

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1518

Date of Decision: 30 July 2019

Complaint

The customer submits that in March 2018, she discovered a leak which led to a large bill with RST Water (RST). She applied for a leak allowance against the bill but this was declined by []Water as the claim was out of time. So on this occasion, as the leak was her responsibility, she paid the account in full and had the leak fixed. She did not realise that the water and the waste water were billed on the same meter. So when she received a bill from the company for £4,537.81 in December 2018, she automatically thought she had a further leak on the sewerage side. She paid the company to investigate. A high consumption report was conducted and revealed that the company used the same meter reading taken by RST and sent the bill for the sewerage based on that meter reading. The company informed her that under the wholesaler's policy, she was out of time and that she would be unable to claim a leak allowance bill adjustment. She is at a loss with both water companies; it seems they have unrealistic time constraints towards their customers. The customer requests that the company *"reduce our bill to an acceptable level for the normal 6 monthly service provided by a waste water company."*

Defence

The company submits that this complaint relates to an internal leak which was fixed on 3 April 2018. The customer was in communications with her water retailer throughout the year of 2018 regarding the leak. It was not until February 2019, it, the sewerage retailer, was made aware of there being an issue. As the customer's retailer, it ensured that expectations were managed throughout, explaining that the likelihood of the allowance being granted by ABC Water (ABC), the wholesaler, was unlikely due to the claim being applied for out of time. It has conducted a full review of the account and history and checked the GSS payments to the account and no payments are due. No offer of settlement was made.

Findings

Any claims against or complaints about RST, [] Water and [] Water Services cannot be considered. In addition, the company and ABC are separate entities. This adjudication can only consider the duty owed by the company to its customers. It falls outside of my remit to consider any claims or complaints against ABC. ABC is responsible for granting any leak allowances/adjustments. The company's duty is to contact the ABC and raise the claim for a leakage allowance on the customer's behalf. I acknowledge the

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customer's claim and I can appreciate the customer's distress at receiving such a large bill. However, the evidence shows that the company has fulfilled its duty in this regard. It falls outside my remit to direct that the company award a leak allowance and/or waive the high consumption bill. However, the company failed to provide its services to the standard to be reasonably expected in relation to billing, the level of customer service provided and the information stated in its Defence. I am satisfied that the customer is entitled to a measure of compensation for the distress and inconvenience caused. 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.

Outcome

The company needs to take the following further action:

I direct that the company pay the customer compensation in the sum of £750.00.

The customer must reply by 27 August 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1518

Date of Decision: 30 July 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- In March 2018, she discovered a leak which led to a large bill with RST Water (RST). She applied to RST for a leak allowance against the bill but this was declined by [] Water as they were out of time to claim for a leak allowance. So on this occasion as the leak was her responsibility she paid the account in full and had the leak fixed.
- She did not realise that the drinking water and the waste/sewerage water were billed on the same meter. So when she received a bill from the company for £4,537.81 in December 2018, she automatically thought she had a further leak on the sewerage side.
- She paid the company to investigate. A high consumption report was conducted and revealed that the company had taken the same meter reading as RST and sent the bill for the sewerage based on that meter reading back in June 2018.
- She then raised a complaint with the company under case number 007[]5 which was never answered and was closed without informing her.
- She then raised another complaint under case number 008[]2 and the company informed her that under the wholesaler's policy, she was out of time and that she would be unable to claim a leak allowance bill adjustment. She is at a loss with both water companies; it seems they have unrealistic time constraints towards their customers.
- The meter in question was read on 27 November 2018 by the company six months after the original leak. Therefore this problem could have been managed far earlier allowing her to be in

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the timeframe to address and claim the leak allowance if she had known. She feels the company has fallen short of its responsibility in this instance.

- She understands the policy constraints but it is completely unjust to charge £4,537.81 considering that the wastewater did not actually pass through the sewerage system for which she is being charged, coupled with the fact that she has already paid RST £4,024.71 for the exact same leak. The only way she will discover that there is a problem is when she receives a 6-monthly invoice from either RST or the company, by which time it is already out of the time frame to submit any leak allowance applications.
- The customer requests that the company “*reduce our bill to an acceptable level for the normal 6 monthly service provided by a waste water company.*”

The company’s response is that:

- This complaint relates to an internal leak which was fixed on 3 April 2018. The customer was in communications with [] Water Service, her water retailer, throughout the year of 2018 regarding the leak.
- It was not until February 2019, that it, the sewerage retailer, was made aware of there being an issue, following a HCI (High Consumption Investigation), which was carried out by its Value-Added Services Team. The results of the HCI confirmed there was no leak at the property; the increase in consumption was due to the leak experienced in 2018.
- As the customer’s retailer, it ensured that expectations were managed throughout, explaining that the likelihood of the allowance being granted was unlikely, due to the allowance being applied out of policy.
- It has conducted a full review of the account and history and checked the GSS payments to the account and no payments are due.

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?

RST Business, [] Water and [] Water Services

1. I acknowledge the parties' submissions about RST Business, [] Water and [] Water Services. However, for the purposes of this decision my remit is to determine the issues between the customer and the company. Any claims against or complaints about third parties cannot be considered.

