

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1078

Date of Decision: 12 November 2018

Complaint

The customer states that the company has used the words, "application of a leak allowance" on an adjusted bill and that this leaves the customer in a prejudiced position regarding future potential leak allowances. The customer seeks the complete expunging of all reference to a "leak allowance". Failing this, the customer seeks that the following wording is added to the bill, "This bill was reissued due to the application of a full leak allowance because of a leak in our pipework. This does not prejudice the application of a one off leak allowance in future in appropriate circumstances."

Defence

The company denies that the use of the words "application of a leak allowance" on its billing implies any liability rests with the customer. It states that this terminology is used regardless of the party at fault for the leak. It states that it cannot supply tailored bills to its customers. The company claims it has made assurances that this allowance will not affect any future leak allowances that may occur.

No offer of settlement has been made.

Findings

The use of the wording on the bill does not prejudice the customer. The customer has not established that the company failed to reach the standard to be reasonably expected.

The company acted in accordance with its legal obligations.

Outcome

The company does not need to take any further action.

The customer must reply by 10 December 2018 to accept or reject this decision.

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- The customer seeks as a remedy the complete expunging of all reference to a “leak allowance”. Failing this, the customer seeks that the following wording is added to the bill, “This bill was reissued due to the application of a full leak allowance because of a leak in our pipework, this does not prejudice the application of a one off leak allowance in future in appropriate circumstances.”

The company’s response is that:

- It accepts that in December 2017 a leak for which it was responsible was identified at the customers premises.
- It accepts that a leak allowance was calculated in January 2018 and applied to the customer’s account.
- It states that it reissued a number of bills and that these carried the words: “the bill was reissued due to the application of a leak allowance.”
- It states that there are different considerations for the allowances due, depending on whether the leak was the responsibility of the customer or the company.
- The company does not accept that it has used the wrong terminology for the adjusted bill.
- It states that the allowance given will not impact the customer’s eligibility for any future applications for an allowance.
- The company does not believe that the customer has substantiated his claim and does not agree to the remedies sought.
- It states in reply to the customer’s comments that the bills are generated in a coded form and it would not be commercially expedient to produce individually tailored bills.

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

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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.

How was this decision reached?

1. The WATRS scheme is an evidence based process and the decision I make is based solely upon my consideration of the evidence produced by the parties in the matter. For clarity, the WATRS scheme applies established legislation, guidance and regulation to the cases to be decided.
2. It is common case between the parties that there was a leak that was affecting the metering of the customer's property and that responsibility for this leak was accepted by the company and an adjustment made to the customer's billing in January 2018 to reflect any overcharging.
3. The customer claims that the use of the words "application of a leak allowance" on the revised bills is prejudicial to his position as a customer and may affect any future claim he might have in respect of a leak that is his responsibility. The company denies this and states that the word "allowance" is the term that they allocate to the readjustment of bills in leakage cases, whether or not the responsibility lies with itself or with the customer.
4. The customer makes the claim that, as he was not at fault for the leak, the use of the word "allowance" is not a correct reflection of the facts as it implies that he bore some blame for the problem. The company has explained in its defence that when there is a leak a calculation is made based on an estimate of what water the property would have used set against the amount of water actually metered. This amount is then returned to the customer's account and referred to as a "leak allowance."
5. In evidence the company has produced a document at Exhibit 1 entitled, *Code of Practice. Household Customers*. At section 3.12.6 it states, "There will be no adjustment of charges if any of the following applies: 1. Another leak occurs after an adjustment for an earlier leak." The customer states that he should have a "clean slate" with regard to his bill, as this leak was not

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his responsibility. On examining the document and the correspondence I am of the opinion that section 3.12.6 refers to leaks that are the fault of the customer, not the company. Further, that the section cited above can only be properly understood in that context. That is, where a customer has had an adjustment made for a leak which was the fault of the customer, he may not obtain a further adjustment for another, later leak that is also his fault. How this is applied in practice is a moot point because in the case before me the customer has not had an adjustment for a leak which was his fault, but for a leak that the company has accepted was its own responsibility. This acceptance of responsibility has been openly acknowledged by the company both in writing and by its actions towards the customer when he was recompensed for the loss caused by the leak.

