

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1869 - Metering - Billing & Charges

Date of Decision: 30 April 2020

Complaint

The customer complains that the company failed to find a leak in the meter at her commercial premises and has provided poor customer service, resulting in loss of her tenant and wasted plumbing charges. The customer claims a direction that the company should pay attention to third party evidence, write off her outstanding bill and pay compensation of £8,000.00.

Response

The company says that there is no evidence that the infrastructure or meter provided by the wholesaler was defective. There was a leak in the customer's premises. Although the wholesaler delayed in conducting the meter assessment, the company had liaised with the wholesaler and the customer and the customer contributed to the delay by not providing her plumbers' reports.

Findings

There is no sufficient evidence to show that there was a leak in the meter or other defect in the infrastructure, so the customer has not shown that the water charges should be waived. The company has provided customer service, however, that falls below that which would reasonably be expected by an average customer. This is explained in the reasons below. However, this does not lead to an award of redress as claimed by the customer. A fair and reasonable sum by way of redress is the £60.00 in goodwill payments identified by the company in its response plus an acknowledgement of the inconvenience and distress experienced by the customer (as well as her tenant and agent). The total compensation awarded should be in the form of a credit to the customer's account of £285.00.

Outcome

The company needs to credit the customer's account with £285.00.

The customer must reply by 28 May 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1869

Date of Decision: 30 April 2020

Party Details

Customer: The Customer

Company: XWater

Case Outline

The customer's complaint is that:

- The customer, (who also complains of a significant number of inaccuracies in the account put forward by the company in its defence to this adjudication) raised a complaint to the company over a high water bill in March 2019, but after waiting for a long time on the telephone, she received no response. Three other companies in the same road also received unusually high bills.
- The company arranged for the attendance of an engineer to complete further investigations as a leak in the property was suspected. This was not found but it was suggested that it could be due to a problem with the ball valve. The customer replaced this and also, at the suggestion of the company, arranged for the attendance of her own private plumber. The attendance of plumbers on three separate occasions cost over £2,000.00.
- Thereafter, the issue was not resolved for an excessively long time. There were a number of missed appointments and the company failed to escalate her complaint.
- The technicians told the customer repeatedly that they really did not know what the cause of the excessive usage was and so blamed the toilet cistern and attic ball valve as this was all they could find. The company did not offer to assist more by providing underground cameras.

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- The customer says that she has been caused stress and one of her tenants left as a direct result of missed appointments and being “totally messed about”. The customer says that her time and her letting agent’s time has also been wasted.
- She says that the company has adopted a bullying attitude towards her and left her feeling anxious. No offer was provided or apologies for the multiple missed appointments.

The company’s response is that:

- The company’s position is that it is not liable for this claim, save that in respect of certain Guaranteed Service Standards (GSS) omissions, it will make a goodwill payment of £150.00.
- The company explains that on 7 February 2019 the customer called the company regarding her bills and a possible supply separation. The company advised her that the most recent meter reading had been taken five months earlier in September 2018, prompting the customer to request an up-to-date reading.
- An ad hoc reading was taken on 12 March 2019. This showed the consumption to be higher than usual. The customer contacted the company to discuss the bill. The company advised the customer that there could be a leak at the premises. She was invited to perform a stop tap test or ask a plumber to attend.
- On 19 March 2019, the customer advised the company that no leaks had been located by the plumber.
- On 3 April 2019, complaint cases were opened by the customer and by her neighbour to complete investigations into the meter reading is for both properties. The site visit requested took place at the neighbour’s property but not at the customer’s property. For this oversight the company offers a GSS payment of £20.00
- On 22 May 2019, a further request was sent to the company asking for a supply verification check. This was booked for 14 June 2019.
- On 18 June 2019, the company was informed that the meter was turning slowly, potentially indicating a leak. The feedback was sent to the customer on 18 June 2019 but the findings were disputed. A further response was sent to the customer advising, her that she would need to investigate this leak and repair it.
- On 27 June 2019, the customer advised the company that she had presented her case to Ofwat as a plumber could not find any leaks. A reply was sent on 1 July 2019 indicating that a meter accuracy test could be carried out. At this point the customer asked the company to escalate the complaint to stage two. She was told that stage one had not been exhausted until

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there had been a meter accuracy test. The customer therefore agreed to have a meter accuracy test on 19 July 2019.

