

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1457

Date of Decision: 18 July 2019

Complaint

The customer runs a convenience shop in []. In late 2017, he received a bill for £1027.36 ("the High Bill"). The increase could not be explained. The implication is that the customer's water consumption had increased by a factor of four. There was no leak at the shop, however, and no change in circumstances. The customer believes that the situation may have resulted from the wholesaler, RST Water, repeatedly digging up the road outside the shop. He would like (1) the poor customer service that he has experienced to be addressed by the company; and (2) the High Bill to be refunded (or adjusted, at least) in order to bring this into line with his 'usual', historic, yearly consumption at the shop.

Defence

As the retailer for the customer's business, the company submits that it has fulfilled its obligations to raise the customer's concerns with the wholesaler. Also, it is contended that (1) the High Bill was based on actual meter readings; (2) the consumption is a true reflection of the water that passed through the meter; and (3) no allowances against the High Bill can be provided in circumstances where (according to the customer) no leak has occurred. The poor service complained of is admitted, however. In this respect, a credit of £100.00 has been applied to the customer's account.

No offer of settlement has been made.

Findings

In querying with the wholesaler whether their works in the area might have been the cause of the High Bill, the company did enough (as retailer) to discharge its obligations to the customer. There is insufficient evidence to rebut the conclusion that the High Bill was "*a true reflection of the water that has passed through the meter*". There are no grounds to reduce or refund the High Bill. In delivering the admitted poor customer service, the company fell below the standard to be expected. The £100.00 already credited, however, is a fair and reasonable amount to pay in compensation in that regard.

Outcome

The company does not need to take any further action.

The customer must reply by 15th August 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1457

Date of Decision: 18 July 2019

Party Details

Customer: []

Customer's representative: []

Company: [].

Case Outline

The customer's complaint is that:

- The customer runs a convenience store in [] ("the Shop").
- The complaint arises from an unexplained high spike in water consumption registered on the meter that serves the Shop ("the Spike"). The customer received a bill, dated 21 November 2017, for £1027.36 ("the High Bill").
- As to the Spike, the customer points to the fact that:
 - on 2 November 2016, a bill was issued for consumption of 81m³ (for 12 months' consumption); and
 - on 1 August 2017, an estimated bill was issued for 64m³ (9 months' consumption); and
 - on 16 November 2017, an actual bill was issued for 370m³ (3 months' consumption); and
 - on 30 January 2018, an actual bill was issued for 17m³ (2 months' consumption).
- This history is further detailed in the table below:

Date of start read	Date of end read	Actual or Estimate	Water consumption
12.11.15	02.11.16	Actual	81
02.11.16	01.08.17	Estimate	64
01.08.17	16.11.17	Actual	370
16.11.17	30.01.18	Actual	17

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- The customer contends:
 - that there have not been any leaks at his Shop; and
 - that, when he expressed concern about the Spike and the High Bill, the customer service that he received from the company was poor.
- He remains unhappy that RST Water (“the Wholesaler”) is unwilling to grant an allowance against the High Bill received, which was four times higher than his usual consumption at the Shop.
- As to the Wholesaler, the customer says that it is obvious where the problems lie because:
 - the company stated that there was a leak that was fixed before November 2017;
 - this would account for the fact that - between the November 2017 reading of ‘1607A’ and the point when he telephoned on receipt of his huge bill - the customer had used very few extra units;
 - up to his recent bill, he is only on a reading of ‘1702A’, which represents usage of approximately 100 units over the period between November 2017 and the middle of 2019;
 - the Wholesaler has dug up the road outside the Shop many times since November 2016;
 - the customer’s neighbour (The Red Bull) complained regarding lack of water pressure;
 - the customer’s years of usage with RST Water were always around 100 units;
 - the insistence is, however, that - for the period between 2 November 2016 and 16 November 2017, the customer used 64 + 370 units;
 - there was no leak on the customer’s part because - in conversations with the company prior to the customer’s letter of January 2018 - the customer had queried whether they were being charged twice over (as the customer had not taken any notice of used water before) and because the bill was so high.
- In the circumstances, the customer feels that the company should:
 - address the customer service failures that he has experienced; and
 - adjust (and credit in full, in fact) the High Bill - in order to bring this into line with his historic/ usual, yearly consumption at the Shop.
- The customer adds that he would like to claim for his administration costs incurred in connection with this matter. If the High Bill were credited in full, this would cover the customer’s administration costs for his office worker.

