

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1899 – Billing & Charges – Problems with metered & unmeasured bills

Date of Decision: 16 April 2020

#### Complaint

The customer submits that he has been overcharged by the company for a period of around six years. The customer has carried out his own calculations and concludes the level of overcharging is £865.94. The customer seeks a refund of £865.84 which is the amount he considers he has been overcharged. The customer seeks compensation in the sum of £2,500.00 for frustration, anxiety, nuisance and embarrassment.

The customer seeks to have a fine imposed on the company in the amount of £10,000.00. The customer seeks an apology from the company.

#### Defence

The company has examined the customer's calculations and has identified that the customer had applied the fixed charge element to consumption. The company also identified the customer had not used the correct consumption totals. The company considers its bills are correct and disagrees that the customer has been overcharged. The company considers no refund is due to the customer.

The company does not accept it is liable to compensate the customer in respect of frustration, anxiety, nuisance and embarrassment. The company notes that it is not within the scope of the Water Redress Scheme to issue a fine to a company.

The company has made payments to the customer under its customer guarantee scheme in the amount of £140.00. The company has also made a payment of £30.00 to the customer as a gesture of goodwill. The company does not consider an apology is due to the customer.

#### Findings

The customer has not shown that he has been overcharged by the company. No refund is due to the customer.

The company has failed to meet the standards expected under its customer guarantee scheme. However, the company has acknowledged where it has failed and has made the required payments under its customer guarantee scheme.

#### Outcome

The company does not need to take any further action.

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The customer must reply by 15 May 2020 to accept or reject this decision.

## ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1899

Date of Decision: 16 April 2020

### Party Details

**Customer:** The Customer

**Company:** XWater

### Case Outline

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

- The company has been overcharging the customer for approximately six years.
- The customer has carried out his own calculations using the company's statements and payment demands. The customer submits that he has found substantial discrepancies and has been overcharged in the sum on £865.94.
- The customer seeks an allowance in respect of a leak that occurred outside his property that was repaired by the company.
- The customer seeks a refund of £865.94 which is the sum he considers he has been overcharged. The customer also seeks to have 8% interest added to this amount in respect of several years of overcharging.
- The customer seeks compensation in the sum of £2,500.00 in respect of frustration, anxiety, nuisance and embarrassment caused by late payment demands.
- The customer requests that a fine in the sum on £10,000.00 is imposed on the company.
- The customer seeks a written apology from the company.

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

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- The company states that it had compared the customer's calculations with its own. The company states that the reason for the discrepancy is that the customer has taken the total consumption and multiplied this by the fixed charge amount instead of the unit price per cubic metre. The company also states that the total consumption used in the customer's calculations is incorrect.
- The company states that there had been a leak on the supply to the customer's property but that this leak was prior to the water meter and therefore had no impact on the consumption charges invoiced to the customer.
- The company notes that it had replaced the customer's water meter as it had stopped recording consumption. This resulted in zero consumption recorded on bills between 3 October 2018 and 20 May 2019.
- The company has made payments to the customer amounting to £140.00 in respect of certain failures to respond within required timescales under its customer guarantee scheme (CGS). The company has made a further payment to the customer in the amount of £30.00 as a gesture of goodwill for failing to respond to an email between July 2019 and October 2019.
- The company states it has explained to the customer how its charges have been assessed and submits that the customer has not been overcharged and therefore no refunds are due.
- The company does not consider any compensation is payable to the customer beyond that which has already been paid. The company notes that it is not within the scope of WATRS to impose a fine.
- The company does not consider any apology is due to the customer.

### How is a WATRS decision reached?

In arriving at my decision, I have considered the following key issues:

- a. Whether the company failed to provide services to the customer according to legislation and to standards reasonably expected by an average person.
- b. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing of the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on the balance of probabilities that the company has failed to provide its services to the standard which would be reasonably expected and as a result of this failure, the

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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 I have not considered it in reaching my decision.

