

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1234

Date of Decision: 14 June 2019

#### Complaint

The customer has a dispute with the company regarding a purported ongoing leak to his supply pipe and/or water meter and its consequent negative impact on his billing. The customer claims that he has been notifying the company over a ten-year period from 2007 to 2017 that he believed there was a leak in his system, potentially in the meter chamber which was constantly wet. He further asserts that when the company replaced his meter in June 2018 the subsequent readings and dry meter chamber confirmed the presence of a leak. The customer further claims that the company has incorrectly placed negative markers on his credit history file and subjected him to stress, inconvenience, and loss of time in dealing with the company over the issue. The customer claims £2,500.00 in compensation for overpayment of water bills and for the stress and inconvenience.

#### Defence

The company asserts that the bills issued to the customer are correct and payable. The company notes it has no record of the customer complaining of a leak prior to 22 August 2017 when the customer called to report a leak at his outside stop valve. The company confirms that the water meter installed at the property of the customer was non-functioning between meter readings in October 2017 and April 2018 and thus the customer was not charged for usage during this period and the faulty meter was replaced on 01 June 2018. The company notes that the customer has not paid any of his water bills since his last payment in November 2017 and thus has an outstanding balance of £227.39 and this has resulted in it placing negative markers on his credit history. Additionally, the company notes it has offered the customer payment plans to assist in paying the outstanding balance. The company has not made any offer of settlement to the customer, declines to pay the compensation requested, and believes it has acted in a fair and reasonable manner.

#### Findings

The company has billed the customer appropriately. I am satisfied the company was unaware of any potential leakage at the customer's property prior to 22 August 2017. The company replaced the water meter not because it was leaking but because it was not functioning. The meter readings taken and the average daily usage figures before and after 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.*

change of meter are such that I find the company reasonable in its position that a water leak was never identified prior to August 2017. The customer has declared that he will not make any further payments to the company until such time the issue is resolved, and thus I find the company acted reasonably in placing negative credit markers on the customer's credit history. The company has advised the customer of schemes available to assist in paying bills. Thus, I am satisfied that the company has not failed to provide its services to the extent to be reasonably expected by the average person.

#### Outcome

The company needs to take no further action

The customer must reply by 12 July 2019 to accept or reject this decision.

## ADJUDICATOR'S DECISION

**Adjudication Reference: WAT/ /1234**

**Date of Decision: 14 June 2019**

### Party Details

Customer: [ ]

Company: [ ].

### Case Outline

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

- The customer claims he has experienced an ongoing dispute with the company regarding a leaking water meter and the negative effects on his billing, and that the problem can be traced back to the time he moved into his residence in March 2007. The customer asserts that he reported to the company that the meter chamber was full of water and leaking out onto the adjacent footpath. The customer claims he made further contact with the company between 2007 and 2017 without a response, though the company denies any record of these contacts.

*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.*

The company replaced the water meter in June 2018 and the customer has claimed that he was being overcharged due to the leakage and requests reimbursement of the amount he has overpaid. The company deny any overcharging. Despite the customer's ongoing communications with the company and the involvement of CCWater, the dispute has not been settled.

- The customer states that he moved into his residence in 2007 and in or around September or October 2007 he contacted the company to notify them that the water meter chamber was full of water and thus he suspected a leakage. He claims that he had no feedback from the company and that it did not investigate his complaint.
- The customer claims that he contacted the company again in the first quarter of 2008 but that, once more, the company did not investigate his complaint. The customer asserts that he carried out his own leakage test at that time which confirmed his belief that he had a leak in his system.
- The customer states that in 2010 he contacted the company anew over his belief he had a leak, but once again he received no action from it.
- The customer claims that in September 2017 a utility company installing a gas pipe in proximity to his water supply advised him that a large leakage was occurring at his water meter chamber. The customer asserts that both he and the on-site supervisor of the gas pipe team informed the company of the water leakage, but, as before, it took no action.
- The customer further claims that the company replaced the existing water meter in November 2017, although it appeared the meter was not functioning. The customer asserts that he made numerous attempts to contact the company to discuss the matter but without success, and his requests for call-back were never responded to by the company.
- The customer records that in November 2018 he finally had an exchange of communication with the company and that it explained it did not believe a leak existed because its records showed that usage was consistent over the years since 2007 and that the consumption was not in excess of the expected figures for a property with two residents.
- On or around 17 December 2018, the customer escalated his complaint to CCWater who investigated the issues with the company on his behalf. Despite the intervention of CCWater, the dispute is ongoing and the company has not revised its standpoint.
- The customer is not satisfied with the response of the company and consequently, on 04 May 2019, has referred the matter to the WATRS Scheme whereby he seeks to have the company pay him £2,500.00 in respect of overpayment on his bills due to the ongoing leak, removal of his

*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.*

name from the records of a credit reference agency, and compensation for stress and inconvenience, plus issue him an apology.

