

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1355

Date of Decision: 24 April 2019

Complaint

The customer has a dispute with the company regarding billing after changing tariffs, the efficiency of her installed meter, and the presence of a leak in her water supply pipe. After changing tariffs in January 2018, the customer asserts that she has been billed incorrectly and overcharged, had an ongoing pipe leakage that the company failed to identify and repair timeously, and has suffered stress and inconvenience due to the length of time she has had to deal with the company to solve the dispute.

Defence

The company asserts that the customer's metered account was correctly set up and managed and that the billing was correct except for a few minor issues that were promptly rectified and compensated. Additionally, it states that it proposed on many occasions to have a technician perform a leak test but that the customer did not agree to this for several months. Notwithstanding, the company has repaired the leak at its cost without any legal obligation to do so and has paid a leakage allowance to the customer over and above the amount required under its leakage policy. The company has not made any offer of settlement to the customer and believes it has acted in a fair and reasonable manner.

Findings

The company correctly transferred the customer from Watersure Tariff to a standard measured charges account, and the billing issues were a result of this administrative change and were amicably settled by the parties. The leak continued for a longer duration than was necessary and I find the customer culpable in the causes of the delay. The leak, when finally discovered, was on the property of the customer and therefore her responsibility to repair it, and I find the company acted reasonably in effecting and paying the cost of the pipe repair. Similarly, I am satisfied that the company paid a leakage allowance greater than required under its own leakage policy and compensation level. Consequently, I find 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

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The customer must reply by 23 May 2019 to accept or reject this decision.

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Date of Decision: 24 April 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- The customer is [] who has authorised [] to act as his customer representative (CR) in this case. The CR claims she has experienced an ongoing dispute with the company regarding billing, the efficiency of her installed meter, and the presence of a leak in her water supply pipe. Despite her ongoing communications with the company and the involvement of CCWater the dispute has not been settled.
- The CR states that from the end of 2010 she was receiving the Watersure Tariff, but by January 2018 she no longer qualified for this and reverted to a standard measured charges account. On 26 February 2018, she received two bills from the company – one of which showed she was in credit to the amount of £379.71 and the other showed £269.51. The CR asserts that upon contacting the company it admitted the lower amount was an error and that it would credit the difference of £110.20 to her account. The CR states that she was unhappy that the difference was

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reimbursed to her account with the company because she understood it would be returned to her bank account.

- The CR asserts that she requested the company install a new water meter at her property because she believed the existing meter did not accurately record her daily usage and that as such she was being overcharged. The CR states that the company advised her that the installed meter was operating correctly and would not be replaced.
- The CR records that she believed that she was being billed for more water than she was actually using, despite taking many precautions to minimise her usage. As a result, she undertook her own leak test and determined she was losing some 80 litres during a twelve-hour period. The CR asserts that it was only after this test and her insistence on the company modifying the installed meter that the company agreed that a leak in the system existed.
- The CR asserts that the company should organise to fix the leak at its expense, because of the delay in confirming a leak and its proximity to the meter. Additionally, the CR believes that the leak has been ongoing for several years, most likely since the time of the installation of the meter as the leak is quite adjacent to the meter. Consequently, the CR is seeking reimbursement of overcharged quantities resulting from the leak.
- On or around 18 June 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.
- Consequently, the CR, on 16 February 2019, has referred the matter to the WATRS Scheme whereby she seeks to have the company issue an apology and pay compensation in the total amount of £543.71 for the pipe leak, overcharged amounts resulting from the leak, time lost, and the stress suffered in dealing with the company over the complaint.

The company's response is that:

- The company, in its Defence document dated 02 April 2019, confirms the customer has had an account with the Company since 16 January 1999, had a water meter installed on 24 March 2010 and was charged as per the Watersure Tariff as from 15 January 2011. The customer came off the Watersure Tariff and was placed on a standard measured charge account as from 10 January 2018.
- The company asserts than when placing the customer on the measured tariff account a credit of £269.51 was applied, but acknowledges that an erroneous second bill was sent to the customer

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showing a credit of £379.71. As a gesture of goodwill an additional amount of £110.20 was credited to the customer's account after she complained. Additionally, the company states it advised the customer to cancel the direct debits it had operating in respect of the now closed Watersure Tariff account.

