

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1320

Date of Decision: 20 August 2019

Complaint

The customer's claim is the company based his water bill on an estimated reading rather than an actual reading, which led to a delay in discovering that the private pipework within his property was leaking. Had the bill been based on an actual reading then the customer would have discovered the leak earlier and this would have prevented the prolonged escape of water leading to an increase in his company's water bill. The customer is seeking the company to take responsibility for the leak not being identified earlier and reduce the outstanding balance of £17,819.35.

Defence

The company states that under its terms and conditions in order to provide at least one invoice per year based on actual readings the company requires an actual meter reading to be provided by the customer or to be obtained by the company. With an invoice being issued based on actual reads in both October and December 2017 the company has met its terms and conditions when invoicing the account. The company submits the leak from the customer's private pipework is a private issue, which the company is not responsible for. However, the company as a gesture of goodwill has negotiated with the Wholesaler an out of policy sewage allowance which can be used to offset customer's outstanding balance. However, the company cannot reduce the customer's balance further as the customer is liable for the usage whether or not there is any leak within the customer's private pipework and there is no leak allowance available. The company has not made any further offers of settlement.

Findings

I am satisfied the evidence points to the fact the company did not fail to provide its services to the customer to the standard to be reasonably expected regarding the leak at the customer's property. The reasons and evidence provided by the customer are not sufficient to justify his claim that the company to take responsibility for the leak not being identified earlier. Furthermore, I am satisfied there have been no failings with regard to customer service.

Outcome

The company needs to take no following further action.

- The customer must reply by 17 September 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1320

Date of Decision: 20 August 2019

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- The company wrongfully based the customer's 10 May 2017 water bill on an estimated reading rather than an actual reading.
- This delay prevented the customer from discovering that pipework within his property was leaking and led to ever increasing bills, as well as inconvenience and distress.
- The customer is seeking the company to take responsibility for the leak not being identified earlier and reduce the outstanding balance of £17,819.35.

The company's response is that:

- Under its terms and conditions in order to provide at least one invoice per year based on actual readings the company requires an actual meter reading to be provided by the customer or to be obtained by the company. With an invoice being issued based on actual reads in both October and December 2017 the company has met its terms and conditions when invoicing the account.
- As a gesture of goodwill, the company has negotiated with the Wholesaler an out of policy sewage allowance for the customer of £22,679.82, which gives a credit on the customer's sewerage account of £7,938.65 which can be used to offset the customer's outstanding balance of £17,819.35.
- Leaks from the customer's internal pipework are a private issue, which the company is not responsible for. Accordingly, the company cannot reduce the customer's balance further as the customer is liable for the usage whether or not there is any leak within the customer's private pipework. In addition to this there is no further allowance available from the Wholesaler.
- The company has provided a good level of service throughout its dialogue with the customer and therefore no payment is due the customer under its Guarantee Standards Scheme.

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However, as a gesture of goodwill the company has applied a credit of £500.00 to the customer's account.

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 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 I have not considered it in reaching my decision.

How was this decision reached?

1. The dispute centres on whether the company not basing its 10 May 2017 bill on an actual reading taken in April 2017 would have prevented ever increasing bills, as well as inconvenience and distress to the customer. The company is required to meet the standards set out in the Water Industry Act 1991 and the Water Supply and Sewerage Services (Customer Service Standards) Regulations 2008. The combined effect of these is to place an obligation on a water and sewerage company that when there is a report of a leak, the company needs to investigate fully if the company's assets are to blame and, if repairs are needed, make such repairs to prevent further leaks.
2. Since April 2017, a non-household customer only has a relationship with the company not the wholesaler. Therefore, if a non-household customer has an issue with their water supply or sewerage services, they have to approach the company, who is responsible to chase the wholesaler and try to resolve the matter. Accordingly, it must be borne in mind by all parties that

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within this decision I cannot find the company liable for something that only the wholesaler is liable for.

