

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1483

Date of Decision: 16 July 2019

#### Complaint

The customer discovered a leak in October 2018 and repaired this. The customer's bills had been based on estimated readings only; it had not billed based on an actual reading taken on 5 September 2017. The billing resulted in the customer not finding the leak earlier.

#### Defence

The company states that it was the customer's responsibility to find and repair the leak. It accepts that the 5 September 2017 reading was not entered into its billing system. It was unable to locate the water meter on two occasions. The customer could have provided meter reads at any point. He is not entitled to a leakage allowance under the wholesaler's policy as he is a water-only customer.

The company offered the customer a £1,000.00 goodwill payment; the customer declined this.

#### Findings

The meter readings showed the customer's leak commenced between March and September 2017. Had the company billed based on the September 2017 reading, the customer would have been made aware of the leak. The company took no action to clarify the location of the meter when it could not find this on two occasions. The customer could have provided a meter reading at any point, however the majority of the additional water lost to the leak flowed from the company billing incorrectly on estimated reads. The company was 75% responsible for the leak after September 2017 due to its billing failures.

#### Outcome

The company needs to take the following further action:

Remove the charges from the customer's bill in relation to 320 cubic metres of water only.

The customer must reply by 13 August 2019 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1483

Date of Decision: 16 July 2019

## Party Details

Customer: [ ]

Company: [ ].

## Case Outline

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

- The customer discovered a leak in October 2018, confirmed this after checking the meter, and repaired the leak. The customer then found that no actual meter reading had been taken after, at least, 21 June 2017. The customer contested the bill on the basis that, had the company read the meter more frequently, the leak would have been identified and resolved sooner. The company has not adhered to its requirements to take actual readings at least annually. The Consumer Council for Water (CCWater) investigation found that the company had taken an actual reading on 5 September 2017 but did not bill on this. The company also failed to take actual reads on 8 March and 10 September 2018.
- The customer requests that the company keep to the 6-monthly reading cycle and that actual meter reads are used, and that the company remove £3000.00 of charges from the account.

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

- The company states that the customer identified a leak in October 2018 to internal pipework. It was the customer's responsibility to find and repair this leak. It was then discovered that the customer's previous 5 invoices had been based on estimated reads. A meter read was taken on 9 September 2018 but failed to be entered into the company's billing system. The company also attempted to read the meter twice but was unable to locate the meter. The customer is responsible to monitor and maintain his pipework; the company can take no responsibility for the leak. The customer is able to provide meter reads at any point to ensure accurate billing. The customer did

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not contact it with reads, although he was aware of the location of the meter and able to read this. The customer is a water-only customer and the leak was not eligible for a leakage allowance under the wholesaler's policy. The company accepts that it failed to upload the September 2017 meter reading onto its billing system and offered a goodwill payment of £1,000.00 as a result. The customer declined this.

### 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 customer experienced a leak on his pipework resulting in significant water loss. The customer repaired the leak once this had been discovered in October 2018. The customer does not dispute that the leak was to his pipework and that it was his responsibility to repair the leak. The customer is also not disputing that he is liable for water lost through the leak. The customer is disputing liability for the full balance on the basis that the company's failures, by not regularly reading the meter and failing to apply an actual meter read to the account, prevented the customer from becoming aware of the leak at a significantly earlier date.
2. For the avoidance of doubt, the company provides the customer with water services as water retailer. It is responsible for billing the customer in accordance with the schedule of charges issued by the water wholesaler. The wholesaler does have a policy in respect of leak allowances that

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would reduce or remove charges, however these are not applicable to the customer's case as the allowances are based on the sewerage element of the bill. The customer is a water-only customer and therefore does not incur any sewerage charges.

