

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1399

Date of Decision: 31 May 2019

Complaint

The customer discovered a leak in his cellar by chance in June 2018. The company visited, accepted the leak was to the company's side and repaired it, also paying for damaged goods and floors. The company granted a leak allowance of £988.00, leaving a balance of £344.27. Bills show the leak started prior to the period of the allowance. The customer requests the leak allowance be reviewed and that he receives £2,500.00 for stress and inconvenience.

Defence

The company has approached the wholesaler about the allowance. The wholesaler advised that the leak was to the customer's supply pipe and he is only entitled to an allowance for the sewerage elements of the bill. The customer would be worse off if the allowance was to be recalculated.

The company offered to clear the outstanding balance and provide £80.00 in compensation; the customer declined this.

Findings

The company is a water retailer; WATRS has no authority over the wholesaler. There was no evidence demonstrating that the leak was to the water meter itself, and the wholesaler's notes indicated the leak was to the customer's supply pipe. The evidence indicated that the wholesaler completed the repair and covered the customer's losses as a goodwill gesture. The company had properly represented the customer's interests to the wholesaler. In the absence of a clear error, such as evidence showing the leak was to the meter, there was no basis for the company to make further requests to the wholesaler. The customer's stress has been caused by the actions of the wholesaler and the leak; the company's failures are proportionately compensated by the Guaranteed Standards Scheme payments.

Outcome

The company does not need to take any further action.

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

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.

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. The customer identified a leak as water was coming through the wall of the cellar. The customer contacted the company and his call was transferred to the wholesaler, the party responsible for the repair and maintenance of the water supply. The wholesaler visited the customer's property and repaired the leak. It also covered over £3,000.00 of costs incurred by the customer as a result of the leak.
2. It is helpful at this point to set out the limits of the scope of the Water Redress Scheme in respect of the company. The company is a water retailer, billing the customer for the water services provided by the water wholesaler, RST Water. In order to make a decision in this dispute, 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 and accounts 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, the adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, a party to the case, has responsibility, but not those things for which the wholesaler has responsibility.

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.

3. As a result of this, I am not able to make any direction that the wholesaler should amend its leakage allowance. I am only able to direct the company to take action, such as to make a further challenge to the wholesaler on the customer's behalf.
4. I am mindful that the wholesaler repaired the leak and reimbursed the passenger for losses incurred due to the leak. Further, it applied a leak allowance for water and sewerage elements of the bill. These actions are all consistent with the leak having been to elements of the water network within the company's control, up to and including the customer's water meter.
5. By contrast, where a leak is to a customer's supply pipe, the responsibility for a repair falls to the customer. The customer would have to arrange the repair or cover the wholesaler's costs in repairing the leak. The customer would also have to bear the cost of any damage caused by the leak or make a claim on their buildings insurance for these.
6. The wholesaler's leakage allowance policy also provides that, where a leak is at the water meter, a customer will receive an allowance of 100% of the water and sewerage elements of the excess usage billed. The customer has received an allowance, calculated on this basis, for a 28 day period. The allowance resulted in a reduction of the customer's bill by £988.72.
7. The customer disputed this on the basis that meter readings showed that the leak had commenced earlier. At this point, the wholesaler declined any further allowance, stating that the repair, reimbursement of damaged items, and leakage allowance had been provided as a gesture of goodwill, but that the leak was to the customer's private supply pipe.
8. I have not been provided with any evidence to demonstrate that the leak was to the wholesaler's water meter. The card left by the wholesaler states that work was completed; it does not include any detail as to the work carried out. The company does not have details of the work as it is the wholesaler that visited the customer's property and that is responsible for the repair and maintenance of its network.
9. I find that the only evidence as to the location of the leak is the wholesaler's job note. A screenshot of this has been provided. The note, dated 27 June 2018, states "Cust supply pipe repair, auditing agreed". The company also states that the repair was to "a leak on the copper supply pipe".

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.

10. In view of this, I find that I have insufficient evidence to find that the leak was to the customer's water meter itself, as opposed to part of the customer's supply pipe with the repair being completed as a gesture of goodwill. As above, I have no power to direct the wholesaler to take action. I find that, whilst it is clear that the wholesaler behaved as though the leak had been on the meter until the customer challenged the leakage allowance amount, the job note indicates that the wholesaler's actions were a gesture of goodwill rather than a simple application of its policies.
11. I find that, under the wholesaler's policy, where a leak is to the water meter, the customer will be entitled to an allowance of 100% of the excess water and sewerage elements of the bill. However, in all other circumstances, an allowance of only the excess sewerage element will be available.
12. In view of this, I accept that, were the wholesaler to recalculate the allowance based on the entire duration of the leak, but in line with the policy for customer-side leaks, this would result in a smaller leakage allowance.
13. I acknowledge that this will be disappointing for the customer. However, in light of the job note clearly stating that the leak was to the customer's supply pipe, I find that there is no basis for the company to be directed to challenge the wholesaler's decision further. The company has represented the customer's interests to the wholesaler, including that the wholesaler had behaved as though the leak was to the meter; however, the wholesaler has reviewed its actions and found that no further allowance should be granted. In the absence of a clear error, such as if there was evidence demonstrating that the leak was to the water meter, I find that there is no new evidence to warrant the company making a further challenge to the wholesaler.
14. The company did offer to credit the customer's account with £324.54 and a further £80.00, leaving the customer's billing up to date. The customer declined this. I am satisfied that, as the customer opted to decline this offer and proceed to WATRS, this offer is no longer capable of being accepted.
15. I must therefore determine, from the evidence, whether the customer is entitled to a leakage allowance and compensation as claimed. As above, I am satisfied that there is insufficient reason to make any further challenge to the wholesaler in respect of the allowance and that its decision must therefore stand. The customer would be in a worse position were the allowance to be recalculated under the wholesaler's policy for customer-side leaks, and I therefore make no direction for the company to take any further action in respect of the allowance. 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.

must charge the customer based on the wholesaler's policies; I am not persuaded that there has been any failure by the company that would oblige it to provide any greater credit or allowance than that agreed by the wholesaler.

16. In considering the stress and inconvenience experienced by the customer, I am not persuaded that this has been materially caused or exacerbated by the company's actions. The company has identified a number of failures to respond to correspondence on time, resulting in guaranteed standards scheme credits being applied to the customer's account. However, I am satisfied that the company has properly represented the customer's interests to the wholesaler and has properly communicated between the customer and the wholesaler. I find that the majority of the stress and frustration has been caused by the wholesaler's actions and decisions; as above, these are outside the scope of the Water Redress Scheme.

17. I am not persuaded that the company has failed to meet the standard expected of a reasonable water retailer, other than in respect of the delays in responding to correspondence for which appropriate compensation has been provided in line with the Guaranteed Standards Scheme. I acknowledge the customer's bill, provided in the comments, that was for over £1,000.00; however, this is automatically generated based on estimated readings, these being influenced by the leak. The bill will be reissued based on an actual meter reading; I am not persuaded that the bill constitutes a failure by the company to act in accordance with the standard of a reasonable water retailer.

18. Having reviewed the case in full, I am not persuaded that there has been any failure by the company that would warrant further compensation over and above the Guaranteed Standards Scheme payments. For these reasons, the customer's claim is unable to succeed.

Outcome

The company does not need to take any further action.

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.

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.
 - 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.
-



Alison Dablin, LL.M, MSc, MCI Arb

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.