

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1013

Date of Decision: 19 February 2019

Complaint

The customer has a billing dispute with the company that he claims has been ongoing since April 2017. Despite his efforts and those of CCWater the dispute remains unresolved. The customer claims a written apology, all his accounts to be closed with zero balances and the amount of £25000.00 in compensation for the distress caused.

Defence

The company accepts that the dispute has taken a long time to resolve, but states that the delay has been in part due to the actions of a third party and the failure of the customer to provide sufficient evidence of his claim. The company has offered to issue an apology and to close all accounts with zero balances but believes the compensation sought is excessive and has offered £500.00 as a settlement figure.

Findings

The company's offer to apologise and close all accounts is reasonable. I find that the company acted reasonably in referring the billing dispute back to RST Water for clarification but I further find that the company did not pursue a solution in a timeous enough manner. The time taken to resolve the customer's complaint is unreasonable. I find additionally that the customer was partly contributory to the overall delay. I find that the company did not manage the customer's account with the level of skill and care that would be reasonably expected by the average person. I agree that the claim for compensation in the amount of £25,000.00 is not proportionate to the harm done and thus I calculate the amount of £562.30 to be a fair and reasonable estimation of compensation due to the customer.

Outcome

The company needs to take the following further actions:

- i) Issue a written apology
- ii) Reduce the balance on all the customer's accounts to zero
- iii) Close all the customer's accounts
- iv) Pay the sum of £562.30 in compensation

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The customer must reply by 19 March 2019 to accept or reject this decision.

ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1013

Date of Decision: 18 February 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- He has experienced an ongoing dispute with the company regarding reclassifying a business account to domestic, and agreeing on the value of outstanding invoices issued.
- The customer states that he managed a public house and resided in an apartment located above the business premises, and that his water supply was originally from RST Water and that this was split into a residential account for the apartment and a commercial account for the public house and that each account was provided with a separate water meter. To this end the customer claims that as he had two separate accounts he made two separate payments to settle invoices received from RST Water.
- The customer further states that in April 2017 [], (PQR) took over the supply to the business premises but failed to recognise that the apartment was on a separate account with a separate meter. Despite many telephone calls to the company to clarify the meter issue the customer states that no progress was achieved and that it declined his suggestions to visit the property to see the meters or to liaise with RST Water directly.

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- As a consequence, the customer escalated the issue to CCWater in late 2017 and requested that it communicate with the company on his behalf as he no longer wished to continue trying to solve the issues directly with the company. The customer believes that subsequently the company agreed to de-register the apartment as a commercial property and refund the amount of £41.90 that had been paid against this account by the customer.
- On 29 May 2018, the customer contacted CCWater again to advise that the apartment was still not de-registered and no refund had been received. Additionally, the customer advised that he disputed the amount of £327.52 that the company claimed was outstanding on the commercial account in the customer's name for the period 01 April 2017 to 21 October 2017. The customer states that despite the actions of CCWater, no progress has been made on finalising the problems and that the company has not responded positively in attempting to settle the issues.
- Consequently, the customer, on 28 December 2018, has referred the matter to the WATRS Scheme whereby he seeks to have all his accounts with the company closed with zero amounts outstanding, to receive a written apology, and to be paid the sum of £25000.00 as compensation for distress and inconvenience caused.

The company's response is that:

- The company accepts that the issues in question have taken a long time to resolve, but states that the delay was for reasons outside of its control. The company asserts that it had to refer to RST Water to have it re-classify the apartment from "non-household" but it declined to do so due to deleted entries on a local authority website. Similarly, RST Water was requested to undertake an onsite inspection to identify the number and location of meters but stated that it could not gain access to the property.
- Subsequently, the company requested the customer provide it with documentation to support his claim that the public house and apartment were separate premises. The company asserts that no documents were supplied and this contributed significantly to the delay in resolving the issues. The company further notes that the customer frequently terminated telephone conversations between the parties, and this was yet another factor causing delay to resolution.
- The company accepts that the customer experienced stress and inconvenience due to the length of time taken to resolve the issues between the parties but believes the customer's claim for £25,000.00 in compensation is excessive. The company offers to agree to the customer's claims in respect of a written apology, closing his accounts with a zero balance and the provision of £500.00 in compensation for the stress and inconvenience.

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

- He believes that the company defence paper is inaccurate and he states that he submitted sufficient relevant legal documents to prove that the premises were split into two separate units. He further disputes the company claim that the public house was closed-up and access was not possible for RST Water. The customer reiterates his position as set down in his application form, and believes the fact of him again having to submit correspondence regarding this dispute is symptomatic of the problems he has experienced when dealing with the company.

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 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 dispute relates to the customer's claim for resolving a billing disagreement that has been ongoing since April 2017. He believes the company has been tardy in trying to solve the issues while the company claims that the customer has been contributory to the delay and that the need to involve RST Water is a factor outside its control. The company believes the claim for £25000.00 in compensation is excessive.