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

- The company, in its Defence document dated 03 June 2019, confirms that its records show the customer took up residence in the property as from 31 March 2007. The company notes that between that date and 12 April 2013 its records show only one contact from the customer to query an issue with billing and nothing specific regarding reporting any suspected leakages. The company further notes that its records show no contact whatsoever from the customer during the period 13 April 2013 to 21 August 2017.
- The company states that it was contacted by the customer via telephone on 22 August 2017 when he called to advise he believed there was a leak in his outside stop valve, which was adjacent to his water meter. The company states it visited the property three days later on 25 August 2017 and that on 12 September 2017 it replaced the outside stop valve, and re-laid free of charge, with new pipework, the supply pipe from the outside stop valve to the customer's property.
- The company further notes that meter readings taken 18 October 2017 and 24 April 2018 were identical, thus indicating the meter was not functioning. The company asserts that on 21 May 2018 the customer contacted it to query his bill and the effect of the supposed leak on the level of his bill. The company claims it informed the customer that the water meter was not functioning and it would replace it, and this was done on 01 June 2018.
- The company states that on 04 July 2018 it sent a letter to the customer advising him that his meter readings before and after the installation of the new meter indicated that no leak was or ever had been identified, and that it believed the water seen in the meter chamber was likely to have been rainwater. The company further advised the customer that the bills issued to him were correct and payable.
- The company notes that the customer had a good payment record up to and including the invoice issued in October 2017, but that all subsequent invoices remain outstanding with a combined unpaid balance of £227.39. The company further notes that it did not charge the customer for the period when the meter was non-functional, between 18 October 2017 and 01 June 2018, an estimated saving of some £72.00.

*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.*

- The company advises that due to the long outstanding invoices it has issued final demands and has now referred the outstanding amount to a debt collection agency for collection, and negative markers have been placed on his history held with a credit reference agency. The company states that it has offered the customer a payment plan and a “smarter home” visit.
- In summary, the company asserts that it has no record of the customer advising of a leak in his system prior to 22 August 2017, and that reference to its records and examination of the meter readings taken indicate no change in water consumption before or after changing the meter. Additionally, average consumption is within the normal parameters of a residential property with two occupants. Consequently, the company believes all invoices issued have been correct because no leak has been identified.
- The company notes that the customer approached CCWater with his dispute and that CCWater found that the company had satisfactorily dealt with his complaint, and had provided full explanation of meter readings and billing, had removed a previous negative credit marker, not charged for the period when the meter was not working, and offered a credit plan to assist with the outstanding balance owed.
- Consequently, the company declines to pay the £2,500.00 claimed by the customer in his WATRS application, nor to issue an apology.

**The customer’s comments on the company’s response are that:**

- The customer has submitted comments to the company’s Defence document on 12 June 2019. The customer advises that the meter chamber continues to remain dry following the meter change and believes this confirms his position that a leak was present before the change.

**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.

*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.*

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 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 dispute relates to the customer's dissatisfaction over the company's perceived failure to address his complaints over a leaking water supply pipe and meter and the consequent negative effect this had on his water charges. The customer contends that he first raised the possibility of a leak with the company back in 2007.
2. I note that the WATRS adjudication scheme is an evidence-based process and it is for the customer to show that the company has not provided its services to the standard that would reasonably be expected of it.
3. From the evidence submitted to me, I understand that the customer took up residence in his property on 31 March 2007, and he claims he contacted the company in either September or October 2007 to advise of a water leak in the water meter chamber. Unfortunately, the customer has not provided me with any evidence to support this claim and the company denies having any record of it.
4. Similarly, the customer asserts he contacted the company in 2008, 2010, and again in September 2017 when a utility company laying a gas pipe close to his water supply pipe advised him that water was leaking from his water meter. The customer also claims that the gas utility on-site personnel further advised the company of the leak. As with the 2007 claim, the customer does not submit to me any supporting evidence of his purported telephone calls and again the company denies receiving them.
5. However, the company confirms receiving a telephone call from the customer on 22 August 2017 concerning a leak at his property and a site inspection took place on 25 August 2017. Following the inspection, the company replaced their outside stop valve and the supply pipe from the valve to the customer's property free of charge despite having no legal obligation to do so. Consequently, I find on a balance of probability, that there was no customer service failure

*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.*

between 2007 and 31 August 2017 on the part of the company nor did it fail in its duty of care to manage the customer's account with a reasonable level of skill and care.

