

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0874

Date of Decision: 2 October 2018

Complaint

The customer has a main meter for his farm and a sub-meter recording usage by his house that is also returned to the sewer. The customer has requested the relevant form to not be charged for use that is not returned to the sewer, as had been the situation with the customer's previous water company. The company has not honoured the arrangement and the customer has received a much higher bill.

The customer requests a correct wastewater abatement applied to the account, a simpler way to create an accurate bill, and compensation.

Defence

The company submits that it sent the non-return to sewer allowance form to the customer and received this back on 12 January 2018. This was sent to the company's wholesaler who calculated the percentage reduction of wastewater charges from 1 April 2017 to 15 December 2017. An allowance was credited to the customer's account for this period. The wholesaler calculates the allowance and provides the customer with a percentage; the company uses the percentage to calculate the allowance credit. The customer has been advised to provide readings from both meters on the same day to enable the wholesaler to calculate his non-return to sewer allowance. The company does not have the means to provide a simplified process to ensure that the allowance is applied on an ongoing basis. The customer can provide reads by telephone or email. The company has provided compensation to the customer.

Findings

The customer is entitled to an allowance for water usage that is not returned to the sewer. The company relies on its wholesaler for this calculation which is provided to the company as a percentage of the overall use. The calculation had been properly made and the bills properly adjusted. However, the company has not provided later meter readings to the wholesaler for calculation, resulting in an incorrect bill.

Outcome

The company needs to take the following further action: Ensure that it provides the wholesaler with the customer's main and sub-meter readings in order that the non-return to sewer allowance can be calculated for each bill; and, pay the sum of £250.00 in compensation.

The customer must reply by 30 October 2018 to accept or reject this decision.

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Date of Decision: 2 October 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- The customer's property is a family farm with livestock and arable crops. Very little of the customer's water is returned to the sewerage system. The customer requested the relevant form in September 2017 in order to provide a reading for the customer's house usage. The company has increased the charges since the customer's last RST WATER bill. The customer requested a representative be sent out to reach an agreement on how much the customer owes since the last RST WATER bill, however he only received a final demand for payment. The previous agreement was that drinking troughs were exempted from sewerage charges by a 'non return to sewer' arrangement, calculated by having a meter in the house to measure the amount returned to the sewer. This arrangement has not been honoured by the company.
- The customer requests that the correct wastewater abatement is applied to his account, that he is given a simple form or email to provide a reading from the house meter to create the bill instead of complicated percentage calculations, and that he receive an unspecified sum of compensation for 35 hours of time taken on the matter.

The company's response is that:

- The company submits that the customer first contacted it on 6 September 2017 to request a non-return to sewer allowance form. This was re-sent on 19 December 2017 and was returned on 12 January 2018. The company sent the form to its wholesaler. The wholesaler approved an allowance of 65.89% of the wastewater charges for 1 April 2017 to 3 September 2017, and a

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66.34% reduction of wastewater charges for 4 September to 15 December 2017. The allowances have been credited to the customer's account. Once the readings are supplied by the customer, they are forwarded to the wholesaler which calculates the allowance. The wholesaler provides the calculation as a percentage. The company then calculates the monetary value of the percentage allowance. The customer has been advised to provide readings from both his main and sub meter on the same day to enable the wholesaler to calculate his non-return to sewer allowance. At present, the company does not have a means of providing a simplified process to follow. The customer has provided meter readings by telephone and the company is happy for this to continue. The company submits that the compensation already applied to the customer's account is fair and justified. The company does not compensate for time.

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 customer's property is a family farm with a house and livestock and arable crops. The customer has a water meter that serves the entire property and a sub-meter that serves the house. The majority of the customer's water usage relates to the farm and is not returned into

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the sewer. The sub-meter is therefore used to determine the amount of water use that was returned to the sewer and for which wastewater charges should apply.

2. I note that the company became the water retailer of the customer's property on 1 April 2017. Prior to this, the customer's property was served by RST WATER. I also note that the company is a water retailer only. The customer's water is provided by the wholesaler, ABC Water.
3. I am satisfied that the company became responsible for charging the customer for water and wastewater on 1 April 2017. The customer has provided a letter from RST WATER demonstrating the previous process in respect of wastewater. RST WATER would write to the customer advising that a quarter bill was due and requesting a meter reading from the customer's sub-meter. This would then be used to calculate the wastewater charges.
4. By contrast, the company explains that when the customer completed the non-return to sewer allowance form, the company sent this to the wholesaler, ABC Water. The wholesaler then calculated the allowance as a percentage. The company then used this allowance percentage to amend the customer's wastewater charges.
5. I am mindful that, as a water retailer, the company bills the customer for the use of water that is physically supplied by ABC Water. I find that an impact of this is that an allowance, such as the non-return to sewer allowance, must be agreed with the wholesaler. The wholesaler will have a billing arrangement with the company and it follows that a non-return allowance must be agreed with the wholesaler for the company to avoid passing the wastewater charge on to the customer.
6. For the avoidance of doubt, I am only able to deal with the company within the WATRS decision. I am not able to make any findings about the water wholesaler, ABC Water.
7. The evidence shows that ABC Water chooses to calculate the non-return allowance based on the percentage of water that was returned to the sewer, measured with the customer's sub meter.
8. In reviewing the evidence, I find that the percentage calculation is complicated where the meter reading for the customer's farm and the sub meter reading are not taken on the same day. Where the meter readings are for different periods, ABC Water has calculated a daily usage rate for the farm, in order to calculate the total usage for the period covered by the sub-meter

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readings. It has then calculated the percentage of water that was returned to the sewer based on the actual readings of the sub-meter and the calculated daily usage for the farm over the same period.