Wholesaler and Retailer

2. In addition 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.
3. The evidence shows that the company is the retailer and ABC Water (ABC) 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.
4. 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.
5. It falls outside of my remit to consider any claims or complaints against ABC .

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Leakage allowance

6. The evidence also shows that ABC , and not the company, is responsible for granting any leakage allowances. The company's duty is to contact the wholesaler and raise the claim for a leakage allowance on behalf of the customer.
7. The company has provided an excerpt of the wholesaler's leakage allowance policy in evidence. The evidence confirms the company's submissions that under the wholesaler's policy, a leak allowance will not be granted if the claim is not made within 12 weeks of the repair.
8. The leak at the customer's property was repaired in April 2018, but an allowance from ABC was not applied for until February 2019; some 46 weeks later, outside of the timeframe set down under the wholesaler's policy. ABC therefore rejected the claim.
9. I acknowledge the customer's claim and I can appreciate the customer's distress at receiving such a large bill. However, as explained above, any claim or complaints against ABC cannot be considered under this adjudication. It falls outside of my remit to challenge or query the wholesaler's leakage allowance policy. The company's duty is to contact the wholesaler and liaise on behalf of the customer, and the evidence shows that the company has fulfilled this obligation. I therefore find that the company has not failed to provide its services to the standard to be expected in this respect.

Reading the meter and billing

10. There is no evidence to show that the company is under an obligation to monitor customers' consumption and notify customers if it considers that their usage is higher than expected. Customers therefore share the responsibility to check their consumption by taking regular meter readings themselves if the meter is easily accessible. Customers should therefore not solely rely on their bills or their water and sewerage providers to alert them to unexpected increase in consumption, water and sewerage companies are not wholly liable.
11. However, notwithstanding the above, I find that companies have a duty to notify customers of charges levied on their accounts by sending bills within a reasonable time.

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12. The company submits that the customer's meter reads are taken by [] Water Services as the water retailer, and that as the sewerage retailer, it bills in line with what has been charged for the water and the information which is stated on the Central Market Operating System (CMOS). The company states that [] Water Services puts the billing information on the CMOS.
13. The customer submits that leak was discovered on 29 March 2018 and repaired on 3 April 2018. The customer has submitted in evidence a bill from her water retailer which shows that her water retailer read the meter on 30 May 2018 and billed for the period 1 December 2017 to 30 May 2018 including the high consumption caused by the leak on a bill dated 4 June 2018; five days after the meter was read.
14. The customer submits that she received a bill from the company which included the high consumption charges in December 2018; nearly seven months after the water retailer had read the meter. I am particularly mindful that the company does not refute this or address this issue to clarify when [] Water Services puts the billing information on the CMOS and/or why the bill for the high consumption was not issued sooner. I am not satisfied that 6-7months is a reasonable time within which to bill the customer, bearing in mind the fact that the evidence shows that the water retailer issued a bill within five days of the meter being read. There is no evidence to show that any delay in issuing the bill was not the company's fault. Therefore in the absence of any evidence showing otherwise, I am not satisfied that the company has shown that it provided its services to the customer to the standard to be reasonably expected by the average person in this regard.

Customer service

15. The customer submits that she raised a complaint with the company under case number 007[]5 which was never answered and that the company closed this complaint without informing her. The evidence submitted to this adjudication supports the customer's submission.
16. The evidence shows that the customer raised the complaint and the company issued her with the case number on 25 February 2019 informing her that it would be in contact within 10 working days. However, the customer was forced to chase for a response on 27 March 2019 over a month later. In addition, on 9 April 2019, the company's account notes state:
- "[] contacts our Contact Team and spoke to Contact Team Advisor [], advising she hasn't received a response to her allowance case. [] (Senior Complex*

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Queries Advisor) ensures [] that a response will go out to the customer within the next couple of days and that GSS will be due. [adjudicator emphasis added]

17. There is no evidence to show that this GSS for the delay in responding was ever paid to the customer. I am particularly mindful of the company's submissions in its Defence to WATRS that:

“During our investigation, we can confirm that there have been no failings on our part as the sewerage retailer. We feel that we have done everything possible including; submitting the leakage allowance application as soon as it was brought to our attention that there was an issue. To date there have been no GSS payments paid to []'s account. Following this investigation, no further GSS is due to be applied to the account.”

18. I am mindful therefore that the company's statement is at odds with evidence it itself submitted to WATRS.

19. The evidence shows failings on the company's part in relation to the delay in responding to the customer; the failure to pay the customer the acknowledged GSS payment; and the company's statement in its Defence that there have been no failings on its part. I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in these regards.

Redress

20. In respect of the customer's request that the company *“reduce our bill to an acceptable level for the normal 6 monthly service provided by a waste water company,”* as discussed above, the company is not responsible for granting any leak adjustment/allowances, I can therefore make no directions in this regard.

21. However, in light of my finding that the company failed to provide its services to the standard to be reasonably expected in relation to billing, the level of customer service provided and the information stated in its Defence, I am satisfied that the customer is entitled to a measure of compensation for the distress and inconvenience caused. Having carefully considered the evidence provided, I find the sum of £750.00 to be a fair and reasonable level of compensation. 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.

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Outcome

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

I direct that the company pay the customer compensation in the sum of £750.00.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 27 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.
- 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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