

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1008

Date of Decision: 3 October 2018

#### Complaint

The customer submits that the company recorded very high water usage (for two people) since he moved into his property in 2002 and, despite his repeated complaints, the company only exchanged the meter in May 2016 after movement on the meter was confirmed. He requested a refund of the overcharges between July 2002 and May 2016 as a result of the faulty meter. However, the amount applied by the company (£399.56) did not cover the overcharges. The customer seeks a total refund of £3859.77 based on average consumption pre and post May 2016, when the meter was exchanged.

#### Defence

The company confirms that it exchanged the meter in May 2016; however, despite an initial decrease in water consumption indicated by the meter reads, later reads show a much higher level of water consumption. This supports its position that the customer has intermittent high usage and the original meter was not faulty. Nonetheless, the company asserts that it applied a credit of £399.56 to the customer's water account for the high periods of water usage, prior to the meter being exchanged, but it denies it is liable to pay the customer any further credits on this basis. No further settlement offer was made.

#### Findings

The company has provided evidence to show that the meter reads since the meter was exchanged show that peaks of high water consumption followed the lower reads initially taken and also that the customer's water consumption had started to decrease in the months prior to the meter being exchanged. This evidence is not consistent with the claim that the meter was faulty and, therefore, the alternative reasons given by the company should be attributed to movement on the meter detected (detailed below). The company is not required to provide any further refunds to the customer for his usage prior to 2016. However, the company delayed with replacing the customer's meter, failed to check if the customer wanted the meter tested and failed to advise the customer of a high meter read taken in 2017 or explain why it had not billed him for this period. I find these instances constitute evidence of the company failing to provide its services to the standard to be reasonably expected.

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**Outcome**

The company is required to pay the customer a further compensation amount of £75.00.

**The customer must reply by 31 October 2018 to accept or reject this decision.**

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1008

Date of Decision: 3 October 2018

## Party Details

Customer: [ ]

Company: [ ]

## Case Outline

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

- Since he and his wife moved into [ ] ('the Property') on 25 July 2002, the water consumption recorded by the company was very high for two people (with no children living at home or guests staying).
- He repeatedly complained to the company regarding the high bills and it checked for leaks and broken pipes and none were found by either the company or his own plumber.
- After calling and writing to the company for many years, the company changed the meter on 6 May 2016 after movement on the meter had been detected (when no water was being used) on 25 August 2015 and again on 17 March 2016.
- The recorded daily usage dropped dramatically from 1.79 m<sup>3</sup> to 0.17 m<sup>3</sup> when the meter was exchanged.
- He requested a refund of the extra money he had paid the company between July 2002 and May 2016 due to the faulty meter. He calculated this sum at £3859.77 based on the average consumptions pre and post the meter being exchanged.
- He disputes the Consumer Council of Water's (CCW) findings and disagrees with its submission that the payments made by the company (£399.56 for the high usage recorded and £30.00 for a late reply) are "gestures".
- The customer requests a full refund of the overcharges he incurred due to the faulty meter.

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

- The customer's high usage was intermittent over the years and on 20 July 2015, the customer contacted it as he was concerned that his usage was increasing but there were only two people

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in the Property. Prior to this call in 2015, the customer had never queried the increases in consumption that it had recorded on 14 October 2002, 25 September 2003, 31 August 2007, and 12 March 2012.

- A meter reader checked the meter on 25 August 2015 and reported that there was movement on the meter when no water was being used so and its technician visited the Property on 28 September 2015 and found no leaks. The technician advised the Average Daily Usage (ADU) was high for two people.
- It received a letter from the customer on 13 October 2015 requesting that it investigate and refund him as he felt the meter was faulty or the readings were incorrect. On 15 October 2015, it spoke to the customer and advised of the findings from its visit in September 2015 and that, as the high usage was intermittent, it was likely to be an issue with the customer's internal system.
- It spoke to the customer on 9 February 2016 who was concerned that his usage was still increasing and its technician visited on 17 March 2016 who reported no leak but a slight movement on the meter.
- The customer's meter (98M[ ]) was exchanged on 6 May 2016 with a new meter (310[ ]). It apologises that, before this, it did not offer to test the customer's meter (at his cost); this was because there was nothing to suggest the water meter was faulty as the high usage was intermittent and, prior to the exchange, the customer's recorded consumption had started to decrease.
- On 16 March 2017, the customer requested a refund as he believed the meter (98M[ ]) was faulty.
- On 24 March 2017, a request was raised for the customer's water meter to be exchanged again as his complaint had not been resolved. This action was not necessary as the customer was still disputing the charges on the original meter, not the new meter that had been fitted.
- On 26 April 2017, the customer's meter (310[ ]) was exchanged again and a reading of 253 m<sup>3</sup> was taken before its removal. This shows high usage since the last actual reading of 69 m<sup>3</sup> recorded on 30 January 2017; however, it billed the customer on this last reading of 69 m<sup>3</sup>, as the final reading, in any event.
- Following receipt of the customer's letter on 1 February 2018, in which he had requested a refund of £1,351.51, it wrote to the customer on 19 February 2018 and explained that intermittent high usage would not be related to a faulty meter as, if a meter was faulty, it will slow down and stop. As it had not responded to the customer's letter of 1 February 2018 within

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its 10 working day Customer Guarantee Scheme (CGS) timescale, it credited the customer's account with £30.00 and it advised the customer of the same.

