

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/2008

Date of Decision: 20 July 2020

#### Complaint

The customer has a dispute with the company regarding incorrect billing over a prolonged period of time. The customer states that she is being billed for consumption at her own property plus a neighbouring property. The customer is unhappy that the company has been unable to rectify the problem over a period of almost eighteen months and has not provided her with accurate bills since early 2018. The customer asserts that despite ongoing discussions with the company and the involvement of CCWater the dispute is unresolved and thus she has escalated her claim to the WATRS Scheme whereby she seeks to have negative marks removed from her credit file, and to receive a recalculated bill, an apology and compensation.

#### Response

The company asserts that it is not responsible for reading the sub-meter in the neighbouring property. The company states that a technical problem with its billing system outside of its control prevents the recalculation of the customer's charges. The company claims it has attempted to contact the customer to discuss compensation and has removed the negative marks off her credit file. The company states it has credited the customer's account with £85.00 but has not made any offer of settlement to the customer.

#### Findings

The claim succeeds in part. I find that the company has not managed the customer's account with a reasonable level of skill and care by not resolving the customer's complaint for an extended period of over seventeen months. Overall, I find that the company has failed to provide its services to a reasonable level and has failed to manage the customer's account to the level to be reasonably expected by the average person in respect of dealing with the customer's complaint.

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## Outcome

The company needs to take the following further action:

- (i) Provide written confirmation that no negative marks remain on the customer's credit history file in relation to the bill issued on 06 December 2018.
- (ii) Pay to the customer the amount of £510.00 in compensation for stress and inconvenience.
- (iii) Issue a written apology.
- (iv) Provide written explanation why previously issued bills cannot be re-calculated manually by deducting the sub-meter readings from the main meter readings.

The customer must reply by 17 August 2020 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/2008

Date of Decision: 20 July 2020

## Party Details

**Customer:** (Removed)

**Company:** (Removed)

## Case Outline

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

- The customer claims that she has experienced an ongoing dispute with the company regarding billing and confusion regarding responsibility for taking readings from a sub-meter. Despite the customer's ongoing communications with the company and the involvement of CCWater, the dispute has not been settled.
- The customer states that she lives in an apartment in a converted house, with her flat known as Flat C and the apartment directly above her as Flat D.
- The customer asserts that she is on a metered tariff and her meter box is located outside the property. The customer claims that Flat D has its own sub-meter, and that the meter outside records water consumed by both Flat C and Flat D. The customer states that the system traditionally in place was for her to be billed according to the reading from the outside meter less the reading from the sub-meter which was provided to the company by the tenant occupier of Flat D.
- The customer contends that in December 2018 she received a bill for the period 10 May 2018 to 04 December 2018 which showed only an estimated reading for Flat D. The customer states that she contacted the company about this on 12 December 2018, and requested it send her an accurate bill in respect of the deduction to be made for Flat D. The customer claims the company did not respond.

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- The customer asserts that on 02 January 2019 she instead received a reminder from the company that her bill issued in December 2018 remained outstanding for payment. The customer asserts that she made several telephone calls to the company but the telephone agents were unable to locate any previous meter readings in respect of Flat D.
- The customer states that despite her numerous attempts to have the company rectify her bill she was unsuccessful, and indeed on 28 March 2019 she received a final notice which was followed on 24 June 2019 with a letter from a debt collection agency acting for the company. Additionally, the customer claims the problem was still not rectified by the company when she received yet another reminder on 15 July 2019.
- The customer also records that on 22 July 2019 she received letters from the company which she believed were intended for the occupiers of Flat D, as the company was attempting to arrange to read the sub-meter.
- The customer also asserts that the company has informed her that it has technical problems outside its control in producing revised bills and on 08 November 2019 she received a further bill for the period May 2018 to February 2019 which was still based on estimated readings in respect of Flat D. The customer asserts that she was informed by the occupier of Flat D that a Direct Debit is in place to pay for its water consumption in the amount of £44.00 per month.
- Consequently, on 10 December 2019 the case was escalated to CCWater who took up the matter on the customer's behalf. The customer notes that an exchange of correspondence ensued between the company and CCWater without the dispute being settled and finally on 06 January 2020 CCWater advised her that it is not the company's responsibility to maintain and read sub-meters.
- The customer asserts that despite the intervention of CCWater, the dispute is ongoing and CCWater are unable to facilitate a resolution between the parties. The customer remains dissatisfied with the response of the company and particularly by the fact that she still awaits a correctly amended bill, and consequently, on 08 June 2020, has referred the matter to the WATRS Scheme whereby she seeks to have the company -- (i) remove negative markers from her credit history file; (ii) issue her with an apology and pay compensation for stress and convenience; and (iii) issue an accurate bill covering the period since 2018.

