

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1790

Date of Decision: 24 February 2020

#### Complaint

In February 2019, the customer received a larger than expected invoice reflecting excessively high consumption compared to her previous bills. The customer performed a self-leak test and engaged a plumber to check her supply, but no leaks were found. A meter accuracy test showed that the meter was intermittently under-recording but was not over-recording consumption and, consequently, RST Water ("the Wholesaler") refused to apply an allowance to the customer's account balance. In view of the fact that her business cannot have used the amount of water she has been charged for, the customer wants the company to apply an allowance to her outstanding balance.

#### Defence

On 12 December 2018, the customer provided the company with a higher than usual meter read and was advised to perform a self-leak test. The customer subsequently advised that the self-leak test had found no evidence of a leak and an engineer had also checked the supply and found no faults. The Wholesaler arranged a meter accuracy test; the results showed that the meter was working outside the specified limits, but it was under-recording rather than over-recording consumption. The company fulfilled its obligations as the customer's retailer by referring the customer's complaint to the Wholesaler, asking the Wholesaler to apply an allowance to the customer's account, and subsequently challenging the Wholesaler's decision to refuse an allowance. However, the Wholesaler will not grant an allowance on the basis that the customer did not find a leak and the meter was not over-recording. Therefore, the charges are correct and payable and the company cannot reduce the customer's bill.

The company has not made an offer of settlement.

#### Findings

The accuracy of the customer's water meter, for which the Wholesaler is responsible, and the results of the meter accuracy test arranged by the

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Wholesaler, are central to this dispute. However, as an adjudicator operating under the Water Redress Scheme, I am only able to make findings relating to the responsibilities of the parties to this case. As the Wholesaler is not a party to this case, I cannot adjudicate on whether the circumstantial evidence indicates that the old meter, owned by the Wholesaler, was faulty. I can only adjudicate on whether the company fulfilled its responsibility to apply the correct charges to the customer's account, based on the information it received from the Wholesaler. Having reviewed the results of the meter accuracy test supplied to the company by the Wholesaler, I accept that the company was informed that the meter was under-recording rather than over-recording the customer's consumption. Therefore, on the balance of probabilities, I find the charges applied to the customer's account are correct and payable. Accordingly, I cannot find that the company has failed to provide its service to the standard reasonably expected by the average customer by refusing to reduce the charges. Therefore, the customer's claim does not succeed.

#### Outcome

The company does not need to take any further action.

The customer must reply by 23 March 2020 to accept or reject this decision.

## ADJUDICATOR'S DECISION

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### Party Details

Customer: [ ].

Company: [ ].

### Case Outline

#### **The customer's complaint is that:**

- The business premises to which the disputed bill relates is a small industrial unit with one sink, two toilets, no showers and no washing machine. No water is used in the course of the business and only eight members of staff worked at the premises.
- In February 2019, she received a higher than expected water bill for £1,537.00. The bill was based on excessively high consumption compared to previous bills and she contacted the company to dispute it. She carried out a self-leak test and engaged a plumber to check her water supply, but no leaks were found.
- On 6 March 2019, the meter was replaced. The final read was 4202 cubic meters and the meter was tested for accuracy. She was informed that the meter had an intermittent fault and she would receive a credit against her account balance. However, she later received a bill for £10,163.48 and was told that the Wholesaler would not grant an allowance as the meter accuracy test results showed that the meter had been under-recording consumption, rather than over-recording it.
- She wants the company to apply an allowance to her outstanding balance on the basis that it would have been impossible for her business to use the amount of water the company has billed for.

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### **The company's response is that:**

