

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1449

Date of Decision: 8 July 2019

Complaint

The customer submits that the case concerns a leaking meter. He had been disputing bills for a number of years. The company finally agreed that there was an issue with the meter and that it needed to be exchanged. Following the exchange of the meter, he received an invoice for over £23,000 due to an incorrect meter reading being used for the final meter read. He provided photographic evidence that the meter reading was incorrect. However, the company did not act on this information until the Consumer Council for Water (CCW) contacted it. He would like the company to review the account over the last few years as he feels that he has been overcharged. The company also provided a poor level of customer service. The customer requests that the company respond within the agreed timescales and provide a better customer experience; provide a written apology for poor service; and review the charges over the last few years in comparison with the new metered charges and apply a credit for the difference/amend his bills. The customer also requests that the company pay £2,500.00 compensation for distress and inconvenience and £13,000.00 compensation for 4/5 years of leakage and overcharges.

Defence

The company submits that the customer's account transferred to it on 1 April 2017. RST Water (RST) is the wholesaler. The customer did not query consumption until 23 July 2018. When the customer first contacted it regarding the leak it immediately transferred his call through to RST's Emergency Line and RST visited the property and repaired the leak. Following the meter exchange CCW contacted it on 21 March 2019 to question the final reading used to remove the old meter. RST as the wholesaler provided it with the read. CCW at this stage provided it with a photo of the reading allowing it to contact RST to amend this. RST granted a leakage allowance of £2118.82. This was granted for the period 1 April 2018 to 22 November 2018, which is in line with RST's Leak Allowance Guidance Notes. It is satisfied that the customer has in fact used the consumption it has billed him after the amendments and application of the leak allowance. It accepts that it did not respond to the customer's or CCW's complaint within the 10 working days required.

Findings

The company and RST are separate entities. My remit is to determine the issues between the customer and the company. It falls outside of my remit to consider any claims against RST. The evidence submitted to this adjudication

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shows that the customer first queried consumption with the company on 23 July 2018. The evidence shows that RST, and not the company, is responsible for investigating high consumption claims and granting any volumetric allowances. The company's duty is to contact the wholesaler and raise any queries on the customer's behalf. I am not satisfied that the company met its duty to the customer in this case. There is no evidence that the company took steps to assist the customer on 23 July 2018. In addition, there are also discrepancies in the company's submissions about leakage allowances granted by the wholesaler following the exchange of the meter and no evidence to show that the company raised any queries with the wholesaler on the customer's behalf in this regard. The company also failed to provide a reasonable level of customer service during the period of the complaint.

Outcome

The company needs to take the following further action:

- (1) I direct that the company request that the wholesaler both review the customer's current usage following the meter exchange and review the customer's consumption over the past 5 years to determine if the customer is due any further leakage allowances. Please note that compliance will be met once the company has made the request to the wholesaler and provided the customer with the wholesaler's response. It is not within my remit to review the wholesaler's response.
- (2) I direct that the company pay the customer compensation in the sum of £300.00. If the company has already paid the customer the £200.00 offered, it may deduct this amount from the £300.00.
- (3) The company should also ensure that the £60.00 GSS payment has been applied to the customer's account, if it has not done so already.
- (4) 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 for the level of customer service provided.

The customer must reply by 5 August 2019 to accept or reject this decision.

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compensation for distress and inconvenience and £13,000.00 compensation for 4/5 years of leakage and over charges from both the company and RST Water (RST), the wholesaler.

The company's response is that:

- The customer's account transferred to it on 1 April 2017. By virtue of this transfer, it is now responsible for the retail functions of billing, accounts and customer services, and RST remains the wholesaler.
- The customer states that consumption has been in query for five years; however, as it only took over the account from 1 April 2017 it would only be liable from this date forward.
- With that said, it does have access to historical notes prior to transfer and can confirm that the customer, prior to the leak, had not queried consumption. It has enclosed screen shots of the notes it has from this time and also the first communication with it regarding high consumption, which is the first date it was first aware of the customer's query. It did raise the meter reading being high when the customer provided it with the meter reading; however, the instruction from the customer was to bill it.
- The substance of the complaint seems to surround historical high consumption; however, since the leak was fixed the average daily consumption (ADC) has returned to similar levels prior to the leak occurring it contends that consumption recorded through the meter is accurate and has been used by the customer.
- It has supplied ADC calculations to this effect. This has been communicated to the customer however he rejects the calculations, although these are based on actual meter readings.
- When the customer first contacted it regarding the leak it immediately transferred his call through to RST's Emergency Line and RST visited the property and repaired the leak. When a meter is exchanged the water supply is turned off and there is no note from the engineer to suggest that the meter was still turning when the water was turned off, which would further suggest that there are no outstanding consumption issues at the customer's site.
- Following the meter exchange CCW contacted it on 21 March 2019 to question the final reading used to remove the old meter. RST as the wholesaler provided it with the read of 26517, which did not fall in line.
- CCW at this stage provided it with a photo of the reading allowing it to contact RST to amend this to 20517. The photo also confirmed that the exchange date provided by RST was incorrect and this was amended from 26 November 2018 to 22 November 2018 through the retrospective amendment process with RST.

