

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1122

Date of Decision: 29 January 2019

Complaint

The customer submits that she experienced a loss of water during the “freeze thaw/Beast from the East” event at the beginning of March 2018. The company stated that customers who were without water for 72 hours would receive £150.00 compensation. It also said that customer would not have to claim it, it would be paid to them. The company were very clear on their website and announcements on TV that customers who are without water would be compensated. The company did not explain the terms and conditions attached to this payment. The company now states that according to its evidence she is not entitled to a payment. The company states that it used information from its pressure monitors combined with topographical data to work out which customers would have experienced no water. However, she believes that its calculations are wrong. The customer requests that the company pay her £150.00 for the three days that she was without water, and provide an apology for the total disregard she has received.

Defence

The company submits that on 3 March 2018, following a heavy covering of snow and a sustained period of below freezing temperatures for most of the UK, the [] (RST) region began to thaw out rapidly. As a result, this caused many RST owned water pipes and customers' water pipes across its network to burst. The customer does not qualify for the compensation scheme as its data shows it was supplying water to the Outside Stop Valve (OSV) of the customer's home at or above minimum requirements at all times during the freeze thaw event. Any plumbing issues past the point of an OSV are the responsibility of the property occupier/owner to resolve. The customer's private pipework configuration or boiler could have potentially affected her supply of water during this period. It has not reneged on any decision to pay £150.00 to the customer as it never told her it would pay her. On 9 March 2018 it released a statement on its website which advised; *“Customers will not have to make a claim to receive compensation, and the company will be writing to those affected soon.”* As its data showed it was providing water to the OSV of the customer's home during the event, it did not write to her. However, as the customer had made contact and due to a lower level of water pressure than normal, it paid the customer £30.00 as a goodwill gesture.

Findings

The company is legally only responsible for the water main, the communication

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pipe from the water main to the boundary of a property and the OSV. Property owners or occupiers are responsible for pipework that runs from the boundary of the property to the property. I accept the company's submission that it measures pressure supplied to a property's OSV as this is where its responsibility for water supply ends. There is no evidence to show that the company's calculations for the pressure threshold for the customer's building are incorrect. The evidence confirms that although the pressure recorded was lower than normal during the freeze thaw event, the water supplied to the OSV of the customer's home was at or above the minimum threshold required, and never fell below this threshold. The customer is therefore not eligible for the Customer Guarantee Scheme (CGS) compensation. However, the company has not shown that it provided sufficient information about the eligibility for the compensation scheme following the event. The company should therefore provide an apology.

Outcome

The company needs to take the following further action:

I direct that an authorised representative of the company provide the customer with a written apology.

The customer must reply by 26 February 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- She experienced a loss of water during the “freeze thaw” event at the beginning of March 2018.
- The company stated that customers who were without water for 72 hours (three days) would receive £150.00 compensation. It also said that customer would not have to claim it; it would be paid to them. The company were very clear on its website and announcements on TV that customers who are without water would be compensated. The company did not explain the terms and conditions attached to this payment.
- However, the company states that according to its evidence she is not entitled to a payment. The company states that the cause was her own internal pipework and not the company's network. However, she has not experienced problems with her internal pipework prior to or following the incident.
- Her property is at the top of a hill. Her flat is on the second floor and shares at the mains supply with the flat below. Under normal circumstances there is enough pressure for the water to reach her taps. There was not enough pressure of the water to reach her taps during the three days from 3 March 2018 to 6 March 2018. This was not because of frozen pipes or airlocks. The company states that it used information from its pressure monitors combined with topographical data to work out when customers would have experienced no water. However, its calculations are wrong.
- She has received a sum of £30.00 as a goodwill gesture but she is seeking the £150.00 pledged by the company.

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- The customer requests that the company pay her £150.00 for the three days that she was without water, and provide an apology for the total disregard she has received.

The company's response is that:

- On 3 March 2018, following a heavy covering of snow and a sustained period of below freezing temperatures for most of the UK, the RST region began to thaw out rapidly. As a result, this caused many RST owned water pipes across its network to burst, and there was an even bigger increase of its customers' water pipes bursting. The "freeze thaw" event affected up to 75,000 of its customers over a four day period between 3 and 6 March 2018.
- When a water pipe bursts, pressure drops; this in turn increases demand as customers run supplies for longer to receive their normal supply and, ultimately, this increase in demand impacts supplies.
- The customer does not qualify for a payment as its data shows there was water in the District Metering Area (DMA) that supplies the customer's home.
- A DMA is an area of water supply that is metered for the purposes of monitoring wastage (leakage), flow and pressure. Effectively, it isolates an area that is proved tight and controlled by a District Meter (DM), which shows accurate readings for flow and pressure. All other valves (on the edge of the DMA) are closed so there is no water leaving/coming into a DMA without being accounted for. To measure pressure (water supply) being delivered to a property (at the Outside Stop Valve (OSV)) within a DMA, it takes the height of the DM (and the pressure at this point) and compares it to the height of the property. The calculation generates a threshold for an individual property (at the OSV). So, if the pressure at the DM drops below this value, it knows the property has no water.
- In the customer's case, the threshold is 8.67 metres head.
- Its evidence shows that pressure recorded at the DM for the customer's DMA between 2 and 8 March 2018 was lower than normal during this date range; however, it never fell below the threshold for the OSV at the customer's home.
- It is important to mention that as the customer lives in a flat there may have been some head loss between the OSV and her flat, especially as her flat is on the top floor of the building. Any plumbing issues past the point of an OSV are the responsibility of the property occupier/owner to resolve.
- It is responsible for water supply only up to the boundary of a property, at which point there is usually an OSV located. Any pipework past this point is the responsibility of the property owner or occupier.