- This was requested from the wholesaler on 23 July 2019 and an appointment was booked on 12 August 2019. Feedback was received by the company on that date showing that there was a small drip on the customer's toilet cistern and the ballcock on the cold water storage tank in the customer's attic was not working correctly and was constantly running water. The consequence of this was that the meter accuracy test was not fully completed because there was ongoing evidence of leaks. The customer indicated that she would get a plumber to fix the leaks.
- On 12 August 2019 the company informed the customer of these findings. The customer asked for the complaint to be escalated to stage two. It was explained on 16 August 2019 that stage one had not been exhausted as the meter accuracy test had not been completed.
- A further confirmation of a customer side leak meant that a subsequent attempt to undertake the meter accuracy test again was rejected.
- An appointment was missed by the wholesaler on 30 September 2019 due to reasons beyond the company's control and was re-booked for 11 October 2019. The company agrees that it will add a further goodwill payment to the customer's account in respect of this missed appointment.
- On 11 October 2019 it was confirmed again by the company that there was a private leak on the customer's supply and the meter would not be removed for testing until this was repaired. The customer disputed this further confirmation of a private leak and the company asked the customer to provide copies of the reports from her plumbers.
- The customer received a copy of the plumber's invoice dated 25 June 2019 on 29 November 2019 and forwarded this to the company on 4 December 2019, confirming that a faulty ball valve had been repaired.
- The customer's meter was then removed for testing on 29 November 2019 and between early December and January 13, 2020, the company sought to obtain the test results from the wholesaler. These were returned on 13 January 2020 and confirmed that the customer's meter was recording accurately.
- On 28 January 2020, the customer advised that she still disputed this finding and wanted her case to be escalated to stage two. Due to an internal process this was not escalated correctly and a further GSS payment of £20.00 will be made by the company.
- At this stage too, the company then looked at the average consumption for a period from March 2017 to September 2018 and compared this with the disputed readings. There was a

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daily increase of 0.81 m³ per day. The company submits that, given that the average leak rates on a ball valve for toilet system can fluctuate from 0.5 m³ to 2 m³ or more per day, the extra consumption is in line with the leaking ball valve advised about on 18 June and 12 August 2019 and which was repaired.

- The stage two response was completed by the company on 11 March 2020 and sent for review. The case from WATRS was received by the company before this was dispatched to the customer. This therefore took precedence.

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.

If the evidence provided by the parties does not prove both of these issues, the company will not be directed to do anything.

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. At the heart of the customer's complaint against the company are (1) the company's alleged failure to accept her contention that she had no leak at her property; and (2) the lengthy period that she alleges it has taken the company to resolve her issue with significant failures in customer service. In consequence, she says that she has suffered a business loss, been caused undue plumbing expenses and her disputed bills have escalated.
2. As very many of the factual contentions are disputed, and each party has sent supplementary submissions in a way that I have permitted, but which are not provided for within the WATRS Scheme rules, I will state below the findings that I have made on the basis of the documentation provided by both parties and by CCW (Consumer Council for Water).

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3. Accordingly, I find that the events were as follows:

- a. The company explains that on 7 February 2019 the customer called the company regarding her bill for [personal information removed]. One of two adjacent properties owned by the customer, the other being number 3. The company records that she was asking for a possible supply separation in respect of [personal information removed]. The customer says this inaccurately records her concerns, which were that her account had been the subject of various credits and reversals and she was not able to understand the financial position. The customer has submitted an account statement for number 2 which shows these. I accept the customer's submission. The billing appears to be very confusing and I find that it is probable that the customer would have contacted the company about this. The customer asked for an up-to-date reading.
- b. A reading was taken on 12 March 2019, at which point it was suggested that there was a leak at the property and she should get a plumber to attend. The customer told the company on 19 March 2019 that a plumber had visited and no leaks had been located by the plumber.
- c. On 27 March 2019, a leak detection report was provided by [personal information removed]. This considered the meters for [personal information removed]. In respect of number 2, it was explained that the meter in question is located in the toilet of the ground floor shop and supplies the shop and an upstairs flat and also the shower and header tank at [personal information removed]. In respect of number 2, the meter had a small flow, and when the technician manipulated the ball valve on the header tank, this test stopped the meter completely.[Personal information removed] recommended that the ball valve be checked by a plumber.
- d. On 2 April 2019, as the company acknowledges, investigations into the meter readings were requested by the customer and by her neighbour, who had also received a high bill, as, says the customer, had other properties in the locality. The investigation was carried out only in respect of the neighbour. There is a dispute between the parties as to the reason for this, but the company, in any event, acknowledges that this was an error. The company offers a GSS payment of £20.00, although the customer regards this as "derisory".
- e. The customer says that from 2 April 2019, workmen from the wholesaler would turn up without proper information about the job and wanting to look at the bills, which had to occur on each occasion. I find that this is broadly supported by the documentation submitted although it is not clear that every date when this occurred has been logged.

