

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0873

Date of Decision: 10 December 2018

Complaint

The customer submits that he contacted [] (RST) about an increase in his bills. RST initially confirmed that there was no leak in his building. RST then confirmed that a leak had been found on its pipework and that it would cover the cost of repair. However, RST has since reneged on this position, stating that the leak is on private pipework and is his responsibility to repair. He has made countless calls to RST and now to the company, since his account transferred from RST on 1 April 2017. The company promises to investigate and call him back but rarely does so. He repaired the leak on 21 May 2018 at a cost of £580+VAT, his latest water bill being £37,518.77. The customer requests that RST and the company accept liability for the leak and repair, and amend his bill to pre-leak amounts. The customer also requests £7,500.00 compensation.

Defence

The company submits that RST confirmed that the leak was on its side and that RST would be responsible for the repair of the leak. However, this information was later found to be incorrect and the customer was advised. The customer was informed that the leak was in fact on the pipework on his side of the meter and was his responsibility to repair. However, RST advised it would grant a leakage allowance as a gesture of goodwill for the incorrect information that had previously been supplied, on the basis that the leak was repaired promptly. The customer insisted that the leak was not his and that he would not be repairing the leak. The customer has now informed it that the leak was repaired in May 2018; 16 months after he had been advised that it was his responsibility to repair the leak. The wholesaler has confirmed the offer of an allowance will still be granted but the customer will need to provide a plumber's receipt and two readings to show the consumption had decreased following the repair. No offer of settlement was made.

Findings

The company and RST are separate entities. My remit is to determine the issues between the customer and the company. It falls outside of my remit to consider any claims against RST. The evidence shows that RST, and not the company, is responsible for investigating leak claims and granting any leak allowances. It is not the company's responsibility to repair the leak. Responsibility for repair lies with either RST or the customer, and it is not within my remit under this adjudication to determine whether the customer or RST is

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responsible for the leak repair. The company's duty is to contact the wholesaler and raise any claims or query any decisions on the customer's behalf, and the evidence shows that the company failed to provide a reasonable level of customer service whilst liaising with the wholesaler on the customer's behalf.

Outcome

The company needs to take the following further action:

I direct that the company pay the customer compensation in the sum of £300.00.

The customer must reply by 11 January 2018 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 10 December 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- He contacted [] (RST) about an increase in his bills. RST sent an engineer out to inspect his supply on 5 August 2016 and the engineer confirmed that there was no leak in his building.
- RST then sent an email on 5 September 2016 confirming that a leak had been found on its pipework and that it would cover the cost of repair. RST has since reneged on this position, stating that the leak is on private pipework and for the customer to repair.
- He has made countless calls to RST and now the company, since his account transferred from RST on 1 April 2017, where the company promises to investigate and call him back but rarely does so. On 1 December 2017, the company told him that RST had made a mistake, which has never been admitted before.
- He repaired the leak on 21 May 2018 at a cost of £580+VAT, his latest water bill being £37,518.77.
- The customer requests that RST and the company accept liability for the leak and repair, and amend his bill to pre-leak amounts. The customer also requests £7,500.00 compensation for stress and inconvenience, time lost in dealing with the complaint, and the loss of a member of staff as he was worried about the future of the company.

The company's response is that:

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- The customer originally contacted RST on 5 May 2016 as consumption had increased and the customer advised that he had been made aware there was a leak.
- A leak inspection visit took place on 2 September 2016. During this visit it was confirmed that the leak was on RST's side and that RST would be responsible for the repair of the leak. This information was provided to the customer in an email on 5 September 2016.
- This information was later found to be incorrect. The leak was in fact located after the meter, and, albeit that the meter is located 30 meters from the property boundary, the pipework from the meter to the property is the responsibility of the customer's.
- In January 2017, the customer was informed again that the leak was in fact on the pipework on his side of the meter and his responsibility to repair. This is information that was contested.
- Due to the conflicting information, the company made a request to the wholesaler on behalf of the customer to repair the leak and to provide an allowance for the water lost. In May 2017, RST advised that it would not repair the leak, as this is a leak on the private side and is the responsibility of the customer to repair. However, on the basis that the leak was repaired promptly, RST advised it would grant an allowance for both clean water and waste water as a gesture of goodwill for the incorrect information that had previously been supplied. The customer insisted that the leak was not his and that he would not be repairing the leak.
- The customer also confirmed that he did not believe that it was his responsibility to repair the leak in December 2017.
- It has now been informed that the leak was repaired in May 2018; 16 months after the customer was advised that it was his responsibility to repair the leak. However, no readings have been provided and it has not been sent a copy of the invoice for the plumber's repair. A decrease can be seen in the consumption; however, this does not reflect the consumption prior to the leak.
- The wholesaler has confirmed the offer of an allowance will still be granted against clean water and waste water, the customer will need to provide a plumber's receipt and two reads to show the consumption had decreased following the repair.
- During its investigation of this case, it can see £20.00 has already been applied to the customer's account for a failed call back in August 2017. As the wholesaler has agreed an out of policy decision to grant an allowance, no further compensation will be granted.

