

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1547

Date of Decision: 5 September 2019

Complaint

The customer's complaint relates to a large bill for over £6,300 that he received in November 2018. Following investigation, it became apparent that the bill resulted from the fact that the radio device that transmitted information from the customer's water meter was broken, leading to the customer being billed on the basis of a static meter reading from January 2014. When the error was discovered, he received a large catch-up bill. The customer considers that the company should have realised its error and billed him correctly. He therefore requests a substantial reduction or even cancellation of the bill. In his comments on the company's Defence, he requests a payment plan for the outstanding balance.

Defence

The company rejects the customer's complaint. It acknowledges that it billed the customer incorrectly and that it was responsible for certain other service failures. However, it considers that responsibility should also be borne by the water wholesaler (who installed the meter and who was initially responsible for supply during the period when the meter readings were static), as well as by the customer, whom the company argues should have alerted it to the unusually low level of his bills. The company states that the customer has in any event had his bill reduced by an allowance granted by RST Water, as well as by a goodwill gesture of £200 made by the company.

Findings

I find that the company was indeed responsible for a number of service failures, as it itself acknowledges, including that it (1) misadvised the customer to call out a plumber on the suspicion that there was a leak; (2) disregarded correct meter readings and billed incorrectly between 1 April 2017 and 9 July 2018, (3) delayed further in issuing the correct bill once the correct meter reading was recognised; and (4) subsequently failed to reapportion the customer's water usage. However, as the customer does not dispute that he has consumed the water he is being billed for, the main detriment he has suffered is the fact that he is now expected to pay for it at once. I therefore find that in order to mitigate this, the company should put in place a payment plan as he requests. I do not order the payment of any additional compensation for inconvenience and distress as I consider that the customer has already been sufficiently compensated for this.

Outcome

If the customer accepts this decision, the company must, within 20 working days of receipt of the acceptance, put in place a payment plan for the amount outstanding on the customer's account in respect of his historical consumption, at a rate of £150 per month (in addition to amounts due under any new invoices).

The customer must reply by 3 October 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.

ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1547

Date of Decision: 5 September 2019

Party Details

Customer: [] (the "customer").

Company: [] (the "company").

Case Outline

The customer's complaint is as follows:

- The customer's complaint relates to a large water bill of over £6300 which he received in November 2018.
- The customer has lived at his property with his family since 1983, and also runs a grocery store on the property.
- In October 2013, the customer's water meter was replaced by RST Water (the customer's then water supplier). From January 2014, the customer's meter reading remained at 44m³, meaning that he only paid standing charges and did not pay for water consumed.
- The company became the customer's water retailer on 1 April 2017. From April 2017 until 9 April 2018 the customer continued to be billed on the basis of a meter reading of 44m³ and the customer therefore continued only to pay for standing charges.
- Then, on 11 July 2018, the company's meter reader took a much higher reading, and the company sent the customer a large water bill as a result. It was later discovered that the radio device used to transmit the reading from the meter was not working, which explains why previous meter readers had obtained a static meter reading of 44m³.
- The customer considers that both the company and RST Water should bear responsibility for not noticing that his meter readings effectively reflected zero consumption, despite the fact that his property was clearly occupied.

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.

- The customer requests a substantial reduction or even cancellation of his bill as a result.
- In his comments on the company's defence, he further indicates that he is happy to pay the outstanding balance on an extended plan, and that he could possibly afford an amount of £150 per month over 24 months. He also states that he is still trying to find the invoice for the plumber who visited on the suggestion of the company when the company wrongly thought that there was a leak at his property.

The company's response is as follows:

- The company contests the claim. It notes that the problem appears to originate from the replacement of the water meter by RST Water, following which the radio device stopped working and therefore repeatedly sent out the last reading it had received from the meter, i.e. 44m³.
- The company acknowledges that it did receive meter readings that were inconsistent with the reading of 44m³; however, because these were inconsistent, its reaction was to continue billing the customer using the figure of 44m³.
- On 9 July 2018, the company's meter reader provided it with the correct meter reading together with photographic evidence. The company therefore issued a high consumption letter, together with the large bill which is the subject of the customer's complaint. At that time, the company apportioned the full amount of 2320 m³ to a single billing period, which the company now acknowledges was incorrect. In addition, the company accepts that there was a delay in producing this bill which was only issued on 31 October 2018, and apologises for the delay.
- The company notes that, as a result, there was a delay of some 15 months in the company's billing of the correct amount to the customer. It apologises for its error in this regard. However, it argues that the customer himself should have been aware that he was being billed for zero consumption and should have brought this to the company's attention because he must have known that his invoices were incorrect. The company points out that RST Water replaced the customer's meter in October 2013 due to a leak which led the customer to complain about a high water bill. The customer should therefore have been aware of the need to check his invoices.
- On 6 November 2018, the customer contacted the company regarding the high bill, and the company advised him to call a plumber to check for leaks. The customer did so, and on 13 November 2018 he confirmed that the plumber had not found any leaks.

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.