### How was this decision reached?

1. The company states that on 31 December 2018 it received a letter from the customer concerning an outstanding balance on his account. A copy of that letter has not been provided however the company's notes refer to a statement being sent to the customer for the period 4 April 2018 to 3 October 2018.
2. On 23 January 2019, the customer sent a letter to the company referring to his letter dated 27 December 2018 and noting he had not received a reply, although the customer has acknowledged receipt of a letter from the company dated 3 January 2019. The customer includes a summary of his own calculations and states that he has been overcharged in the amount of £719.95. The customer also notes there had been a leak near his water meter that was repaired in September 2018. The customer requested the company to recalculate his charges, to provide an allowance in respect of water leakage over several months and to refund the amount he considered he had been overcharged.
3. The company replied to the customer's letter of 23 January 2019 on 11 February 2019. The company acknowledged the customer's calculations but offered no comment on those calculations. The company also confirmed that a leak had been repaired on 7 September 2018. The company confirmed that since the leak had been before the water meter, no additional usage was recorded by the customer's water meter and therefore the customer had not incurred any charges resulting from the leak. The company stated in its letter that it had provided a breakdown of metered charges from 2013 to 2019.
4. On 15 May 2019, the customer sent a further letter to the company advising the statements were misleading. The customer's complaint appears to relate to the periods covered by the bills. The customer also requested a copy of the report for the leak repair. The customer

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provided a further calculation summary and submitted that the company had overcharged him by £865.94 over a six year period.

5. The company wrote to the customer on 15 July 2019. In its letter, the company drew the customer's attention to certain differences between the company's and the customer's calculations. In particular, the company stated that:
  - a. The customer had taken the total usage and multiplied by the fixed charge amount and not, as it should have been, the charge per cubic metre.
  - b. The customer had used the fixed charges for 2015/2016 and not taken account of the fact that charges vary each year.
  - c. The customer's calculations showed a total usage between 2003 (I have taken this to mean 2013 and not 2003) and 2018 of 488 cubic metres, which the company states is incorrect.
  
6. I have examined the calculations carried out by the customer and have made the following observations in relation to the initial calculations sent with the customer's letter dated 23 January 2019:
  - a. The total consumption has been multiplied by a unit charge per cubic metre and also by a fixed charge.
  - b. The customer has stated he has used a fixed charge based on the April 2016 tariff.
  - c. The consumption of 488 cubic metres used by the customer in his calculations only appears to cover part of the consumption in the total period. The start date used in the calculations is not clear but the first consumption noted in the calculations of 86 cubic metres appears to equate to the billing period 30 March 2013 to 9 October 2013. I have therefore assumed a commencement date for the calculations of 30 March 2013. The customer appears to have omitted from his calculations consumptions for the periods 10 October 2013 to 29 September 2014, 8 April 2016 to 30 March 2017 and 29 September 2017 to 3 April 2018. From the copies of bills provided, the total consumption billed for the period 30 March 2013 to 3 October 2018 (the end date in the customer's calculations) is around 884 cubic metres, 396 cubic metres more than the customer has used in his calculations.

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7. I conclude from the above that the customer's calculations do not accurately reflect the consumption over the period and also include an incorrect calculation in relation to the fixed charges.
8. The customer's updated calculations submitted with his letter 15 May 2019 appear to have corrected the calculations in relation to the fixed charge element of the accounts but are still based on a total consumption of 488 cubic metres. They are not, therefore, representative of the total measured consumption. This is likely to explain the difference between the customer's calculations and the amounts billed by the company.
9. I find the customer has not shown in his calculations that the company has overcharged the customer between 2013 and 2018. The customer's claim for a refund of £865.94 in respect of charges therefore fails.
10. The customer has, in his letter dated 20 May 2019, challenged the company's bill dated 14 May 2019. The bill dated 14 May 2019 is for the period from 3 October 2018 to 29 March 2019. It shows a meter reading at the start of that period of 738 and a reading at the end of the period of 738. This records zero consumption during that period. The customer states that this is incorrect as water was consumed during that period. The company has explained that it changed the customer's water meter on 20 May 2019 as his existing meter had ceased to record consumption and that this was the reason for zero consumption recorded on the customer's bills between 3 October 2018 and 20 May 2019. It is noted that bills covering that period only include fixed charges. No charges have been made for water used during the time the meter was not recording consumption. I note this has benefited the customer as he has not been charged for water consumption during that period.
11. The customer has stated in his letter dated 15 May 2019 that usage is not consistent. I have examined the bills issued by the company during the period 2 April 2013 and 25 September 2019. In the five year period from 2013 to 2018, the annual consumption has varied between approximately 146 cubic metres and 178 cubic metres. I find no irregularities in these consumptions. Each bill has recorded meter readings, consumptions, fixed and volumetric charges. Bills show credits carried forward from previous bills.

