

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1348

Date of Decision: 31 May 2019

Complaint

The customer submits that a meter reader visited his property to read the meter and advised him that the property is on a shared supply. He has been paying for the water consumption of a neighbouring barber shop for over 19 years. This was the first time that the shared supply had been brought to his attention. The company failed to inform him, his landlord or his neighbours of the shared supply at any stage. The company has advised that this is deemed to be a private third party dispute and that he will need to resolve the matter himself by liaising with his neighbour. The company provided a poor level of customer service during the complaint period. The issue has caused him considerable distress and he has had to seek medical intervention. The customer requests that the company fit a sub-meter or install a new separate supply; provide an apology; split the bill between him and the neighbouring business; refund overpayments since the meter was installed in the sum of £18,087.24 and pay compensation for stress and inconvenience in the sum of £2,500.00.

Defence

The company submits that it is only responsible for billing the customer from 1 April 2017. Anything pre-dating this was the responsibility of RST Water (RST). In addition, a shared supply is considered a private matter. RST confirmed that when the meter was first installed it was just one building so originally just one supply and was not installed intentionally as a shared supply. It was at the point when the building was split that whoever was responsible at the time made the decision to not have a new supply installed. Under OFWAT's guidance a shared supply serving more than one property is the responsibility of the property owner(s). As the retailer it does not hold any information on whether an address is a shared supply or not. The way in which the bills need to be split once they have been received by the customer is a private agreement between those who are on the shared supply. There have been a number of customer service failings on its part. It has applied a credit to the customer's account in the sum total of £80.00 for these failures. No offer of settlement was made.

Findings

The company and RST are separate entities. This adjudication can only consider the duty owed by the company to its customers. The company's responsibility begins from 1 April 2017 only. It falls outside of my remit to

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consider any claims or complaints against RST whether before or after market opening. In addition, any claims or complaints against or by other third parties cannot be considered. I acknowledge the customer's claim and I can appreciate the customer's distress at having paid the charges for both properties since he moved into the property. However, a shared supply is a private matter and the responsibility of the property owner(s). The company is not responsible for private supply pipe arrangements and there is no evidence to show that the company is billing incorrectly in relation to the Supply Point ID (SPID). The company's duty is to contact the wholesaler and raise any claims or query any decisions on the customer's behalf and the evidence shows that the company has fulfilled this obligation in this regard. I am unable to direct that the company fit a sub-meter or install a new separate supply; split the bill between him and the neighbouring business; or refund overpayments since the meter was installed. I appreciate the difficulty of the situation for the customer but I am unable to direct these remedies. However, I find that the company provided a poor level of customer service during the complaints period.

Outcome

The company needs to take the following further action:

I direct that the company pay the customer a further £50.00. I also direct that an authorised representative of the company provide the customer with a written apology.

The customer must reply by 28 June 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1348

Date of Decision: 31 May 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- A meter reader visited the property to read the meter and advised him that the property it is on a shared supply.
- He has been paying for the water consumption of a neighbouring barber shop for over 19 years.
- This was the first time that the shared supply had been brought to his attention. The company failed to inform him, his landlord or his neighbours of the shared pipe at any stage.
- Even in 2011, when the meter was either installed or exchanged, he was not advised that he was on a shared supply. The neighbouring business is not included anywhere on his bills.
- The company has advised that this is deemed to be a private third party dispute and that he will need to recover the money from his neighbour or resolve the matter himself by liaising with his neighbour.
- The company has also provided a poor level of customer service. The company referred to him by an incorrect name in an email and failed to respond to correspondence with the promised timeframes on several occasions. The company requested payment of £20.00 per hour for searches of a historic meter, but then conducted the search when he escalated the matter to the Consumer Council for Water (CCW). It also states that it is only able to provide bills back to December 2016 and any other bills will cost £12.50 per bill. The company also stated that it was private matter but then stated that it was unable to offer compensation as his account was in arrears, this is contradictory.
- The issue has caused him considerable distress and he has had to seek medical intervention.