- The company confirms receipt of a communication from the CR on 22 May 2018 complaining that (i) no compensation had been offered regarding the error over the £110.20 credit shortfall, (ii) why had the £110.20 had been credited to her account with the company and not reimbursed directly, and (iii) the company had failed to refund two direct debits made by the customer in April and May 2018. The company asserts that it replied in detail to this communication on 05 June 2018 confirming to the customer that the two direct debit payments had been refunded and that it had sent the £110.20 to the customer's bank account even though it understood from a previous discussion that the CR agreed it should be a credit on her water account.
- The company further claims that on 12 June 2018 the CR requested the installation of a replacement water meter such that she may better check for a possible leakage in her water supply pipe. The company responded on 14 June 2018 stating that the meter installed on 11 May 2017 was fully tested and calibrated but that it would send a meter technician to the property to undertake a leak test. The CR was unhappy that the installed meter was not sophisticated enough to record accurately their daily usage, and consequently the company removed a radio head from the meter so that all the dials of the meter would be visible to the customer. This operation was undertaken on 18 July 2018, simultaneous with the visit of a meter technician who downloaded all the stored data from the meter such that an analysis of consumption could be undertaken.
- On 30 July 2018, the company states it received a further communication from the customer stating that he had undertaken a leak test which showed a loss of 80 litres of water during a twelve-hour period. The customer requested that the company undertake the necessary repair works and refund any excess charges due to the leak.
- The company concluded on 12 October 2018 its analysis of the meter data previously downloaded and a further visit by a meter technician on 07 November 2018 identified a leak in the supply pipe between the meter and the internal stop tap. The company asserts that it was not responsible for the repair of this leak as it was located on the customer's property, but that as a gesture of goodwill it made the repairs on 10 January 2019 at a cost of £1153.70.
- The company asserts it received further communication from the customer on 04 and 06 February 2019 complaining that he believes he has been overcharged for several years, possibly going back to 2010 when the first meter was installed. The company asserts that despite not being

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obliged to pay a leakage allowance it has as a gesture of goodwill paid the sums of £274.11 and £557.74 to the customer.

- The company confirms that in addition to the leakage allowance it has also paid the customer £150.00 as a gesture of goodwill to cover his bank charges incurred when two direct debit payments were taken from his bank account.
- The company believes that overall it has acted reasonably in its dealings with the customer. It notes that it has (i) paid for the leakage repair at a cost of £1153.70 when it had no legal obligation to do so; (ii) paid leakage allowances in the total sum of £831.85 which is in excess of its obligation; (iii) made a goodwill payment of £150.00 to recompense bank charges; (iv) reduced the customer's monthly debit payment to £60.00.
- Consequently, the company affirms that it has no obligation to pay the customer any compensation for time spent or distress suffered in dealing with this complaint and in view of the compensation already paid it declines to pay any additional monies to the customer.

The customer's comments on the company's response are that:

- The CR responded to the company's Defence paper on 05 April 2019 and reiterated her position. She further notes that it took the company from July 2018 until January 2019 to affect the repair to the broken pipe, and she believes the fact that the company approved a leakage allowance going back to 2010 indicates it accepts the pipe was leaking from that time. The CR repeats her claim for compensation for the time she lost in dealing with the dispute, and for the stress caused by having to deal with the company over a prolonged period. She also notes the poor level of customer service she received from the company, particularly during the period October 2018 to January 2019 when she received no communication or updates.
- On 08 April 2019, the company responded to the CR comments on the Defence paper. Certain rebuttals on points made by the customer were noted, but no new issues were raised.
- On 09 April 2019, The CR responded to the company remarks of 08 April 2019. No new items were raised.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

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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 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 unhappiness that the company has taken a long period of time to identify a leakage in her supply pipe, and then compounded the delay by taking some further ± six months to affect the repair. Additionally, the CR is unhappy at the billing problems she had that she believes were caused by the actions of the company.
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 am satisfied that the customer was on the Watersure Tariff as from 15 January 2011 until 10 January 2018, at which time the company placed the customer on a standard measured charge account. The company set up a new account for the customer to reflect this change and on 26 February 2018 sent to him two separate bills – one of which showed he was in credit to the amount of £379.71 and the other showed £269.51, a difference of £110.20.
4. The company originally credited the customer's account with £269.51, but following a conversation with the CR the company agreed as a goodwill gesture to credit the account with £110.20. The company understood that the CR agreed to the money being credited to the water account but the CR insisted it be refunded to her bank account, which I am satisfied the company duly actioned. Additionally, I note that had the greater credit amount of £379.71 been paid in preference to the lesser amount then the full amount of £379.71 would have originally gone to the water account and not been repaid to the customer's bank account. Thus, on a balance of

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probability I find that the company acted reasonably and did not fail in its duty of care to manage the customer's account with an acceptable level of skill.