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- It had already been granted a leak allowance of £23,571.38 based on that final read therefore the allowance had to be cancelled and it had to reapply to RST.
- After the account was rebilled with the correct exchange date and read, it reduced the charges on the account from £35,475.94 to £11,796.71 up to the date of the meter exchange. It was then in a position to re-apply for a leak allowance to RST. RST granted an allowance of 537m³ of water and 510m³ of wastewater, which in monetary terms is £2118.82. This was granted for the period 1 April 2018 to 22 November 2018 which is in line with RST's Leak Allowance Guidance Notes.
- This reduced the billing on the replaced meter to £9677.89. Since then it has billed the customer up to 2 May 2019 for a further £2232.24 meaning overall the customer has been billed £11,910.13 from 1 April 2017 using an estimated Transfer read provided by RST, which the customer has not questioned, to 2 May 2019 on an actual meter reading not questioned by the customer.
- Based on the above it is satisfied that the customer has in fact used the consumption it has billed him after the amendments and application of the leak allowance and that it has been provided with no information to suggest anything to the contrary.
- In respect of the customer's claim for £2,500.00 in compensation for distress and inconvenience, whilst it accepts that it did not respond to the customers or CCW's complaint within the 10 working days required it has advised the customer that it will apply £60.00 to the account in General Service Standard (GSS) failure payments. Further to this the customer's claim falls out of its Compensation and Redress Policy Guidelines, which state that in light of service failings or delays it can offer up to £100.00 per year in redress as such it offered the customer £200.00 in its 13 June 2019 response due to the delay and incorrect meter exchange read and date.

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.

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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.
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.

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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.
7. It falls outside of my remit to consider any claims or complaints against RST.

High Consumption

8. I note the customer's submissions that he had been disputing consumption for 4-5 years. However, no evidence has been provided to support this submission.
9. The evidence submitted to this adjudication shows that the customer first queried consumption with the company on 23 July 2018. The account notes show that the customer called the company on 23 July 2018 and during the parties' conversation, the customer provided the company with an actual meter reading. This reading generated a high consumption bill, and the customer raised a complaint. No evidence has been submitted to this adjudication to show that the customer raised any other complaint about consumption with the company or the wholesaler prior to this date. As above, the company is only responsible for the customer's account from 1 April 2017. The company cannot be held responsible for any issues that it is not made aware of, and was not given the opportunity to address.
10. The company was therefore aware of the high consumption bill and the customer's complaint in relation to this bill from 23 July 2018.
11. Although the evidence shows that RST, and not the company, is responsible for investigating high consumption claims and granting any volumetric allowances, the company does have a duty is to contact the wholesaler and raise any queries on the customer's behalf.
12. The evidence shows that during the parties' conversation on 23 July 2018, the company itself was concerned that the consumption reported was very high. I am particularly mindful that there is no evidence to show that the company took any steps to assist the customer as per its duty. The customer's submissions and the evidence submitted indicate that following some further conversations between the parties, the customer paid the outstanding balance under protest. I am therefore not satisfied that the company provided its services to the customer to the standard to be reasonably expected in this regard.

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Meter leak/errors

13. The customer subsequently reported a leak on 16 November 2018. The company transferred the customer's call to RST's emergency line. The evidence indicates that contractors on behalf of the wholesaler subsequently attended the property, an issue with the meter was discovered and the meter was exchanged.
14. It is not in dispute that errors were made in relation to the date of the meter exchange and the final read at meter exchange, which resulted in an overcharge. However, the evidence indicates that the fault for these errors lie with the wholesaler and/or the contractors on its behalf. I therefore find no failing on the company's part in this regard.
15. In addition, there is no clear evidence to show that the customer provided the company with photographic evidence that the meter reading was incorrect prior to raising the matter with CCW. Therefore in the absence of any evidence showing otherwise, I find also find no failing on the company's part in this regard.