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12. I find no irregularities in the bills issued by the company. I note that the latest bill provided by the company dated 27 September 2019 shows the customer's account to be in credit in the sum of £246.19.
13. The customer had asked for a report concerning the leak. Whilst I have seen no copy of a leak report, the recorded consumption for the period prior to the leak being repaired gives no indication of excessive consumption which would normally be evident if leaking water is being recorded by the meter. The company has stated that the leak was before the water meter and therefore not recorded on the meter. I find the recorded consumptions consistent with the company's statement. I conclude the customer has not been charged for water lost as a result of the leak.
14. The customer seeks compensation in the sum of £2,500.00 in respect of frustration, anxiety, nuisance and embarrassment caused by late payment demands.
15. The company had offered to send a representative to meet the customer and to go through his account in more detail. The customer declined this offer. The company has also explained their findings in relation to the differences between the customer's calculations and the bills issued. My own analysis of the customer's calculations has reached a similar conclusion to that of the company.
16. The company has acknowledged delays in responding to a number of the customer's communications. The Guaranteed Standards Scheme (GSS) sets time limits for water companies to reply to written complaints. Under the GSS, a company must provide a substantive reply to a written complaint within ten working days. Failure to do so means that the company has not complied with the requirements of the GSS and must make an automatic payment to the customer.
17. The company states that it has credited the customer's account in the following amounts as a result of its failure to meet the standards under its customer guarantee scheme (CGS):
  - a. £30.00 on 14 February 2019
  - b. £30.00 on 10 June 2019
  - c. £40.00 on 28 November 2019
  - d. £40.00 on 31 March 2020

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The company also states it has applied a credit of £30.00 to the customer's account on 27 January 2020 as a gesture of goodwill following a review of its correspondence with the customer. The total credited to the customer's account by the company is therefore £170.00.

18. I have reviewed the responses from the company to the customer and have found no other instances where the company has failed to respond to the customer within the required timescales. The CGS payments made by the company exceed the standard payments under the GSS. I am satisfied that the company has properly addressed its failures under the GSS in respect of responses to the customer and make no further direction on this matter.
19. In respect of the customer's statement concerning late payment demands, I have not seen copies of these demands. However, I have found no irregularities with the bills issued by the company and therefore conclude that the bills issued by the company are due for payment. Company policies in relation to payment plans or steps to recover late payments are not matters that fall within the scope of a WATRS adjudication. I therefore make no direction in regard to this matter.
20. I find that the company has taken reasonable steps to explain its bills to the customer. Whilst I can see that the customer has been frustrated as he believes the company's bills to be confusing, I find no justification to make any award for compensation beyond that which the company has already made in respect of its failures to follow the timescales required under the GSS. I therefore make no award in respect of the customer's claim for £2,500.00 in respect of frustration, anxiety, nuisance and embarrassment caused by late payment demands.
21. The customer seeks an apology from the company. I have found no irregularities in the bills. I have also found that the company has taken reasonable steps to explain its bills to the customer. I find no apology from the company is necessary and make no direction in this matter.
22. The customer has also requested that the company be fined in the sum of £10,000.00. A WATRS adjudicator has no powers to impose any fine on a water company. I have in any case found no failings on the part of the company beyond those identified above under the GSS. I therefore make no direction in regard to this matter.

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23. In conclusion, I have found no irregularities in the bills issued by the company or evidence of overcharging by the company. I find the company has taken reasonable steps to explain its bills to the customer. The customer's claim in respect of a refund of the sum of £865.94 fails. No award is made in respect of the customer's claim for compensation in the amount of £2,500.00.

#### **Outcome**

The company does not need to take any further action.

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

- This adjudication is final and cannot be appealed or amended.
- The Customer must reply by 15 May 2020 to accept or reject this decision.
- When the Customer notifies WATRS of acceptance or rejection of the decision, the Company will be notified of this. The case will then be closed.
- If the Customer does not inform WATRS of his acceptance or rejection of the decision by the date required, this will be taken as a rejection of the decision.

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#### **Signed**



#### **Name**

Ian Raine (BSc CEng MIMechE FCI Arb MCIBSE)

#### **Adjudicator**

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