

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1088

Date of Decision: 01 February 2019

Complaint

The customer submits that on 17 February 2017 the wholesaler, [] (RST), attended his premises and identified a leak. RST informed him that if he repaired the leak within 30 days, he would be eligible for a leakage allowance. On 19 February 2017, he repaired the leak and gave RST two reads that were two weeks apart. However, RST has now explained that it will not grant an allowance as he is not eligible under its policy and it is not his sewerage provider. He is disputing this as he was told on site that he would get a full allowance. RST's application form was also misleading. In addition, RST do not seem to read the meter as requested and are estimating based on consumption during the time of the leak. The customer requests that the company award a leak allowance in lieu of the misleading information provided by RST and take an actual read from the meter and bill correctly.

Defence

The company submits that the complaint relates to an internal leak at the customer's property in 2016 (pre-market opening). It has approached RST but it has declined to change its decision on not offering the customer an allowance. The customer's property is not eligible for an allowance due to the leak being found on internal pipework. Only customers who experience a leak on the water meter (which is RST's asset and responsibility) would be eligible to have an allowance granted for water. The customer would only have been eligible to claim for sewerage. However, the customer is a water only customer and is not charged for sewerage. It acknowledges that it had not read the meter since August 2017. It requested its Metering Team read the meter following its response to CCW on 20 September 2018. It confirms that its estimated reads are in line with the true consumption being used. It would like to apologise to the customer for the delays he experienced. To date a total of £100.00 Guaranteed Standards Scheme (GSS) payments have been applied to the account. It offered the customer a goodwill gesture of £350.00 in exchange for a final settlement. The customer politely declined its offer.

Findings

The company and the wholesaler are separate entities. This adjudication can only consider the duty owed by the company to its customers. It falls outside of my remit to consider any claims or complaints against the wholesaler. RST is responsible for investigating leak claims and granting any leak allowances. The company's duty is to contact the wholesaler and raise the claim for a leakage allowance on the customer's behalf. The evidence supports the

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company's submissions that it has fulfilled this duty. It falls outside my remit to direct that the company award a leak allowance. The company acknowledged that it had not read the meter for over a year. I am mindful that under Ofwat guidelines meters should usually be read at least once a year. The company has not shown that this guidance does not apply to it in this case. No clear evidence has also been submitted to show that the meter has now been read. However, previous meter readings provided by the customer support the company's submission that estimated reads are in line with actual consumption. The company acknowledges that it failed to provide the level of customer service expected on five occasions. The sums of compensation given by the company are fair and reasonable. For the avoidance of doubt, any offers to settle are a business decision for the company alone to determine and fall outside the scope of WATRS. Offers may be made to avoid the financial cost and time of going to adjudication.

Outcome

The company needs to take the following further action:

I direct that the company read the customer's meter and bill the customer accordingly.

The customer must reply by 01 March 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 01 February 2019

Party Details

Customer: []

Customer's Representative: []

Company: [].

Case Outline

The customer's complaint is that:

- On 17 February 2017, [] (RST), the wholesaler attended the customer's premises and identified a leak. RST informed the customer that if he repaired the leak within 30 days, he would be eligible for a leakage allowance.
- On 19 February 2017, the customer repaired the leak and gave RST two reads that were two weeks apart. However, RST has now explained that it will not grant an allowance as he is not eligible under its policy and it is not his sewerage provider. He is disputing this as he was told on site that he would get a full allowance. RST now states that it has no record that it agreed to provide him with a full leakage allowance.
- On the RST application form, it states that he can apply for an allowance. It would be reasonable to assume that RST would have known that it was not his waste provider at the time it gave the information and misled him.
- He is also unhappy that RST do not seem to read the meter as requested and are estimating on consumption during the time of the leak. He has challenged this and the company has stated that the estimated charges are in line.
- The customer requests that the company award a leak allowance in lieu of the misleading information provided by RST; take an actual read from the meter and bill correctly.

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The company's response is that:

- This complaint relates to an internal leak at the customer's property in 2016 (pre-market opening).
- It has approached RST but it has declined to change its decision on not offering the customer an allowance.
- The customer's property is not eligible for an allowance due to the leak being found on internal pipework. Only customers who experience a leak on the water meter (the asset and responsibility of RST) would be eligible to have an allowance granted for water.
- The customer would only have been eligible to claim for sewerage. However, the customer is a water only customer and is not charged for sewerage. Therefore, it could not request a sewerage allowance as he is not charged for it in the first place.
- It acknowledges that the letter issued to the customer by RST, before the opening of the non-household market, could be misleading as it states that if the leak is repaired within 30 days the customer would be able to apply for a one-off allowance to cover the additional cost of water and sewerage charges. However, the word to focus here is "apply" which means to make a formal application or request. All customers who experience internal leaks are eligible to apply for an allowance following an internal leak, but all allowance applications must go through to RST.
- It acknowledges that it had not read the meter since August 2017. It requested its Metering team read the meter following its response to CCW on 20 September 2018. The customer has provided it with a read on 13 August 2018. It confirms that its estimate reads are in line with the true consumption being used. The reading obtained by the customer on 21 June 2018 is higher than the billable read it used on 9 June 2018 (103m³ higher) therefore it considers that the readings used are in line with the true consumption.
- It would like to apologise to the customer following the delays he experienced early on during the leak allowance application process. It would also like to apologise that during the Consumer Council for Water's (CCW) investigation delays were experienced in it providing full detailed responses to assist CCW with its investigation.
- It offered a goodwill gesture of £350.00 in exchange for a final settlement for its part in him not getting to a resolution quickly enough. The customer politely declined its offer.
- To date a total of £100.00 Guaranteed Standards Scheme (GSS) payments have been applied to the account.