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The company's response is that:

- The customer originally made contact on 20 December 2017, with a request to confirm the location of the meter (as he believed that there was a leak on the meter). The company confirmed the location to the customer so that he could check this.
- The company had no further contact from the customer until a letter was received on 2 February 2018, following the customer receiving an invoice for £1027.36.
- The customer explained that he believed that there had not been a leak at the Shop and that there had been no excess usage. He said that he believed that the increase was linked to the fact that the Wholesaler had been carrying out repairs in the local area.
- On 1 March 2018, a 'stage 1' complaint was received from the customer and was responded to on 7 March 2018. In this response, the company confirmed:
 - that the account had been invoiced to accurate reads; and
 - that since the invoice dated 21 November 2017, the consumption has returned to normal.
- The customer remained unhappy and a 'stage 2' complaint was recorded on 8 March 2018. As part of the investigation into this complaint, further reads were taken from the customer on 26 March 2018. These were in line with the read obtained in November 2017, suggesting consistent consumption.
- In February 2019, the account was passed to the Wholesaler to question if the works carried out in the area between 2016 and 2017 had caused any impact on the customer's consumption.
- The Wholesaler confirmed that work had been carried out on 29 November 2017 but that this was 0.5 miles away from the Shop and that there was no evidence to suggest that this would cause a problem for this customer.
- The Wholesaler also confirmed that the supply to the Shop is on a shared basis with the flat above the premises and that this arrangement had stemmed from a request made in 2001.
- The company's position can therefore be summarised as follows:
 - the customer has confirmed that no leak has taken place at the property;
 - the consumption is a true reflection of the water that has passed through the meter;
 - the account has been billed to accurate reads at intervals that the company, as retailer, expects to bill a customer;
 - no allowances can be provided either by the Wholesaler or by the company as (according to the customer) no leak has occurred;
 - the invoice of £1027.36 was based on actual reads;
 - consumption following the invoice dated 21 November 2017 has returned to normal,

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which would indicate that the meter was working correctly.

- The customer has received £40.00 by way of Guaranteed Standards of Service (“GSS”) payments in view of the fact that - on two occasions - the company failed to respond to correspondence in a timely manner. This related to a letter received on 2 February 2018 and an email received on 8 March 2018. The company submits that no further GSS payments are due.
- The company acknowledges that the customer has not experienced the level of service that would be expected and to reflect this poor customer service, an additional £100.00 goodwill gesture has been credited to the account. The company believes that £100.00 is a fair and reasonable amount of compensation to pay in this respect.
- The company submits that it has fulfilled its obligations - as retailer (“Retailer”) - to raise the customer’s concerns with the Wholesaler and it has subsequently challenged the Wholesaler’s decision on the customer’s behalf.

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. The documents (or sections of documents) that I have reviewed in particular include:

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- a. the materials submitted alongside the customer's WATRS application form (including the customer's notes, copies of his bills and his documents 'A' to 'N'); and
 - b. the evidence 1, 2 and 3 items appended to the company's defence.
2. I have also had the benefit of reading the customer's comments of 2 July 2019 (and supporting pages), which were filed by way of reply to the company's defence.
3. As I see it, there are two issues at the heart of the customer's claim:
- a. there seems to be no obvious explanation for why the spike occurred. (I take on board the customer's key submission, however, that: "*There is no way we would have quadrupled our usage and there have been leaks in the area and also since RST Water implemented major overhaul of pipework 2016 they have been around digging up various parts of highway at various times and have been opposite our shop ... and in the same place on previous occasions*"); and
 - b. notwithstanding that there is no clear explanation as to why the spike occurred, the Wholesaler has declined to give any allowance or make any adjustment in relation to the High Bill.
4. The customer is saying that an allowance or credit should surely be made against the High Bill because:
- a. the spike was not attributable to anything that he was doing or not doing at the Shop (in terms of his usage); and
 - b. there was no leak at the Shop.
5. I quite appreciate the customer's indignation at the situation. This is evident, for example, from his letter to the company of 31 January 2018:
- "... So you are saying from 02/11/16 1173A till one year later 16/11/17 we have used 4 times our normal consumption rate which is not on. We have made no alterations to our use nor does there appear to be a leak since 16/11/17 reading ... we can only suggest that the fault lies with RST Water's continual road digging in this area. Please investigate for us and arrange refund ..."*
6. An element of the customer's case involves looking back at the pattern of his 'usual' water consumption prior to 1 April 2017 (i.e. when the customer's account was with RST Water).

