

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1131

Date of Decision: 5 March 2019

Complaint

The customer's usage showed a consumption spike between December 2016 and June 2017. This spike is unexplained. The company found no leak or supply issues for the increase. The meter was tested, however the customer disputes the accuracy of this test. The customer requests an allowance for the unexplained spike in consumption, removal of negative entries from his credit file, an apology, and £2,500.00 in compensation for distress and inconvenience.

Defence

The customer's water meter was changed as part of a programme to update old meters. The customer's recorded consumption increased. The company found no leak and removed the meter for testing. Consumption has remained at the higher level on the new water meter. The testing showed the meter recorded within limits, under recording slightly. There was no reason to grant a leak allowance. It denies the customer's claim.

Findings

The customer's usage increased after his water meter was replaced. However, it has remained consistent at the higher level on both replacement meters. There was no evidence of any leak. Testing the meter found it was recording accurately. There was no basis for any leak allowance. The most likely explanation for the increased usage was that the original meter had been under-recording. The company clearly explained its final position to the customer. There was a single failure of the company to act in the manner expected of a reasonable water supplier.

Outcome

The company needs to take the following further action:
Provide the customer with a written apology.

The customer must reply by 2 April 2019 to accept or reject this decision.

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The company's response is that:

- The company states that the customer's original meter was present when the customer moved into his property on 31 August 2011. This meter reading recorded an average daily use of 0.17m³ to 0.27 m³. It replaced the customer's meter on 23 December 2016 as part of a project to replace older style meters. The customer's average daily use on the new meter was recorded as between 0.33m³ to 0.50m³. Following the customer's complaint, the meter was removed for testing on 27 October 2017. The latest water meter is recording an average daily use of between 0.34m³ and 0.37m³, consistent with the previous meter. The company tested the disputed meter and found that this was operating within tolerances and was not faulty. The customer disputed the results of the meter test. The company sent a final reply to the company on 5 February 2018 confirming that there were no leaks on the supply, the usage on the meter was shown to be correct, there were no issues with the meter readings, the balance was to be paid in full, and that the company report payment information to credit reference agencies. It advised that its position was clear and that it would not be in a position to reply to any further correspondence on these points. The company also signposted the customer to CCWater if he remained unhappy. The company sent various payment reminder letters to the customer
- After receiving the CCWater complaint, the company advised that a discrepancy in the meter reading between it being removed and the photograph when testing likely related to the meter being put in testing mode. It agreed to retest the meter; the result was the same. The company submits that the increased usage suggests that the original meter may have been under recording as the replacement meter showed consistent usage levels. The company submits that it was entirely the customer's decision to continue to correspond after the company had provided evidence that the usage and bills were accurate. The negative credit marks are correct as the customer did not make payment after the company had established that the bills were correct and payable.
- The company denies that the customer is entitled to any reduction in the bill amount, nor any compensation for distress and inconvenience. The company has made a goodwill payment to the customer "to show willingness to err on the side of []" in the sum of £160.00.

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?

1. The customer's complaint has two aspects to it. The first is the accuracy of meter readings in relation to consumption between December 2016 and June 2017. The second is the level of customer service provided by the company.
2. In respect of the consumption spike, I note that the customer's property was originally metered by a meter with reference O3M1[]. I have been provided with historical meter readings from August 2011 to 23 December 2016. These show an average daily use of around 0.2m^3 - 0.27m^3 .
3. The company replaced the customer's water meter on 23 December 2016. The new meter had reference 310326627. It is the readings on this meter that are disputed. I note that the average daily use between 23 December 2016 and 31 July 2017 was 0.475m^3 , an increase of around 0.2m^3 per day.
4. Following the customer's complaint, the company attended the property and confirmed that the meter and water supply served only the customer's property. After confirming that the meter readings remained around the same level, averaging 0.342m^3 between 31 July 2017 and 27 October 2017, the company agreed to remove the meter and have this tested.
5. The company replaced the second meter on 27 October 2017 and replaced this with a third meter, reference 3104[]. I note that the average daily use on this meter is 0.351m^3 between 27

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October 2017 and 30 July 2018, indicating that usage levels have remained consistent between the second and third meters.