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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?

Settlement offers

1. For the avoidance of doubt, any offers to settle are a business decision for the company alone to determine and falls outside the scope of WATRS. Offers may be made to avoid the financial cost and time of going to adjudication. Adjudicators are not bound by offers made and must consider any compensation independently of any offers.

Wholesaler and Retailer

2. In April 2017 the water market in England opened up to retailers, and all non-household customers were moved to a retail/wholesale structured service.
3. The evidence shows that the company is the retailer and RST is the wholesaler. Retail companies and wholesale companies are separate entities. The customer has a contractual

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relationship with the retailer only. Under the Water Redress Scheme, a customer can only make a complaint against the company with whom they have a contractual relationship with; that is, the retailer. Therefore, for the purposes of this decision, my remit is to determine the issues between the customer and the company.

4. This adjudication can only consider the duty owed by the company to its customers. The company's duty is to contact the wholesaler and raise any claims or query any decisions on the customer's behalf.
5. It falls outside of my remit to consider any claims or complaints against RST.

Leakage allowance

6. The evidence shows that RST, and not the company, is responsible for investigating leak claims and granting any leak allowances. The company's duty is to contact the wholesaler and raise the claim for a leakage allowance on behalf of the customer.
7. The company has submitted an excerpt of the wholesaler's leakage allowance policy in evidence that confirms its submissions that under the wholesaler's policy a leak allowance will not be granted if the leak was on the customer's internal pipework. The company has also submitted a screenshot of its Central Market Operating System (CMOS) to confirm its submission that the customer is a water only customer and not billed for sewerage.
8. The evidence shows that the company contacted RST on the customer's behalf but as the leak had passed the meter and was on internal pipework, this request was declined by the wholesaler.
9. I acknowledge the customer's submissions that RST misled him with its application form. I also acknowledge the customer's submissions that RST told him on site that he would get a full allowance and that RST denied this. As explained above, any 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.

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Meter reading and billing

10. The company acknowledged, in correspondence with CCW dated 20 September 2018, that it had not read the meter for the property since August 2017. I am mindful that under Ofwat guidelines meters should usually be read at least once a year. The company has not shown that this guidance does not apply to it in this case. In the absence of any evidence showing otherwise, I am not satisfied that the company provided its services to the customer to the standard to be reasonably expected by the average person in this regard.
11. The evidence shows that the company requested that its metering team carried out a meter reading on 20 September 2018. However, no clear evidence has been submitted to this adjudication to show that this has now been done. In the absence of which, I am also not satisfied that the company provided its services to the customer to the standard to be reasonably expected in this regard.
12. However, notwithstanding the above, meter readings for the customer's account from 24 February 2016 to 6 September 2018 support the company's submission that estimated reads are in line with actual consumption. I therefore find that there was no detriment/inconvenience caused to the customer as a result.

Customer service

13. The company itself acknowledges that it failed to provide the level of customer service expected on five occasions as it delayed in dealing with the customer's claim and/or provided incorrect or insufficient information during the period of the complaint. It has listed each of these occasions in its Defence and awarded the customer a total of £100.00, £20.00 each. No further customer service failings have been raised by the customer. I find that the sums awarded by the company are fair and reasonable in the circumstances. Accordingly, I will deal with this issue no further.

Redress

14. In respect of the customer's request that the company award a leak allowance in lieu of the misleading information provided by RST, as discussed above, the wholesaler, and not the company, is responsible for granting any leak allowances. The company met its obligations to

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raise the complaint with the wholesaler on the customer's behalf. It falls outside my remit to consider the customer's request in this regard. I am unable to direct the remedy asked for.

15. In respect of the customer's request that the company take an actual read from the meter and bill correctly, in the absence of clear evidence showing that the customer's meter has been read, I find it fair and reasonable to direct that the company read the customer's meter and bill the customer accordingly.

Outcome

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

I direct that the company read the customer's meter and bill the customer accordingly.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 01 March 2019 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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Adjudicator

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