

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1584

Date of Decision: 18 September 2019

Complaint

The customer complains that in September 2017, bills were received from the company which were significantly higher than previously. In December 2017 the customer found a leak in the basement of he bookshop. The customer says that the leak was not visible and was no fault of their own and therefore the bill should be adjusted to remove this charge. The customer also complains that the company provided poor customer service. She seeks an adjustment to the bill of £1,000.00

Defence

The company states that the customer was liable for the leak or water and, as the leak was in the customer's cellar, it was not within the wholesaler's policy for a leak allowance and the customer was therefore not eligible. It acknowledges that there have been customer service failings and says that the customer has proved that she had sent some emails that the company cannot locate. This did not have an impact on the claim for a leak allowance but the company has made a goodwill payment of £180.00 to reflect the delays in responding the customer's correspondence.

Findings

I find that the company, which is a retailer, has supplied its services to the customer in billing in accordance with the meter readings, in closing the account because of a change of occupant, and in liaising with the wholesaler regarding a claim for a leak allowance, including putting forward an appeal. In respect to its customer service, I find that the company lost and failed to act in accordance with some of the customer's emails, but has made a suitable Guaranteed Service Standards payment. The company supplied its services in a way that failed to achieve the standards that an average customer would reasonably expect only in sending a debt collection notice before the appeal was resolved. This was a small failing and the level of compensation is low.

Outcome

The company needs to take the following further action: pay compensation of £30.00 to the customer.

The customer must reply by 18 October 2019 to accept or reject this decision.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1584

Date of Decision: 18 September 2019

Party Details

Customer: []

Company: [].

Case Outline

The customer's complaint is that:

- In September 2017, bills were received from the company which were significantly higher than previously. Even though several calls were made to the company it would not help to explain the increased consumption. In December 2017 the customer arranged a full site inspection and found a leak in the basement of the bookshop. The customer says that the leak was not visible and was no fault of their own.
- The customer complains of the company's lack of support to adjust future bills after the leak was fixed and its failure to offer any compensation. He seeks a direction that the bills are amended and that compensation be given for the poor service received.
- The amount claimed by way of alteration to the bill is £1000.00.

The company's response is that:

- The company is not liable for this claim. It states that the customer was liable for the leak or water and as the leak was in the customer's cellar; its location indicates that it was not within the wholesaler's policy for a leak allowance and the customer was therefore not eligible.
- It acknowledges that there have been customer service failings and says that the customer has proved that she had sent some emails that the company cannot locate. This did not have an impact on the claim for a leak allowance but the company has made a goodwill payment of £180.00 to reflect the delays in responding the customer's correspondence.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

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. The customer's complaint is in respect both of the company's billing on the business account relating to her bookshop and for poor customer service. I deal with each of these in turn.

Billing

2. The documentation submitted to me shows that the following events occurred in relation to the leak. In October/November 2017, the customer received a bill of £1,007.00 for the period ending in October 2017, whereas previous bills had been in the region of £300.00. When the customer's father (also referred to for this purpose as the customer) contacted the company on 10 November 2017 at the latest, he was advised that there was probably a leak. The customer called again on 21 December 2018 and was advised that he would need to instruct a private plumber to locate and repair the leak. Following the appointment of a plumber in December 2017, a leak was found in the basement. The customer says that there was no reason for her father or for her to have been aware of this. The leak was repaired in December 2017.
3. There is a dispute about subsequent communications. The customer says that the company was informed in January 2018 that the leak was fixed. The company says that it was not then

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

informed until March 2018 that the leak had been repaired and the bill sent in that month was estimated in the sum of approximately £5,000.00.

4. A leak allowance form was emailed to the customer on 5 or 6 March 2018, when the customer informed it that the leak had been fixed. The customer says that the completed form was sent to the company by email in June 2018 but the company says that this was not received until 15 October 2018. By this time the customer's account had been closed as a new tenant had moved into the property at the start of 2018. The company submitted the customer's claim for a leak allowance to the wholesaler, but this was refused as the basement leak was classified as being within the customer's fixtures and fittings. The customer queried this decision and on 4 March 2019 this was again passed on by the company. The wholesaler again refused the allowance on 29 March 2019, stating:

I have checked all evidence provided on the leakage claim and unfortunately, no leakage allowance will be given due to the leak being the cellar. This information provided is classed as fixtures and fittings which does not qualify for a leakage allowance. Please refer to our Wholesale Scheme of Charges:

[https://www.\[redacted\].co.uk/content/dam/\[redacted\]_businesses/retailer-standards-documents/process_H_allowances.pdf](https://www.[redacted].co.uk/content/dam/[redacted]_businesses/retailer-standards-documents/process_H_allowances.pdf)

