

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0560

Date of Decision: 14 August 2017

Complaint

The customer submits he requested that the company install a water meter in his property. Immediately following the installation, there was a water pipe leak (which became apparent the next morning) and this caused damage to his property. An independent reviewer estimated the damage repair cost to be £900.00 + VAT. The company's agent who installed the meter has accepted liability and has already offered £500.00 for the repairs; however, the company has refused to provide any compensation. The customer is therefore seeking a further £500.00 in compensation from the company.

Defence

The company does not accept that it should provide the customer with the redress claimed. The company submits that its agent has already offered the customer £500.00 towards the repair costs and suggests that the customer could make a claim on his insurance to cover the cost of the repairs.

Findings

On a balance of probabilities, I find that the water meter installation was the cause of the leak and the subsequent property damage. This finding is supported by the fact that the company's agent has accepted liability and offered £500.00 in compensation to the customer. I am therefore satisfied that the company failed to provide its services to the standard that one would reasonably expect and the customer has suffered loss as a result of this failure. I therefore find it fair and reasonable for the company to provide the customer with compensation in the sum of £500.00 as claimed.

Outcome

The company shall provide the customer with compensation in the sum of £500.00.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.



The customer must reply by 12 September 2017 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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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /0560

Date of Decision: 14 August 2017

Party Details

Customer: [REDACTED]

Company: [REDACTED]

Case Outline

The customer's complaint is that:

- He requested that the company install a water meter at his property.
- Immediately after the water meter was installed by a company agent there was a water pipe leak (which became apparent the next morning when water started to come through the ceiling) and this caused damage to the customer's property.
- An independent reviewer estimated that the cost of repairing the damage would be £900.00 + VAT.
- The company's agent accepted responsibility and offered £500.00 towards the repairs. However, the company does not accept that it should provide any further compensation and suggested that the customer could claim on his insurance.
- The customer is now seeking £500.00 to cover the remaining cost of repairing his property.

The company's response is that:

- It does not accept any liability to provide the customer with compensation.
- The company acknowledges that an independent reviewer has estimated the cost of repairing the property damage to be £900.00 + VAT. The company submits that its agent has already offered £500.00 but it will not provide any compensation itself.
- The company suggests that the customer may wish to use his insurance to repair the damage.

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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. The crux of this dispute lies with the customer's assertion that the company's installation of a water meter at his property caused a leak which resulted in property damage. It is not disputed by the parties that the property damage will cost £900.00 + VAT (as estimated by the independent reviewer) to rectify and that the company's agent has already offered £500.00 in contribution for these remedial works. The customer is now seeking a further £500.00 from the company in order to recover the full cost of repairing the damage to his property.
2. Following careful examination of all the parties' submissions, I am mindful that the leak occurred immediately after the company's installation of its water meter at the customer's property (and became apparent the following morning when water started to come through the ceiling). Given the proximity of time between these two events, on a balance of probabilities, I am inclined to accept that the company's installation of the water meter was the causal origin of the leak which resulted in the damage to the customer's property. I find that this finding is further supported by the company's agent accepting responsibility and offering to contribute £500.00 to repair the damage caused by the leak. Consequently, I am satisfied that the company has failed to provide its services to the standard to be reasonably expected by the average person in this instance.

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3. Upon review of all the correspondence between the parties, I am mindful that the company appears to have placed the liability to provide compensation for the customer's property damage on its agent and has appeared to serve as a compensation broker between the customer and its agent. However, I must draw attention to the fact that because the company's agent was conducting work as an agent of the company, the liability for any failures and damage resulting from the agent's work ultimately falls upon the company as the agent's principal.
4. I am mindful that the company has refused liability to provide any compensation to the customer suggesting that he may wish to use his insurance to claim for the damage. In light of my findings above, I am satisfied that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person and that the customer has suffered financial loss as a result of this failure. Whilst it is the customer's own prerogative if he wishes to make a claim on his insurance policy to cover the cost of the damage to his property, I find that he is not obliged to do so. Under the circumstances, the customer has made it clear that he wishes to recover the cost of the property damage from the company as it is ultimately responsible for the damage caused by its agent. I am mindful that the estimated total repair cost would be £1080.00 (inclusive of VAT) and that the company's agent has already offered £500.00 towards this cost. I am mindful that the customer has opted not to claim £580.00 (the remaining cost of repairs after the company agent's offered compensation of £500.00) or £1080.00 (the full repair cost) from the company. The customer has expressly only requested £500.00 in compensation from the company. Therefore, in light of all the above, I find that it is fair and reasonable that the company provides the customer with compensation in the sum of £500.00 as claimed.
5. Consequently, I am satisfied that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person and that the customer has suffered financial loss as a result of this failing by the company. I therefore direct that the company provides the customer with compensation in the sum of £500.00.

Outcome

The company shall provide the customer with compensation in the sum of £500.00.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 12 September 2017 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.



E. Higashi LLB (Hons), PGDip (LPC), MCI Arb.

Adjudicator

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