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- Despite the customer not having had any noticeable plumbing problems prior to, or after the “freeze thaw” event, the private pipework configuration could have potentially affected her supply of water during this period. There are three flats in the building that the customer lives, if each flat’s water supply comes from a single private shared supply pipe (from the OSV) to the building, this would contribute to any reduced water pressure. The customer herself confirms her supply of water is shared with the flat below hers within her WATRS application.
- Another reason for a loss of supply could be to do with the type of boiler used inside the property. A combination boiler for example, generally needs a minimum pressure to work effectively whilst supplying both hot and cold water. As it is not responsible for any pipework, plumbing fixtures or fittings, past the point of an OSV, it measures whether a property is in or out of water supply at the OSV of a property.
- It should also be borne in mind the way it calculates whether a property is in, or out, of water supply for the purpose of making a Guaranteed Standards Scheme (GSS)/Customer Guarantee Scheme (CGS) payment is a process that is audited by Ofwat, the Water Industry Regulator, annually. Any challenges to its compliance should correctly be addressed to Ofwat, who is the appropriate body to make a determination.
- It has not reneged on any decision to pay £150.00 to the customer; this is because it never told her it would pay her. On 9 March 2018 it released a statement on its website. In this statement it advised; *“Customers will not have to make a claim to receive compensation, and the company will be writing to those affected soon.”* As its data shows it was providing water to the OSV of the customer’s home during the event, it did not write to her. However, as the customer had made contact believing she was due a compensation payment, and due to a lower level of pressure than normal, it paid the customer £30.00 as a goodwill gesture.
- ***The company mentioned a “Mr []” in its Defence, but confirmed in a subsequent email received on 10 January 2019, that this was human error on its part. The company confirmed that the facts and figures quoted relate to the customer’s property and offered its apologies for the error.***

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.

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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?

Entitlement to CGS compensation

1. I accept the company's submission that it is legally only responsible for the water main, the communication pipe from the water main to the boundary of a property and the OSV. Property owners or occupiers are responsible for pipework that runs from the boundary of the property to the property and all the pipework, fixtures and fittings inside the property.
2. I also accept the company's submission that it measures pressure supplied to a property's OSV as this is where its responsibility for water supply ends. Any issues with plumbing past the point of an OSV are the responsibility of the property occupier/owner.
3. The company has clearly set out its calculations for the pressure threshold for the customer's building. No evidence has been submitted to this adjudication showing that these calculations are incorrect.
4. The company has also submitted a graph in evidence that confirms that during the freeze thaw event, although the pressure recorded was lower than normal, the water supplied to the OSV of the customer's home was at or above the 8.67 metres head minimum required, and never fell below that threshold.

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5. I acknowledge the customer's claim there was not enough pressure of the water to reach her taps during the three days from 3 March 2018 to 6 March 2018, and I can appreciate the distress and inconvenience suffered by the customer during the period. However, having carefully considered the matter, the evidence provided shows the company supplied water to the OSV at or above minimum requirements during the period. There is no evidence to show that the company is liable to pay the customer the CGS compensation requested.

Information provided by the company following the event

6. The customer submits that the company were very clear on its website and TV announcements that customers who are without water would be compensated. The customer states that the company did not explain the terms and conditions attached to this payment.
7. The company has submitted a link to a statement about the compensation scheme released on its website dated 9 March 2018. Although I note that in the statement the company states that "Full details are available on the [www.\[redacted\].co.uk homepage](#)," I am mindful that the weblink given is simply a link to the company's homepage. No evidence has been submitted to this adjudication that shows that at the time of the statement, full details of the criteria for payment was on the company's home page or clearly signposted and easily navigable from the company's home page.
8. I accept the company's submission that its 9 March 2018 statement explained that customers would not to make a claim and the company will be writing to those affected and as its data shows it was providing water to the OSV of the customer's home during the event, it would not have written to her. However, I find that it would also have been fair and reasonable for clearer and detailed information about eligibility to have been more clearly provided.
9. Further, I am also not satisfied that the company's letter to the customer of 7 June 2018 informing her that she did not qualify for a compensation payment, clearly and fully explained how the company determined eligibility for the compensation scheme. The evidence shows that it was not until the customer escalated the matter to the Consumer Council for Water (CCW) that the company fully explained requirements for the compensation payment.
10. In view of the above and in the absence of any evidence showing that the company provided more detailed information about the compensation scheme following the event, I am not

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satisfied that the company has shown that it provided its services to the customer to the standard to be reasonably expected by the average person in this regard.

Redress

11. In respect of the customer's request that the company pay her £150.00 for the three days that she was without water, as discussed above, the evidence confirms that the customer is not eligible for the £150.00 CGS compensation. Consequently, this aspect of the customer's claim does not succeed.
12. However, in respect of the customer's claim for an apology, in the absence of evidence showing that sufficient information about the eligibility for the compensation scheme was provided following the event, I find that it would be fair and reasonable to direct that an authorised representative of the company provide the customer with a written apology. Accordingly, this aspect of the customer's claim succeeds.

Outcome

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

I direct that an authorised representative of the company provide the customer with a written apology.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 26 February 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.

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- 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.



**U Obi LLB (Hons) MCI Arb
Adjudicator**

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