provided with any detail or evidence of such. In his comments of 14 March 2018, the customer reiterates this claim and asserts the company overcharged him at his former address. However, I find that due to a lack of evidence provided in support, this aspect of the claim has not been substantiated and as a consequence, no failing by the company relating to billing at the customer's previous address, has been proven.
10. Whilst no service failing has been shown in relation to the changes to the customer's monthly DD amounts or problems at a previous address, as the company failed to provide its services to the customer to a reasonable standard when dealing with the duplicate account and billing, I shall proceed with considering the remedies requested by the customer. The customer seeks £2000.00 in compensation from the company for "all the hassle" and "heart ache" caused. Whilst I am not satisfied that the customer has substantiated his claim to this amount in full, I find that the company is liable to pay the customer a measure of compensation for the proven issues. The company has already supplied a compensatory credit of £122.38 for the "confusion and frustration" caused to the customer however in view of the evidence I do not accept that the credit of £204.86 applied against bill 16 was provided as "compensation" as this bill was zeroed

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because the company believed it was incorrect. In all of the circumstances I find it fair for the company to pay the customer an additional compensation amount of £150.00 for the stress and inconvenience caused by its service failures.

11. The customer has also requested in his WATRS application for the company to provide “one account”. In light of the evidence submitted showing all bills and payments have transferred to the third account with the first accounts now cancelled, I am satisfied that the company has already provided this remedy and I am unable to make any direction for the same on this basis.

Outcome

The company to pay the customer additional compensation in the sum of £150.00

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must 23 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.



A. Jennings-Mitchell, Ba (Hons), DipLaw, PgDip (Legal Practice), MCI Arb
Adjudicator

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