5. I am mindful that the company offers a retail service that involves looking after its customer's water and wastewater account including meter reading, billing and servicing the account. It is not, however, responsible for the supply of water nor the Scheme of Charges that are associated with that supply. Where a complaint arises, therefore, in relation to a billing issue, if this relates to the volume of water used (as is the case in respect of a request for a leak allowance) it is the responsibility of the company to liaise with and put forward the customer's request to the wholesaler, but the company cannot itself determine that the allowance should be given: I find that this remains a matter that is for the wholesaler.
6. In this case, the customer is primarily liable for the water that is used in the business premises. The customer has not suggested that the water meter reading was inaccurate for the period covered by the bill issued in November 2017 and has not suggested either that this was wrongly calculated. I find, therefore, that the company was entitled to raise a charge in November 2017 in the sum of approximately £1,007.00, which reflected the water meter

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

reading at that time. Accordingly, I find that the customer has not proved that the company failed to supply its services to the standard that would reasonably be expected of it.

7. In relation to subsequent billing, although the company again raised higher bills than would have been expected for the period until January and then April 2018, on 24 May 2018, the company agreed that the bill could be recalculated based on actual usage and on 20 June 2018, credits were made to the account.
8. As for the company's handling of the request for a leak allowance in relation to the bill for the period ending in October 2017, I deal here with the question of the customer's eligibility. I deal below, under the heading of customer service, with the question of delay. In respect of the standard of the company's service in respect of the leak allowance, I note that the company explains that it did not initially tell the customer that the customer would not be eligible for a leak allowance due to the location of the leak because it was at first not sure of that precise location. As it was found to be in the cellar, however, the company says that this fell within the customer's own internal piping arrangements, for which the customer alone would be responsible. The company says that it nonetheless forwarded the leak request form and the customer's appeal. Any delay in handling the matter, the company says, would not have had an impact on this because the reasons given for the decision to reject the application for an allowance are not concerned with delay.
9. On balance, I accept the company's submissions as to this. It is clear from the documentation submitted that the company did fulfil its role in putting forward the application for a leak allowance to the wholesaler on two occasions and this has been refused by the wholesaler. The customer has not put forward any evidence or submissions to show that the company either was incorrect in advising the wholesaler as to the location of the leak and nor has she suggested that the wholesaler has not correctly applied its own policy so that the company would have been under an obligation to take this up with the wholesaler. As, therefore, I find that an average customer would reasonably expect the company to carry out its expected liaison function and there is no evidence that the company has not done this satisfactorily (save in relation to timing), it follows that I find that the customer has not proved that the company failed to provide its services to the standard that would reasonably be expected by an average customer. Accordingly, the customer does not succeed in relation to this part of her claim.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

Customer Service

10. The customer additionally makes a number of complaints about the company's customer service that are based on the same facts. I deal with these in turn.

Lack of support

- a. The customer complains that the company provided no support when the leak was first found. In particular, she complains that the company did not send round any engineers to assist in finding and ending the leak. She says that she spoke to the company in this period in October and November as well and December 2017.
- b. In respect of the obligations owed by the company to its business customer, there is no evidence before me that leak investigation and repair is a service that the company undertakes to provide. The company says that it told the customer in November 2017 how to carry out a self-test for a leak but nothing further was heard until December 2017, when the customer said that he could see the meter turning very fast. The company at that point explained that he would need to find his own plumber to carry out any investigation and repair.
- c. I have considered whether the company could have informed the customer at an earlier date that it would be necessary for the customer to arrange for the necessary repair and in this context I consider the number of calls that took place. I find first that, although there is a concern in this case about the loss of email communications from the customer to the company (see below); the company has recorded telephone calls from the customer to the company. The customer says that two calls to the company were made in October/November 2017 but the company has a record of only one. The customer has no contemporaneous record of the calls that she says were made. I find that it is more probable than not that only one call was made, and in that context, the company gave advice to the customer first as to what the customer should do and secondly when the leak was confirmed, informed the customer as to the customer's responsibility for finding and fixing the leak.
- d. On balance, I would expect that an average business customer would expect that the customer would be responsible for finding internal leaks or, if not, would have asked the company to explain the allocation of the parties' responsibilities in this regard. I find that there is no evidence that the company failed to respond to any such questions. On

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

balance, therefore, in the context of the two conversations which I find occurred, I find that the company's advice was in accordance with the standard of service that an average customer would have expected of the company. It follows that the customer does not succeed in relation to this aspect of her claim.