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- f. The company says that on 22 May 2019, a further request was sent to the company asking for a supply verification check. This was booked for 14 June 2019. On 18 June 2019, the company was informed that the meter was turning slowly, potentially indicating a leak. The customer said that on this occasion the workman asked if there was a sub-meter, and he confirmed that the meter was slowly turning. The customer has supplied a video recording taken by her letting agent which shows the meter slowly turning. The company sent feedback to the customer on the same date. Even though the findings were disputed, the customer was told that she would need to investigate this leak and repair it.
- g. On 27 June 2019, the customer advised the company that she had presented her case to Ofwat as a plumber could not find any leaks. A reply was sent on 1 July 2019 indicating that a meter accuracy test could be carried out. At this point the customer asked the company to escalate the complaint to stage two. She was told that stage one had not been exhausted until there had been a meter accuracy test. The customer therefore agreed to have a meter accuracy test on 19 July 2019.
- h. This was requested from the wholesaler on 23 July 2019 and an appointment was booked on 12 August 2019. On 12 August 2019, the company received the following information from the wholesaler, which it forwarded to the customer:
 - i. [Personal information removed]
The customer was also informed that it was therefore probable that there had been a leak that had not been located previously and that the bill therefore would stand.
 - j. The customer asked on 14 August 2019 for the complaint to be escalated to stage two. She said that this was the fifth time that she had asked, and she again requested the email address of the wholesaler.
 - k. On 15 August 2019, the customer arranged for the replacement of the ball valve in the cold water storage tank.
 - l. On 16 August 2019, the company said:
 - m. [Personal information removed]
 - n. On 23 August 2019, the customer said that she had asked for escalation for eight months. She asked for a phone number to speak directly to the wholesaler and complained that her bills had been “messed up”. The company responded on 29 August 2019 that stage 1 had not yet been exhausted because the meter accuracy test had not been completed.
 - o. According to the company, a further confirmation of a customer side leak meant that a subsequent attempt to undertake the meter accuracy test again was rejected.

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- p. An appointment to exchange the meter for testing was broken in the week on 16 September 2019 because the technician was unwell. A repeat appointment was made for 30 September 2019. The company recorded in an email to the customer that it had told the wholesaler that no further delays would be tolerated.
- q. An appointment on 30 September 2019, which the customer had been assured by the company would now take place after all the delays and earlier missed appointments) was not carried out by the wholesaler because, the company stated, the technician was not able to exchange an internal meter. The company said that it raised a complaint about this, and a work order was raised for testing of the meter to be done. The appointment was re-booked for 11 October 2019. The company agrees that it will add a further goodwill payment to the customer's account in respect of this missed appointment.
- r. On 11 October 2019 it was confirmed again by the company that there was a private leak on the customer's supply. This was said to be somewhere in a second tee after the meter leading to the flats upstairs. The internal records of the company show that it had been informed that the customer said that she would claim for this repair from her insurers. The company stated to the customer :
[Personal information removed]
The company asked for a report from the customer's plumbers. On the same day, the company also indicated that the wholesaler had said that the meter would not be removed for testing until the leak was repaired. The company indicated on 16 October 2019 that it had escalated a complaint with the wholesaler because the test had not been carried out.
- s. The customer disputed this further confirmation of a private leak and said that she was unhappy with the service that she had received.
- t. On 17 October 2019, a loss adjuster attended to ascertain whether there was an insurance claim to be made in relation to the escape of water into an, yet unascertained, area. He made a report dated 1 November 2019, in which he recorded that he had inspected the areas in the photo studio where the main meter and sub-meters were located. He said that during his inspection, the sub-meter continued to turn for a few moments, approximately 10 to 20 seconds, after the main meter had been turned off. The letting agent in attendance said that others had noticed this phenomenon.
- u. The company on 24 October 2019 again asked the customer to provide copies of the reports from her plumbers. The customer sent a copy of the plumber's invoice dated 25 June 2019, which was received by the company on 29 November 2019 and forwarded