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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.

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?

Meter distance

1. I note the customer's submissions about the meter distance in his Comments on the Defence. This issue was not raised by the customer in his WATRS application. I must remind the parties that under s.5.4.3 of the WATRS Rules, the customer cannot introduce new matters or evidence in their comments on the company's response. Any such new matters or new evidence must be disregarded by the adjudicator.

Wholesaler and Retailer

2. In April 2017, the water market in England opened up to retailers, and all non-household customers were moved to a retail/wholesale structured service.
3. The evidence shows that the company is the retailer and RST is the wholesaler. Retail companies and wholesale companies are separate entities. The customer has a contractual relationship with the retailer only. Under the Water Redress Scheme, a customer can only make

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a complaint against the company with whom they have a contractual relationship with; that is, the retailer. Therefore, for the purposes of this decision, my remit is to determine the issues between the customer and the company.

4. This adjudication can only consider the duty owed by the company to its customers. The company's duty is to contact the wholesaler and raise any claims or query any decisions on the customer's behalf.
5. It falls outside of my remit to consider any claims or complaints against RST.

Responsibility for leak repair

6. It is not in dispute that there was a leak on the customer's supply that has resulted in high consumption charges on the customer's account.
7. The evidence shows that RST, and not the company, is responsible for investigating leak claims and granting any leak allowances.
8. The evidence also shows that although RST initially stated that the leak was its responsibility to repair, it subsequently stated that it had given the customer incorrect information and that the leak is on pipework which falls under the responsibility of the customer. RST refused to undertake any repairs.
9. I acknowledge the customer's claim that he is not responsible for the leak repair. However, under this adjudication it is not within my remit to determine whether the customer or RST is responsible for the leak repair. As discussed above, RST, and not the company, is responsible for investigating leak claims and any claims or complaints against RST cannot be considered under this adjudication. I therefore find no failings on the company's part in this regard.
10. For the avoidance of doubt, I note the company's submissions that RST is still willing to grant a leak allowance, provided the customer provides a plumber's receipt and two reads to show that consumption had decreased following the repair. The customer in his Comments on the Defence states that the receipt is currently with his accountant, and asked if WATRS requires this receipt. However, WATRS cannot grant a leakage allowance or liaise with the company or the wholesaler on the customer's behalf. Should the customer wish to take up the offer of the

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leakage allowance, he should contact the company directly who can liaise with the wholesaler on his behalf.

The company's obligations

11. The company does not have a responsibility to repair the leak. However, it does have a duty to contact the wholesaler and raise any claims or queries about the matter on the customer's behalf.
12. Having carefully considered the evidence provided, I accept the customer's submissions that the company failed to provide a reasonable level of customer service whilst liaising with the wholesaler.
13. The company submits that the only failing found during the complaint investigation was a failed call back in August 2017, for which it applied £20.00 to the customer's account. However, the evidence indicates a number of other failed call backs, such as on 24 July 2017 and 11 May 2017. I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.
14. The evidence also shows that there are a number of discrepancies in the information given by RST to the company against the series of events described by the customer, and that copies of correspondence RST relied on to support its position were initially not obtained from RST. The customer raised this with the company. However, there is no clear evidence to show that the company in turn raised all of the issues with the wholesaler. Nor is there any clear evidence that the company challenged RST to provide the correspondence it relied on to support its position until after the complaint had been ongoing for a number of months. I am not satisfied that the company has shown that it did all it could to obtain information from the wholesaler. Consequently, I find that the company failed in its obligations to the customer in this regard.
15. In addition, I find that in its correspondence with the customer, the company failed to distinguish between itself and the wholesaler on numerous occasions. It is clear from the evidence that this has caused the customer confusion as to where the company's responsibilities lie, and that this has caused the customer stress and inconvenience. I therefore find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.

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Redress

16. In respect of the customer's requests that RST and the company accept liability for the leak and repair, and amend his bill to pre-leak amounts, as discussed above, RST, and not the company, is responsible for investigating leak claims and granting any leak allowances. I find no failings on the company's part in these regards. Any claims or complaints against RST cannot be considered under this adjudication. Consequently, this aspect of the customer's claim is unable to succeed.

17. The customer also requests £7,500.00 compensation. In light of my findings above, that the company failed to provide a reasonable level of customer service, and bearing in mind that the issues with the customer and the company has been ongoing for over a year, I am satisfied that the customer is entitled to a measure of compensation for the stress and inconvenience caused. However, I find that the amount claimed is disproportionate to the failings shown. In addition, the customer has not shown that the loss of a member of staff is a reasonably foreseeable loss for which the company should be responsible. Having carefully considered the evidence provided, I find the sum of £300.00 to be a fair and reasonable level of compensation. No evidence has been submitted to this adjudication to support a larger sum of compensation. I therefore direct that the company pay the customer compensation in the sum of £300.00.

Outcome

The company needs to take the following further action(s):

I direct that the company pay the customer compensation in the sum of £300.00.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 11 January 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

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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.



U Obi LLB (Hons) MCI Arb
Adjudicator

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