

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1475

Date of Decision: 15 November 2019

Complaint

The customer has a dispute with the company regarding a billing complaint from March 2017. The customer experienced a spike in consumption during a billing period in 2016/17, after which consumption returned to more usual levels. The customer believes the spike was caused by the water supply company and thus he has been overcharged. Despite the involvement of CCWater the dispute is unresolved and the customer has escalated his claim to the WATRS scheme whereby he seeks the waiving of an outstanding balance on his account in the approximate amount of £18,000.00.

Defence

The company states that it has liaised closely with the wholesaler in respect of the customer's claim. The wholesaler asserts that it has acted correctly in denying to waive the outstanding balance on the customer's account as the customer has not established that it is responsible for the consumption spike. The company has not made any offer of settlement to the customer, and states that it cannot waive the balance in opposition of the wholesaler's position.

Findings

I am satisfied the company acted reasonably in its dealings with the customer. I am further satisfied that the company is not able to go against the wholesaler's position. I find that the customer has not provided sufficient evidence to support his claim of being overcharged. I find the company has managed the customer's account and complaint with a reasonable level of skill and care, and thus, I find 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

The customer must reply by 13 December 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1475

Date of Decision: 15 November 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- The customer claims he has experienced an ongoing dispute with the company regarding a spike in his metered water consumption resulting in an abnormally high bill. The customer asserts that he has retained the services of a third party independent plumber to investigate at his premises and that no leak was identified thus suggesting a valve owned by the water supply company was responsible for the spike. Despite the customer's ongoing communications with the company and the involvement of CCWater, the dispute has not been settled.
- The customer states that his water consumption spiked during the period from 23 November 2016 to 08 May 2017, which resulted in abnormally high bills covering this period. The customer asserts that he immediately contacted his water supply company to query the consumption and bills but received no satisfactory explanation.
- The customer states that the water supply company made several visits to his premises to investigate and that in April 2017 he engaged the services of a third-party independent plumbing company to also investigate. The plumbing company initially believed a substantial leak was the reason for the high consumption as it identified the water meter was turning rapidly. Further investigation revealed that a bypass system to fire hydrants was in place to prevent water supply to the hydrants passing through the customer's meter.
- The plumbing company additionally identified that a valve controlling flow to the hydrants was in a position that allowed supply to pass through the meter and after closing the valve the meter stopped recording supply to the hydrants but supply to the customer's premises was not

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negatively affected. The plumbing company recorded that it found no evidence of a leak at the premises.

- The customer states that he was advised by the water supply company that the spike was the result of a customer side leak, and dissatisfied with the position of the water company the customer escalated his dispute to CCWater on or around 11 May 2017. The customer also queried his high bills with the company, who had become his water retailer since 01 April 2017.
- The customer states that both the company and CCWater liaised with the wholesale supply company but the wholesaler declined to alter its position that the spike was the result of a customer side leak. With no change in the wholesaler's standpoint CCWater closed the customer's complaint on 13 November 2017.
- The customer asserts that he continued to attempt to settle the dispute with the company, it now being responsible for billing, but that the company repeatedly referred back to the wholesaler who continued to decline to change its position. Consequently, the customer returned to CCWater on 25 July 2018 requesting that his complaint be re-opened, and CCWater again took up his complaint with both the company and the wholesaler.
- The customer states that again no progress could be made in getting the wholesaler to amend its standpoint and that the company offered him £200.00 as a gesture of goodwill for the time taken to process his complaint and for poor customer service. The customer further records that, despite the intervention of CCWater, the dispute is ongoing and because the wholesaler has not revised its standpoint the company will not waive the outstanding bill and thus CCWater are unable to facilitate a resolution between the parties.
- The customer remains dissatisfied with the response of the company and consequently, on 25 September 2019, has referred the matter to the WATRS Scheme whereby he seeks to have the company waive the outstanding balance on his account in the approximate sum of £18,000.00 as he believes he has been overcharged by this amount.

The company's response is that:

- The company submitted its Defence paper to the claim on 31 October 2019.
- The company confirms that the customer's account with the water supply wholesaler was transferred to it as from 01 April 2017 in accordance with the water market deregulation process introduced on that date. The company is responsible for billing the customer since this date.

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- The company states that the wholesaler did not pass on to it any details of the consumption spike experienced by the customer, and it was unaware of the problem until contacted directly by the customer on 13 April 2017. The company asserts it advised the customer to have an independent plumber investigate at the premises to ascertain if a leak was present.
- The company further notes that it was contacted by CCWater on 11 May 2017 following escalation by the customer, and again referred back to the wholesaler. The wholesaler investigated the premises and responded to the company on 12 June 2017. It was confirmed that no leak was identified but it found that when the hydrant valves are closed the water meter ceases to record any flow.
- The company asserts that the customer contacted it four days later, on 16 June 2017, to inform that its plumber had reset the hydrant valves such that water supply to his premises was present but that the meter was not recording any flow. The company thus contends that the meter had been bypassed and water consumed by the customer was not being recorded.
- The company also records that the wholesaler advised it that on a site visit on 23 October 2017 it found that the valve on the hydrant supply pipe was open and the outlet to the water meter was closed, the wholesaler's engineer reversed this situation. However, on a subsequent visit on 08 February 2018 the wholesaler again found the hydrant valve open and the outlet closed.
- The company notes that it offered the customer a free water meter test to confirm that the meter was functioning correctly, but the customer declined to accept the offer.
- The company also asserts that the customer confirmed to it on 23 April 2019 that the landlord of his premises had closed off the supply to the fire hydrants as they were no longer needed, and subsequently his consumption level had reduced.
- In summary, the company believes it has acted reasonably and taken all possible measures to assist the customer. It notes that the wholesaler has proved that none of its assets was responsible for the spike and insists the reason for the high consumption remains unknown. The company further notes that the customer has not provided evidence to support his claim for either a leak allowance or for waiving the outstanding bill and, consequently, it declines to accede to the customer's request.

