

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1926 - Metering - Problems with metered & unmeasured bills

Date of Decision: 4 May 2020

Complaint

The wholesaler and then the company have made a series of errors in respect of a meter serving a school. These, have now been accepted by the company and certain goodwill payments made. However, the failures in meter readings, led the school to make insufficient provision in its budget for the cost of water. The customer seeks compensation in excess of that offered by the company so as to eradicate the cost of the errors, namely 3.6 weeks of staff administration time totalling £4,788.28 plus reduction of the relevant billing so that the period to 1 September 2019 should be based on a water usage of 0.35m³ per day in accordance with the school's budget. The customer relies on a letter dated 3 January 2020 addressed to the company.

Response

The company has correctly calculated water that the customer has received and the school is liable to pay for this. The customer has, in setting its budget, wrongly referred to a period when the water meter was under-recording. The customer has not been charged for this but is required to pay for water provided after a new meter was installed. The company has made some service standard errors for which goodwill payments have been made.

Findings

During a period from 7 January 2018 when a new meter was installed, until April/May 2019, the customer did not receive a correct bill. This was partly because the company's meter readers had not been given sufficient details to locate the meter. There is no evidence that the company was engaging proactively with the wholesaler so that a period elapsed between August 2018 and January 2019 when a supply check was carried out by the wholesaler. The provision of insufficient information to its meter readers and failure adequately to liaise with the wholesaler led to subsequent "bill shock" and contributed to the customer's failure to make adequate provision in its budget. Compensation should equate to £50.00 per month for the eight months when substandard service was provided.

Outcome

The company needs to credit the customer's account with £400.00.

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The customer must reply by 3 June 2020 to accept or reject this decision.

ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1926

Date of Decision: 4 May 2020

Party Details

Customer: The Customer

Company: XWater, a water only company.

Case Outline

The customer's complaint is that:

- XWholesaler and then the company, made a series of errors, which is now admitted and for which the company has made an apology.
- The customer's complaint concerns a requirement for the provision of a separate meter for a building that was transferred in 2014 from the customer school to [personal information removed] and then incorrect reading of the relevant meters.
- The customer seeks compensation in excess of that offered by the company so as to eradicate the cost of the errors, namely 3.6 weeks of staff administration time totalling £4,788.28 plus reduction of the relevant billing so that the period to 1 September 2019 should be based on a water usage of 0.35m³ per day in accordance with the school's budget. The customer relies on her letter dated 3 January 2020 addressed to the company.

The company's response is that:

- The customer's claim is based on a period when the customer had a faulty meter that was substantially under-recording usage. When the meter was exchanged and an actual reading taken, it showed that consumption was much higher. When the next bill was produced, this was therefore higher, because actual usage was more like 12m³ per day. The customer has not been re-billed for the time that the meter was under recording and the customer was under charged.
- This period of under-recording came to an end on 7 January 2018, with the introduction of a new meter. A site visit had taken place on 12 December 2017 when it was confirmed that the meter

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was under recording and that a meter exchange was required. The final reading of the old meter was 8011, and the new meter installed with a 0 reading.

- There were issues regarding gaining a meter reading for the new meter and subsequently no actual reading was received until 28 January 2019 following a site visit:
 - The customer contacted the company on 24 May 2018 and advised that they should not be billed for clean water. As the meter had been replaced the customer was told that the company would raise another supply check to confirm the supply.
 - The meter readers instructed by the company went to the property to gain a meter read on 02 August 2018 however they were unable to locate the meter due to insufficient meter location details.
- A further supply check was eventually raised to confirm the supply for the property. The wholesaler confirmed that the visit was completed on 28/01/2019. This confirmed that the customer's meter should be billed on a network as this main meter and sub meter are on the same supply and confirmed meter readings.
- As the confirmed readings seemed high, the company investigated further. The account was placed on hold whilst this was done. It was confirmed that the meter read was correct as this was provided when the supply check was completed, the customer also contacted the company again on 2 April 2019 and provided a meter read that fell in line with the reading in question.
- Accordingly, the customer has been billed for actual usage. Although there have been some service failures for which goodwill payments of £100.00 have been made (£20.00 payment on 19 June 2019; £20.00 in respect of incorrect meter readings in October 2018 to early January 2019; £20.00 for incorrect complaints handling; £20.00 for poor explanation given on 10 June 2019 and £20.00 overall). No further compensation is due.

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

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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 that I have not considered it in reaching my decision.

How was this decision reached?

1. I find that, consequentially upon the need to separate the water supply to [personal information removed] from that of the customer, following transfer to that property to [personal information removed] in 2014, a number of problems have arisen in respect of the correct water and drainage charges. Although the dispute relating to surface water drainage has been referred to in the papers that I have seen, in her comments on the company's response, the customer has confirmed that she does not require this to be addressed in this adjudication. I therefore do not do so.
2. I note, however, as the consumer also acknowledges, that some of the problems are not the responsibility of the company. I am mindful that the company, as a retailer, only took over the billing function of the wholesaler in April 2017 and, before that date, the wholesaler alone was responsible for the conduct of the customer's account. After 1 April 2017, although the company became responsible for billing, it is not responsible for management of the network. The company also has a liaison function, however, and can reasonably be expected to put forward the customer's position to the wholesaler.
3. The company has, in correspondence with the customer rejected the customer's suggestion for compromise of this dispute as set out in the letter of 3 January 2020, because it points out that the bills as they now stand are accurate and it argues that it has not failed in its function of relaying the customer's concerns to the wholesaler. The company explained in an email dated 10 June 2019 that the issues comprising the water usage were that, on its assessment of the customer's account, the customer's consumption in 2016 was approximately 10.5 units per day. The meter developed a fault in 2017 and began to under-record consumption. In January 2018 the meter was replaced. The company concluded that when it then took readings on
 - 3 October 2018 of 50 units
 - 1 November 2018 of 57 units

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- 28 November 2018 of 63 units and
- 3 January 2019 of 70 units

an incorrect meter had been used by the wholesaler, the wholesaler was asked to carry out a supply check and the bills covering that period were re-issued in due course showing the correct consumption.