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

- The company submitted its Response/Defence paper to the claim on 30 June 2020.
- The company confirms that the meter located outside the customer's property records consumption for both Flats C and D. It further acknowledges that Flat D has an internal sub-meter and that the reading from this meter should be deducted from that of the main meter.
- The company states that sub-meters are installed privately by property owners and thus it has no responsibility to either maintain or read them. It states normal practise in such cases is for it to request the occupier of a sub-metered property to provide a meter reading in order that it can be deducted from the reading of the main meter.
- The company confirms that on 06 December 2018 it issued to the customer a bill for the period 10 May 2018 to 04 December 2018. It acknowledges that the customer contacted it on 12 December 2018 requesting that the consumption from Flat D be recorded and removed from her own bill. The company asserts that it contacted the occupier on 24 December 2018 requesting a reading from the sub-meter, but received no response.
- The company acknowledges that subsequent reminders were sent to the customer on 02 January and 22 January 2019 because her December 2018 bill remained outstanding. It also acknowledges receiving a further complaint from the customer dated 17 January 2019 to which it replied on 28 January 2019 advising that her account would be placed on hold for one month.
- The company notes that following the one month hold expiring the customer's account was sent to a debt collection agency and a negative mark was placed on her credit history file. However, the company concedes that it had received a sub-meter reading on 04 February 2019 but that a technical error in its billing system prevented the recalculation of her bills. The company states it issued an apology to the customer on 28 May 2019.
- The company further acknowledges that on 03 June 2019 and 17 July 2019 it erroneously sent letters to the customer, when in fact the letters were intended for the occupier of Flat D requesting her to supply another reading from the sub-meter.
- The company also notes that it advised the customer on 06 September 2019 that it had removed the negative mark from her credit history file, and informed her that it had not received monthly readings from the occupier of Flat D in contradiction of the information given by the occupier to the customer.

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- The company records that on 14 October 2019 and 04 November 2019 it advised the customer that its technical problem with billing remained ongoing and thus it continued to be unable to recalculate her bills.
- The company confirms it received contact from CCWater on 18 December 2019 after the customer had escalated her complaint, and it was advised by CCWater that it would explain to the customer that the company was not responsible for reading sub-meters.
- In summary, the company acknowledges that the customer's bills have not been recalculated but this is due to technical problems beyond its control. It also asserts that the festive season in December 2019 contributed to the delay in processing the recalculations. The company states that it is not its responsibility to read sub-meters but it has attempted to assist the customer by making efforts to obtain readings from Flat D. The company accepts that the customer has not received the level of service she was entitled to, and that she has waited too long to receive amended bills. The company asserts that it has recently attempted to contact the customer to discuss compensation for stress and inconvenience, although it has not proposed a settlement offer.

**The customer's comments on the company's response are that:**

- On 07 July 2020, the customer has submitted detailed comments on the company's Response/Defence paper. I shall not repeat verbatim the customer's comments and in accordance with Article 5.4.3. of the Rules of the WATRS Scheme I shall disregard any new matters or evidence introduced.
- The customer notes that after receiving readings from the sub-meter on 04 February 2019 the company advised her on several occasions that she would receive a recalculated bill, but to date this has not happened. Additionally, the customer asserts that her investigations have shown that the company never entered a negative marker on her credit history file, and hence had no need to remove it. The customer further denies that the company attempted to call her as many times as it claims and she records her disappointment with the level of assistance given to her by CCWater. The customer acknowledges the £85.00 credit granted by the company but believes this is insufficient to compensate the stress and inconvenience she has experienced.

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## 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 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 dispute relates to the customer's dissatisfaction that she has not been given a recalculated bill to remove the water consumed by another property but recorded through her meter.
2. I note that the WATRS adjudication scheme is an evidence-based process and it is for the customer to show that the company has not provided its services to the standard that would reasonably be expected of it.
3. From the evidence submitted to me I am aware that the customer resides in an apartment that is one of four in a converted house. The customer resides in Flat C and Flat D is located above her.
4. I understand that the water consumed by both flats is recorded through the same meter located in a footpath outside but adjacent to the house. I can see that the parties agree that there is a sub-meter installed in Flat D.
5. From my examination of the documents laid before me I understand the customer received a bill from the company dated 06 December 2018 and covered the period between 10 May 2018 and 04 December 2018. Additionally, I can see that on 12 December 2018 the customer contacted the company to complain that the water consumed by Flat D was based only on estimated readings.