3. Furthermore, the company also has certain obligations in respect of its customer services as set out in OFWAT Guaranteed Standards Scheme and the company's own Guarantee Standards Scheme (GSS).
4. From the evidence put forward by the customer and the company, I understand the company was took over the customer's account from the Wholesaler on 1 April 2017. The company issued its first invoice on 10 May 2017 which was based on an estimated reading of 66506 calculated from past consumption. The company states an actual reading of 70304 had been received on 28 April 2017, but this would not have been received on its system in time for the invoice to be produced. The company states within its defence that as this actual reading showed the customer's consumption was less than five times the normal consumption it would not flag up on the company's system that a possible leak existed on the customer's water supply. On 11 October 2017, the company issued its second invoice based on an estimated reading of 74493 calculated from past consumption and the 28 April 2017 actual reading. After receipt of the invoice the customer contacted the company to query the increase in charges. The customer then supplied on 20 October a reading of 88135. As this actual reading showed that the customer's consumption was more than five times the normal consumption this flagged up that a leak existed on the customer's water supply. On 17 November 2017, the customer contacted the company to confirm that a leak had been found on the customer's own pipework. The evidence shows that the customer was advised whilst he was not eligible for a leak allowance due to the leak being on private pipework as the water did not return to the sewer, he may have been eligible for a non-return to sewer allowance from the Wholesaler. The customer account was invoiced up to an actual read of 90503 which created a balance due of £37,352.53. Various discussion then took place between the parties, with the customer of the view that he should not be liable for the full charges as if the invoice issued on 10 May 2017 had been based on the 27 April 2017 actual reading the leak would have been identified sooner. The company's view that if it had based the 10 May 2017 invoice on the 27 April 2017 reading it would have still not highlighted a leak on the customer's pipework as the reading was less than five times the normal consumption. No agreement could be reached and in July 2018, the customer contacted CCWater to progress the dispute further. The result of the CCWater investigation was that the company made a goodwill payment credit to the customer's account of £500.00. Further discussions and payments took place between the parties resulting in when the customer started the adjudication process there remained an outstanding balance of £17,819.35.

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5. With regard to the customer's comments that the company should take responsibility for the leak not being identified earlier and reduce the outstanding balance of £17,819.35. The company states the customer is still liable for the bill as leaks on private pipework is a private matter for which the company has no responsibility. As set out in OFWAT's website, private pipework within the customer's property is the responsibility of the property owner. The customer states that, had the company provided a bill based on actual readings in May 2017 the leak could have been discovered earlier. However, the company states had an invoice based on actual readings been issued in May 2017 the leak would have not been identified as it was less five times the consumption of the previous readings at the property. I note the increase in units provided by the customer for the period from the estimated reading of 10 April 2017 to the 28 April 2017, however, in my view, the additional consumption during this short period would have not indicated to the company that a leak existed due to the fact the 10 April 2017 was an estimated reading only. The evidence shows that a leak existed on the customer supply pipe at some point around or after April 2017; however, it is not clear from the evidence provided by either party exactly when the leak occurred except that over consumption was discovered in October 2017 and the leaking private pipework was found on 17 November 2017. After careful review of all the evidence and correspondence, I am satisfied that the April 2017 consumption of 25.4m³ compared to a later daily consumption of 18.3m³ readings between November 2018 and March 2019 and the daily consumption of 102m³ between April 2017 and October 2017 shows that, on the balance of probabilities, a leak probably did not exist before the April 2017 reading. Accordingly, I find that had an invoice been issued in May 2017 based on the April's 2017 actual reading a leak would have probably not been identified if it existed and therefore the delay of an actual reading until October 2017 did not adversely affected the customer.

6. I note that within the company's dialogue with the customer its states that where there is a private leak there is only an entitlement to a leakage allowance against volumetric sewerage if the water leaked did not return to the sewer. This could only be assessed by the wholesaler once the leak had been repaired and confirmation sent to the wholesaler within six months of the repair date, set out non-household leakage policy. The company states that it has negotiated with the Wholesaler an out of policy sewage allowance for the customer of £22,679.82, which gives a credit on the customer's sewerage account of £7,938.65 which can be used to offset the customer's outstanding balance of £17,819.35. However, I am conscious that this does not relieve the customer of his responsibility for any over consumption due to leakage from the customer's private pipework. The company states that under its terms and conditions where there is a dispute raised on an invoice the customer may withhold no more than 25% of the

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disputed charge pending the resolution to of the dispute. Whilst I understand the position the customer is in with regard to the over consumption, it is not due to any failing by the company. Accordingly, I find the company is under no obligation to reduce the customer's bill further.

7. In light of the above and after careful analysis of the evidence, I agree with the company interpretation that any leaks from the customer's own pipework are the responsibility of the customer. Therefore, I find the company did not fail to provide its services to the customer to the standard to be reasonably expected with regard to taking responsibility for the leak not being identified earlier and reducing the outstanding bill.
8. The company has certain obligations in respect of its customer services. From the evidence provided I am satisfied that by the end of the company's dialogue with the customer, the company had adequately explained the reasons behind why the customer's own pipework are the responsibility of the customer and why a delay of an actual reading until October 2017 did not adversely affected the customer.
9. Based on the available information, I find the customer has not proven the company failed to provide its services to the customer to the standard to be reasonably expected by the average person with regard to taking responsibility for the leak not being identified earlier and reducing the customer's outstanding bill. Furthermore, I am satisfied there have been no failings with regard to customer service.

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 17 September 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 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.

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**Mark Ledger FCI Arb
Adjudicator**