

# **WATRS**

## **Water Redress Scheme**

### **ADJUDICATOR'S DECISION SUMMARY**

**Adjudication Reference: WAT/ /1163**

**Date of Decision: 4 March 2019**

#### **Complaint**

The customer submits that the complaint concerns a credit of £2,749.97 included on a statement received from the company with no explanation. The company failed to respond on time when she contacted it for an explanation. The company has subsequently explained that the credit was an error on its part. She was initially offered a goodwill payment of £150.00 but has declined this on the basis that this bad accounting as opposed to human error. The customer requests a full refund of £2,749.97.

#### **Defence**

The company submits that it updated the customer's account incorrectly when it closed the customer's unmetered account in May 2018 and created a new account for the metered charges. All charges for the period between 1 April 2008 and 30 April 2018 were removed from the account and only the payments received from the ten year period between 2008 and 2018 plus a credit to the account in February 2018 showed, leaving a credit of £2,749.97 on the account. When the error was corrected, the bills for each of the financial years were recharged. These amounts were offset by the aforementioned credit. When the customer questioned the bills, it was confirmed that she would receive a refund of the amount. This was subsequently retracted, as the charges were legitimate. To recognise the customer service failure, it provided the customer with a total of £300.00 as a gesture of goodwill. During the course of this review, it has increased the compensation payment to a total of £500.00. Further, during its review, it came to light that it should have mirrored adjustments made by [ ]Water Company (AWC), the company supplying water services to the customer's property, and it has therefore waived the £24.22 charge as a gesture of goodwill.

#### **Findings**

The evidence shows that the charges on the customer's account are legitimate and that the company has not charged the customer twice. The company accepts that it failed to provide its services to the customer to the standard to be reasonably expected in relation to the error on the account. The company also failed to provide its services to the customer to the standard to be reasonably expected after the error had been discovered and following the customer's complaint. The customer is entitled to a measure of compensation for the distress and inconvenience caused. However, the amount claimed by the customer is disproportionate to the failings shown. The £500.00 already credited by the company is fair and reasonable and sufficient to cover the

*This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.*

failings shown. The company failed in its obligations to the customer by failing to mirror the adjustment made by AWC. The company submits that it has waived the £24.22 charge from the account. This is fair and reasonable and sufficient to cover the failing shown.

**Outcome**

The company does not need to take any further action.

The customer must reply by 1 April 2019 to accept or reject this decision.

# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1163

Date of Decision: 4 March 2019

## Party Details

**Customer:** [ ]

**Company:** [ ].

## Case Outline

### **The customer's complaint is that:**

- The complaint concerns a credit of £2,749.97 included on a statement received from the company with no explanation.
- The company failed to respond on time when she contacted it for an explanation. The company has subsequently explained that the credit was an error on its part.
- She was initially offered a goodwill payment of £150.00 but has declined this on the basis that this bad accounting as opposed to human error.
- The customer requests a full refund of £2,749.97.

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

- On 1 May 2018, [ ] Water Company (AWC), the company supplying water services for the customer's property fitted a water meter. In situations like this, it amends the basis of charge for wastewater services, and charges are based on meter readings provided by AWC.
- It closed the customer's unmetered account in May 2018 and created a new account for the metered charges. To do this, the unmetered charges from 1 April 2018 to 31 March 2019 were replaced with charges from 1 April 2018 to 30 April 2018. The account balance at this time was a debit of £24.19.
- In August 2018, it came to light that the account had not been updated correctly and further changes were made. Regrettably, all charges for the period between 1 April 2008 and 30 April 2018 were removed from the account.

*This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.*

- Accordingly, as from 1 April 2008, only the payments received from the ten year period between 2008 and 2018 plus a credit to the account in February 2018 showed. The account balance was a credit of £2,749.97.
- When the error was corrected, the bills for each of the financial years were recharged. These amounts were offset by the aforementioned credit. The customer received all of these invoices, with the credit gradually diminishing with each rebilled year of charges.
- Regrettably, when the customer questioned the bills, it was confirmed that she would receive a refund of the amount. This was subsequently retracted, as the charges were legitimate.
- To recognise the customer service failure, it provided the customer with a total of £300.00 as a gesture of goodwill. During the course of this review, it has increased the compensation payment to a total of £500.00.
- Further, in information received from AWC in August 2018, it was confirmed that the meter should have been installed on 28 March 2018. AWC pro-rated metered charges for the period from 29 March 2018 to 29 April 2018. It should have mirrored this adjustment. Therefore as a gesture of goodwill, it has waived the £24.22 charge for the period from 1 April 2018 to 30 April 2018.

### **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.

*This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.*

## How was this decision reached?

1. I must remind the parties that adjudication is an evidence-based process.
2. 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.

### **£2,749.97 credit**

3. The company has submitted in evidence a breakdown of the customer's account showing charges and payments from 19 March 2007 to 11 February 2019.
4. This evidence confirms the company's submissions that charges from 1 April 2008 to 1 April 2018 were reversed in error, leaving on payments received between 2008 and 2018 and a credit to the account on 26 February 2018; a sum total of £2,749.97 credit. The evidence also shows that when the error was corrected, the charges for each of the financial years were re-billed.
5. There is no evidence to show that these charges are not legitimate or that the company has charged the customer twice. In the absence of which, I accept the company's submissions it does not owe the customer £2,749.97.

### **Customer service**

6. The company accepts that it failed to provide its services to the customer to the standard to be reasonably expected in relation to the error on the account.
7. It is also not in dispute that the company incorrectly informed the customer that the £2,749.97 would be refunded to her. In addition, the company does not refute the customer's submissions that it delayed in responding when she contacted it for an explanation. The evidence also shows that the customer had to contact the company around 23 times in relation to the issue. I therefore find that the company also failed to provide its services to the customer to the standard to be reasonably expected after the error had been discovered and following the customer's complaint.

*This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.*

8. In view of the above, I am satisfied that the customer is also entitled to a measure of compensation for the distress and inconvenience caused. However, I find that the amount claimed by the customer is disproportionate to the failings shown. I find that the £500.00 already credited by the company is fair and reasonable and sufficient to cover the failings shown. Evidence has not been submitted to this adjudication to support a larger sum of compensation for the failings shown. Consequently, the customer's claim for £2,749.97 does not succeed.

#### ***Failure to mirror an adjustment made by AWC***

9. Finally, for the avoidance of doubt, I note that the company also admits that during its review for its Defence for WATRS, it came to light that it had failed to mirror an adjustment made by AWC for the period 29 March 2018 to 29 April 2018 on the customer's account. I therefore find that the company has failed in its obligations to the customer in this regard. However, I note that the company submits that it has waived the £24.22 charge from the account. In the absence of any evidence showing otherwise, I am satisfied that this is fair and reasonable and sufficient to cover the failing shown.

#### **Outcome**

The company does not need to take any further action.

#### **What happens next?**

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 1 April 2019 to accept or reject this decision.
- When you tell WATRS that you accept or reject the decision, the company will be notified of this. The case will then be closed.
- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision.



**U Obi LLB (Hons) MCIArb**  
**Adjudicator**

*This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.*