

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1315

Date of Decision: 28 March 2019

#### Complaint

The customer states that, in September 2016, he complained to the wholesaler (RST Water) that his bills were too high. A wholesaler engineer attended and suggested that changing the customer's private pipes might resolve the issue. The customer therefore replaced his private pipes in December 2016. In April 2017, engineers attended the customer's property and discovered that his neighbour's private water pipe was connected to his water meter (thus leading to higher water bills). Subsequently, the customer asserts that there were long delays and failures on the part of the company and it refused to accept responsibility. Consequently, the customer's claim is that the company should provide him with a water refund (backdated to 1997) and compensation (for fitting new private pipes and solicitor's fees) totalling £16,188.00.

#### Defence

The company explains that the water wholesaler's position is that it does not accept liability for the customer's claims. The wholesaler states that it did not know the customer's neighbour's private water pipe was connected to his water meter. The company indicates that it has challenged the wholesaler's position on behalf of the customer (in its capacity as the customer's water retailer) but the wholesaler has advised that it will not depart from its position and therefore rejects the customer's claim. The company confirms that it has provided the customer with the appropriate GSS (Guaranteed Standards Scheme) payments for the late responses it has provided to the customer. The company states that, in light of the above, it does not accept any further liability for the customer's claims for redress.

#### Findings

The company has demonstrated that it appropriately carried out its obligations in its capacity as the customer's water retailer. Consequently, in the absence of any unresolved material failures on the part of the company, I find that the customer's claims for redress cannot succeed.

#### Outcome

*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 does not need to take any further action. The customer is not obliged to accept this decision and is free to pursue resolution through all other avenues as available to them.

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

## **ADJUDICATOR'S DECISION**

**Adjudication Reference: WAT/ /1315**

**Date of Decision: 28 March 2019**

### **Party Details**

*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 December 2016, the customer had his private water pipes replaced and contacted the wholesaler to connect them to the mains. The wholesaler raised this job with its connection team but the customer had to chase this up twice in January 2017.
- The company took over the customer's services in April 2017 (when the retail water market opened). Around this time, the wholesaler's engineer discovered that the customer's meter was connected to other neighbouring supplies and that he was paying for other private supplies on the street. The wholesaler's engineer stated that this would be conveyed to the company.
- In July 2017, the customer sent a letter to the company regarding his shared supply with his neighbours. The company states that it correctly advised the customer that the parties involved in this issue (the tenants/occupiers on the shared supply) would need to come to a private arrangement to either split the invoice or arrange for their own private plumber to modify their private pipes to enable the wholesaler to invoice the properties separately.
- The company confirms that it is unable to get involved in third-party disputes regarding their private water pipes and the customer would need to come to his own private arrangements with his neighbours.
- The company acknowledges that the customer is seeking compensation for replacing his private pipework as a result of being wrongly advised by the wholesaler (RST Water). The company states it is sorry that the customer was wrongly advised by the wholesaler; however, this had nothing to do with the company and it cannot compensate the customer for the failures of third parties such as RST Water.
- The company disputes the customer's assertion that it has refused to respond to his emails. A review of the customer's account shows that all of his emails have been responded to. However, it accepts that some of these responses were not within its standard response time. Accordingly, the company confirms that it has applied all appropriate GSS (Guaranteed Standards Scheme) payments to the customer's account.
- The company confirms that, as the customer's retailer, it is committed to acting in the customer's best interests with the wholesaler. Accordingly, the company has (in its capacity as the customer's retailer) appropriately communicated with the wholesaler on the customer's behalf.
- In light of all the above, the company does not accept that it has failed in its obligations as the customer's water retailer. Therefore, the company does not accept any liability for the customer's claims for redress.

### How is a WATRS decision reached?

*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 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.

### How was this decision reached?

1. The customer's complaint is that he was wrongly advised by the water wholesaler (RST Water) and it has not accepted any liability to provide with him a refund and compensation. The customer also states that there were long delays and failures on the part of the company (PRQ Ltd) and it refuses to accept responsibility for the wholesaler's wrong advice. The customer is therefore seeking that the company provides him with a water refund (backdated to 1997) and compensation (for fitting new private pipes and solicitor's fees) totalling £16,188.00.
2. I remind the parties that adjudication is an evidence-based process and in order for any remedy to be awarded, the evidence must show that the company has not provided its services to the standard that would reasonably be expected of it.
3. In order to make a decision in this matter, I must clearly distinguish between actions taken by the wholesaler and the duty owed by the retailer (the company) to its customers. Since the water market in England opened up to retailers in April 2017, all non-household customers have been moved to a wholesale/retail split service. As a result, a non-household customer now only has a relationship with the retailer. In turn, an adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, as the party to the case, has responsibility, and not those things for which the wholesaler has responsibility. This

*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.*

includes, however, the effectiveness with which the retailer has operated as an intermediary between the wholesaler and the customer.

4. I find it important to make clear that the retailer (PRQ Ltd) and the wholesaler (RST Water) are separate and distinct organisations. Furthermore, I must draw attention to the fact that RST Water is not a party to this adjudication and therefore, in accordance with WATRS rule 3.5, I am unable to examine any complaints relating to this third-party.
5. Accordingly, whilst I am unable to consider the customer's complaints about the wholesaler's actions (such as allegedly providing wrong advice and not accepting liability to provide the customer with a refund/compensation), I can look at whether the service provided by the company (PRQ Ltd) has met the standard to be reasonably expected (of a water retailer) by the average person.
6. Following careful review of all the submissions and documents provided by the respective parties, overall, I am satisfied that the company has met its obligations to the customer as a water retailer. Specifically, I accept that the company pursued the wholesaler on the customer's behalf and appropriately conveyed their challenge to its rejection of their claim.
7. However, the wholesaler ultimately declined to depart from its position and upheld the rejection of the customer's claim. The company then conveyed the wholesaler's position to the customer. Accordingly, under the circumstances, I am satisfied that the company acted appropriately to pursue the wholesaler in relation to the customer's complaint and appropriately explained its position to the customer.
8. I note the customer asserts that there were delays and failures to respond to his complaints. I note the company disputes that it failed to respond to the customer's complaints; however, it does accept that some of its responses were provided outside of its standard response times. Accordingly, it has taken appropriate remedial action and provided the customer with the appropriate GSS payments for these oversights. Taking into account all the information available (such as the detail regarding the GSS payments), on balance, I am inclined to accept the company's submissions that (whilst it did not fail to respond to the customer's complaints) it did not respond to the customer within its standard response times. However, I am satisfied that the company's provision of the appropriate GSS payments for these oversights were fair and

*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.*

reasonable. Consequently, I am satisfied that this issue has already been appropriately addressed by the company.

9. Therefore, in light of all the above, I am not satisfied that there are any unresolved material failures on the part of the company to provide its services to the standard to be reasonably expected by the average person. Consequently, in the absence of any unresolved failures on the part of the company, I find that I am unable to uphold the customer's claims for redress.
  
10. This marks the end of the WATRS stage of the customer's complaint. The customer is not obliged to accept this decision and is free to pursue resolution through all other avenues as available to them.

#### **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 26 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.

*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.*

- If you do not tell WATRS that you accept or reject the decision, this will be taken to be a rejection of the decision.



**E. Higashi** LLB (Hons), PGDip (LPC), 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.*