

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0965

Date of Decision: 6 November 2018

#### Complaint

The customer submits that the dispute concerns a high consumption bill. He initially applied for a leak allowance but his application was rejected by the wholesaler, [ ](RST). He then became concerned that the meter was still spinning erratically and that it was the meter that was at fault and the cause of the high bill. The wholesaler exchanged the meter and the consumption returned to normal levels, leaving him as to no doubt that the cause of the spike in consumption was the faulty meter. However, the wholesaler tested the old meter and found it to be under-recording consumption and has declined to give an adjustment or allowance on the high consumption bill. The company also provided a poor level of customer service. The customer requests that the company refund the £8,000.00 charge; re-bill the account based on normal average daily consumption; provide an apology for the level of service received; and pay £500.00 compensation for distress and inconvenience.

#### Defence

The company submits it cannot remove any charges unless authorised to do so by the wholesaler. The customer discovered an internal leak at his property which he repaired on 3 October 2017. Under the wholesaler's policy, a leak allowance will not be granted if the leak was on the customer's internal pipework. On 4 April 2018, the customer raised a faulty meter case. The meter was tested and was found to be under-recording consumption. The wholesaler has declined to remove any charges following the findings that the meter was under-recording. As the retailer, it does not have the ability to overrule the wholesaler's decision. It acknowledges that there have been some service failings on its part, but submits the customer's request for compensation is unreasonable. 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 high consumption claims and granting any volumetric adjustment/allowances. The company's duty is to contact the wholesaler and raise any claims or query any decisions on the customer's behalf. The evidence shows that the company has fulfilled its duty in this regard. However, the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in relation to

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the level of customer service provided.

**Outcome**

The company needs to take the following further action:

I direct that the company pay the customer the sum of £250.00 in compensation. I also direct that an authorised representative of the company provide the customer with a written apology for the level of customer service provided.

The customer must reply by 4 December 2018 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /0965

Date of Decision: 6 November 2018

## Party Details

Customer: [ ]

Company: [ ].

## Case Outline

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

- The dispute concerns a high consumption bill received in September 2017. The spike in the measured consumption resulted in a bill issued for approximately £8,000.00.
- He initially applied for a leak allowance but his application was rejected by the wholesaler, [ ] (RST), as the leak was deemed to be an internal leak and outside of its policy for leak allowances.
- He then became concerned that the meter was still spinning erratically and that it was the meter that was at fault and the cause of the high bill. The wholesaler agreed to test the meter for accuracy and installed a new meter on the supply. Following the meter exchange, the consumption returned to normal levels, leaving him as to no doubt that the cause of the spike in consumption was the faulty meter.
- The meter was tested and found to be working "outside of the prescribed limits of accuracy." However, according to the test results, the meter was under-recording consumption. The company stated that this had in fact been advantageous for the customer and no adjustment or allowance would be given on the high consumption bill.
- The company has delayed in its communications with both him and the Consumer Council for Water (CCW); reneged on its pledge to press the wholesaler to award an allowance; did not provide information about the wholesaler's policy; and incorrectly closed the case twice.

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- The customer requests that the company refund the £8,000.00 charge; re-bill the account based on normal average daily consumption; provide an apology for the level of service received; and pay £500.00 compensation for distress and inconvenience.

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

- It cannot remove any charges unless authorised to do so by the wholesaler.
- The customer received a bill in late August / early September 2017 which showed a massive increase in ADC (average daily consumption). The customer investigated and found a leak under the floor which he repaired on 3 October 2017. Meter readings since showed that the ADC then returned to normal.
- Under the wholesaler's policy, a leak allowance will not be granted if the leak was on the customer's internal pipework. The customer did not meet the wholesaler's criteria. Although it escalated the matter to the wholesaler for a second opinion, on both occasions the wholesaler declined to change their decision on the matter.
- Customers are encouraged to keep an eye on their consumption by regularly checking the meter and not rely on bills to inform them of a potential problem (i.e. a leak). Since market opening it is now responsible for reading customers' meters. It guarantees to do this twice a year. When readings are taken they are simply submitted into its system/database ready for billing. Customers' consumption are not monitored.
- On 4 April 2018, the customer raised a faulty meter case. On 27 April 2018, the wholesaler exchanged the meter. The meter was found to be under-recording consumption. This means that it had been under-charging the customer. Therefore although the meter was faulty this was not to the customer's disadvantage.
- The wholesaler has declined to remove any charges following the findings that the meter was under-recording. The ADC had returned to normal after the repair. The spike in consumption and the faulty meter are therefore two separate issues and are not linked. As the retailer, it does not have the ability to overrule the wholesaler's decision.
- It would like to apologise to the customer if he feels communication has been poor. It acknowledges that there were service failings and delays in some of its responses.
- To date, Guaranteed Standards Scheme (GSS) payments in the sum total of £40.00 have been credited to the customer's account for a delay in responding and for mis-information. However, upon further investigation, the two £20.00 GSS credits should not have been paid to the customer as the response was given within the 10 business days required and it has found no

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evidence that the customer was mis-advised. Despite the GSS being paid in error, it will not look to remove the credit which has already been applied to the customer's account.

- There have been some service failings but the customer's request for compensation is not a reasonable one.