6. The second meter was tested by an independent party, Stream. The test found that the water meter was operating within acceptable limits. The independent testing confirmed that there was no fault with the second water meter.
7. The company has explained that a small discrepancy between the meter reading when the meter was removed and the reading in the report may be explained by the meter being placed in testing mode. In any event, I find that the discrepancy is extremely small and, in the absence of a significant reading error on the test, does not explain the increase in usage between the first and second water meters.
8. The customer has described the increase in consumption as unexplained. In reviewing the evidence, I find that the most likely explanation for the consumption increase is that the first meter was under recording the customer's usage. It appears that the first meter was likely analogue in nature, as opposed to the second and third meters which are digital. Ordinary wear and tear may lead a meter to under record the amount of water passing through a meter.
9. In view of the testing showing that there was no leak at the customer's property, that the water meter and supply pipe served only the customer's property, and that the consumption levels have remained consistent between the second and third meters, I am satisfied, on the balance of probabilities, that the first meter was significantly under recording the customer's usage.
10. I therefore find no basis for the customer's bill to be found to be incorrect, and there is therefore no basis for an allowance to be granted to offset or waiver part or all of the customer's bill.
11. It is in light of this finding that I must review the customer service provided by the company.
12. I am satisfied that the company was entitled to update its water meter, despite there being no indication that it may be faulty, on the basis that the meter remains the property of the company. I find that there are sound policy reasons for the company's approach of upgrading old meters, ensuring that customers' use is being recorded accurately wherever possible.

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13. I am also satisfied that the company acted properly in responding to the customer's complaint initially. The customer first contacted the company about the high usage on 27 June 2018 and a technician was sent out on 5 July 2017 to check the supply and the meter. The technician was unable to find any leak on the supply and suggested that further meter readings were taken in order to check if the readings remained high. The customer's meter readings were monitored and an appointment was set for 3 October 2017 to re-check the supply and the meter. During this visit, no leaks were detected and the company agreed to remove and test the meter.
14. The company removed the meter on 27 October 2017 and sent this to an independent testing company. The meter was tested on 22 December 2017, with the company relaying the results to the customer by telephone on 9 January 2018, also sending a confirmation letter. I find that the company correctly advised the customer of the findings of the meter test and its position that the bills were therefore correct and due.
15. The company did, on 15 January 2018, issue the customer with an invoice for the meter test, as this had found no fault, in the sum of £84.00, where it had advised the customer that this would be £70.00. However, I am satisfied that the company promptly corrected this error after reviewing the customer's account on 5 February 2018.
16. The customer had disputed the findings of the meter test immediately after being advised of the outcome of the test, indicating that he did not agree with the charges and was unwilling to make payment of these. The customer raised doubts as to the testing in his correspondence, advising that he remained "unconvinced" by the volumes recorded.
17. On 5 February 2018, the company sent a final position letter to the customer. Following this letter, the company did not respond to any further correspondence until it was contacted by CCWater. I am satisfied that the customer service provided up to this point met the standard expected of a reasonable water supplier, with the company fully investigating the customer's concerns and providing appropriate responses.
18. I am satisfied that, provided the company makes it clear that it is issuing a final response, directs the customer to CCWater, and advises that it will not respond to further correspondence, that it will not be a failure of the company to act in the manner expected of a reasonable water supplier where it does not respond to a customer's letters. The exception to this is where a customer raises new issues within his correspondence.