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6. The company claims that in response it advised the customer that it was not responsible for taking readings from the sub-meter. The company does not provide me with any substantiation that it did in fact advise the customer at that time, and I find the first documented evidence of the company so advising was in its letter dated 23 December 2019. Additionally, I take note that CCWater stated on 06 January 2020 that the letter of 23 December 2019 did not fully explain the company position on sub-meters and subsequently CCWater provided additional clarification to the customer.
7. However, it seems to me that the position of the company is not consistent. Its records, in its Defence document, that it received a sub-meter reading on 04 February 2019, and I am satisfied that it was in a position at that time to recalculate the customer's account and re-issue a corrected bill. The company stated in May 2019 that a technical error in its billing system prevented it from making the recalculation.
8. The company further acknowledges on 30 June 2020, that the technical problem with its billing system remains ongoing and that the customer has still not been issued with a revised bill. Thus, I am satisfied, on balance, that the failure to reissue a corrected bill to the customer is because the company's billing system is not functioning, and not because of the company's position on reading sub-meters.
9. The customer, in her statement of case, asserts that a negative marker was placed on her credit history file for non-payment of the bill issued on 06 December 2018, and the company advises that it removed the marker on 06 September 2019. Subsequently, in her paper dated 07 July 2020, the customer asserts that her own enquires to the credit rating agency elicited the fact that the agency had no record of any negative marker entered by the company. Neither party has supplied me with any substantiating evidence regarding the credit reference agency and as such I am unable to make an informed decision on this matter. However, in order to provide clarity to all stakeholders I hereby direct the company to have an authorised representative write to the customer to confirm that there are no negative markers entered on her credit history file in respect of the bill dated 06 December 2018.
10. The customer acknowledges that she has received credits to her account in the sum of £85.00, but believes this to be inadequate compensation for the stress and inconvenience suffered. I take note that the company contends that it has attempted to contact the customer since she filed her WATRS application in order to discuss compensation. However, I note the company has not made an offer of settlement.

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11. I have established earlier in my decision that the company was in a position in February 2019 to recalculate the customer's bill after receiving sub-meter readings. It did not do so, and approximately seventeen months later the company is still to issue a revised bill. In the meantime, the company has passed the customer's account to a debt collection agency who in turn have sent payment demands to her. I am satisfied the company's actions have contributed to the stress and inconvenience suffered by the customer in attempting to rectify the problems with her billing.
12. I can also see that the company advised the customer on several occasions that recalculation was imminent, and most recently it advised her that a revised bill would be issued on 11 February 2020. Overall, I find, on balance, that the company has failed to manage the customer's account with a reasonable level of skill and care, and this is a customer service failure.
13. Consequently, I find that compensation for inconvenience and distress is appropriate. I am content to grade the customer care failure at Tier 3 level as per the *WATRS Guide to Compensation for Inconvenience and Distress* and thus direct the company to pay to the customer the sum of £510.00 (being £30.00 per month for the period February 2019 to June 2020 inclusive).
14. In addition, I direct that an authorised representative of the company issues a written apology to the customer for the customer service failings.
15. The customer has also requested that she be supplied with recalculated bills going back to 2018. However, I note that the company has repeatedly stated that a technical problem outside its control prevents it from recalculating the bills and as such I am not minded to direct an action that it is unable to comply with.
16. The company has not advised me of the nature of the technical problem or of any impediment to re-calculating the bills manually. Again, to provide clarity for all stakeholders, I direct that an authorised representative of the company write to the customer to clarify to her why a recalculated bill cannot be produced manually.
17. My conclusion on the main issues is that the company has failed to provide its services to a standard to be reasonably expected by the average person in respect of failing to provide the customer with accurate and correct bills during a period of some seventeen months.

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## Outcome

The company needs to take the following further action:

Provide written confirmation that no negative marks remain on the customer's credit history file in relation to the bill issued on 06 December 2018.

Pay to the customer the amount of £510.00 in compensation for stress and inconvenience.

Issue a written apology.

Provide written explanation why previously issued bills cannot be re-calculated manually.

## What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 17 August 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.
- 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.

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Peter R Sansom  
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Member, London Court of International Arbitration.  
Member, CIArb Business Arbitration Panel.  
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Member, CEDR Arbitration Panel.  
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**Adjudicator**

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