- On 16 March 2018, it received a letter from the customer requesting a refund of £3,506.71 for the period July 2002 to May 2016, as he felt that the original meter was faulty.
- On 6 April 2018, it wrote to the customer detailing his journey with it, including meter readings to show his high usage was intermittent and that his usage had dropped for a significant period before the original meter was exchanged. As a gesture of goodwill, an allowance was calculated for him for the period 27 January 2015 to 17 March 2016 and a credit of £399.56 was added to his water services account. In addition to this, a £30.00 goodwill payment was also added in recognition that it could have offered to have the original meter tested, as it was aware that the customer felt it was faulty. In line with its complaints process, it advised the customer that it would not write to him again about this matter.
- As the last actual (wireless) reading taken was on 16 January 2018 (of 55 m<sup>3</sup>), it felt it would be useful to take a more recent reading. On 10 September 2018 it took a (wireless) reading of 313 m<sup>3</sup>; this shows an ADU of 1.08 m<sup>3</sup> since January 2018 and this is in line with the peaks in consumption it has seen on the two previous meters. This supports its position that the original meter was not faulty and that the peaks in consumption are due to either use, or a fault on the customer's plumbing system, which he needs to have investigated by a private plumber.
- It denies that the movement on the water meter reflected a fault with the meter as, whilst there may be no obvious signs of water being used at the times of its visits, it would suggest that there is a leak at the Property. As it has advised the customer before, when meters are faulty they slow down and stop rather than spin. A faulty meter would also not correct itself, so you would not see high consumption for a period followed by lower consumption, as is evident in the customer's history of use.
- It did previously advise that the intermittent high use may be connected to a faulty valve, but, although the customer advised that he employed a private plumber to check his supply, it has never received a copy of the report.
- Therefore, it does not believe a refund is due, as the water has been used at the Property and therefore is payable. There is no evidence that the customer's original meter was faulty and, in fact, the high usage recorded on the two subsequent meters is evidence that the peaks in consumption were correctly recorded.

### How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

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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. I remind the parties that I am unable consider the customer's submissions regarding the service provided by CCW as these concern a third party, who are not party to this adjudication, and such matters falls outside of the scope of WATRS on this basis.
2. The dispute concerns the customer's water usage recorded on the customer's meter (98M[ ]). This meter was in situ when the customer moved into the Property in July 2002 until it was exchanged with a new meter on 6 May 2016. The customer asserts that since the original was replaced, his water consumption has dramatically dropped, which shows that the meter was faulty and he seeks a refund from the company for the overcharges paid as a result of the faulty meter.
3. The company does not accept that the customer's water consumption has decreased since the original water meter was replaced and asserts that the customer's usage has always been intermittently high; his consumption peaks and then drops.
4. In the 'Chain of Events' set out by the company in its Defence, it suggests that the customer first queried the high usage with the company on 20 July 2015. This has not been disputed by the customer in his Reply and therefore on balance, I accept this was the first occasion

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the customer queried the high usage with the company. According to the Chain of Events, the company first arranged for a meter reader to attend on 25 August 2015. As movement on the water meter (when no water was being used) was detected by its meter reader, the company arranged for its technician to attend the Property on 28 September 2015; however, no evidence of any leaks was found. The technician's report, however, as supplied at Appendix 1, states that the customer's ADU was "very high" for two people.

5. In light of the company's meter reader finding there was movement on the water meter (when no water was being used), I consider the customer's suspicions about the faulty meter were understandable. However, when he wrote to the company on 13 October 2015 advising it of this concern, the company replied advising that as the high usage was intermittent, it was likely to be an issue with the customer's internal system. When the customer wrote to the company again on 9 February 2016 (letter not provided) reiterating his concern, a further visit from the company's technician was arranged for 17 March 2016. The outcome of this visit was that "a slight movement on the meter" was detected. At this point the company agreed to replace the customer's meter and this took place on 6 May 2016.
6. In light of my above observations, I consider that: the movement on the meter detected on 25 August 2015; the lack of any leak found on 28 September 2017 when checked; and, the "very high" usage being recorded, would justify the customer's request made on 13 October 2016 for the company to exchange the meter. Therefore, I consider that the company's failure to take such action promptly, or until it received further contact from the customer in February 2016 and after the result of a second check (which revealed the same movement on the meter), constitutes an unreasonable delay by the company in taking the appropriate action to exchange the meter. I am satisfied this is evidence of the company failing to provide its services to a reasonably expected standard.
7. The company did not advise the customer of the option to get the meter tested at the time it was exchanged. The company points out that the availability of this service is stated on the back of customer bills. I am mindful that had the meter been tested at the time, it would have provided the customer with some certainty upon which he could have made an informed decision as to the accuracy of the bills. Therefore, whilst the company met its basic duty to provide information about this service via billing, in light of the circumstances in this case, I find it would have been appropriate for the company to check with the customer if he

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required this service, at the time. I acknowledge, however, that the company did later recognise its failure to offer this service and I note it applied a £30.00 “goodwill gesture”, to reflect this. Nonetheless, I find that the company’s actions in this regard represents a further service failure.

