## **Guide to Compensation for Inconvenience** and Distress

We are all inconvenienced at times in our day to day lives and in our dealings with companies and organisations. Companies make mistakes but it would be unreasonable to expect compensation every time a mistake occurs. This Guide is to help you understand the sort of things the adjudicators may consider in deciding whether to direct a company to pay compensation for the distress and inconvenience the company's actions have caused you.

## What is an award for inconvenience and distress for?

Awards for inconvenience and distress are not about the amount of any refund, the cost of anything that has been damaged, or the costs you incur in preparing and submitting your case to WATRS. These awards are about recognising that the way in which the company has treated you and your complaint has had a personal impact. This could include:

- inconvenience this might be not having access to a service, particularly if this happens over a long period of time or on more than one occasion. It could also be the time you have spent and the effort you have made to seek a resolution to the company's mistake (but remember that this is not the same as the time and effort of making an application to WATRS itself).
- distress including any anxiety, disappointment, embarrassment, upset or stress that you suffered as a result of the company's mistake; or
- the way in which the company handled your complaint, including whether or not it responded quickly and took your complaint seriously.

## Is an award for inconvenience and distress a fine or a punishment for the company for getting something wrong?

No, it's not a fine or a punishment. Instead, an award for inconvenience and distress is a way for the adjudicator to recognise that something went wrong and the company should have acted differently.

## Who decides?

WATRS is an independent dispute resolution service. Your claim will be considered by an independent, professional, legally qualified adjudicator. The adjudicator will decide whether it's fair and reasonable to make an award for inconvenience and distress. They can make an award up to £2500, but most awards are between £100- £200.

## What will I have to prove in order to receive an award for inconvenience and distress?

You don't have to "prove" anything as such – when you make your application, just mention anything you think is relevant to tell the adjudicator about the effect that the subject of your dispute has had on you. There are some case studies to help to show you the type of things that the adjudicator will look at and a table setting out what are called "aggravating" and "mitigating" factors. But remember every customer and every complaint is different.

## How does an adjudicator decide whether to make an award and for how much?

When making a decision, the adjudicator will consider whether it is fair to award this type of compensation. If the adjudicator decides that a company has acted unreasonably, he/she will then have to consider the impact that this has had on the customer – which could be moderate, significant, serious or very serious. The impact of the company's actions on a customer has to be more than just a minor inconvenience or upset. The table sets out the scales that the adjudicator will look at when making a decision.

## If I make a claim, why is an award for inconvenience and distress not paid automatically?

The adjudicator will consider the information you have put into your application about how the company's actions (or failures to act) have affected you and anyone else in your property. Everyone is different and the impact of the company's actions may be different so in some cases it may be sufficient for the company to apologise or take some other practical actions to put things right.

## Water Redress

Scheme (WATRS) 70 Fleet Street London EC4Y 1EU

## Can I claim for the cost of making a claim?

No, an award for inconvenience and distress is not about reimbursing or compensating for any costs you incur in preparing or submitting your case to WATRS.

## What if I am awarded something that is less than I asked for? Can I accept part of the decision?

No, you can only accept the decision in full or reject it in full. If you decide not to accept the decision it will have no effect. There is no appeals mechanism.

Scale		
Tier 4	£1,500 - £2,500	
Tier 3	£500 - £1,500	
Tier 2	£100 - £500	
Tier 1	Up to £100	

## **Case studies**

These case studies are here to help you understand the type of awards that might be made but remember the adjudicators will look at every application on a case by case basis and a customer's individual circumstances will be taken into consideration when deciding on any award. There are more case studies available <u>here</u>. Two customers may experience a similar problem but one may have been caused a greater degree of inconvenience or distress than the other.

## Tier 4: £1500 - £2500

## Complaint: no access to disabled toilet for 3 months

The sewer to a neighbour's house had been damaged by a gas company in December 2014 but was not repaired by the water company until February 2015. The customer, who was disabled, was not able to use her accessible downstairs toilet until the sewer had been repaired. Between December and February the sewer next to the customer's property had to be emptied by tanker causing unpleasant smells around the customer's property. The sewer should have been emptied on a regular basis but the customer had to chase the company to make sure this happened.