Issuing debt collection letter 1

- e. The customer complains that although the customer had notified the company in January 2018 that the leak had been repaired, a debt collection letter was issued in May 2018. I find that the customer was at that point concerned about two additional invoices, one covering the period to 1 January 2018 and one covering the period to April 2018, which the customer said should have, in any event have been directed at the new tenants who, she said, had taken over from 1 January 2018.
- f. I bear in mind that adjudication is an evidence-based process and that it is for the customer to prove by reference to supporting materials that the company has failed to achieve the requisite service standard. Although, therefore, the customer says that the company was contacted by herself or her father in January and February 2018, there is no supporting evidence of this and the company says that it only discovered in March 2018 that the leak had been mended and that another tenant was in occupation. I find that the alleged failure to take this information into account or to send the leak allowance form at an earlier stage is consistent with the company not having been told about the repair, and in the absence of supporting evidence I find that it is more likely than not that the company was not aware of the repairs at the time of the January and March bills, which were not paid. In these circumstances, I find that there was no reason for the company to refrain from issuing a debt collection letter. As obtaining payment from customers is part of the company's responsibilities, I find that this is what an average customer would have expected in the absence of information as to why debt collection activity should not take place. It follows that I find that in sending a debt collection letter to the customer in May 2018, the company has not failed to supply its services to the expected standard. It follows that the customer does not succeed in relation to this aspect of her claim.

Delay in issuing a credit

- g. The customer says that when the customer contacted the company on 16 May 2018, she or her father had to send various reminders until a credit was given on 20 June 2018.

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

Both the customer and the company say that calls were made on 16 and 24 May 2018. The customer says that emails were also sent on 20 May 2018 and 4 June 2018 to which no response was received. The company now acknowledges that these emails were not seen by the company and have not found their way into the customer's account. The company has not suggested, however, that the customer used an incorrect email address or that there was any other reason for the emails not having been received. I find that it is probable that they were received and were incorrectly allocated. This I find was a failure by the company to provide its services to the requisite standard. However, I also find that the company has acknowledged this and made a goodwill payment in accordance with its guarantee service standards scheme. I find that the making of such payment was consistent with the standards that would reasonably be expected.

- h. Also consistent with the standards that would reasonably be expected, I find, is the content of the company's response to the customer's telephone conversation on 24 May 2018, by reason of which the company re-credited the amount of the bills for periods ending in January and April 2018 that were inconsistent with meter readings. It follows therefore that I do not find that the company failed to supply its services to the requisite standard, save in respect of a failure for which the expected recompense has been made. It follows that I find no further service failings.

Delay in responding to the leak allowance claim form

- i. On 4 June 2018, the customer says that it sent the leak claim form, details of the subsequent tenant and complaint about the level of billing. The customer complains that no reply was received. On 27 September 2018, the customer says that a further complaint was made that the company had not responded. The customer chased for a response from the company on 13 October 2018 and received a communication from the company on 26 October 2018. On 28 October 2018, the customer says that she received a letter stating that none of the issues raised on 27 September 2018 had been dealt with. The explanation provided by the company in the defence and the information supplied to the Consumer Council for Water (CCWater) is that the emails of 4 June, 20 June, 3 July and 27 September 2018 were not received.

- j. Although I recognise that the company's failure to respond to correspondence would have been frustrating, however, I find that it had no bearing on the customer's loss and the customer has not suggested that she has suffered any other loss in consequence, for example, in respect of the company's inability to act on the tenancy agreement dated 28 March 2018 that she tried to supply to the company on 4 June 2018. This is not a matter that the customer has raised in her application form; the company has stated that the account was subsequently closed down with effect from 28 March 2018 and I do not find this to be part of the customer's claim.
- k. As indicated above, therefore, although I find that it is probable that the company failed to supply its services to the standard that would reasonably have been expected of it in the handling of the customer's emails, as above, the company has made a goodwill payment in accordance with the Guaranteed Standards Scheme in relating to these events and I find that the customer has not shown that she is entitled to further redress.

Debt collection letter 2

- l. On 20 November 2018, the company sent the customer a letter explaining that the wholesaler, Severn Trent (the wholesaler), had refused the leak allowance claim. The customer says that on 12 December 2018 she emailed a response dealing with a number of matters and sent a further chaser in January 2019, stating that she would like to appeal the decision on the leak claim. The customer says that, notwithstanding that there was an open complaint, a second debt collection letter was sent in February 2019. In relation to this, the customer details that the dates of the relevant emails were 12 December 2018, 16 January 2019 and 10 February 2019. In this adjudication, the company has not explained why at this point a second debt collection letter was issued. On previous occasions, the company had put the account on hold pending an outcome of the disputed issue.
- m. I find that where there is an active complaint that has not been resolved, an average customer would expect that the company would not re-commence collections activity until a relevant decision had been taken. The supporting documents show, I find, that the company was aware that the customer did not accept the decision of the wholesaler but resubmission of a response did not occur until 4 March 2018, however, and the customer was not told the final outcome until April 2019. Accordingly, I find that the customer has shown that in this respect alone the company did not demonstrate the standard of service that would reasonably be expected by an

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.

average customer. I find that the customer is entitled to further redress as to this, but the level of such redress should be low, especially as, it transpired, the wholesaler did not change its stance. I find that this would nonetheless have caused the customer distress and inconvenience and I further find that a fair and reasonable sum to compensate the customer by way of redress in this respect is £30.00.

Outcome

The company needs to take the following further action: pay compensation of £30.00 to the customer.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 18 October 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.
- 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

This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.