6. I have not been provided with any legislation, guidance or regulation that supports the customer's position regarding his interpretation of the wording on his adjusted billing.
7. I consider that the ordinary meaning of the words "application of a leak allowance" is that it is an amount of money that has been determined and applied to a customer's account to take into consideration that a leak was found, and water lost rather than used by the household. There is no other legal meaning presented to me in this application. Based on the evidence, I do not find that there is anything other than the ordinary meaning of these words intended by the company. I do not find that the use of these words is prejudicial to the customer's position. The word "allowance" in the sentence is in apposition to the word "leak" and should be understood in that context. It is not something being "allowed" to the customer. In other words, there is no allegation in the wording on the bill that should be taken as an indication of customer liability or otherwise.
8. I note that the company has stated in its defence at paragraph 9: "The application of the leak allowance applied by RST Water due to a leak on pipework for which RST Water is responsible will not impact []'s eligibility for any future leak allowances, whether or not a future leak occurred on RST Water's pipework or private pipework." I note that the Consumer Council for Water (CCW) has stated to the customer in a letter dated 23rd July 2018, that the application of this allowance "will not affect future claims."
9. I find that, on the evidence provided, the company has responded adequately to the concerns of the customer regarding his future position should a further leak occur. It has made assurances

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directly to the customer, and via CCW, that the adjustment already applied will not affect any future leaks that may occur.

10. The customer states in his application, and in particular in his reply, that he believes the company is acting unreasonably by not removing the wording from his bill, or, alternatively, by not amending the wording to his preferred statement. I note that this is the remedy also sought by the customer. The company states in its final statement that the billing operates on a coded system and does not allow for individual tailored bills to be produced. The customer believes that this is wrong and asserts that all customers' bills are in fact tailored, otherwise they would all be charged the same amount.
11. I find that it is appropriate and reasonable for the company to make an explanation on the billing of money credited to the customer's account. I do not find it unreasonable that a company, with so many customers, employs a coded method of billing. The billing system does allow for individual amounts to be applied to the bills but does not allow for personalized statements to be added to the bills and I do not find that this is unreasonable. I note that the company have assured the customer in writing that it accepts responsibility for the leak. The manner in which a company produces its billing is a matter for its internal business policy. It is not within my discretion under the WATRS scheme to direct any changes of internal policy matters. I am not provided with any legislation or guidance that supports the position of the customer or indicates that the company is acting in contravention of law or guidance in its method of billing. I do not consider that the company has acted unreasonably or failed in its customer service in any way in this regard.
12. The customer alleges that the company has not been clear in its use of the terms that it applies to leak allowances. He states that he has only heard the use of the term "one off" from the CCW. The company has provided its policy regarding leak allowances in Exhibit 1. I note that the policy does not go into detail regarding leaks that are the fault of the company. However, I find that the explanation regarding the application of leaks for which the customer is at fault, is clear in the document. This is the concern that the customer has, that he will not be entitled to an adjustment should he have a leak that is his fault in future. The assurances given by the company regarding the liability of the leak found in 2017 are, I find, sufficient to satisfy the question of whether or not the customer will be able to claim in future for an allowance should he have a leak for which he is responsible.

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13. I do not find that the attitude of the company to the previous leak in 2017 gives any rise for concern that they may act unreasonably in future. In fact, the prompt action of the company in dealing with the leak, accepting liability and making the adjustment to the customers bill, indicate to me that there is no reason to believe that they are acting in a self-serving way in the production of the billing for the customer.

14. Whilst I can appreciate the concerns of the customer regarding his position in respect of future leaks, in this instance it follows from my considerations above that I am not satisfied that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person

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 10 December 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.



J J Higgins, Barrister, ACIArb.

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Adjudicator

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