- On 12 June 2019 the company carried out a review of the customer's account, during which it reapportioned the customer's consumption over the period for which the company had been responsible for the account. The company also contacted RST Water and requested it to reapportion the customer's consumption for the earlier period, but RST Water at that stage stated that it was unable to amend bills that had been issued prior to 1 April 2017. On further challenge, however, RST Water granted an allowance for the period 29th January 2015 to 4th July 2016 totalling 1136m³, which had the effect of reducing the customer's overall bill by £2726.48.
- The company arranged for the radio device on the customer's meter to be repaired, and is now obtaining regular readings from the meter.
- The company acknowledges that there have been some failures in the service it provided to the customer, in particular that it (1) misadvised the customer to call out a plumber on the suspicion that there was a leak; (2) disregarded correct meter readings and billed incorrectly between 1 April 2017 and 9 July 2018, (3) delayed further in issuing the correct bill once the correct meter reading was recognised; and (4) subsequently failed to reapportion the customer's water usage, instead billing the whole amount of 2320 m³ to a single billing period. Although the company initially declined to offer compensation for these failings, the company has now agreed to make a goodwill gesture to the customer of £200.
- In addition, the company states that if the customer provides it with the invoice from the plumber that the customer wrongly called out, it will reimburse this amount.
- However, the company maintains that the amount of £3884.45 that remains outstanding on the customer's account is due and payable. It says that it is prepared to offer the customer an extended arrangement to pay the bill if requested.

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.

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.

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. Both the customer and the company agree that, due to a fault with the radio device that reported readings from the customer's water meter, both the company's predecessor RST Water and the company itself assumed that the customer's water consumption was zero from January 2014 until July 2018. The customer was billed for standing charges only.
2. The company then realised that it had incorrectly billed the customer and that in reality the customer had consumed an amount of 2320 m³ of water over this period. It therefore rebilled the customer on this basis.
3. The customer does not dispute that he did in fact consume this amount of water and it has been confirmed that there is no leak at the customer's property. However, the customer is unhappy that the company (and its predecessor) failed to realise that there was a problem with the meter readings over this prolonged period of time and therefore billed him on the wrong basis.
4. The company argues that the customer should himself have realised that there was an error in his bills and that he was being billed for zero consumption. While the customer must bear some responsibility in this regard, I find that the company itself had a responsibility to bill the customer correctly. The company's meter readers would have seen that the property was occupied and the grocery store was in use, so the company had reason to suspect that the water consumption should not be zero. In addition, the company accepts that it received inconsistent readings and disregarded them. On balance, I consider that the average person would reasonably expect that the company would investigate further in these circumstances, and therefore discover that the radio device was not working.

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.

5. As accepted by the company itself, there were also some ancillary service failures on the part of the company, namely that it (1) misadvised the customer to call out a plumber on the suspicion that there was a leak; (2) delayed further in issuing the correct bill once the correct meter reading was recognised; and (3) subsequently failed to properly reapportion the customer's water usage.
6. As noted by the customer, the incorrect meter readings started when the customer's water was provided by RST Water. However, as RST Water is a third party to this adjudication, I am not able to make any findings against them or order them to pay compensation.
7. I must therefore consider what remedy the customer should be granted as a result of the service failings by the company itself (and not by RST Water).
8. Firstly, I note that the customer states that he has spent money on calling out a plumber unnecessarily. I am unable to award compensation for this expenditure as the customer has not yet provided the plumber's invoice; however, I note that the company has accepted that it will reimburse the customer for the amount when he provides the invoice, and I expect it to do so.
9. Secondly, the principle effect of the company's failure to bill correctly is that the customer is now faced with a large water bill that is, in principle, due and payable at once. I consider that the company should mitigate the impact of this by allowing the customer to pay in instalments, as he has requested and as the company has very reasonably agreed to allow. The customer has requested to pay the outstanding balance at a rate of £150 per month, and I consider that this rate is reasonable. I also note that in correspondence with CCWater, the company indicated that a payment plan over 24 months would be acceptable (albeit for a larger amount).
10. Taking into account both parties' positions, I order that, if the customer accepts this decision, the company must put in place a payment plan for the customer on the basis of payment of £150 per month.
11. Thirdly, the customer, in his complaint form, also requested that a reduction be made in respect of his bill. I take into account the fact that RST Water has agreed to grant an allowance due to its own actions - although this is not a payment made by the company, it has had the effect of reducing the customer's overall bill by £2726.48. In addition, the company has agreed to make a goodwill gesture of £200 in recognition of the matters set out above, and has apologised to the

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.

customer. I consider that this is adequate compensation for the distress and inconvenience that this situation has caused to the customer. I therefore do not award any further compensation.

Outcome

If the customer accepts this decision, the company must, within 20 working days of receipt of the acceptance, put in place a payment plan for the amount outstanding on the customer's account in respect of his historical consumption, at a rate of £150 per month (in addition to amounts due under any new invoices).

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 3 October 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.



Natasha Peter (Barrister, FCI 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.