Leakage allowance

16. As above, the evidence shows that RST, and not the company, is responsible for granting any leakage allowances. The company's duty is to contact RST and raise any claims or queries about an allowance on the customer's behalf.
17. After the errors with the date of the meter exchange and the final read were corrected, the customer's account was rebilled. The company submits that RST then granted an allowance of £2118.82 for the period 1 April 2018 to 22 November 2018. In its Defence to WATRS, the company state that this is in line with RST's Leak Allowance Guidance Notes. However, the company has not provided of any evidence of RST's Leak Allowance Guidance Notes to support its submissions. I am also particularly mindful that in contrast, on 13 June 2019 the company also informed the customer that RST had granted an allowance from 26 March 2018, when it was deemed that consumption first increased, to 22 November 2018. The start dates of the allowance and reasons for the start dates therefore differ. There is no also evidence to show that the company raised any queries with the wholesaler about on the customer's behalf. I am not satisfied that the company has met its duty to the customer. I find that the company has

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failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.

Customer service

18. The company acknowledges that it did not provide a reasonable level of customer service in this case.
19. The evidence shows that the company delayed in dealing with the customer's complaint on numerous occasions during the period of complaint both before and after the customer was forced to escalate the matter to CCW.
20. I am also mindful that although the company acknowledges that the customer entitled to GSS payments, it is not clear that these have been applied at the time of the Defence and no reason has been given for the delay in applying these payments.
21. The evidence also shows that the company sent emails to an incorrect email address for the customer even though it had the customer's correct email address.
22. Finally, the evidence also shows that the company incorrectly calculated the ADC following a disputed read taken on 3 December 2018.
23. In view of all of the above, I find that the company failed to provide its services to the customer to the standard to be reasonably expected in relation to the level of customer service provided.

Redress

24. The customer requests that the company review the charges over the last few years in comparison with the new metered charges and apply a credit for the difference/amend his bills. The customer also requests that the company pay £13,000.00 compensation for 4/5 years of leakage and over charges. However, as discussed above, the company is not responsible for granting any allowances/amendments, this is the responsibility of the wholesaler, and any claims or complaints against RST cannot be considered under this adjudication. I can therefore make no directions in this regard.

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25. Notwithstanding the above, the company states that the wholesaler makes the final decision on whether an allowance is granted or not. Bearing in mind the discrepancies in the company's submissions about the leakage allowances and the error made by the company itself in calculating the ADC, I find it fair and reasonable in the circumstances to direct that the company request that the wholesaler review the customer's current usage following the meter exchange and also review the customer's consumption over the past 5 years to determine if the customer is due any further leakage allowances. Please note that compliance will be met once the company has made the request to the wholesaler and provided the customer with the wholesaler's response. It is not within my remit to review the wholesaler's response. This direction is made in accordance with WATRS Rule 6.6 which provides that an adjudicator can award more than has been claimed by the customer in exceptional circumstances.

26. In respect of the customer's request that the company pay compensation in the sum of £2,500.00, in view of my findings above that the company failed to provide its services to the customer to the standard to be reasonably expected, I am satisfied that the customer is also entitled to a measure of compensation for the distress and inconvenience caused. However, I find that the amount claimed by the customer is disproportionate to the failing shown. Having carefully considered the matter, I find the sum of the sum of £300.00 to be a fair and reasonable level of compensation in the circumstances. For the avoidance of doubt, I acknowledge the company's submissions that it has offered the customer £200.00 compensation, which is more than is required in its Compensation and Redress Policy Guidelines. However, adjudicators are not bound by the company's Compensation and Redress Policy Guidelines. I am not satisfied that that £200.00 is sufficient, and fair and reasonable for the failings shown. I therefore direct that the company pay the customer compensation in the sum of £300.00. If the company has already paid the customer the £200.00, it may deduct this amount from the £300.00.

27. The company should also ensure that the £60.00 GSS payment has been applied to the customer's account, if it has not done so already.

28. In respect of the customer's requests that the company respond within the agreed timescales and provide a better customer experience, it is not in dispute that the company failed to provide a reasonable level of customer service during the period of the complaint. This issue has been addressed and redress provided. I am unable to direct any further redress as requested. Should the company fail to provide a reasonable level of customer service again, there are steps for escalation of the complaint.

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29. Finally, the customer also requests 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 for the level of customer service provided.

Outcome

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

(1) I direct that the company request that the wholesaler both review the customer's current usage following the meter exchange and review the customer's consumption over the past 5 years to determine if the customer is due any further leakage allowances. Please note that compliance will be met once the company has made the request to the wholesaler and provided the customer with the wholesaler's response. It is not within my remit to review the wholesaler's response.

(2) I direct that the company pay the customer compensation in the sum of £300.00. If the company has already paid the customer the £200.00 offered, it may deduct this amount from the £300.00.

(3) The company should also ensure that the £60.00 GSS payment has been applied to the customer's account, if it has not done so already.

(4) 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 for the level of customer service provided.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 5 August 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 decision. If the company does not do what I have directed within this time limit, you should let WATRS know.

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- 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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