8. I have reviewed the customer’s water meter readings provided since 2002 and I agree with the parties that they indicate high ADU for two people, the average being 0.48 m<sup>3</sup> (including a high of 1.7 m<sup>3</sup> on 14 October 2002). Following the replacement of the meter on 6 May 2016, I can see that the next three meter readings taken on 15 June 2016, 27 July 2017 and 30 January 2017, showed ADUs of 0.14, 0.17 and 0.29 (m<sup>3</sup>) respectively, which I accept shows a decrease in water consumption. The lower readings prompted the customer to ask for a refund for the timeframe prior to the meter exchange, based on the difference in usage between reads taken prior to 6 May 2016 and those taken afterwards. However, the company has highlighted that the decrease in the water consumption recorded had started before the meter was exchanged; the usage between the meter read on 29 January 2016 and when it was exchanged on 6 May 2016 showed an ADU of 0.17 m<sup>3</sup> (and an ADU of 0.19 m<sup>3</sup> between 25 August 2015 and 6 May 2016). The company has also evidenced that following the exchange of the meter on 6 May 2016, the fourth meter reading taken on 26 April 2017 showed 253 m<sup>3</sup>, which reflects an increase in ADU to 2.13 m<sup>3</sup> for the 86 days during the timeframe 30 January 2017 up to this date. The customer contests this read taken by the company (on 26 April 2017) on the basis that he not receive this reading and was not billed for the usage between 30 January 2017 and 28 April 2017. I accept the customer’s assertions in this respect as I can see he was billed based on the meter read taken on 30 January 2017 (69 m<sup>3</sup>) rather than 253 m<sup>3</sup>. The company in the Defence has explained the customer was not charged for the usage between 30 January 2017 and 26 April 2017; however, it took this reading for internal purposes. In light of the photographic evidence supplied by the company at Appendix 3, on balance, I accept that the company both took a reading on this date (26 April 2017) and that it read 253 m<sup>3</sup>, and, further, that this reflects a period of high water usage. Whilst the company’s decision not to charge the customer for the timeframe from 30 January 2017 to 26 April 2017, is likely to have been a goodwill gesture, I find that its failure to relay this meter read to the customer or explain why it was not charging him for this timeframe, indicates that the company failed to provide accurate or transparent information to the customer at this time. I am satisfied that this is evidence of the company failing to provide its service to a reasonably expected standard.

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9. The most recent meter reading (taken by the company following the customer's Application to WATRS) on 10 September 2018 was 313 m<sup>3</sup> (Appendix 4) and suggests a further period of higher usage between 16 January 2018 and 10 September 2018. I accept this evidence supports the company's position that the usage on all three of the water meters shows intermittent peaks in consumption. Therefore, the periods of high usage recorded since the exchange of the original meter, undermine the claim that the customer's original meter was faulty. I acknowledge that this may seem inconsistent with the movement found on the meter in August 2015 and again in March 2016. However, in light of the similar patterns of usage recorded with all three meters, on balance, I find that there is insufficient evidence to establish the customer's original meter was faulty. Further, I accept the company's assertion that the movement on the meter should be attributed to either water being used that was not apparent at the time the meter was examined, a faulty valve or issues with internal plumbing. I consider these explanations are plausible (I am mindful that I have not been provided with any evidence from the customer to show the internal plumbing has been checked for faults). I have also taken on board the company's assertion that a faulty meter usually slows down and stops, rather than records high usage followed by lower usage, which I consider is credible.
10. Therefore, whilst the company has made errors when dealing with the customer's complaint raised regarding high usage, the meter readings taken since the exchange of the meter support its claim that there has been intermittent high usage recorded on all three meters. This suggests there was no fault to the customer's original meter. The company has nonetheless provided a credit of £399.56 for periods before the meter was exchanged when usage was very high. As such, I find that it is not liable pay any further refunds to the customer. However, in light of my above findings which evidences further service failures by the company to the effect that it: unreasonably delayed with exchanging the customer's meter when sought; failed to check if the customer wanted the meter tested; and, failed to advise the customer of a high meter read taken in 2017 or explain why it had not billed him for this period, I find it fair to direct that the company pay a further amount of £75.00 in compensation to the customer. I am satisfied that this amount is proportionate to the issues and takes into account the compensation already paid to the customer.

#### Outcome

The company is required to pay the customer a further compensation amount of £75.00.

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### What happens next?

- This adjudication decision is final and cannot be appealed or amended.
  - The customer must reply by 31 October 2018 to accept or reject this decision.
  - When you tell WATRS that you accept or reject the decision, the company will be notified of this. The case will then be closed.
  - If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision.
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**A. Jennings-Mitchell**, Ba (Hons), DipLaw, PgDip (Legal Practice), MCI Arb

**Adjudicator**

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