- On 12 December 2018, the customer provided a meter read which was out of line with previous consumption; as such, the customer was advised to perform a self-leak test. On 14 December 2018, the customer advised that the self-leak test had found no evidence of a leak.
- On 28 February 2019, the customer telephoned to advise that the meter had reached over 4000m<sup>3</sup> and that an engineer had checked for leaks but none had been found. The customer agreed to have a meter accuracy test performed on her meter to establish whether it had recorded her water consumption correctly. Therefore, it sent a request for a meter replacement and a meter accuracy test to the Wholesaler. On 7 March 2019, the meter was exchanged.
- On 25 March 2019, the Wholesaler advised that the meter accuracy test showed that the meter was working outside the specified limits. On 1 April 2019, it contacted the Wholesaler and asked for more information. It also asked the Wholesaler to consider applying an allowance to the customer's account. However, the Wholesaler responded on 15 April 2019 and advised that it would not grant an allowance on the basis that the meter was under-recording rather than over-recording consumption.
- On 17 April 2019, the customer made contact again because she was unhappy with the Wholesaler's decision. On 24 May 2019, following a further telephone call from the customer, it asked the Wholesaler to reconsider its decision.
- On 11 July 2019, after the customer had vacated the business premises to which the disputed charges relate, she telephoned to ask how the final meter read had been derived. As a consequence of this telephone call, it agreed to ask the Wholesaler if it was willing to recalculate the disputed bill by using the average daily consumption shown by the reading taken off the new meter for the period 6 March 2019 to 25 March 2019. On 16 July 2019 and 24 January 2020, the Wholesaler advised that it would not recalculate the customer's bill or grant an allowance.
- As the customer's retailer, it has fulfilled its obligations by raising the customer's complaint to the Wholesaler and subsequently challenging the Wholesaler's decision. However, the Wholesaler will not grant an allowance on the basis that the customer did not find a leak and the meter was not over-recording. Therefore, the charges are correct and payable and it cannot reduce the customer's bill.
- It accepts that there have been service failings and has applied a £60.00 gesture of goodwill to the customer's account to acknowledge this. The failings did not influence the Wholesaler's decision to refuse the customer's application for an allowance and, therefore, it believes that the amount paid is fair and reasonable in the circumstances.

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## 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 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. In order to make a decision in this matter, I must clearly distinguish between actions taken by a wholesaler and the duty owed by a retailer to its customers. Since the water market in England opened up to retailers in April 2017, all non-household customers have been moved to a wholesale/retail split service. As a result, a non-household customer now only has a relationship with the retailer. In turn, an adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, as the party to the case, has responsibility, and not those things for which the wholesaler has responsibility. This includes, however, the effectiveness with which the retailer has operated as an intermediary between the wholesaler and the customer.
2. Having reviewed the evidence provided by the parties, I find that the company is the customer's retailer and is responsible for billing, accounting and customer services. RST Water is the customer's wholesaler and, as such, is responsible for the maintenance and repair of the water and sewerage assets, including the customer's water meter.

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3. The customer wants the charges applied to her account reduced on the basis that the consumption recorded on her water meter cannot be accurate as her business could not have used so much water. As the customer found no leaks on her supply, the accuracy of the meter, and the results of the meter accuracy test performed on behalf of the Wholesaler, are central to this dispute.
4. However, as explained above, I am only able to make findings relating to the responsibilities of the parties to this case. As the Wholesaler is not a party to this case, I cannot assess the circumstantial evidence regarding whether or not the customer's meter, which is the Wholesaler's asset and responsibility, was over-recording the customer's water consumption; I can only adjudicate on whether the company has billed the customer correctly based on the information it received from the Wholesaler.
5. The evidence demonstrates that, having obtained the agreement of the customer, the company referred the customer's complaint to the Wholesaler and requested a meter exchange and a meter accuracy test. Consequently, the meter was exchanged on 7 March 2019 and the old meter was tested for accuracy.
6. I have reviewed the results of the meter accuracy test supplied to the company by the Wholesaler and accept that the company was informed that the old meter was working outside the prescribed limits specified by the Measuring Equipment (Cold Water) Regulations 1988/2006, but that the meter was under-recording the customer's consumption, not over-recording it. Therefore, the Wholesaler refused to grant the customer an allowance on the basis that the consumption recorded on the meter was likely too low rather than too high, and any recalculation of the bill would result in the customer paying more rather than less.
7. In view of the above, I cannot find that the company has failed to provide its service to the standard reasonably expected by the average customer by relying on the information provided by the Wholesaler and refusing to reduce the charges applied to the customer's account. On the balance of probabilities, I accept that the charges appear to have been correctly applied to the customer's account and are payable by the customer. I appreciate that this decision will disappoint the customer and is possibly far from the outcome she hoped for, but it therefore follows that the customer's claim cannot succeed.

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8. The customer does not directly complain about the standard of service provided by the company, but for completeness I add that the evidence shows that the company effectively acted as an intermediary between the customer and the Wholesaler and I find no failing on the company's behalf in this regard.

#### **Outcome**

The company does not need to take any further action.

#### **What happens next?**

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 23 March 2020 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.

*KS Wilks*

Katharine Wilks

**Adjudicator**

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