

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1012

Date of Decision: 12 November 2018

Complaint

The customer had a leak on private pipework that he repaired. The company has applied a leakage allowance of 300m³. This is around a 50% reduction of the sewerage water. The customer submits that he should be given an allowance of 100% of the sewerage loss as none of the leaked water returned to the sewer.

Defence

The leak allowance has been applied in line with the wholesaler's policy. The wholesaler would not apply an allowance for water loss for a non-household customer; the allowance is in respect of sewerage water only. The company would need additional information from the customer as to why he believes the allowance is incorrect in order to challenge the wholesaler's allowance.

Findings

The latest correspondence with the wholesaler indicates that, in the customer's case, he is entitled to a 100% reduction in the sewerage element of the lost water. The meter readings indicate that the leaked water loss is in the region of 800m³. This suggests that there has been an error in the calculation of the allowance relating to 300m² of sewerage water.

Outcome

The company needs to take the following further action:

Confirm with the wholesaler the amount of water that has been attributed to the leak and that 100% of the sewerage element is to be removed; adjust the leakage allowance to reflect the volume of water loss confirmed by the wholesaler; and, provide a copy of the calculations to the customer.

The customer must reply by 10 December 2018 to accept or reject this decision.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

ADJUDICATOR'S DECISION

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Date of Decision: 12 November 2018

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- The customer had a leak on his private pipework. The leak was repaired and the customer applied for a leakage allowance. This was granted with no allowance being made for clean water loss and a 50% allowance was made for the sewerage water. 300m³ was deducted. The customer believes that, as none of the water returned to the sewer, he should receive a 100% allowance for the sewerage loss.
- The customer requests an allowance of 100% for the loss of sewerage water.

The company's response is that:

- The company states that the leakage allowance is provided in line with the wholesaler's policy for leakage allowance claims. The only time the wholesaler would provide an allowance for clean water would be where the leak was on the meter. The allowance is therefore only in respect of the sewerage element of the leak. The company is not able to go against the wholesaler's decision. In order to challenge the leakage allowance, the company would require additional information as to how or why the customer believes that the allowance is incorrect. The allowance provided by the wholesaler is calculated using actual data provided by the customer following the leak repair.

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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?

1. The customer is in a dispute with the company as to the amount of a leak allowance, with the customer believing that he should receive a greater allowance than that granted.
2. At this point, it is useful to set out the scope of the Water Redress Scheme in respect of the company. The company is a water retailer, billing the customer for the water services provided by the water wholesaler, []. In order to make a decision in this dispute, I must clearly distinguish between actions taken by the wholesaler, and the duty owed by the retailer, the company, to its customers. Since the water market in England opened up to retailers in April 2017, all non-household customers and accounts have been moved to a wholesale/retail split service. As a result, a non-household customer now only has a relationship with the retailer. In turn, the adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, a party to the case, has responsibility, but not those things for which the wholesaler has responsibility.
3. In reviewing the evidence, I note the company's Appendix 2 contains further correspondence with the wholesaler. This correspondence includes a statement as to how the leakage allowance

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is calculated. The wholesaler takes the average daily consumption prior to the leak, then deducts the normal usage from the usage recorded during the leak, in order to determine the water lost.

4. The correspondence continues to state, "In this case as the leak was identified due to a high bill and repaired promptly (within 4 weeks) it qualified for 100% of the sewerage element as it was never returned to the sewer". No allowance is given for water loss as the leak was on the customer's pipework and he is a non-household customer.
5. The correspondence advises that the wholesaler had provided a copy of the calculations, however these have not been provided to me.
6. The company has, however, provided the various meter readings, both actual and estimated, from 8 September 2016 to 15 September 2018. In reviewing this, I find that there are two actual meter readings pre-dating the leak, giving an average daily consumption of 0.17m^3 . The last actual meter reading before the leak was taken on 8 March 2017 and read 152. The customer provided a meter reading on 20 November 2017, the date the leak was repaired, of 1019.
7. I therefore find that the total water use recorded from 8 March 2017 to 20 November 2017 was 867m^3 . There are 257 days between 8 March and 20 November 2017. At a normal daily consumption rate of 0.17m^3 , I find that the customer's normal use would have been around 44m^3 .
8. In light of the evidence, it therefore appears that the amount of water lost to the leak would be around 823m^3 . I am, however, mindful that the company and the wholesaler will have access to additional meter readings, and that the customer's normal average daily consumption rate may differ. However, I am satisfied that the information provided within this case is sufficient to indicate that the amount of water lost to the leak was in the region of 800m^3 .
9. I note that the leak allowance provided by the company was granted in respect of 300m^3 . On the face of it, this appears to be significantly less than the amount of water lost to the leak, despite the wholesaler confirming that the customer is entitled to an allowance of 100% of the sewerage element of the water lost.

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10. In view of this, whilst I accept that the leak allowance is only in respect of the sewerage element of the water, I find that the evidence does suggest that there has been an error in calculating the allowance as this has been based on only 300m³ of water lost.

11. I therefore direct the company to refer to the wholesaler and confirm the amount of water that has been attributed to normal use and the leak, and that 100% of the sewerage element is to be removed. Once this has been confirmed, I direct the company to adjust the leakage allowance to reflect the volume of water loss included in the allowance. The company shall also provide a copy of the calculations to the customer.

Outcome

The company needs to take the following further action:

Confirm with the wholesaler the amount of water that has been attributed to the leak and that 100% of the sewerage element is to be removed; adjust the leakage allowance to reflect the volume of water loss confirmed by the wholesaler; and, provide a copy of the calculations to the customer.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 10 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.

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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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