

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0838

Date of Decision: 17 September 2018

#### Complaint

The customer's claim is that the company took an excessive amount of time to repair a burst water main and the resulting flood damage to her property. This excessive time for repairs led the customer to incur additional costs for alternative accommodation and she endured stress and inconvenience throughout this period. The customer is seeking the company to pay compensation of £4,000.00 for: the additional costs incurred, the stress and inconvenience caused to her and her family by the delays in repairing the property.

#### Defence

The company submits that the repair to the burst main was conducted within six hours of the leak being reported. The lengthy delay in repairing the customer's property was due to the need to dry the property thoroughly before redecorating and restoring the property, this was advised to the customer at the time. It is the company's understanding that the additional accommodation was arranged by the council and that the customer did not bear these costs. However, the company is willing to review a claim on the additional accommodation if the customer supplies evidence of the costs incurred, which to date she has not. With regard to the additional damage to the property and its contents, the company has strict liability where damage is caused to property and the company has paid £1,100.00 for various damaged items, which the customer has accepted. With regard to the stress and inconvenience caused due to the lengthy repair works the customer has been offered £500.00, which the customer has declined and therefore no further sums are due. The company has not made any further offers of settlement.

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## Findings

I am satisfied the evidence points to the fact the company did not fail to provide its services to the customer to the standard to be reasonably expected, with regard to the time to repair a burst water main and the resulting flood damage to her property. Furthermore, I am satisfied the works were done by the company as quickly as it could, considering the circumstances. With regard to the inconvenience and stress incurred I am satisfied there have been no additional failings that the customer has not already been offered adequate compensation for and I direct the company to pay the offered sum of £500.00 to the customer. With regard to customer service, I am satisfied there have been no failings as the company has provided a good level of service at all times throughout its dialogue with the customer.

## Outcome

The company needs to take the following further action:

The company shall pay the offered sum of £500.00 to the customer.

- The customer must reply by 15 October 2018 to accept or reject this decision.

## ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /0838

Date of Decision: 17 September 2018

### Party Details

Customer: [ ]

Company: [ ]

### Case Outline

#### **The customer's complaint is that:**

- The customer's claim is the company took an excessive amount of time to repair a burst water main and repair the resulting flood damage to her property.
- The customer further states the excessive time for repairs resulted in the customer incurring additional costs for alternative accommodation and enduring stress and inconvenience.
- The company should have insurance to cover the cost of replacing her damaged belongings with new items rather than paying the second-hand value.
- The customer is seeking for the company to pay compensation of £4,000.00 for the stress and inconvenience caused to her and her family by the delays in repairing the property, the additional costs incurred for the accommodation and the additional costs to replace her belongings with new items.

#### **The company's response is that:**

- The company state that the repair to the burst main was conducted within six hours of the leak being reported and the delay in repairing the customer's property was due to the need to dry the property thoroughly before redecorating and restoring the property, this was advised to the customer at the time.
- It is the company's understanding that the additional accommodation was arranged by the council and the customer did not bear this cost. However, the company is willing to review a claim on the additional accommodation if the customer supplies evidence of the costs incurred, which to date she has not.
- The company has strict liability where damage is caused to property and the company has paid £1,100.00 for any additional damage to the property and its contents, which the customer has accepted. No further sums are due in this regard.

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- The customer has already been offered £500.00 with regard to stress and inconvenience incurred, which the customer has declined.
- The company has provided a good level of service at all times throughout its dialogue with the customer and therefore the company is not liable for any damages in this respect.

### 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 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 dispute centres on whether the customer is entitled to compensation of £4,000.00 for the amount of time the company took to repair a burst water main and the resulting flood damage to her property. The company is required to meet the standards set out in the Water Industry Act 1991 and the Water Supply and Sewerage Services (Customer Service Standards) Regulations 2008. The combined effect of these is to place an obligation on a water and sewerage company that when there is a report of a leak, the company needs to investigate fully if the company's assets are to blame and, if repairs are needed, make such repairs to prevent further leaks.
2. Furthermore, the company also has certain obligations in respect of its customer services as set out in OFWAT Guaranteed Standards Scheme and the company's own Customer Guarantee Scheme.

