

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0826

Date of Decision: 18 June 2018

Complaint

The customers state that the company installed a water meter at their property without their consent, and thereafter provided poor customer service in resolving problems that arose. They request compensation of £2,000.00 for the time they have spent dealing with the matter, and £2,000.00 for the poor service, worry, stress and inconvenience they have experienced.

Defence

The company acknowledges that there are many areas in which its service to the customers could have been better. The company has offered compensation to the customers of £240.00, but this has been declined.

Findings

Both parties agree that the company failed to provide its services to the customers to the standard to be reasonably expected by the average person.

Outcome

The company needs to take the following further action: It must pay the customers compensation of £750.00 for failing to provide its services to the customers to the standard to be reasonably expected by the average person.

The customers must reply by 16 July 2018 to accept or reject this decision.

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The company's response is that:

- Historically water was supplied to the customers' property through a long shared private supply pipe, supplied by one bulk meter, with a single customer being billed by reference to the volume of water used.
- As this arrangement would have been based on a private agreement, the company had no knowledge of which properties were connected to the supply, and had no records of who was using the supply.
- On 28 November 2016, the customer who had been paying the combined water bill (the "Original Customer") explained that there were 17 properties connected to the supply, and requested that meters be installed so that in future each user could pay the company directly.
- The company supplied a quotation to the Original Customer for the installation of the private water meters, and this quotation was accepted by the Original Customer on 20 February 2017.
- The required work was planned and agreed directly with the Original Customer, and was completed between 3 April 2017 and 11 April 2017.
- The company's expectation was that the Original Customer would communicate with the other parties receiving water, to keep them informed about the process.
- On 5 April 2017, the company identified that a meter was already supplying the customers' property, and replaced that meter with a new one.
- On 15 June 2017, an account was created for the customers.
- On 5 July 2017, the company received a complaint from the customers through the Consumer Council for Water.
- The company recognised that the meter it had replaced served two properties, and two separate meters would need to be installed.
- A new meter, dedicated to the customers' property, was installed on 15 February 2018.
- A number of communications took place between the parties regarding this matter.
- The company acknowledges that there are many areas in which its service to the customers could have been better.
- It has offered compensation to the customers of £40.00 for not directly responding to two emails, in line with the Guaranteed Standards Scheme.
- It acknowledges that an error was made in replacing the original meter, but the problem was resolved when it was highlighted.
- Additional errors subsequently occurred, including a communication breakdown with the customers' Letting Agents, incorrect photos and plans being sent to the customers, and the

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company asking if it could install a water meter on 15th February 2018, despite this not being part of its agreement with the customer.

- Apologies have been provided to the customers for these failures.
- The company attempted to reduce inconvenience to the customers by offering to address matters over the phone, but this offer was declined by the customers.
- It has prevented any charges being raised for the water supply at the property.
- It has covered the cost for the additional work required to install a meter correctly.
- It has covered the cost for the customers' Letting Agent to be present during a visit.
- It has offered compensation to the customers of £200.00, representing one year of free water for an average customer.
- The £4,000.00 being claimed by the customers is disproportionate.

The customers' comments on the company's response are that:

- Information on the users of water under the original agreement were supplied to the company by the Original Customer in January 2017.
- Moreover, the company was able to identify the customers in order to bill them.
- The company should have asked for their consent, rather than relying on information from a third party.
- The offer of a telephone conversation was declined in order to ensure that a written record was available.
- They have still not received reimbursement of the £227.63 cost of the installation of the water meter in Spring 2017.
- The company's offer of £240.00 compensation is derisory and an insult.

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.

