

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1906 – Water – Unhelpful customer service staff

Date of Decision: 24 April 2020

Complaint

The customer complains that the company has provided poor customer service and has incorrectly charged her for a period in which there was a water-leak at her property, for which the wholesaler was responsible.

Response

The company liaised with the wholesaler and responded to the customer and gave adequate customer service. It has compensated the customer for any inadequacy in customer service in the sum of £100.00 plus £180.00 by way of reversal of the debt collection charges.

Findings

The customer has established that the company fell short of the standard that would reasonably be expected of it in respect of its customer service. The wholesaler's calculation of the leak allowance was not unfair and the company was within a reasonable range of responses in not taking further action. The amount by which the customer was compensated for the company's poor customer service was, however, too low in light of the severity and duration of the shortfall. A further sum of £425.00 should be paid.

Outcome

The company needs to credit the customer's account with a further sum of £425.00.

The customer must reply by 22 May 2020 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/ /1906

Date of Decision: 24 April 2020

Party Details

Customer: The Customer

Company: The Company

Case Outline

The customer's complaint is that:

- The company has billed her incorrectly in respect of water usage at her farm and provided poor customer service leading to considerable stress at a time when she has reached retirement age and has suffered family losses which cause her to be vulnerable.
- She says that there was a leak at her property which was not her fault, but she was charged for this. She was also charged in respect of water meter readings that were not on her land.
- She says that the company:
 - Denied the presence of leakage, despite having been provided with photographs showing water gushing out;
 - Failed to carry out a repair between 2016 and 10 July 2018;
 - Failed to return her phone calls;
 - Has wrongly calculated her bills; and
 - Has harassed her for payment and sent round debt collectors.
- The customer seeks compensation of £3,000.00 for poor customer service, harassment, stress and loss of work.

The company's response is that:

- The customers claim is contested.
- The company explains that the chronology for the customer's account is as follows:

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.

- Prior to 1 April 2017, the customer was billed for all services by XWholesaler (now the wholesaler). The customer contacted the wholesaler on 12 May 2015 and advised that she had received a higher than normal invoice. She was advised to take a meter reading.
- She contacted the wholesaler to advise that the lid on the chamber where the meter was housed was missing and the meter was too far down the chamber for her to be able to obtain a reading. The wholesaler called the network team to request a repair of the lid.
- The engineers confirmed that the meter had not been read for some time and it was impossible to read the meter as was too deep. The engineers decided to relay the pipework and replace the water meter. Once this work had been completed, a leakage allowance was granted and applied to the customer's account on 17 August 2015. The total credit applied was £982.64.
- On 19 July 2016, the customer informed the wholesaler of another leak. An engineer was sent to carry out a flow test. It was suggested that there was a leak either on the private supply pipe or there was an issue with the newly installed water meter. The engineer therefore decided to replace the water meter on 28 September 2016. A further leakage allowance was granted and a credit of £2,304.76 was applied to the customer's account on 18 November 2016.
- The customer contacted the company on 13 July 2017 following the opening of the water market on 1 April 2017. She complained of a high invoice. She checked the meter and advised that there was a leak on the water meter again. She requested an engineer to attend.
- The request for an engineer was raised but was never sent to the wholesaler. The company records that the reason was that the company's metering team advised that the customer would need to go to the wholesaler's Network Team.
- On 28 December 2017, the Network Team contacted the company to advise that there was a burst at the bottom of the customer's drive and an engineer's visit was booked in for January 2018. As at this time the customer was expressing concern about the company's requests for payment and it was confirmed that a hold was in place until 20 January 2018 to give the network time to investigate the issue and carry out a repair.
- No further contact was received from the wholesaler or the customer until 6 March 2018 when the customer informed the company that the leak had been identified on the network's pipe and not on the private supply pipe. The company advised that the customer needed to contact the wholesaler's network team. It explains that, as retailer, it does not hold records of jobs that the Network Team have done or have booked in as the customer's bills are based on information that is currently in the market.

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.

