

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0979

Date of Decision: 1 November 2018

Complaint

The customer states that the company failed to send him monthly bills for a year and then sent him a large annual bill. He requests that the bill be reduced by 50%.

Defence

The company acknowledges that the customer received a delayed bill, but states that the bill is correct for the services received by the customer. It denies that the customer is entitled to the reduction sought.

No offer of settlement has been made.

Findings

The customer is obligated to pay the bill in full. However, the company failed to provide its services to the customer to the standard to be reasonably expected by the average person with respect to its timely billing of the customer and its communication with the customer regarding billing.

Outcome

The company needs to take the following further action: it must pay the customer total compensation of £1,200.00.

The customer must reply by 29 November 2018 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 1 November 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- The customer operates a mobile home park for retirees.
- The company supplies wastewater services to the park.
- Although the customer is on a monthly billing cycle, monthly bills were not sent and the customer received an annual bill of £4,684.00.
- The normal process at the park for payment of monthly bills is to split the bills between residents, but the single annual bill will be too large an amount for residents to pay.
- The company has acknowledged that it did not provide regular bills, and that the park's meter was not read in the past 12 months, and has paid compensation of £60.00 for customer service failures.
- However, the company refuses to adjust the bill, as it argues that the bill is for amounts properly owed by the customer.
- The customer is unwilling to pass on the bill to residents due to its potential impact on them given their age and in some cases fragile mental state.
- The customer believes that the problem has arisen due to the opening of the water market, which has resulted in the customer now receiving separate bills for water and sewerage when previously only one bill had been sent.
- The customer has been receiving a regular water bill and it has been paid each month, but he was unaware that it no longer included his sewerage.
- He requests a reduction of 50% on the bill.

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The company's response is that:

- On 29 March 2018, it sent a letter to the customer informing him of the opening of the water market on 1 April 2017, and that as a result of transferring his account onto a new billing system his sewerage bill was delayed.
- The company argues that the delay in issuing the customer's bill does not exempt the customer from his obligation to pay the bill once issued.
- It argues that it has gone above and beyond its responsibilities by offering the customer payment plans and by arranging meter readings even though it is a waste only provider.
- The company argues that it has already itself been charged by the wholesaler, and so is unable to offer the reduction the customer seeks.
- It also argues that the customer should have been on notice that he was not being billed for sewerage given that his bills from his water company over the past year would have been significantly lower than previously, as they no longer included the sewerage element.

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

- He was unaware that he was no longer being billed for sewerage in the monthly water bills he has continued to pay.
- He reiterates that he can no longer recoup payments from his residents due to the time that has passed.
- He questions whether he should be receiving separate bills, as the water supplied is for household use, not business or commercial use.

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

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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 questions whether he is correctly receiving separate bills for water and sewerage, as the water supplied is being used for household purposes. However, it is the customer that is the recipient of the company's services, rather than his residents, and while the ultimate usage of the water may be for household uses, the customer's usage is for the purpose of operating his business.
2. The actual dispute between the parties, however, relates not to this question but to the customer's obligation to pay the bill he has received from the company. The facts are agreed between the parties, and the company has satisfactorily established that the customer has used the water for which he is being billed.
3. Consequently, I am satisfied that the customer is legally obligated to pay the full bill with which he has been presented, and the requested reduction of 50% will not be ordered.
4. Nonetheless, the customer argues that payment of a single large bill will create significant difficulties for him that would not have existed if regular monthly bills had been sent, as the company acknowledges it should have done but failed to do. Specifically, under the arrangement the customer has with his residents, bills are split between residents on a monthly basis, and the customer does not feel able to ask his residents now to pay a single large bill, given their advanced age and in some cases fragile mental state.
5. It is, however, the customer that is legally obligated to pay the company's bill, rather than his residents. The private arrangement under which the customer's residents make payments to him to contribute to payment of the company's bill is not an arrangement to which the company is a party, and no evidence has been presented that it is an arrangement to which the company

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has consented. The existence of that arrangement, therefore, does not affect the customer's obligation to pay the bill presented by the company.

6. This does not mean, though, that the existence of this arrangement is completely irrelevant for the present dispute.
7. It is not disputed by the company that it failed to provide timely bills to the customer, and I find that by failing to present the customer with bills for a year the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
8. This failure was then compounded by the fact that the letter sent by the company to the customer on 29 March 2018 also, according to its language, serves as the company's first notification to the customer that it was now the customer's wastewater provider and would be billing him separately. As a result of this additional failure to provide its services to the customer to the standard to be reasonably expected by the average person, the customer was not on notice that the bills he was continuing to pay no longer included sewerage services. The company suggests that the customer should have noticed that his water bill had decreased, as it no longer included the sewerage component, but this would hardly have placed the customer on notice that he should have been receiving a bill from a completely different company, given the company's failure to provide him with notification of the opening of the water market and its impact on his billing arrangements.
9. I find, therefore, that while the customer remains obligated to pay the bill issued by the company, the company failed to provide its services to the customer to the standard to be reasonably expected by the average person with respect to its billing of the customer. As a result, the customer is entitled to a degree of compensation for the stress and inconvenience he has experienced as a result of the company's failure.
10. Moreover, I accept that the customer's stress and inconvenience has been exacerbated by the nature of his clientele and the difficulty he would experience attempting to collect payment from his residents. While the company was not on notice of this arrangement, it was clearly foreseeable to the company that its customers may have personal situations that would cause them particular difficulty when being asked to pay a single large bill, caused by the company's own failure to either bill the customer regularly or notify him that he should be receiving a bill from it. Under standard English law, therefore, the company is obligated to compensate the

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customer for the stress and inconvenience he has actually experienced, rather than the stress and inconvenience another customer may have experienced who was not in the specific situation of the customer.

11. However, I also acknowledge that the company has offered to allow the customer to make payments under a payment plan, rather than in a single amount, and while this does not remove the cause of the customer's distress and inconvenience, it provides the customer with a less stressful means of making the payment.
12. Therefore, in consideration of the above facts, and upon consultation with the WATRS Guide to Compensation for Inconvenience and Distress, I find that fair and appropriate compensation for the company's failures would consist of £1,200.00. This comprises a payment of £700.00 for the company's failure to bill the customer in accordance with his regular payment terms, compounded by an additional £700.00 for the company's failure to notify the customer that he should now be receiving bills from it, but with a reduction of £200.00 to reflect the company's willingness to allow the customer to pay the bill through an agreed payment plan.
13. Consequently, for the reasons give above, the company must pay the customer total compensation of £1,200.00.

Outcome

The company must pay the customer total compensation of £1,200.00.

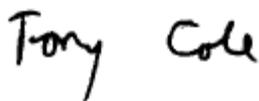
What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 29 November 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.
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Tony Cole, FCI Arb

Adjudicator

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