

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1513

Date of Decision: 19 August 2019

Complaint

The customer believes that the company has not billed her accurately and she is displeased with its customer service in connection with this issue. The customer is therefore claiming for her outstanding water service charges to be reduced in line with the charges for a small unit (with one sink and toilet) and for the company to increase the £60.00 gesture of goodwill payment that it has provided.

Defence

The company states that, as explained to the customer throughout, her bills are based on actual consumption and are entirely correct. The company accepts that it did fail to take the customer's direct debit payments for several months and this created arrears which were discharged in a lump sum direct debit in July 2018. However, the company submits that it has provided the customer with compensation of £20.00 in recognition of this issue and has also applied additional compensation for its late responses. The company states that, in light of the above, it does not accept any further liability for the customer's claims for redress.

Findings

I am satisfied that the company failed to provide its services to the standard to be reasonably expected by the average person. The company has demonstrated that it has taken some remedial steps to address its accepted failures. However, under the circumstances, I find it fair and reasonable for the company to provide the customer with an additional compensation payment in the sum of £40.00.

Outcome

The company shall pay the customer compensation in the sum of £40.00.

The customer must reply by 17 September 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 19 August 2019

Party Details

Customer: [].

Company: [].

Case Outline

The customer's complaint is that:

- In the summer of 2018, the customer submits that she received an alert from her bank stating that RST had taken a large payment from her account. The customer submits that she contacted RST to query this payment and whilst it was initially helpful, as things progressed, she became displeased with the company's service.
- The customer states in her application that the company has provided goodwill gestures totalling £60.00 for its customer service shortcomings but she still owes a significant balance (over £800.00) for her water services at her small business unit. The customer states that the company is not listening to her and that she cannot afford to pay the outstanding balance. In any event, she does not accept that she should be liable to pay this charge and disputes that the charges are accurate.
- The customer also highlights payment-related issues with her previous provider, United Utilities, whilst it was her provider.
- The customer explains that she made a direct debit indemnity claim through her bank and was refunded the payment that was made to the company.
- The customer also states that, after the company took a further payment, she made another indemnity claim and recovered the payment. At this stage her bank cancelled her direct debit.
- The customer submits that she has attempted to resolve her billing concerns with the company since the summer of 2018 but she feels that it has provided her with conflicting information.

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- The customer submits that the company told her it would investigate the issue and contact her; however, it failed to do so.
- The customer explains that she is unhappy with the company's £60.00 gesture of goodwill and she is seeking a larger compensation payment from the company.
- The company has provided the customer with a breakdown of the customer's account, a timeline of events and the invoices issued. The customer still contends that her final bill is incorrect and is claiming for her outstanding water service charges to be reduced in line with the charges for a small unit (with one sink and toilet) and for the company to increase its £60.00 gesture of goodwill payment.

The company's response is that:

- The company does not accept liability for the customer's claims for redress.
- The company explains that the customer contacted it in the summer of 2018 to query a payment of £532.80 taken by direct debit. It explained that previous direct debit payments since February 2018 had not been correctly processed and therefore arrears had built-up on her account.
- The customer was unhappy with this and made an indemnity claim for the payment through her bank.
- The customer also queried why her monthly direct debit payments had increased. The company explained that the customer was originally a customer of ABC Water and had a direct debit set up to clear her balance and pay towards future consumption. An automated system calculates the payment amount required by a customer (based on water usage readings) and this sum is subject to periodic change based on actual water usage.
- The company confirms that, in July 2018, it explained to the customer that her direct debit had increased because the previous payments were not covering her consumption and arrears.
- The company states that, as proven by the document provided, it sent a letter to the customer in November 2017 detailing her new payment schedule.
- The company states that the account is billed every three months and invoices have always been produced on time (based on estimated or actual reads).
- The company explains that the charges on the customer's account are for clean water, waste water and surface water highways drainage.
- The company notes the customer's assertion that she did not know who the company was and didn't have any answers to why the large direct debits had been taken. However, the company confirms that its stage 1 response (as provided in evidence) covered all the customer's concerns

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and explained how her balance had accrued. The company states that it also offered the customer a payment plan to assist her with spreading the cost.