- The customer contacted the company's customer service team on 4 June 2018 asking to speak with the head of operations as she had been receiving debt collection letters whilst a dispute was going on. She also advised that she had instructed a solicitor.
- The company contacted the wholesaler on 12 July 2018 to see if the leak had been located. The wholesaler confirmed that they had visited the property and the boundary box had been leaking. The repair was booked in 72 hours after the initial visit and that if the meter needed to be exchanged, it would be completed after the repair of the boundary box.
- The wholesaler later confirmed that the boundary box was renewed.
- In September 2018, the solicitor's representative contacted the customer to ask why a debt collection company was still chasing the customer for the unpaid charges and that a leak allowance should be given as the leaks have been ongoing for some time. The company spoke to the solicitor.
- On 31 October 2018, the solicitor supplied two-meter readings from the new water meter and enquired about the reading that was on the recent invoice as the meter information on the invoice did not match the meter that was onsite.
- In consequence, a supply check was undertaken on 9 November 2018 and it was found that the incorrect meter had been used to measure the water.
- The wholesaler then confirmed that it was unable to grant a leak allowance for the latest leak the customer had. due to the consumption remaining the same. The company emailed an explanation to the solicitor.
- On 29 May 2019, the customer contacted the company to say that the solicitor had been unwell, which is why no reply had been made. The customer was unhappy to have received no leak allowance as she had more livestock on the land that she rents out to surrounding farm owners; also the customer had also purchased extra cattle, and this situation had been happening since October 2018.
- The company raised the request to the wholesaler again and on a review, an allowance was granted for the amount of £581.78. An email explanation was issued to the customer.
- The company says that it has received no payments since November 2016. The balance on the account is currently £7,585.17 debit. The company acknowledges that at one point it had been invoicing the customer on an incorrect water meter, however, neither the company nor the wholesaler was aware that the meter had been exchanged by the Network Team at the time as the information had not been passed on.
- £280.00 has now been applied to the customer's account in goodwill payments, which is broken down as below.
 - £100.00 service failings

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.

- £180.00 removal of the debt collection fee.

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 has set out her complaint in detail in her correspondence with the Consumer Council for Water (CCW). The gist of her complaint is that between November 2016 when she last paid her water bill, there was a constant leak at the meter, causing water to be visible through the head of the chamber cover, and, despite having been notified, this was not repaired and she was still charged for water and collections activity was undertaken because she had withheld payment. The customer does not always make clear whether her dealings were with the wholesaler (with whom she initially had a direct relationship) or with the company, but it is clear from the submissions of both parties that after 1 April 2017, at least some of her contacts were with the company, who is a retailer and not directly responsible for the maintenance of the network. That responsibility remained with the wholesaler's Network Team.
2. I bear in mind, therefore, that the company is not responsible for the actions of the wholesaler. For this reason, I find that, prior to 1 April 2017, an average customer would not reasonably expect the company to have resolved any of the problems that the customer had experienced with her water meter readings.

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.

3. After 1 April 2017, I find that the company's responsibility remained limited. The company records, and I accept, that it is not in charge of carrying out any repairs to the customer's meter or pipes and it was on some occasions appropriate for the company to direct the customer to speak to the wholesaler's network team. However, I also bear in mind that once the customer no longer had a direct relationship with the wholesaler, an average customer would reasonably expect, where the customer's complaint had a complaint in an area for which the company had acquired responsibility that the company would liaise with the wholesaler. Billing was, I find, such an area.
4. It is notable that the records of the company show that on 13 July 2017, the customer complained to the company that her bill was too high. The internal notes say that the company requested a supply check. However, it does not appear that any such supply check was carried out at this stage because, as the company acknowledges, this was not passed on to the wholesaler. The company's notes show that an internal discussion took place on 27 July 2017, in which it was recorded that this was not a supply check and the customer needed to be referred to the wholesaler's network team. There is no evidence that this was passed on either to the wholesaler or to the customer, with the consequence that the customer believed that someone would attend to the leak, but no-one did and any inaccuracy in the water usage went uncorrected. I find that an average customer would have expected the company, in recognition of its responsibility to raise accurate bills and prevent a waste of water, to have taken further steps after the discussion of 27 July 2017. I therefore find that the company fell short of the service standards that would reasonably have been expected of it at this stage.
5. The customer says that she then made several calls without success and someone called Shane attended to look at the meter in October 2017. He told the customer that she should not have been treated in this way. However, there is no reference in the company's records to these calls or to this visit, and I therefore find that it is probable that the calls were to the wholesaler and the company was unaware of them. I do not find a shortfall in customer service in respect of these calls, but, the company having received notification of a possible leak and having, seemingly incorrectly, passed on to the customer that the wholesaler would be informed, I find would reasonably have been expected to follow up with the wholesaler whether a leak had been detected and whether the customer should reasonably be advised to apply for a leak allowance. No such enquiries on the customer's account appear to have been made.