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- The customer requests that the company fit a sub-meter or install a new separate supply; provide an apology; split the bill between him and the neighbouring business; refund overpayments since the meter was installed in the sum of £18,087.24; and pay compensation for stress and inconvenience in the sum of £2,500.00.

The company's response is that:

- When the non-household market opened on 1 April 2017, it became the customer's retailer and therefore became responsible for billing him from this point. Anything pre-dating the market opening was the responsibility of RST Water (RST).
- This is a private dispute between the customer and the neighbouring property.
- The meter and the connection itself are owned by RST. Before the connection is made, site visits would have been carried out by the wholesaler to discover the best place to fit the meter and where pipes would need to be placed.
- It raised a verification of supply to RST. RST confirmed that when the meter was first installed it was just one building so originally just one supply and was not installed intentionally as a shared supply. It was at the point when the building was split that whoever was responsible at the time made the decision to not have a new supply installed so each building had its own meter and accepted going forward both buildings would be billed on a shared supply.
- It is for this reason it has been advising the customer that this is a private dispute and that he would need to be taken up directly with his landlord. When the customer took on the premise from the landlord, ordinarily the landlord should have notified the tenants of the circumstances and that the supply is shared.
- A shared supply is considered a private matter. As a retailer it cannot do anything to share the charges between the two properties.
- However, it has recommended options. The neighbouring property could install a sub meter that would record the water they are using. When the customer then gets a bill for the consumption on the main meter, he can deduct the consumption from the sub meter and the neighbouring property can then pay him for exactly what they have used. The landlord of the property could also potentially take the responsibility of the water bills and re-charging the tenants appropriately. Or a new separate supply can be installed, this responsibility falls to the wholesaler and would be at the customer's expense.
- Under OFWAT's guidance a shared supply serving more than one property is the responsibility of the property owner(s).

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- As the retailer it does not hold any information on whether an address is a shared supply or not, it is held responsible for billing the customer on the SPID(s) (supply point ID) that has been entered into CMOS (The Central Market Operating System), which it can confirm has been done. The way in which the bills need to split once they have been received by the customer is a private agreement between those who are on the shared supply.
- There have been a number of failings on its part: it delayed in contacting the customer after receiving verification of the supply from RST; it failed to respond to correspondence and customer had to chase it on two occasions for updates; and the case was closed without correspondence being sent to the customer. It has applied a credit to the customer's account in the sum total of £80.00 for these failures. The account is now in a credit of £353.53.

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.

How was this decision reached?

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

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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.
3. It is almost inevitable in such adjudications that conflicts of evidence arise, and the mere fact that the adjudicator finds in favour of one party on a particular issue does not mean that the other is telling an untruth. The adjudicator's role is to balance the evidence that is presented.

Wholesaler and Retailer

4. In April 2017 the water market in England opened up to retailers and all non-household customers were moved to a retail/wholesale structured service.
5. The evidence shows that the company is the retailer and RST is the wholesaler. Retail companies and wholesale companies are separate entities. The customer has a contractual relationship with the retailer only. Under the Water Redress Scheme, a customer can only make a complaint against the company with whom they have a contractual relationship with; that is, the retailer. Therefore, for the purposes of this decision, my remit is to determine the issues between the customer and the company.
6. This adjudication can only consider the duty owed by the company to its customers. The company's duty is to contact the wholesaler and raise any claims or query any decisions on the customer's behalf. In addition, the company's responsibility in this regard begins from 1 April 2017 only.
7. It falls outside of my remit to consider any claims or complaints against RST whether before or after market opening.

Other third parties

8. I also acknowledge the parties' submissions about other parties in this matter such as CCW, the customer's landlord and the neighbouring property. However, for the purposes of WATRS my remit is to determine the issues between the customer and the company only. Any claims or complaints against or by other parties cannot be considered.