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19. In reviewing the company's letter dated 5 February 2018, I find that this included a full breakdown of the customer's complaint and the company's findings in relation to it. The company corrected the meter testing invoice to £70.00 in total. It confirmed that no issues had been found with the supply or meters and that the usage was therefore the customer's actual consumption. It also confirmed that the bills were therefore correct and were due, clarifying that the outstanding balance at that time was £70.81. The company confirmed that it had not reported any late payment marks to credit reference agencies at that time, but that it would report late or missed payments. The company applied a 20 day hold on the customer's account, until 27 February 2018, allowing the customer time to make payment before it would consider that payment to be late.
20. The letter finishes by confirming that the company had explained its position in respect to the customer's complaint, including the issues raised in letters dated from 11 January 2018 disputing the meter test. It advised that it would be unable to write to the customer again, but that if the customer remained unhappy, the customer may contact CCWater. The company had also provided the customer with a copy of its Quality Promise leaflet providing full details of the complaints process and the steps to take after receiving a final response.
21. I am satisfied that this letter constituted a final response, and that the company was entitled to ignore further letters and commence debt collection procedures after 27 February 2018. I find no failure of the company to act to the standard of a reasonable water supplier in that it followed the processes it outlined in its final letter.
22. In reviewing the customer's correspondence from after 5 February 2018, I find that the customer largely reiterated the same matters, including that he did not accept the meter readings as accurate. However, in the customer's 14 February 2018 letter, he raised a specific point about the accuracy of the test, namely that the meter reading on the photograph from the testing centre was "a third of a cubic metre" different from when the meter was removed from his property.
23. Whilst I am satisfied that the company did fully address the customer's points in respect of the accuracy of the bills, I find that the customer did raise a new issue in his letter of 14 February 2018. Notwithstanding this, I am mindful that the issue is one that amounts to the customer disputing the accuracy of the usage recorded by the meter between December 2016 and June

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2017. I find that the company should have responded to the customer's additional point, however I am not persuaded that this is a significant failure where the new issue is comparatively small and falls within the category of disputing the accuracy of the meter readings, a matter for which the company had properly issued a final position letter. Accordingly, whilst I find this was a failure of the company to respond to an additional point, I am not persuaded that the impact of this failure has been compounded by the company's refusal to respond as it had addressed the customer's issues broadly and had properly referred the customer to the Consumer Council for Water.

24. I note that the company did resend its final position letter to the customer on 10 July 2018, repeating the referral of the customer to CCWater. I find this to be reasonable and consistent with the previous advice given by the company, namely that it would not enter into further correspondence on the matter. The customer did then escalate his complaint to CCWater and they contacted the company about the complaint on 24 July 2018.

25. I am satisfied that the company properly responded to the customer's complaint once it had been escalated to CCWater, providing full responses to the questions presented by CCWater. It also re-tested the water meter, requesting photographs be taken before and after the test, in order to rule out any fault with the meter, and explaining that the discrepancy was likely due to the meter being placed into testing mode.

26. I am therefore satisfied that the company did fall below the standard expected of a reasonable water supplier as it did not respond to the customer's specific query about the minor reading discrepancy on the meter test. However, I am also satisfied that this issue falls within the wider complaint about the accuracy of the meter, on which the company had issued a final response, and that it had reasonable grounds to take the view that it had answered the customer's queries in full.

27. I am not persuaded that there has been any failure by the company to act in the manner expected of a reasonable water supplier that would warrant any compensation payment. However, I am persuaded that an apology is warranted. I therefore direct that an authorised representative of the company provide the customer with a written apology for not addressing the customer's query about the meter readings shown on the test until after CCWater had contacted it.

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28. As above, I am satisfied that the meter has been shown to have been recording accurately throughout. The increase in usage is most likely attributable to the previous meter under recording usage. I find no basis for any usage allowance to be granted. I also find that the company was expressly clear that, as it had completed its investigations and the meter was found not to be faulty, it would recommence debt collection activity from 27 February 2018. I find that the company only applied negative entries to the customer's credit report after this date, and I find that these entries are correct and that there is no basis for their removal. I therefore find that the customer is not entitled to the requested remedies, other than the apology as detailed above.

Outcome

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

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 2 April 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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A handwritten signature in black ink, consisting of a stylized, overlapping loop followed by a long horizontal stroke that ends in a small upward tick.

Alison Dablin, LL.M, MSc, MCI Arb

Adjudicator

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