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.

6. Moreover, the customer's account of events indicates that, despite the customer's conversation with Shane, no repair of the leak occurred.
7. The consequence of this was that, despite the customer's concern that the charge for water was too high due to leakage, no continuing hold was placed on the customer's bill and no other interim position was discussed with her. The customer did not pay the bill and the company threatened to disconnect the water supply. While I accept the company's overall submission that it encourages all customers to "make regular payments towards their invoices regardless of whether they have a dispute on the account to stop them from going into further debt" the company was, I find, on notice of a problem in this customer's case. The company states in its submissions:

If an allowance is due, we issue a request to the wholesaler on the customers behalf to see whether the customer is eligible for an allowance once the account has been fully investigated by the wholesaler. It's not guaranteed that an allowance would be granted by the wholesaler as the account would need to follow certain criteria's depending on what the customer is looking for. This means that any unpaid charges would still need to be paid and if no payment is being received, the retailer is still able to chase the customer for these unpaid charges.

In the customer's case, the company was not assiduous to see whether an allowance was due.

8. In late December 2017, the customer had plainly been in touch again with the wholesaler, who contacted the company explaining that the customer was upset about the continued reminders and disconnection letter, when she believed that she had an unresolved leak at her premises. That message also explained that there would be an engineer's visit on 4 January 2018. The company tried to get in touch with the customer and left a voicemail to call back. An internal message indicates that the customer was to be told that the account was on hold until 20 January 2018. There is no evidence, however, that the company followed up, either with an enquiry to the wholesaler about whether a leak allowance could be applied for or with the customer to find out what had happened.
9. Although the customer acknowledges that the water meter was replaced on 10 January 2018, there is no evidence of any further conversation between the company and the customer until March 2018, when the customer appears to have contacted the company, and on this occasion she was re-directed to the wholesaler's Network Team. It is likely that she was prompted to contact the company by the arrival of a further bill in March that took no account of the leak or

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.

replacement in January 2018. The customer wanted to speak to a manager but this was not possible. It is notable, however, that no complaint was recorded at this stage, although the customer disconnected the call. No complaint was therefore registered and no call back was made. I find that in the context of this case, an average customer would reasonably have expected the company to have ascertained the situation, either with the customer or the wholesaler. There is no evidence of any follow-up, and I find that this fell short of the service standard that an average customer would reasonably expect.

10. In June, the customer expressed unhappiness that the company had not replied to her lawyer's letter of 16 May 2018. He had complained about the continuing debt collection letters. On 4 June 2018, the company's representative apologised for sending debt collection letters when there was an ongoing complaint.
11. On 12 July 2018, the company called the wholesaler for an update. The company was informed of a potential leak in the boundary box and was recommended to contact the wholesaler again for an update. On the following week, the leak was confirmed.
12. The documentation then shows that a query was raised about the accuracy of the meter readings that had been used for raising at least one bill. It transpired that an incorrect meter box reference had been used and the customer's bill needed to be adjusted to reflect the correct meter number. Once this had occurred an application for a leak allowance was again made but refused on the basis that the average daily consumption had decreased between 19 April 2017 and 17 October 2017 and then increased significantly in the very next two readings. The customer explained this, however, by reference to an increase in the number of cattle on her land, which would have resulted in increased consumption from October 2018 onwards. The wholesaler then gave an allowance of £581.78.
13. On reviewing this case for the purposes of this application, the company allowed a goodwill payment of £100.00 for service failings and £180.00 in respect of the removal of the debt collection fee.
14. I find that there are therefore, two issues remaining:
 - a. One is as to the calculation of the bill for water used; and the other

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.