4. The company also stated that the average consumption in April and May 2019 was approximately 11.5 units per day in line with consumption in 2016. It said that since the new meter was installed in January 2018, the average consumption was approximately 13.75 units, which is slightly higher than 2016. A suggestion was made of the possibility of a leak if the customer had no reason to suspect increased usage.
5. This was further explained in a communication dated 2 August 2018, in which the company confirmed that from 1 June 2015 to 3 April 2017, the average daily usage was 11.89m³. After that point, the meter began to under-record to give 0.35m³ per day, which was incorrect. From 7 January 2018 to 2 July 2019, the average daily usage was 12.46m³. The company therefore contended that there was no debt-related reduction but certain goodwill payments totaling £80.00 would be made, including for a failure to explain the situation properly in the earlier email. The company did not at that stage believe that there was a leak because the water consumption had gone down.
6. Against that background, and having regard to the limited nature of the company's role, it follows that I find that the company was not responsible for the failure fully to separate the customer's supply from that to [personal information removed], nor for the under-recording that developed in the meter at the customer's property, which remained a wholesaler's asset.
7. As for the provision of incorrect information because the wrong meter was read in October 2018 to January 2019, I note that, throughout the correspondence, the customer refers to the actions of the meter readers as having been those of "our" meter readers. In its response to the application, the company said:

The meter readers instructed by XWater went to the property to gain a meter read on 02/08/2019 however they were unable to locate the meter due to insufficient meter location details....A further supply check was raised to confirm the supply for the property, the wholesaler confirmed that the visit was completed on 28/01/2019. This confirmed that the

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customers meter should be billed on a network as this main meter and sub meter are on the same supply, also confirmed meter reads

I find that an average customer would not envisage that meter readers sent by the company to the site would be unable to locate the correct meter due to insufficient meter location details and I note that the company has not indicated why meter readers instructed by the company did not have adequate information. Although the company headquarters may not initially have realised that this was to lead to the reading of the wrong meter, nonetheless, I find that an average customer would reasonably interpret this situation as a failure by the company to supply its services to the correct standard. Furthermore, if in August 2018 there was difficulty in locating the correct meter and a supply check was required, it is difficult to see why this should have taken until January 2019 to take place. There is no evidence that the company was pro-actively monitoring this situation or challenging the wholesaler to carry out the supply check. I find that this was a further failure by the company to supply its services to the requisite standard.

8. This situation had the consequence, as the company acknowledges, that after the installation of the new meter, more than one year passed before the company was able to raise a bill at all, and when it did so, because the meter reading was incorrect an incorrect bill was submitted. Approximately fifteen months had elapsed before the correct bill was submitted. As at 30 May 2019, the bill raised against the customer was £18,976.60, for which the customer had not budgeted. I accept that this would have led to “bill shock” experienced by the customer which I find was a partial consequence of the company’s failure to provide its services to the expected standard.
9. I find, therefore, that this is a matter for which the company would reasonably be expected to offer redress, but it does not follow that it is fair and reasonable to require the company to adjust its bill as though the water usage continued at 0.35m³ until September 2019, especially as the new meter was installed before the start of the financial year for which the customer seeks relief. Moreover, although the company has acknowledged some service provision errors and made goodwill compensation payments, it has not acknowledged any errors in the final calculation of the amount of water that the customer has used and I have not been able to detect any such errors. The customer, although she challenges the resolution offered by the company, she has not, I find, put forward a persuasive case that the calculations carried out by the company in its correspondence of June and August 2019 referred to above are inaccurate. Although at one point in her chronology, it is suggested that the newly installed meter was found on 28 January 2018 to be faulty, I find that there is no supporting evidence for this continuing to be so.

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10. While I have some sympathy, therefore, for the customer's position, I find that the customer would, or should, on considering the contrast between its water bills in 2016 and those during the period of the under-recording, have recognised that something had gone wrong in respect of the amount of the billing. I find that an average commercial customer would have seen that the budget allowance for 2018/2019 were not comparable, in terms of water usage, with those that had gone before 2017. Thus, while I find that it is likely that the school's budgeting for 2018/2019 was undertaken on the basis of a misapprehension, I also find that it does not follow that the company was wholly responsible for that misapprehension.

11. Accordingly, I find that the level of redress should be limited to the period for which I have found the company to have failed to manage the customer's account to the correct standard, namely from August 2018 to the provision of an accurate bill in or about April/May 2019, a period of approximately eight months. I find that a fair and reasonable sum that reflects this period of inaction and recognises the total amount of the accrued bill of more than £18,000.00 some sixteen months after the new meter was installed, is £50.00 for each month when the customer was not alerted to the correct measurement of water usage. It follows that I find that it is fair and reasonable to direct that the company shall credit the customer's account with the sum of £400.00.

Outcome

The company needs to credit the customer's account with £400.00.

What happens next?

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

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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.



Claire Andrews (Barrister, FCI. Arb)

Adjudicator

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