### 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?

#### ***Wholesaler and Retailer***

1. The company and RST are separate entities. The company is the retailer and RST is the wholesaler. I must remind the parties that a WATRS application can only be brought against one party. This case has been brought against, and is defended by, the company. I can only make findings related to matters which the company, as the party to the case, has responsibility for. It falls outside of my remit to consider any claims or complaints against RST.

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## **Leak**

2. It is not in dispute that there was a leak from internal pipework at the customer's property which was repaired by the customer on 3 October 2017. The evidence shows that the leak was only discovered following the receipt of a bill in August 2017.
3. There is no evidence to show that the company is under an obligation to monitor customers' consumption and notify customers if it considers that their usage is higher than expected. There is also no evidence to show that the company is required to read a meter more than twice a year. Customers share the responsibility to check their consumption by taking regular meter readings. In light of this, I am therefore also inclined to accept the company's submissions that customer should not solely rely on bills and/or their retailer to alert them to unexpected increase in consumption. I therefore find no failings on the company's part in this regard.

## **Leakage allowance**

The evidence also shows that RST, and not the company, is responsible for granting any leakage allowances. It was the company's duty to contact the wholesaler and raise the claim for a leakage allowance on behalf of the customer.

4. The company provided a link to the wholesaler's leakage allowance policy in correspondence to the customer. The evidence confirms the company's submissions that under the wholesaler's policy, a leak allowance will not be granted if the leak was on the customer's internal pipework.
5. The evidence shows that the company twice requested that RST provide the customer with a leakage allowance but as the customer's leak was on internal pipework, this request was declined by the wholesaler on both occasions.
6. As explained above, any claim or complaints against RST cannot be considered under this adjudication. The company's duty is to contact the wholesaler and raise issues on behalf of the customer, and the company fulfilled this duty. I therefore find no failings on the company's part in this regard.

## **High consumption bill**

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7. The customer submits that the high consumption recorded was due to a faulty meter, and not the leak at the property resolved in October 2017.
8. The evidence indicates that the customer reported his concerns about the meter on or around 4 April 2018.
9. The evidence shows that the company contacted RST on the customer's behalf and submitted a request for a meter accuracy test. RST exchanged the meter on 27 April 2018.
10. The company has submitted the meter test results in evidence to confirm its submissions that the meter was found to be under-recording. The company has also submitted evidence of the customer's meter readings from 2013 to 2018 to support its submissions that the customer's ADC had returned to normal after the repair, and that the spike in consumption and issue of the faulty meter were not linked. The evidence also shows that RST declined to remove charges as the meter was found to be under-recording.
11. I acknowledge the customer's claim that the leak could not have been responsible for the high consumption recorded. I can appreciate the customer's distress at receiving a much larger than normal bill. However, as above, RST is responsible for determining high consumption claims and granting any volumetric adjustment/allowances. Any complaints against RST cannot be considered under this adjudication. The company's duty is to contact the wholesaler and liaise on behalf of the customer, and the company has fulfilled this obligation. I therefore find no failings on the company's part in this regard.

### ***Customer service***

12. The customer submits that the company provided a poor level of customer service during the period of the complaint. The company acknowledges that there were some service failings on its part but states that the customer's request for compensation is unreasonable. Following, the customer's application to WATRS, the company also submits that upon further investigation, two £20.00 GSS credits given to the customer for a response to a complaint raised on 2 January 2018 not given within the 10 business days required, and for mis-information about the wholesaler's leakage allowance policy should not have been given.

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13. I acknowledge the company's submissions. The company has itself submitted extensive account notes of communications between both the customer and CCW. I accept the company's submissions that it responded to 2 January 2018 complaint within the 10 business days required. As discussed above, I also find that the company fulfilled this duty to liaise with the wholesaler on the customer's behalf. However, having carefully considered the evidence, I am not satisfied that company provided full and/or clear information about the wholesaler's leakage allowance policy to the customer. The evidence also supports the customer's submissions that the company delayed in its communications with both him and the Consumer Council for Water (CCW); and incorrectly closed the case twice. I find that the company has failed to provide its services to the customer to the standard to be reasonably expected in relation to the level of customer service provided.

### **Redress**

14. In respect of the customer's request that the company refund the £8,000.00 charge and re-bill the account based on normal average daily consumption, as discussed above, there are no failings on the company's part in relation to the high consumption bill. As the company is not responsible for granting any volumetric adjustment/allowances, I can therefore make no directions in this regard.

15. In respect of the customer's claim for £500.00 compensation, in view of my findings that the company failed to provide its services to the customer to the standard to be reasonably expected in relation to the level of customer service provided. I am satisfied that the customer is also entitled to a measure of compensation for the distress and inconvenience caused. However, I find that the amount claimed by the customer is disproportionate to the failing shown. Having carefully considered the evidence provided, I find the sum of £250.00 to be a fair and reasonable level of compensation. I therefore direct that the company pay the customer the sum of £250.00 in compensation.

16. Finally, the customer also requests an apology, in light of my findings above, I find that it would be fair and reasonable to direct that an authorised representative of the company provide the customer with a written apology for the level of customer service provided.

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## Outcome

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

I direct that the company pay the customer the sum of £250.00 in compensation. I also direct that an authorised representative of the company provide the customer with a written apology for the level of customer service provided.

## What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 4 December 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.



**U Obi LLB (Hons) MCI Arb**  
**Adjudicator**

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