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2. I note that the WATRS adjudication scheme is an evidence-based process and it is for the customer to show that the company has not provided its services to the standard that would reasonably be expected of it.
3. In his WATRS application the customer requests four remedies; (i) to receive a written apology explaining why the company had taken so long to finalise his complaint; (ii) to have the balance of his accounts reduced to zero; (iii) to have all his accounts with the company closed; (iv) to be paid £25,000.00 in compensation.
4. The company, in its defence paper dated 30 January 2019, offers to comply with the customer's requests numbered (i), (ii), and (iii). I am satisfied that in respect of these requests the parties agree, and thus I direct that: (i) an authorised representative of the company issues a written apology explaining the delays in resolving the customer's complaint, (ii) the company reduces the balance of accounts held by the customer to zero, and (iii) the company closes all accounts held by the customer.
5. Having dealt with the requests numbered (i), (ii), and (iii) we are left with number (iv), the request for £25,000.00 in compensation. The company has stated its position that it deems this amount to be excessive and has offered the sum of £500.00. In his comments, dated 31 January 2019, on the defence paper of the company the customer does not specifically accept or reject the £500.00 offer but I am satisfied from his remarks that his intention is to decline it. Thus, the decision as to whether compensation is appropriate, and to what amount if any, now rests with me as the adjudicator.
6. This dispute at its heart is a disagreement about billing, and from the evidence laid before me I am satisfied that the issue was not overly complicated and with the appropriate actions being undertaken should have been resolved within a reasonable time period. From documents submitted I understand that the customer raised his concerns with the company very soon after it took over the provision of water supply to the public house and apartment in April 2017. Failure by the parties to reconcile the dispute resulted in the customer referring the issue to CCWater and in late 2017 the customer believed a solution had been brokered whereby the company would comply by taking certain actions.
7. On 29 May 2018, the customer contacted CCWater again to claim that the company had not complied with the commitments given in 2017. The company states that it had to refer to RST Water to check the veracity of the customer's claims and thus it had no control over the verification process, including the time period that elapsed. The Company has not presented me with proof that it proactively liaised with RST Water to have it conclude its investigations within a

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reasonable time span nor has the Company shown that it followed up the original referral to ensure RST Water were proceeding with all reasonable speed. The customer's water supply agreement was with the company and not with RST Water, and in this regard I find that on a balance of probability the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.

8. The company additionally asserts that the customer's own actions contributed to the delay in providing a solution to the dispute. The company states that following the refusal of RST Water to change the apartment to residential status it requested the customer to provide legal documentation to substantiate that the two properties were separate entities. The company claims that the customer did not submit any documents and although the customer disputes this I note that I have not been provided with any evidence to support that he did. Thus, on the balance of probability I find that in this regard the company did provide its services to a reasonable standard.
9. The company claims that the customer frequently terminated telephone discussions with it, and the customer himself has stated that he did not wish to communicate directly with the company. On a balance of probability, I find that the company acted responsibly when attempting to communicate with the customer and that the customer contributed to the overall delay by choosing not to communicate directly with the company but opting instead to have CCWater communicate on his behalf.
10. I believe from the evidence submitted that the customer began to have problems with his billing soon after the company took over responsibility for water supply in April 2017, and I am satisfied that the customer brought the problem to the attention of the company very soon after April 2017. Despite the efforts of both the customer and CCWater to achieve resolution of the billing problem it was not until 30 January 2019, some 22 months later, that the company proposed to settle the dispute.
11. The company has accepted that this dispute has taken a long time to resolve. The company took over responsibility for the customer's accounts from RST Water in April 2017 and I am satisfied that it acted reasonably in referring back to RST Water to help clarify and resolve what was clearly an administrative confusion. I am not satisfied from the evidence submitted to me that the company made sufficient efforts to follow up the referral and even with the involvement of CCWater no evidence is provided to show that the company increased its efforts to resolve the dispute more quickly. Notwithstanding I have found earlier in the award that the customer was contributory to the delay, I find that on a balance of probability the company failed to

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provide its services to the customer to the standard to be reasonably expected by the average person when dealing with his complaint.

12. In consequence, I thus find that compensation is applicable, but the customer's claimed amount of £25 000.00 is disproportionate to the harm done. The duration of this dispute from April 2017 to 30 January 2019 is approximately 22 months, but I believe the parties would accept that a 90-day period to resolve the disagreement is a reasonable time frame, and thus I reduce the 22 months to 19 months. Additionally, the Customer would not have experienced a billing issue until 01 May 2017 at the earliest and thus I reduce again the time from 19 to 18 months. The company has offered the amount of £500.00, which over a period of 18 months equates to £27.77 per month.
13. I find this amount to be insufficient for the inconvenience caused due to the long delay period and thus I increase the monthly amount by 50% to £41.66, giving a total value over 18 months of £750.00. However, as I have found above that the customer was contributory to the delay I reduce the total by 25% and thus direct the company to pay to the customer the sum of £562.30 in compensation.

Outcome

The company needs to take the following further actions:

- i) Issue a written apology explaining the delay in resolving the complaint
- ii) Reduce the balance on all the customer's accounts to zero
- iii) Close all the customer's accounts
- iv) Pay the sum of £562.30 in compensation

What happens next?

- 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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Peter R Sansom
MSc(Law); FCIArb; FAarb; Member London Court of International Arbitration;
Adjudicator

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