**Award -**The adjudicator found that the water company had been slow in getting the repairs done and had not kept the customer informed about progress. The adjudicator made the following awards: £1000 because the customer had been unable to use the accessible toilet, which caused her significant inconvenience and stress, £1000 for the delay in getting the sewer repaired and £700 for the unsatisfactory quality of customer service - making a total award of **£2700**.

## Tier 3: £500 - £1500

#### Complaint: billing errors over several years

The customer said that the company had undercharged him for a number of years and had then demanded payment of the arrears and instead of providing him with a customer service payment when it failed to answer a letter it had charged him £25.

**Award** -The company had already offered some compensation for these errors. The adjudicator took account of the significant length of time over which the charging errors occurred and the stress and inconvenience the customer would have suffered. The adjudicator awarded the customer £700, which went towards paying the arrears that had arisen as a result of the incorrect charging.

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## Tier 2: £100 - £500

### Complaint: disruption caused by works

The customer said that the company had failed to give notice before starting works outside his property, that the works carried out had caused inconvenience and that the contractors employed by the company had been abusive and had carried out works without a permit and without due regard to health and safety requirements. The sum of compensation claimed by the customer was £2,000.00.

**Award** -The adjudicator decided that the customer's claim should succeed in part. The customer had been adversely affected by the works carried out by the company, and notice of the intended works had not been given to the customer. But the relevant permits had been acquired by the company prior to carrying out the works. The adjudicator accepted the customer's claim that the company's contractor had used inappropriate language during a visit to the property. The sum of £200.00 was awarded to the customer.

### Tier 1: up to £100:

#### **Complaint: damage to property**

The customer said that a leak from a water meter fitted by the company had caused damage to a carpet and a mattress. The customer claimed £1936.91 for the cost of a new carpet and mattress and for his plumbing and heating costs.

**Award -** The adjudicator found that the water meter had leaked twice and had caused damp patches on interior cupboard walls which had caused a degree of stress and inconvenience to the customer. The adjudicator awarded the customer £50. However this was the only award which the adjudicator made as the customer had not provided any evidence to show that the leak caused the damage claimed for.

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WATRS compensation for inconvenience and distress			
	Mitigating factors (reducing the amount)	Aggravating factors (increasing the amount)	
Nature of complaint	The company's failure to meet the standard to be reasonably expected is isolated and not part of a recurring pattern	Repeated failings experienced or failing occurred over a protracted period	
	Few of the customer's complaints are upheld and/or the complaints are relatively minor (i.e. they do not represent a serious departure from the standards to be reasonably expected)	Numerous complaints upheld and/or the complaints upheld are of a serious nature	
Impact on customer	No impact reported or impact not significant	Customer reports distress (at the time or ongoing), including anxiety and disappointment, potentially involving all those living in the affected property	
	Distress or inconvenience slight	Customer reports inconvenience, including expenditure of time and/or effort that has resulted from the issues complained about	
Company's response to the complaint	Evidence that complaint has been taken seriously (e.g. proper investigation, attempts to resolve expeditiously)	Lack of evidence that complaint has been taken seriously / insufficient investigation	
	Tone of responses was constructive, empathetic and sincere	Tone of responses was unhelpful to the resolution of the complaint	
	Attempts made to remedy at an early stage (e.g. sincere apology, steps to rectify)	Little evidence of attempts to remedy	
	Responses were provided within a reasonable timeframe	Excessive or unexplained delays	
	Action reported to prevent recurrence/improve services and/or identify shortfalls	Customer was required to take additional or unnecessary steps	
	Evidence that the company has provided appropriate payments in line with Guaranteed Standards Scheme (GSS) and any relevant Codes of Practice	Little evidence that the company has provided the customer with such payments, or evidence that such payments were not provided in a timely manner	
Customer's actions	Customer's approach created challenges (e.g. rudeness/aggressiveness, vexatious behaviour)	Customer observed complaints process and complied with requests for further information	
	Delays in resolving the matter partly caused by customer	Delays caused by customer were communicated to the company and/or were reasonable	

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