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

- The customer has submitted comments on the company's Defence document. The customer reiterates his belief that his letter of 20 April 2017 accurately summarises the situation as he understands it. He further states that he does not accept certain statements made by the company and the wholesaler, particularly in respect of providing him with copies of previous bills and in respect of site visits made by the wholesaler. The customer also makes reference to certain sections of the wholesaler's *Good Practice Guide*.

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 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 dissatisfaction over the company's actions when dealing with his complaint regarding a higher than average water bill received in February 2017.
2. I note that the 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. Based on my review of all the available information, I am satisfied that the main issue of this WATRS Application is whether the company has acted reasonably in dealing with the

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customer's complaint stemming from the higher than average bill received from the water supply wholesaler prior to the company assuming responsibility for billing.

4. I note from the documents laid before me that the company is the provider of retail water services, and that billing is one of the services it provides to customers. The company, in its Defence document, refers to liaising with the wholesaler that is responsible for the provision to the customer of water delivery and removal of wastewater. I further note that the wholesaler in question is RST Water, referred to throughout this decision as RST.
5. From my reading and understanding of the documents and evidence laid before me I am satisfied that the company, as the retailer, is reliant on the position of the wholesaler for issues occurring prior to 01 April 2017, the date of migration of responsibilities under the official opening of the water market for business customers.
6. I am satisfied that the parties agree that the consumption spike in dispute was recorded for the period between a meter reading on 23 November 2016 and a further reading taken on 09 February 2017. The consumption for this period amounted to 4260 units, and the applicable bill was issued by RST. I note the next reading was taken by the company on 18 April 2017 showing consumption of 4679 units, and following this reading the consumption for the subsequent period was 28 units and the average daily usage stabilised in line with historic daily consumption.
7. I take notice of the fact that the customer retained the services of an independent plumbing company to perform a leak test and confirmed to the company no leak was present in the water supply system at his property. I am also aware that the average daily consumption readings returned to the more usual level in subsequent billing periods and thus I am satisfied, on balance, that the water meter unit was not faulty. However, I take note of the fact that RST offered the customer to have an independent test of the meter carried out to prove definitively that the meter was not faulty but that the customer declined to agree to the test.
8. I have also taken into consideration the fact that RST has stated that it has inspected its assets situated on the premises of the customer and has identified on more than one occasion that unauthorized third parties had been tampering with a valve chamber controlling the water flow to the adjacent fire hydrant system as well as through the customer's meter. However, I am not convinced that this supports the company's assertion that RST *"has proven beyond reasonable doubt that high consumption was not caused by a faulty asset...."*
9. As this is an evidence based scheme, I am not persuaded that the customer has presented information to support his claim that he has been overcharged. The customer has confirmed

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that no water leak was present at the property, and I am satisfied that the water meter was functioning correctly and the issue of the valve chamber has not been proven to my satisfaction to have been integral to the consumption spike. On balance, I find that no act or omission of RST or the company was responsible for the water consumption spike in 2016/17 as recorded at the customer's property.

10. I find it necessary to record here that the customers WATRS claim is against the company and not the wholesaler. In summary, I find that the company has performed satisfactorily in dealing with the wholesaler regarding an incident occurring prior to 01 April 2017. I am not satisfied that the wholesaler has responded in a reasonable manner to the customer's complaints and I find that its level of customer service has been below the standards to be reasonably expected. However, the customer has sought no remedy for these failings of the wholesaler.
11. I am aware that the complaint has not been processed as speedily as would be desirable. The company has made a goodwill gesture to the customer of £200.00 for the delay and I find this to be reasonable. I also understand the wholesaler has made payments under the Guaranteed Standards Scheme (GSS). I find that the customer has not provided sufficient evidence to persuade me, on balance that the company has not acted in a reasonable manner.
12. In his claim the customer has requested that the company waive his outstanding account balance of ± £18,000.00. As I record above, the company is reliant on the position of the wholesaler regarding events prior to 01 April 2017 and I take note that the company is unable to go against the position of the wholesaler in respect of the customer's bill. The wholesaler maintains his position that the consumption spike was not caused by any act or omission on its part. I find that the customer has not provided sufficient evidence to show that the company should waive the outstanding balance and as such I shall not direct that it does so.
13. 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, and therefore, my decision is that the claim does not succeed.

Outcome

The company does not need to take further action.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 13 December 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); FCI Arb; FA Arb;
Member, London Court of International Arbitration.
Member, CI Arb Business Arbitration Panel.
Member, CEDR Arbitration Panel.

Adjudicator

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