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this to the company on 4 December 2019. The company says that this confirmed that a faulty ball valve had been repaired. This, I find, is not correct. The invoice indicates that the ball valve was repaired and tested but no leak was found. The report states:

- v. [Personal information removed]
- w. The customer, meanwhile, recorded a video of the meter turning when she says that no water was being used. This video recording was made on a date on or before 6 November 2019.
- x. The customer's meter was then removed for testing on 29 November 2019 and between early December and January 13, 2020, the company sought to obtain the test results from the wholesaler. These were returned on 13 January 2020 and confirmed that the customer's meter was recording accurately.
- y. The company provided the stage 1 response. On 28 January 2020, the customer advised that she still disputed this finding and wanted her case to be escalated to stage 2. The company acknowledges that due to an internal process this was not escalated correctly and a further GSS payment of £20.00 will be made by the company.
- z. Also, the company explains that it then looked at the average consumption for a period from March 2017 to September 2018 and compared this with the disputed readings. There was a daily increase of 0.81 m³ per day. The company submits that, given that the average leak rates on a ball valve for toilet system can fluctuate from 0.5 m³ to 2 m³ or more per day, the extra consumption is in line with the leaking ball valve advised about on 18 June and 12 August 2019.
- aa. On 4 March 2020, the customer's tenant indicated that, due to the constant business interruptions from the water company, it was not able to continue to rent the property and it activated the break clause, giving 6 months' notice.
- bb. The stage two response was completed in draft by the company on 11 March 2020 and sent for review internally. The case from Waters was received by the company before this was dispatched to the customer. The company said that this therefore took precedence.

4. I turn to the question whether the customer has proved that she has been wrongly billed due to the presence of a leak that was the company's responsibility or to a faulty meter. In considering this, I bear in mind that adjudication is an evidence-based process, in which it is for the customer to prove that the company has supplied its services in a sub-standard way. In respect of the customer's concern that she has been billed for water that has not been used in her premises, I am not satisfied that she has shown that the wholesaler had provided leaky

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infrastructure or meters for which the customer was not responsible. With regard to the history set out above, which concerns aging plumbing arrangements in premises in multiple occupation, and the internal water service spread over two buildings, I find that the precise cause of the increased water usage at number 2 has not been ascertained. I note, moreover, that the company has put forward a plausible case for why the increased bills might be attributable to a leaking ball valve in the header tank in number 3. Although the customer repeatedly challenged the accuracy of the meter, it has transpired that, when the meter was finally tested and a response was made in January 2020, there was no discernable problem with the meter that had been removed. Although the customer has not accepted this and has sought to raise her complaint to stage 2 within the company's procedures, it nonetheless remains the case that there is no sufficiently reliable evidence for me to be able to conclude that the customer's bills were inflated for a reason for which the company or the wholesaler was responsible. I therefore do not find that the company has billed incorrectly and the customer has not established that the company's services were substandard in relation to the amount billed.

5. As for the complaints handling, I find that this is a different matter. I find that the company fell short of the standards that would reasonably have been expected of it in a number of ways.