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7. 1 April 2017 is important in this respect because that was the date when:
 - a. the water market in England opened up to retailers; and
 - b. all 'non-household' customers were moved to a wholesale/retail split service.
8. As Far Forest Stores is a non-household customer, their relationship is (now) with the Retailer only. If a non-household customer has a problem with their water supply or sewerage services, they must therefore approach the Retailer.
9. For the purposes of this adjudication, the consequence is that I cannot make findings against the Retailer (i.e. the company) about something that is the Wholesaler's responsibility. I can only assess the Retailer's actions and make findings related to the Retailer's responsibility.
10. I must look at the company's actions (or failings, if any) as Retailer, therefore.
11. In the context of this case, part of the focus of my assessment needs to be on the extent to which the company has pressed the customer's concerns with the Wholesaler. It seems to me that this is a significant area of responsibility that falls to the company - as Retailer - to discharge. In fact, in his letter of 31 January 2018, the customer specifically asked the company to "... please investigate for us and arrange [a] refund ..."
12. On this aspect, I have turned to consider the investigation that was actually pursued. I note that the company makes the following assertion in its defence:

"... As the retailer we have fulfilled our obligations on the customer's behalf to raise this to Wholesale and we have subsequently challenged their decision on behalf of [] ..."
13. Looking at the company's 'Evidence 2' item, I can see that - on the customer's behalf - the company did seek to tackle the Wholesaler on the question of whether their works in the area might have been the cause of the Spike. The Wholesaler's response, I note, came back as follows:

" ... I have contacted our operations team and there have been no job found on the system for this property. However it was noted on a previous complaint that a leak was reported on the road at [] on 29 November 2017, roughly 0.5 miles away. There was not enough evidence to suggest that a leak half mile away at another property would affect this customer's consumption ..."
14. Unfortunately, therefore, this enquiry of the Wholesaler shed no more light on why the Spike had

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occurred.

15. Although the answer provided was doubtless a disappointing one, I do not consider that the company (as Retailer) could reasonably have been expected to press the point much further. In terms of raising these concerns with the Wholesaler, I am satisfied that the company did enough to clear its obligations to the customer. I am not persuaded that the company failed in its duties in this regard.
16. There is then the question of whether a refund or credit should be given in respect of the High Bill. The gist of the customer's argument is that the High Bill is insupportable (and that it must be wrong) because "*there is no way [that he] would have quadrupled [his] usage*" over the relevant period. The company's position, on the other hand, is essentially that:
 - a. the High Bill was based on actual meter readings; and
 - b. the consumption is a true reflection of the water that has passed through the meter; and
 - c. no allowances against the High Bill can be provided either by the Wholesaler or by the company in circumstances where (according to the customer) no leak has occurred;
17. I recognise that the lack of any explanation for the Spike is frustrating for the customer. However, I do not consider that there are grounds to find the company at fault for maintaining the stance that it has adopted in this case. It seems to me that, in the final analysis, there is just not sufficient evidence to rebut the conclusion that the customer's consumption at the Shop was "*a true reflection of the water that has passed through the meter*". In light of this, I am not persuaded that it would be appropriate to require the company to refund or credit the High Bill in the customer's favour.
18. The remaining part of the customer's allegations goes to the company's delivery of 'poor' customer service. I have reviewed the evidence pack that accompanies the customer's WATRS application form and can see the substance of the poor service complained of. I do find that, in these respects, the company failed to provide its services to the standard that would be expected. The company readily acknowledges this failure ("the Acknowledged Poor Service") and apologises, I note, in its response to the customer of 7 March 2018:

"... I can also see that you're unhappy that we didn't respond to your letter dated 31 January 2018. I'm really sorry you've had to make a complaint about your account, this isn't the level of service we expect for our customers to receive ... Feedback has been

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provided to the teams in question ...”

19. To mark the Acknowledged Poor Service, the company has applied a credit of £100.00 to the customer’s account. Bearing in mind the nature of the service failures (which seem to be lack of responsiveness in the main) - and allowing for the fact that the customer has additionally received £40.00 in GSS payments - I am satisfied that £100.00 is a sum that properly reflects the poor service that the customer experienced. That is to say, I do not consider that it would be appropriate or proportionate to require the company to pay compensation over and above the £100.00 already credited.

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 15th August 2019 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.



Nik Carle, LLB (Hons), Solicitor, DipArb, FCI Arb

Adjudicator

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