6. From the evidence laid before me I am satisfied that the meter readings taken on 18 October 2017 and 24 April 2018 were identical and thus I believe the company acted reasonably in understanding that the water meter was not functioning. Consequently, I am further satisfied that the company acted reasonably in replacing the meter on 01 June 2018 and by not charging the customer for water consumed during the period October 2017 to April 2018 when the meter was not operative.
7. I have studied the evidence submitted by the company regarding the average daily usage at the customer's property before and after the installation of the replacement meter on 01 June 2018. I note that the readings taken between April 2016 to October 2017 (when the meter effectively ceased functioning) indicate an average daily usage of 0.13; 0.14; 0.15; 0.13 M<sup>3</sup>. Following the installation of the new meter on 01 June 2018 the average daily usage remained constant with usage of 0.15; 0.14; and 0.14 M<sup>3</sup>. I have also noted that the company has recorded daily meter readings for the inclusive period 06 April 2019 to 27 May 2019. From examining these readings contained in various documents, I am satisfied that the company has taken a reasonable interpretation of the situation and that its position that no leak has been present is not unreasonable.
8. The company confirms that the customer had paid all his bills in full and on time between 2007 and October 2017, but has not made any further payments since this time and his outstanding balance now sits at £227.39. The customer in his e-mail to CCWater dated 01 January 2019 states that he has informed the company that he will withhold payments to it until the leakage issue is resolved. Reference to the Terms & Conditions applicable to the customer's account shows the steps the company may take to recover outstanding money owed to it, and these include sending final notices and using debt collection agencies. The Terms & Conditions also state that a customer who fails to pay any bill may have his credit record negatively impacted. The company has supplied me with evidence to support its position that it has followed its own Terms & Conditions and has sent final notices/demands to the customer and has referred the outstanding bills to a debt collection agency as well as placing negative markers on the customer's credit history file. Thus, I find that the customer has no valid reason to withhold payment of his bills, and that the company has acted in a reasonable manner in the steps it has taken to have the customer pay the overdue amounts. I find the company has managed the customer's account with a reasonable level of skill and care.

*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.*

9. In his application to WATRS the customer states he seeks compensation in the amount of £2,500.00, split into six separate heads of claim. These can be summarized as, claiming compensation for (i) excess payments made due to an ongoing water leak over a period in excess of ten years and (ii) compensation for stress, inconvenience, loss of time and numerous telephone calls made to the company.
10. In respect of head of claim (i) I have found above that the company has reasonably understood that no leak has been identified in the customer's supply pipe or meter chamber and that the customer's bills over the ten-year period accurately reflected the actual volume of water used and not lost through leakage. Thus, it follows that if no leakage has been identified then all charges were raised reflecting actual consumption and as such no excess charges or payments occurred. I shall not direct the company to pay compensation for charges correctly levied.
11. Regarding head of claim (ii), I am sympathetic to the customer's long held belief that a water leak was ongoing for a period in excess of ten years, but his belief has not been substantiated. I am sure that the length of time the issue has been ongoing has left the customer stressed and inconvenienced and I am conscious of the amount of time he spent on telephone calls to the company. However, I am satisfied that the stress and inconvenience experienced is not the fault of the company and thus I shall not direct that it pays compensation in this regard.
12. The customer, in his WATRS application, further requests that negative markers be removed from his credit history file. As I have found earlier, the company followed its own stated procedures in regard to recovering money owed due to non-payment of bills, and this includes entering negative markers on a defaulting customer's credit record. The customer himself has stated that he would withhold payment of any bills until such time as the leakage issue was settled, but taking this position does not release him from his obligation to pay his bills for services used. I find the company acted reasonably in placing the negative markers and thus I shall not direct that they be removed.
13. In addition to a claim for compensation, the customer also requests the company issue him an apology for lack of action and failed telephone call-backs. I have not found any customer service failings by the company in dealing with the customers ongoing complaint and I have identified that it provided its services to a level to be reasonably expected. Consequently, I find that an apology is not appropriate.
14. In summary, I have found no failure by the company to provide its services to the standard to be reasonably expected. I have found the company has dealt reasonably with the customer's claim notified on 22 August 2017, and I have found the customer has provided no evidence to support

*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.*

his assertions that he complained about leaks many times prior to August 2017. Further, the company has not demanded payment for water consumed during the period when the meter did not function, and has offered him payment plans to assist with the outstanding balance and suggested visits by its staff to his property to advise on water saving measures. Therefore, on balance, I find that the customer has not provided sufficient evidence to justify the claim.

15. My conclusion on the main issues is that the company has not failed to provide its services to a standard to be reasonably expected by the average person, and therefore, my decision is that the claim does not succeed.

#### **Outcome**

The company does not need to take further action.

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

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 12 July 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.



Peter R Sansom  
MSc(Law); FCIArb; FAArb; Member London Court of International Arbitration;  
**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.*