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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 company has acknowledged that there were failures in the customer service it provided to the customers, and that it failed to provide its services to the customer to the standard to be reasonably expected by the average person. It has also acknowledged that the customers are entitled to compensation for these failures.
2. The company and the customer are also in agreement on the underlying facts of the case.
3. The remaining disagreement relates to the amount of compensation the customers should receive. The company has offered compensation of £240.00, while the customers request compensation of £4,000.00.
4. The customers have broken down their requested compensation into two components, consisting of £2,000.00 for the time they have spent resolving this matter with the company, and £2,000.00 for poor service, worry, stress and inconvenience.
5. While there is no question that the customers have invested a significant amount of time into this matter, no evidence has been provided that this was time that would otherwise have been spent in income-generating activity, and thus it has not been demonstrated that this time represented a financial loss for the customers. As a result, I find that the customers' claim is properly understood as representing the inconvenience of having to deal with this matter, and thus overlaps with their second claim.
6. Consequently, this element of the customers' claim does not succeed.
7. The customers also claim £2,000.00 for poor service, worry, stress and inconvenience, and the company has acknowledged that compensation is owed in this respect.

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8. I accept that the customers have experienced poor service and inconvenience, and I also accept the customers' statement that they have experienced worry and stress.
9. However, it must also be taken into account that one significant contributor to the inconvenience experienced by the customers was that all communications with the company were undertaken via email. The company offered to address the matter by phone, but this was declined by the customers. While it is understandable that the customers wished to have a written record of their dealings with the company, it is significantly slower and more time consuming to resolve complex matters over email than by phone.
10. I find, therefore, that the customers' insistence on using email significantly increased the number of communications required to resolve this matter, and so the amount of time required. This was a voluntary decision by the customer, and means that customer bears primary responsibility for any inconvenience this method of communication caused.
11. Although the customers argue that the company should have secured their consent for the installation of a water meter, I note that the customers live in an area that has been determined by the Secretary of State to be an area of "serious water stress". As a result, the company was entitled by the Water Industry Act 1991 to install a water meter on the customers' property.
12. Nonetheless, I find that the company created significant problems through its decision to install a water meter without communicating with the customers, even though it had limited knowledge of the private supply pipe it was metering.
13. As the company acknowledges, this initial problem was then supplemented by further customer service errors.
14. While the company has apologised to the customer, and the extensive record of communications with the customer demonstrates the company's attempts to resolve the problems that arose, I find that the customer is nonetheless entitled to compensation.
15. The customers have, however, not demonstrated an entitlement to the £2,000.00 claimed. While I accept that they experienced poor service, worry, stress and inconvenience, the record

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is also clear that the company remained in regular contact with the customers over an extended period, and attempted to resolve the problems that arose.

16. I find, therefore, after consultation with the WATRS Guide to Compensation for Inconvenience and Distress, that compensation of £750.00 would be fair and appropriate.
17. Consequently, the company must pay the customers compensation of £750.00 for failing to provide its services to the customer to the standard to be reasonably expected by the average person.
18. The customers also make reference to a payment of £227.63 that they suggest should be reimbursed. They have not expressly claimed for this payment in this proceeding, but have made repeated reference to it not being returned.
19. Nonetheless, on the basis of the evidence available to me, I find that the company is not obligated to return the payment in question to the customers. The company received payment directly from a third party, while the customers made their payment to that third party under a private arrangement. If the company is obligated to return the £227.63 payment, such an obligation can only exist with respect to the third party who made the payment, and not with respect to the customers.
20. Consequently, if the customers are entitled to the reimbursement of £227.63 that they claim, they must seek this reimbursement from the third party to whom they made the payment.
21. In view of the above, the company must pay the customers compensation of £750.00 for failing to provide its services to the customers to the standard to be reasonably expected by the average person.

Outcome

The company needs to take the following further action:

It must pay the customers compensation of £750.00 for failing to provide its services to the customers to the standard to be reasonably expected by the average person.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
 - The customer must reply by 16 July 2018 to accept or reject this decision.
 - If you choose to accept this decision, the company will have to do what I have directed within 20 working days of the date on which WATRS notifies the company that you have accepted my decision. If the company does not do what I have directed within this time limit, you should let WATRS know.
 - If you choose to reject this decision, WATRS will close the case and the company will not have to do what I have directed.
 - If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision. WATRS will therefore close the case and the company will not have to do what I have directed.
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Tony Cole, FCI Arb

Adjudicator

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