3. In reviewing the evidence, I find that the company obtained actual meter readings on 1 March 2017 (4984), 5 September 2017 (5799), 5 November 2018 (7650), 24 January 2019 (7650), and 28 March 2019 (7650). The 5 September 2017 reading was not applied to the customer's account. The customer is billed bi-annually. I therefore find that the customer will have received bills based on estimated meter readings from and including September 2017 until and including September 2017.
4. I note that, following repair of the leak in October/November 2018, the customer's meter has not registered any usage.
5. The correspondence indicates that the customer believed the leak was caused by a cultivator in May 2018. However, I find that the actual meter readings show that the average daily use was 4.33 cubic meters from 1 March 2017 onwards. Accordingly, whilst the leak may have been caused by a cultivator, this must have happened during or before Spring 2017.
6. I find, on the balance of probabilities and based on the use recorded following the leak repair, that the customer's normal water use is minimal. I find that, had the company properly applied the 5 September 2017 meter reading to the account, the customer would have been made aware of the leak from the first bill. Based on the period between meter reads, the leak would have existed for a maximum of around 188 days before the customer was made aware of it.
7. The customer actually became aware of the leak in late October 2018. The meter reading of 5 November 2018 is 614 days after the March 2017 reading. I find that the company's failure to apply the September 2017 reading to the account caused the customer to remain unaware of the leak for a period in excess of 400 days.
8. The company attempted to take two meter readings between September 2017 and November 2018. I note that CCWater expressly asked the company, if the meter could not be located "were there any attempts made to contact the wholesaler to ascertain this location?" CCWater also queried whether the company attempted to contact the customer to clarify the meter location. The company responded to CCWater stating that the billing system showed two attempts to read the

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meter, however it did not clarify whether it took any action to confirm the location once two engineers had failed to find this.

9. I therefore find, on the balance of probabilities that the company took no action to try to clarify the location of the water meter once it found the wholesaler's notes to be unclear.
10. Notwithstanding that I am satisfied that the company has failed to meet the standard of a reasonable water retailer by not billing based on the September 2017 meter reading, and by not seeking clarification of the meter location after this could not be found during two attempted reads, I am mindful that the company's bills would have stated that they were based on estimated readings. The customer could, at any time, have read the water meter himself or contacted the company to highlight that the billing was based on estimated reads only.
11. In view of this, whilst I am satisfied that the company's failures did directly result in the customer remaining unaware of the leak, I find that the customer must bear part of this responsibility by not reading the meter himself or querying the numerous estimated reads.
12. In considering how the responsibility for the leak should be apportioned, I find that the periods before and after 5 September 2017 must be treated separately. I find that 5 September 2017 was the first time that the company could have made the customer aware of the leak, being the first time a meter reading was taken after the leak occurred. I therefore find that the customer is 100% responsible for the cost of the water lost between 1 March 2017 and 5 September 2017, a total of 188 cubic metres.
13. In respect of the period 5 September 2017 until 5 November 2017, I find it reasonable to find the company responsible for 75% of the additional water lost as a direct result of its failure to bill on the actual meter reading taken on 5 September 2017, or to clarify the location of the water meter on two further occasions when it had been unable to take actual readings. The customer remains responsible for the remaining 25% of the additional water loss during that time as he could have mitigated the losses by querying the numerous estimated reads, taking a reading himself, or identifying the leak from soft ground (as did occur in October 2018).
14. The customer's use following the leak repair has been nil. I therefore find it reasonable to apply these ratios to the full water use recorded, making no allowance for normal use.

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15. The meter readings show that the customer has been charged for a total of 614 cubic metres of water between 1 March 2017 and 5 November 2018. The customer is responsible for the full cost of 188 cubic metres, between 1 March and 5 September 2017. In respect of the remaining 426 cubic metres, I find the company is responsible for 75%, being 320 cubic metres. The customer is responsible for 25% of the loss, being 106 cubic metres.
16. I therefore direct the company to waive the charges for water in relation to 320 cubic metres of water, based on its billing failures that materially impacted on the customer's ability to identify and promptly repair the leak on his property. The customer will remain liable for the cost of 294 cubic metres of water.
17. The customer has also requested the company ensure that the 6-monthly billing cycle is kept to and that he is billed according to any actual reads taken by the company. I note that the company advises that it has now clarified the location of the meter and taken further meter readings. I am satisfied that the company has taken the necessary steps to bill the customer correctly, based on bi-annual actual meter reads. I therefore find it is not necessary to direct the company to implement these steps.

#### Outcome

The company needs to take the following further action(s): Remove the charges from the customer's bill in relation to 320 cubic metres of water only.

#### What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 13 August 2019 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.

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- 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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A handwritten signature in black ink, appearing to read 'Alison Dablin', with a long horizontal stroke extending to the right.

**Alison Dablin**, LLM, MSc, MCI Arb

**Adjudicator**

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