- b. Is as to whether the goodwill payment of £100.00 plus reversal of the debt collection charge adequately reflects what has occurred in this case.

15. As to the first of these, I find that the company's level of liaison with the wholesaler as to the award of a leak allowance to the customer has not met the service standards that an average customer would expect. I have referred above to instances where the company has failed to follow up with the wholesaler and has failed adequately to liaise with the customer for the purposes of putting forward a claim for an allowance. However, despite the suggestion by the customer that it would be appropriate to approach compensation by applying the bill that was raised for a six month period in 2012 (which I find to be an approach which is insufficiently detailed and is inaccurate) I am satisfied that the wholesaler has approached the calculation of the allowance in a fair way, notwithstanding that it has looked, by way of its search for a comparator, at the period within which a leak is known to have existed. The company has used an average figure of 3.99m³ per day for the purpose of calculating the allowance. It is notable that for the adjustment used during the period of the first leak ending in October 2016, (the amount of the allowance for which is not in dispute) the wholesaler took as a comparative figure the volume of water used in the (approximately) 6 month period between 24 October 2013 and 17 April 2014, giving 691m³, an average daily use of approximately 3.8m³ per day. Although the figure used by the wholesaler is slightly higher, because of the increase in usage at the end of October 2018, which the customer explained and the wholesaler accepted, that the customer had taken on additional cattle in October 2018, which caused an increase to an average figure of 4.68m³, it is clear that variations in the use of the land could have resulted in additional consumption of water. I find that the wholesaler has considered the period from October 2016 to 9 January 2019, and, omitting that period where consumption was low. I find that this is a correct approach and relatively generous to the customer. I find that in not challenging the wholesaler further, the company acted within a reasonable range of responses and the company has not fallen short of the standard that the average customer would reasonably have expected.

16. As for the goodwill payment that is intended to address a (now acknowledged) shortfall in customer service, I find that this does not reflect the severity of the concern. I find that the company had many opportunities to provide to the customer a level of customer service that, I find, the customer reasonably expected, bearing in mind the period for which the problem persisted, her expressed vulnerabilities and the foreseeable level of frustration associated with having a leak at the meter that persisted from October 2016 to January 2018, with many opportunities, including correspondence with the customer's solicitor, to investigate and assist,

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.

but where action was not taken. Associated with this, I find that the company would reasonably have been aware that it was raising reminders and requesting payment for a disputed amount, without any apparent attempt to establish with the customer an undisputed payment that could be made pending resolution. In my opinion, I find that an average customer would have expected the company to take a more pro-active approach in this situation and the company has fallen short of this expectation.

17. Accordingly, I find that further redress should be directed. I find that a fair and reasonable sum by way of compensation should be £35.00 for each month that the problem persisted, (15 months), which I find gives a figure of £525.00 in addition to the reimbursement of the costs of debt collection of £180.00. I find that the sum of £280.00 should be deducted from this total, leaving a further compensatory figure of £425.00.

18. It follows that I direct that this sum should be credited to the customer's account. As the customer's account, however, remains in significant deficit, I further direct that this sum should be set-off to reduce the overall amount owed to the company by the customer.

19. In the light of the previous payment, however, I do not find that the company should be required to issue a further apology to the customer.

Outcome

The company needs to credit the customer's account with £425.00.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 22 May 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 decision. If the company does not do what I have directed within this time limit, you should let WATRS know.

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.

- 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.

A handwritten signature in black ink, appearing to read 'Claire Andrews', is positioned above the typed name.

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.