- The company confirms that there was a delay in responding to the customer's stage 2 complaint and it therefore applied a £20.00 GSS payment to her account in recognition of this shortcoming.
- The company confirms that the customer is invoiced based on a measured supply. Therefore, any fluctuation in her consumption will change the amount she needs to pay. It confirms that where there have been automated recalculations of her direct debit, letters have been sent to the customer to advise her of these changes.
- The company accepts that there have been errors which resulted in a lump sum direct debit being taken from the customer's account in July 2018. This was due to a failure to collect the direct debits for February, March, April, May and June 2018 (as a result of a technical issue). This oversight has been explained to the customer and she was awarded £20.00 (applied to her account) as a goodwill gesture.
- However, the customer has completed a direct debit indemnity claim and the sums paid for her water services have now been refunded. The company acknowledges that the customer's direct debit has also been cancelled.
- The company submits that it has provided the customer with appropriate goodwill gestures and full explanations of her direct debit and outstanding balance at each stage. Accordingly, the company believes it has taken appropriate action and does not accept any further liability for the customer's claims for redress.

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.

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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. It is evident that the crux of this dispute rests with the customer's assertion that the company has charged her incorrectly and provided unsatisfactory customer service. The company has provided the customer with a breakdown of her account, a timeline of events and the invoices issued in order to prove that she has been charged correctly. However, the customer still contends that her final bill is incorrect and is claiming for her outstanding water service charges to be reduced in line with the charges for a small unit (with one sink and toilet) and for the company to increase its £60.00 gesture of goodwill payment.
2. I remind the parties that adjudication is an evidence-based process and in order for any remedy to be awarded, the evidence must show that the company has not provided its services to the standard that would reasonably be expected of it.
3. At this stage, I find it important to highlight that I am unable to consider any issues relating to third party organisations who are not a party to this adjudication. Accordingly, any issues concerning ABC Water (the customer's previous water provider), who is not a party to this adjudication, cannot be considered.
4. Furthermore, I must draw attention to the fact that my powers as a WATRS adjudicator are limited (as detailed in the scheme rules). Specifically, I should make it clear that it is beyond my remit to request any new independent investigations into the accuracy of the water usage data as recorded by the customer's water meter or to commission/conduct any technical review of the company's billing system/algorithms.
5. Whilst I acknowledge and appreciate the customer's belief that her bills are not accurate (and more expensive than the amount of water she feels that she is using), based on the evidence available to me at the time of adjudication, I am not satisfied that this belief has been objectively substantiated with any evidence. To the contrary, in order to illustrate that she has been correctly charged, I note that the company has provided copies of the customer's water meter

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readings since 2014 and her associated invoices for water services charges. I am particularly mindful of the fact that the company has provided a copy of the customer's upcoming payment schedule letter which it sent in November 2017. Under the circumstances, I find no reasonable grounds to challenge the accuracy/reliability of the customer's charges. Consequently, I am unable to conclude that the customer has been incorrectly charged by the company. I acknowledge that this finding is consistent with the final outcome of CCWater's (Consumer Council for Water) investigation.

6. I acknowledge the customer indicates that she did not receive some of the letters which the company had sent to her (as provided in its evidence submissions). I must draw attention to the fact that I am unable to investigate matters relating to mail service delivery errors and such issues should be referred to a more appropriate forum for resolution.
7. Turning to a review of the company's overall service actions in relation to this matter, I note that the company has already accepted oversights on its part (such as providing responses to the customer outside of its standard response times). Furthermore, I note that the company has accepted that it failed to correctly collect the customer's direct debits for several months in 2018 and that this resulted in a lump sum direct debit being taken from the customer's bank account in July 2018. I am therefore satisfied that failures on the part of the company to provide its services to the standard to be reasonably expected by the average person have been established. In order to avoid any potential confusion, I should make it clear that the company's failure to correctly collect the customer's direct debits on time does not affect the validity of the underlying charges. Whilst I acknowledge that the company has provided the customer with a degree of compensation for its oversights, given the nature and extent of its failures and the reasonable degree of inconvenience that would have been experienced by the customer, I find that it is fair and reasonable to direct that the company provides an additional £40.00 in compensation.
8. With regards to the customer's submission that she was not initially advised of the change in her water provider as a result of the deregulation of the water market in 2017, I note that the company has consistently maintained that it did send her a letter to explain this, however, it apologises if the customer did not receive this. Under the circumstances, I am satisfied that the company has adequately addressed this issue with its explanation and apology.

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9. In summary, I am satisfied that failures on the part of the company to provide its services to the standard to be reasonably expected by the average person have been established. Whilst I have taken note of the remedial steps already taken by the company in order to address these failures, under the circumstances, I find it fair and reasonable to direct that it provides the customer with a further compensation payment in the amount of £40.00.
10. This concludes the WATRS stage of the customer's complaint. I remind the parties that the customer is not obliged to accept this decision and is free to continue pursuing her complaint through all other resolution avenues as available to her.

Outcome

The company shall pay the customer compensation in the sum of £40.00.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 17 September 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.



E. Higashi LLB (Hons), PGDip (LPC), MCI Arb.

Adjudicator

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