

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0905

Date of Decision: 26 July 2018

#### Complaint

Historically, the water bills that the customer has received showed readings both for their meter and their neighbour's sub meter. However, sub meter details are no longer shown on the company's invoices. The customer is unable to verify whether the sub meter readings have been properly deducted. They would like the company to (1) take readings from both meters on the same day; (2) show both sets of meter readings on their invoices; (3) apologise for the time and inconvenience caused to the customer in trying to resolve these problems with the company.

#### Defence

The company state the customer is being charged correctly for the type of meter set-up that they have. There was a business decision not to continue showing sub meter details on invoices going to master meter customers. In the meantime, there is a 'work around' calculation, which the customer can use, to check if the sub meter consumption has been deducted from the their bill. It is planned to re-introduce sub meter details back onto customers' invoices generally but a particular problem with the company's billing system needs to be fixed first of all.

No offer of settlement has been made.

#### Findings

The customer has been correctly charged in this case; however, the changes to the company's invoice structure have made it difficult for the customer to check the accuracy of their bills. Similarly, the company's billing system problems have meant that a reversal of the changes has been delayed and the company has not made it easy for the customer in their efforts to find a resolution to these matters. For these reasons, the company should give an apology to the customer.

#### Outcome

The company needs to take the following further action:

I direct the company to provide a written apology to the customer for:

(1) the difficulties that its invoicing changes and the billing system problems have caused; and

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(2) for the significant time and inconvenience that the customer has been put to in their efforts to try to resolve these difficulties with the company.

The customer must reply by 23 August 2018 to accept or reject this decision.

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For example, they received a bill for £2319.48. They telephoned the company only to be told that, in fact, the bill should have been for £966.80.

- In view of all of this, they would like the company to adopt a practice whereby:
  - readings are taken from their meter and the sub meter (which is only a short distance away) on the same day; and
  - its invoices are made clearer, more accessible and more accurate: in particular, that the readings from their meter and the sub meter are shown both together on the same invoice.
- They would also like an apology from the company for all the inconvenience that this problem has caused:
  - they do not like to be in debt but have no way of verifying the charges that they are receiving; and
  - the company has not made the matter easy to resolve. It has refused to speak to them on more than one occasion. It keeps sending incorrect bills and letters threatening that the account will be passed to debt collection agencies.

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

- It is charging the customer correctly for the type of meter set up that they have. At present, it is unable to show the sub meter details on the invoice because the business made the decision to remove this from customers who own the master meter.
- It received notification from AB Water on 12 December 2016 informing it that the customer had raised a complaint regarding their invoices for the master and sub meter. Contact was made with the customer that same day.
- The customer explained that the AB advisor had told them that:
  - they would get one invoice for both meters; and
  - it would be down to them to split the invoice and charge the neighbour who was responsible for the sub meter.
- The company explained that this information provided by the AB advisor was incorrect. In fact, the company does issue out two invoices. One invoice goes to the master meter customer and another to the sub meter customer.
- The customer was also informed that:
  - ideally, the meter reader should read both meters when he or she comes out; but
  - occasionally, this can be difficult if the sub meter cannot be accessed (if it is in a different location to the master meter.)

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- The customer accepted this explanation and the company arranged for a reading to be taken from both the master meter and the sub meter.
- Readings for both meters were received on 21 February 2017. The company produced a new invoice for the customer. It contacted the customer and informed them:
  - that their balance was £1196.03 debit; and
  - that the invoice being issued (stw-CRN0000[ ]) did not show any sub meter details.
- The customer said that they would wait for the invoice to come through before they made a payment.
- The customer then made a payment of £1196.03 on 22 March 2017, which cleared the balance.
- Nothing further was heard until 21 August 2017 when the customer made contact to say that their latest invoice (stw-INV004[ ]), dated 4 August 2017, was not showing the sub meter deductions.
- The customer was informed that:
  - the sub meter deductions had been done and that the charges on their August invoice were correct; and
  - as per the invoice that had been sent in February, the sub meter details were not shown on the August invoice.
- The company has identified a system issue whereby customers who have multiple meters on their invoice are not seeing all consumption broken down at meter level.
- The company does have plans to re-introduce the sub meter details back onto customers' invoices once this issue with its billing system has been fixed. At present, unfortunately, it is not possible to say how long it will be before this happens. As soon as the error has been fixed, all of the company's customers who are on a master sub structure will be informed.
- The company is sorry that the customer is unhappy about the sub meter readings no longer appearing on their invoice. However, the customer is able to find out if the sub meter consumption has been deducted from their invoices by running the calculation below ("the Workaround Calculation"):
  - *the last charging period – (volume m<sup>3</sup> x pence per m<sup>3</sup>) = actual consumption recorded on both master and sub meters.*

### 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.

If the evidence provided by the parties does not prove both of these issues, the company will not be directed to do anything.