These are as follows:

a. The customer says that she did not understand the division between the company and the wholesaler (which have similar names) until this was explained by the CCW in 2019. It is notable that in her correspondence, the customer complains about a number of matters that were the responsibility of the wholesaler rather than the company (for instance, she refers to "your engineers") and I find that her approach is consistent with a lack of knowledge or understanding that the company (a water retailer) is not responsible for the failings of the wholesaler. Notwithstanding that the company's correspondence has referred at various stages to the wholesaler (see, for example, the email of 2 September 2019), I note that there is no explanation that I have been able to find in the documents submitted to me as to the significance of the wholesaler/retailer divide. I find that this is important, because:

i. This misunderstanding would have increased the sense of frustration experienced by the customer in being unable to make progress or have some aspects of her complaint addressed correctly, because I find her perception was that she would have been dealing with two arms of the same organization. This would have made many of the company's explanations of missed appointments and lack of influence on the metering team, for example, very difficult for the

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customer to understand and I note that at one point she described herself as “at her wits end”.

- ii. It additionally, would have made the company’s refusal to address or escalate her complaint until the meter assessment had been carried out even more puzzling.

I find that in failing to provide this explanation to the customer in a timely way, the company fell short of the standard that would reasonably have been expected of it.

- b. As for the company’s complaints process, it is notable from the documents submitted that the first time that the customer made a formal complaint was that received by the company on 2 or 3 April 2019. Although an acknowledgement was sent on 3 April 2019, no further steps in the complaints process were taken because the company refused to treat stage 1 as closed until the meter test had been exhausted. This meant that, even though the customer complained repeatedly about missed engineer’s appointments, the engineers turning up without proper instructions as to what they were required to do and delay in responses, these issues were not being addressed. It was relevant for the company to consider whether its response to the wholesaler had been adequate. In the end, the stage 1 process took from April 2019 to January 2020. Although the company gave an explanation for this, I find that the wholesaler’s inaction in carrying out the meter assessment was not a good reason for the company to refuse to carry out its complaints process.
- c. Although in the correspondence from early September 2019 (after the involvement of CCW) there is evidence that the company was actively challenging the wholesaler about its lack of progress, save that requests were made for the meter tests, there is no persuasive evidence that the company was pro-actively providing assistance and liaison as between the wholesaler in order to achieve a speedy outcome until, at the earliest, mid to late August 2019. In consequence, provision of the meter assessment took many months.
- d. In the email of 2 September 2019, the company indicated that once there was a final resolution of the complaint, the company would be looking at a gesture of goodwill. In fact, no such gesture was made to the customer, and no clear apology has been made by the company until the response in this application to WATRS.

- 6. As, I find, the matters set out above led to delay, frustration and inconvenience, not only to the customer but also to her tenant and her letting agent, I find that the customer has proved that she is entitled to redress.

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7. The customer claims:

- A service by which the company will improve communication and accept third party information;
- The writing off of all current charges;
- Compensation of £8,000 comprising £2000 paid to her plumbers and £6000 for loss of her tenant and interest.

In the light of my findings above, I do not find that the customer has shown that she is entitled to redress of this amount and type. In particular, she has not shown that she is entitled to the writing off of her existing liabilities or reimbursement of her plumbing costs. I find that she is entitled to redress only in respect of the company's complaints handling, but this does not include compensation for the loss of her tenant, which loss has not in any event been proved: the customer has submitted evidence that the tenant has given six months' notice due to the interruptions caused by the wholesaler, but the customer has not proved that she is prevented from getting a replacement tenant.

8. The company in its defence has stated that there are three situations in which a specific GGS payment of £20.00 would be justified, although, in its summary it has stipulated that only £40.00 GGS is due. I find that the customer is entitled to £60.00 for unpaid GGS.
9. Additionally, although I accept that the customer has not been able to prove that there was a defect in the infrastructure, I do not accept that the failure to provide the plumbers' reports contributed significantly to the delay experienced by the customer, who challenged the company's findings. Accordingly, I find that it is fair and reasonable that she should receive an additional payment in compensation for the inconvenience and distress for the matters set out above. I find that it is fair and reasonable to assess this at a rate of £25.00 per month for each month that this dispute has continued, which I approximate as nine months, giving a total figure of £225.00, to which the sum of £60.00 is to be added. It follows that I find that the total figure for redress is £285.00, which I find can be credited to the customer's account in order to off-set her liability for unpaid bills. Interest is not applicable to a compensatory payment not associated with erroneous billing, so no interest is awarded.

Outcome

The company needs to credit the customer's account with £285.00.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
 - The customer must reply by 28 May 2020 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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Claire Andrews, Barrister, FCI Arb

Adjudicator

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