9. I find that the ABC Water calculation could be simplified by the customer ensuring that he provides meter readings for the farm and the sub-meter on the same date so each meter period aligns.
10. I also acknowledge that calculating the wastewater charge by reference to the sub-meter only would be a still simpler calculation. However, as above, the wastewater calculation is completed by the wholesaler who fall outside the scope of the WATRS scheme.
11. The customer has requested that a correct wastewater abatement is applied to the account, and that he is given a simple form or email to allow him to provide a reading from the sub-meter to create an 'accurate bill instead of complicated percentage calculations'.
12. I am satisfied that the customer's wastewater allowance has been appropriately calculated based on the proportion of water supplied to the customer's farm that was returned to the sewer, the calculation of this proportion being provided by the wholesaler and being outside the scope of WATRS. The breakdown provided by the company satisfies me that the calculation of the non-return allowance was properly calculated, with the usage for the farm being adjusted to the same period as the sub-meter readings. I am not persuaded, from the evidence provided, that the company has improperly charged the customer for wastewater where it has provided the meter readings for the farm and the sub-meter to the wholesaler.
13. Notwithstanding this, I find that part of the customer's complaint is that the company is not applying the wastewater allowance, despite him providing meter readings. As per the customer's reply comments, "even though I sent the meter readings on the 1st of June they still did not apply any reductions on the bill for non return to sewer". The customer's letter of 4 July 2018 provides further details, namely that the customer provided meter readings to the company on 1 June 2018. He then received a bill with a reading taken from the main meter only on 6 June 2018, and without any non-return allowance being calculated.
14. I find that this is a matter within the company's control. Whilst it may not be able to alter the way in which the allowance is calculated, it is aware that the customer has a sub-meter to be used

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when calculating the non-return to sewer allowance. The customer has completed the allowance form and I therefore find that the company is on notice that each bill will require adjustment for the non-return to sewer allowance.

15. The customer has requested that a correct non-return to sewer allowance is applied to his account. I find this to be reasonable as the company is fully aware that the customer has a sub-meter specifically to calculate this allowance, and the customer has completed the relevant non-return to sewer form. I therefore direct the company to ensure that it provides the wholesaler with the customer's main and sub-meter readings when these are provided to it, in order that the non-return to sewer allowance can be properly calculated for each bill.
16. I note that the company has stated that it is happy for the customer to provide meter readings by telephone, or by email to [service@\[redacted\].co.uk](mailto:service@[redacted].co.uk). I am mindful that the method used by the wholesaler to calculate the wastewater allowance would be simplified by meter readings for the farm and sub-meter being taken on the same date. I find that the offer to accept meter readings by telephone or email provides a simple method in which the customer can provide the relevant readings. I find that the percentage calculation is the method chosen by the wholesaler to calculate the wastewater allowance, and that it is therefore beyond the scope of WATRS to recommend a different calculation method be used.
17. The customer has also requested compensation for the amount of time spent on the complaint. No compensation amount has been specified, however the claim form does refer to the Consumer Council for Water recommending the company clear the sum of £156.42 as a gesture of goodwill.
18. The company has applied a total of £120.00 to the customer's account for various customer service failures. I find that these do not relate to the ongoing failure by the company to provide its wholesaler with the relevant meter and sub-meter readings to calculate the non-return to sewer allowance. I note that this failure has resulted in the company referring the customer's account to a debt collection agency. Whilst I find that no financial loss has been suffered as a result, this is largely due to the customer continuing to complain to the company about the billing, and that the customer has only made a payment of the amount of the bill that he believes is correct and due. I am satisfied that the company's failure to apply the non-return to sewer allowance to new bills has caused the customer some considerable stress and frustration, compounded by the fact that this error was wholly unavoidable as the customer had provided

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the company with the necessary meter readings to have the allowance calculated. I find that the customer's stress and frustration was wholly avoidable simply by the company providing the meter readings to the wholesaler for the non-return to sewer allowance to be calculated. I find that the ease with which much of this stress and frustration could have been avoided is an aggravating factor in considering an award of compensation.

19. Under Rule 6.6, the adjudicator may, in exceptional circumstances, award more compensation than has been claimed by the customer. I am mindful that the company's defence does not address the ongoing failure to provide the meter readings to the wholesaler and apply the non-return to sewer allowance. I find that the company's failure to fully address the customer's claim, coupled with the aggravating factors detailed above, amount to an exceptional circumstance for which an award should be made without reference to any specific sum mentioned within the claim form. I find the sum of £250.00 to be proportionate to the company's failure in respect of using the customer's meter readings to have the non-return to sewer allowance calculated for new bills, and the avoidable stress and frustration caused by this. I direct the company to pay this sum to the customer accordingly.

Outcome

The company needs to take the following further actions:

Ensure that it provides the wholesaler with the customer's main and sub-meter readings in order that the non-return to sewer allowance can be calculated for each bill

Pay the sum of £250.00 in compensation.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 30 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.

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- 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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A handwritten signature in black ink, consisting of a stylized, cursive 'A' followed by a long horizontal line that ends in a small flourish.

Alison Dablin, LL.M, MSc, MCI Arb

Adjudicator

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