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 should remind the parties that adjudication is an evidence-based process where the burden of proof rests on the claimant, in this case the customer, to prove their case on the balance of probability.
2. I should also say that I have had the benefit of reading the customer's comments, dated 11 July 2018, in response to the company's defence ("Comments").
3. I have considered, first, the customer's request that – whenever readings are required – they should be taken from their meter and the sub meter on the same day.
4. The company does mention that there may be an occasional difficulty over accessibility, i.e. in cases where the sub meter happens to be in a different location to the master meter. I note the customer's response in their Comments: "... *[the meter and the sub meter] are in the same field, if there is access to one then there is access to the other ...*"
5. Although I take on board what the customer says on this, I am not persuaded that it would be appropriate for me to direct that – whenever a visit is made for this purpose – the company must always ensure that readings are taken both from the customer's meter and the sub meter at the same time.
6. I am generally satisfied that, as far as practicable, the company is (and will be) aiming to take readings from both meters on the same day anyway. Looking at its defence, for example, the company seems freely to accept that, "*ideally*", this is what should be happening in practice.

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Therefore, I do not see that there is any very significant disagreement between the parties on this aspect.

7. The next and main element to the customer's complaint stems from changes made by the company to the structure and design of its invoices, specifically so that sub meter information is no longer shown ("the Changes"). The customer would like both sets of meter readings to be supplied with the bills that they receive.
8. Additionally, I note the company's explanation that it has identified a problem with its billing system: "... whereby customers who have multiple meters on their invoice are not seeing all consumption broken down at meter level ..." ("the Billing System Problem").
9. The company assures that it has plans to "...re-introduce the sub meter details back onto customers' invoices ..." but I note that the Billing System Problem will need to be fixed first of all.
10. In their Comments, the customer submits that they "... appreciate that [the company's] computer systems may not currently allow these to be produced on the bill but feel it is not unreasonable for a covering letter to be included with each bill to explain the calculation as the [Company] bills are nowhere near as clear and customer friendly as the AB bills ..."
11. As I understand it, the Changes have come about as a result of a 'business decision' taken by the company to remove the display of sub meter details from invoices going to customers owning the master meter.
12. The drivers behind the company's business decision are not spelled out. There is an indication that data protection concerns may be a factor. Bearing in mind Scheme Rule 3.5, however, I do not consider that I can direct the company to reverse the Changes in this instance. This is because – as I see it – the Changes are a product of a 'commercial practice' that the company has (for whatever reason) decided to adopt. Rule 3.5 provides that the WATRS Scheme cannot be used to adjudicate disputes relating to commercial practices.
13. Having read the materials accompanying the company's defence, I am satisfied (and find) that the customer has been correctly charged in this case. Notwithstanding this finding, I accept the customer's submissions about all the difficulties that they have experienced in the wake of the Changes.

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14. I can readily see why the Changes have made it harder for the customer to check the accuracy of the bills that they were receiving. I note the Workaround Calculation that has been suggested to the customer but I do not regard that as an entirely satisfactory solution in the circumstances.
15. I consider the customer's submission – that they have “*no confidence*” around the bills that they are receiving – to be an understandable one. I accept their submissions on this point.
16. On balance – and particularly having regard to their ‘Timeline of Events’ document – I also accept the customer's submissions about:
  - a. the corrections and revisions that needed to be made to bills as originally sent (and about the impact that this had on the customer's hopes and efforts to try to see this matter resolved); and
  - b. the seeming inaction on the part of the company in relation to the letter obtained from the customer's neighbour, Mr [ ] (by which Mr [ ] gave his consent for sub meter readings to be released to the customer for bill verification purposes).
17. I also reach the conclusion that:
  - a. the difficulties experienced by the customer in this case have been caused – certainly, in part – by the Billing System Problem; and/or
  - b. at the very least, the Billing System Problem has meant that the reversal of the Changes (which the company indicates is planned for) has been delayed; and
  - c. there is no reasonable basis on which the customer should be expected simply to endure the adverse consequences of the Billing System Problem, whilst they wait an indefinite period of time for a fix to be made.
18. Taken together, I find that the issues referred to in paragraphs 13 to 17 above constituted a failure by the company to provide its services to the standard to be reasonably expected. On this basis, I consider that it is appropriate (as is requested) to direct the company to make a written apology to the customer for:
  - a. the difficulties that the Changes and the Billing System Problem have caused; and
  - b. the significant time and inconvenience that the customer has been put to in their efforts to try to resolve these difficulties with the company.

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## Outcome

The company needs to take the following further action:

I direct the company to provide a written apology to the customer for:

- (1) the difficulties that its invoicing changes and the billing system problems have caused; and
- (2) the significant time and inconvenience that the customer has been put to in their efforts to try to resolve these difficulties with the company.

## What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 23 August 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.



**Nik Carle**, LLB (Hons), Solicitor, DipArb, FCI Arb

**Adjudicator**

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