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Shared supply

9. I can appreciate the difficulty of the situation for the customer. However, no evidence has been submitted to this adjudication to show that the company is billing incorrectly in relation to the SPID.
10. No evidence has also been submitted to this adjudication to show that it was the company's responsibility to inform the customer that his property was on a shared supply.
11. The evidence shows that RST, and not the company, is responsible for meter and the connection itself. In addition, wholesalers are legally only responsible for the water main and the communication pipe from the water main to the boundary of a property. Property owners or occupiers are responsible for the supply pipe, which runs from the boundary of the property to the property and all the pipework, fixtures and fittings inside a property. A supply pipe that serves more than one property is the shared responsibility of the property owners/occupiers served by the pipe. Companies are not responsible for private supply pipe arrangements.
12. The company has also submitted evidence from OFWAT, the water industry regulator, which confirms that a shared supply serving more than one property is the responsibility of the property owner(s).
13. The evidence shows that the company has contacted RST on the customer's and relayed the options given by the wholesaler to the customer. It is not within my remit under this adjudication to review these options to determine whether they are suitable and/or who should pay the cost of implementing these options. I am mindful that, as discussed above, companies are not responsible for private supply pipe arrangements.
14. Accordingly, I acknowledge the customer's claim and I can appreciate the customer's distress at having paid the charges for both properties since he moved into the property. However, as discussed above, the company's duty is to contact the wholesaler and liaise on behalf of the customer, and the evidence shows that the company has fulfilled this obligation. I therefore find no failings on the company's part in relation to the shared supply.

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Customer service

15. The customer submits that the company provided a poor level of customer service during the complaint.
16. The company accepts that it delayed in contacting the customer after receiving verification of the supply from RST; it failed to respond to correspondence and the customer had to chase it on two occasions for updates; and that the case was closed without correspondence being sent to the customer. The company has applied a credit to the customer's account in the sum total of £80.00 for these failures.
17. The 5 February 2019 email submitted by the customer in evidence also confirms the customer's submission that the company addressed him by an incorrect name in correspondence. I also accept the customer's submissions that the company's reference to compensation due to arrears on the account is contradictory in relation to its statement that the issue is a private matter. I find that the company failed to act with due care and attention in this email and provided a poor level of customer service in these regards.
18. However, in relation to the customer's complaint that the company requested payment of £20.00 per hour for searches of a historic meter, but then conducted the search when he escalated the matter, and that the company will charge £12.50 per bill for any bills prior to December 2016; the evidence shows that these fees are charged by RST and not the company. In addition, the price a company charges for its services are a business matter for the company alone to determine, as is, whether or not a company chooses to in fact levy a charge for its service. These aspects of the customer's claim cannot be considered. I find no failings on the company's part in these regards.

Redress

19. In respect of the customer requests that the company fit a sub-meter or install a new separate supply; split the bill between him and the neighbouring business; and refund overpayments since the meter was installed in the sum of £18,087.24; as discussed above, no evidence has been submitted to this adjudication which shows failings on the company's part in relation to the shared supply. The company is not responsible for private supply pipe arrangements and there

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is no evidence to show that the company is billing incorrectly in relation to the SPID. I appreciate the difficulty of the situation for the customer. However, I am unable to direct the remedies sought.

20. In respect of the customer's request for £2,500.00 for stress and inconvenience, in light of my findings above that the company provided a poor level of customer service, I am satisfied that the customer is entitled to a measure of compensation for the stress and inconvenience caused. However, I find that the amount claimed is disproportionate to the failings shown. In addition, as discussed above, I find no failings on the company's part in relation to the shared supply. I also take into account the fact that the company has already paid the customer £80.00 for the accepted failings. For the avoidance of doubt, I am not satisfied that that sum is sufficient, and fair and reasonable for the failings shown. Having carefully considered the evidence provided, I find a further sum of £50.00 to be a fair and reasonable level of compensation. I therefore direct that the company pay the customer a further £50.00.
21. In respect of the customer's claim for an apology, in light of my findings above, I find that it would be fair and reasonable to direct that an authorised representative of the company provide the customer with a written apology.

Outcome

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

I direct that the company pay the customer a further £50.00. I also direct that an authorised representative of the company 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 28 June 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

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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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Adjudicator

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