5. The CR had maintained for several months that all the dials on her water meter were not visible as they were covered with a radio head, and after several communications with the company it removed the covering on 18 July 2018. Thus, all the dials on the meter were now visible and on 30 July 2018 the CR informed the company that she had undertaken her own leak test and identified that she had recorded a loss of 80 litres of water during a twelve-hour period.
6. On 13 August 2018, the company advised the CR that it had downloaded all the data from the meter such that it could analyse water usage for the previous six months. On 12 October 2018, the company advised the CR that the data had been analysed and on 07 November 2018 a company technician visited the CR's property and confirmed that a leak was occurring in the supply pipe close to the meter. The leak was repaired at the expense of the company on 10 January 2019.
7. From the evidence submitted to me I find that the company was aware of regular and ongoing high water consumption figures at the customer's property, and on numerous occasions it advised the CR to allow one of its meter technicians to visit the property to test the efficacy of the meter. For clarity, I detail my understanding of the occasions the company advised a leak test by one of its technicians:
 - company letter dated 13 April 2018
 - company initiated telephone call dated 30 April 2018
 - company letter dated 05 June 2018
 - company letter dated 14 June 2018
 - company letter dated 29 June 2018
 - company letter dated 13 July 2018
8. I am conscious of the reasons behind the CR declining the company suggestion to have its technician undertake a test, and her preference to await the removal of the radio head such that she could undertake her own leak test. I am satisfied that the company acted reasonably in removing the radio head when it had no obligation to do so. Subsequently, the CR has complained that the company unduly delayed identifying a leak and has requested compensation for the water lost and charged due to the ongoing leak. However, I find that the CR was responsible for delaying

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the detection of the leak by declining to allow the company technicians to undertake a leak test, and that the company behaved correctly in offering several times to undertake such testing. Again, I find that the company acted in a reasonable manner and did not fail in its duty of care to deal with the CR's claim with a sufficient level of skill.

9. In her claim to WATRS the CR requests four remedies, (i) to provide her with the Watersure Tariffs 2010 to 2017; (ii) apologise for financial loss; (iii) return £70.00 of the £130.00 taken by direct debit on 10 February 2019; and (iv) pay compensation in the sum of £543.71.
10. Regarding remedy (i) I note that the company's e-mail to the CR dated 28 February 2019 contained details of the Watersure tariffs for the period 2010 to 2018. Thus, I shall not direct that the company provide this information again.
11. The second remedy claimed by the CR is that the company issue an apology for making her financially stressed and out of pocket. The company in its letter dated 26 April 2018 advises the customer to cancel his existing direct debit as he had set up a new mandate for the standard metered charges account. Additionally, I note that the company has refunded all excess direct debit payments and has reduced the monthly debit payment to £60.00 following a review of previous consumption levels. I find that the company has not failed in its duty of care to manage the financial aspects of the CR's account with a reasonable level of skill and care and as such I shall not direct that the company issue an apology.
12. Regarding remedy (iii), I again refer to the company's e-mail communication of 28 February 2019 where it confirms the refund of the requested £70.00 and the fixing of the monthly debit payment at £60.00. I therefore find that no further direction is due in this respect.
13. I move finally to remedy (iv) which is the payment of £543.71 in compensation, and this itself is broken down into four heads, (a) compensation for the leak; (b) repayment of 439 days' worth of lost water; (c) cost of CR's time; (d) compensation for stress and inconvenience.
14. I shall deal with heads (a) and (b) together, and note that combined the CR claims £143.71. The company in its Defence paper confirms the payment of £831.85 in respect of leakage allowance, and has paid for the repair works in the amount of £1153.70 notwithstanding it had no legal obligation to do so. I am satisfied that the company has exceeded its obligations to the customer in respect of the leak and the costs of the water estimated to have been lost through leakage and thus I shall make no direction in respect of this element of the claim.
15. Regarding head of claim (c) I am not provided with any evidence to support pecuniary loss. I am satisfied that the CR has been the cause of the long-period taken to settle the dispute by her

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position of not allowing the company technicians to undertake leak tests when proposed by the company. The company first proposed a test in April 2018 but the CR did not facilitate a test until 18 July 2018. I find that compensation for loss of time is not applicable.

16. Head of claim (d) in the amount of £100.00 is compensation claimed for stress. Whilst I sympathise with the CR regarding her efforts to solve her complaints, I am satisfied that the overall amounts of compensation paid to date by the company are fair and reasonable and that any further compensation would be disproportionate to the harm done. I find specific compensation for stress is not appropriate.

17. 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. 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 23 May 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

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