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3. From the evidence put forward by the customer and the company, I understand that at 11:32 on 11 December 2017 the company was informed that one of its main pipes had burst and was flooding surrounding properties. The water main was isolated, and water supplies turned off to prevent further flooding at 12:49 on 11 December 2017. Repairs commenced at 13:13 the same day. The company's insurance specialist attended the customer's property at 15:00 and completed an emergency inspection, following which they discussed with the customer the process to dry and restore the property. The evidence shows that at 18:30 the water main was repaired, and water supplies restored. In light of the above, I am satisfied the approximate seven hours taken to repair the burst water main was not excessive and the company did not fail to provide its services to the customer to the standard to be reasonably expected in this respect.
4. The repairs to the customer's property were completed at the beginning of February 2018, approximately two months after the date of the flooding. Within the company's defence it is explained that the property had to be dried, which took a considerable period of time. The evidence shows that the drying process took from 11 December 2017 to 28 December 2017 to be completed, with numerous visits from the company's drying team. Furthermore, during this period asbestos tiles had to be removed from the property, which required the involvement of a specialist company, which, in turn, led to further delay. Once the drying process was complete the company organised the property to be repaired, which was completed at the beginning of February 2018. Additionally, after careful analysis of the various correspondence between the parties I am satisfied that the company maintained an ongoing dialogue with the customer at each stage of the works. In light of the above, I find that there are no grounds to conclude that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person with regard to the length of time taken to dry and repair the property.
5. On 11 December 2017, the company representative met with a representative of the customer's housing association who confirmed the council would be arranging temporary accommodation during the drying and restoration works. The company states within its defence that it offered alternative accommodation, but this was declined. However, the customer states within her WATRS application that she had to pay for this additional accommodation as well as the ongoing rent on her property. Although I note that, despite requests from the company such as the emailed dated 28 March 2018, the customer has not supplied any evidence with regard to this additional accommodation cost either before or during her WATRS application. The WATRS scheme is evidence based and I am satisfied that the customer has neither supported

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her position with evidence or explained why she is unable to do so. I accept the company's position and find that no sums are due in this regard. I note that the company has made an offer to the customer to reconsider its position if she provides evidence that she incurred costs for her accommodation.

6. In accordance with Section 209 of the Water Industry Act 1991, the company is liable for any damage for any loss or damage caused by an escape of water from its assets. On 20 December 2017 the company's insurance team wrote to the customer to establish what belongings had been damaged by the flooding. After various correspondence between the parties it was agreed the sum of £1,100.00 would be paid to the customer to cover the damaged belongings. It was explained during this process that the customer may consider claiming on her own house insurance as that would generally offer new for old rather than the company's insurance, which was on an indemnity basis. This means the company insurance would only pay for the second-hand value of an item. I find that no further sums are due in this respect, as whilst I appreciate the customer's point of view she has agreed and signed a form of discharge for £1,100.00 and was advised at the time of her options by the company.
7. The customer has stated that due to the length of the repairs, particularly as they were over the festive period, she experienced high levels of inconvenience and stress. After careful review of the evidence put forward by both parties I find that compensation is due for this aspect of the customer's claim. Whilst I sympathise with the customer regarding the inconvenience, stress and disruption the incident would have undoubtedly caused her during the festive season, I find the redress requested of £4,000.00 is disproportional to the claim and I am of the view that the sum offered by the company of £500.00 is a more appropriate sum bearing in mind the issues in dispute. Therefore, I direct the company to pay £500.00 to the customer to cover this aspect of the customer's claim.
8. The company has certain obligations in respect of its customer services. The company has stated that no Customer Guarantee Scheme (CGS) payments are due, as in this instance the customer does not qualify. After careful analysis of all the evidence provided I am satisfied the company's position is correct with regard to the CGS payments. Furthermore, by the end of the company's dialogue with the customer, the company had adequately explained the reasons behind the delay in repairs to the customer property and the difference in the insurance pay outs.

9. In light of the above, I am satisfied the company did not fail to provide its services to the customer to the standard to be reasonably expected, with regard to the time to repair the burst water main and the resulting flood damage to her property. Furthermore, I am satisfied the works were done by the company as quickly as it could, considering the circumstances. With regard to the inconvenience and stress incurred, I am satisfied there have been no additional failings that the customer has not already been offered adequate compensation for and so I direct the company to pay the offered sum of £500.00 to the customer. With regard to customer service, I am satisfied there have been no failings as the company has provided a good level of service at all times throughout its dialogue with the customer.

#### Outcome

The company needs to take the following further action:

The company shall pay £500.00 to the customer.

#### What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 15 October 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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**Mark Ledger FCI Arb**

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**Adjudicator**

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