

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0895

Date of Decision: 9 October 2018

Complaint

The customer is unhappy with how the company billed him at his previous property and at his new one. He wants to be billed correctly for water that he has actually used. He would like (1) an assurance from the company that he will not be paying any charges calculated on the basis of estimated readings; (2) a guarantee that his meter will be read at least every six months; (3) an apology for the company's multiple failures and for the time wasted on this matter; (4) a revised bill showing previous charges removed; and (4) financial compensation totalling £680.22.

Defence

The company acknowledges that it made an error when the customer was moving out of his previous property and into his new one. In the event, despite an express agreement that actual readings would be obtained, accounts for both properties were updated based on estimated readings ("the Error"). In recognition of the Error – and to apologise for the inconvenience caused – the company waived some of its charges so that the customer had the benefit of free water and sewerage services for five months ("the Waiver"). The company does not consider that it should be required to pay additional compensation on top.

No offer of settlement has been made.

Findings

The Error amounted to a failure on the part of the company to provide its services to the standard one would reasonably expect. The Waiver was an adequate compensatory gesture for the company to have made. All the closing charges for the customer's previous property have been removed, as the company promised, and the company's later bills have accurately reflected that fact. In this case, it would be unwarranted to require the company: (1) to pay additional compensation over and above the Waiver; (2) to give a further or more extensive apology; and (3) never to rely on estimated readings when calculating charges on the customer's account.

Outcome

The company does not need to take any further action.

The customer must reply by 6 November 2018 to accept or reject this decision.

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ADJUDICATOR'S DECISION

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Date of Decision: 9 October 2018

Party Details

Customer: []

Company: []

Case Outline

The customer's complaint is that:

- He is unhappy with how the company billed him at his previous property ("8 Oakway") and at his new one ("1 Beech Grove").
- He wants to be billed correctly for water that he has used. This has not happened, however, because he has been billed on estimated readings that were inaccurate.
- He is also unhappy with the customer service that he has received.
- As to the company's point that he did get a few months 'free' water as a result of the complaint resolution, he replies that:
 - after he insisted that actual meter readings were taken, it was discovered that the opening position at his new property had been over-estimated by around 100 cubic metres;
 - therefore, by insisting on actual readings, he managed save this over-charge that the company had probably already made in the case of 8 Oakway or when it failed to take actual readings.
- The company has also failed to:
 - to waive all charges from the closing bill as promised; and
 - to pay him some money for wasting his time.
- The company's failure to take meter readings is not the only issue. The company promised to send him a revised bill, with all charges removed, but this has not been done.
- The company has failed to honour its own commitments multiple times, not just once or twice. It

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appears that one person at the company promises one thing but the next person does not agree with it, causing frustration.

- The company has installed 'compulsory' water meters, which:
 - it seems to have no intention of reading; and
 - are impossible for the customer himself to read. When the company's representative came out to the property to show him the meter, it turned out that it was located under about two feet of water. In order to take a reading, the representative had to use a waterproof torch taped to a stick.
- He requests that the company:
 - removes all charges from his closing bill as was promised; and
 - confirms to him that he will not be paying any charges that are calculated on the basis of estimated readings.
- He seeks a guarantee from the company that his meter will be read at least every six months.
- He would also like an apology from the company and compensation for its multiple failures and for the time that has been wasted as a result of this matter having dragged on for as long as it has.
- The total amount of financial compensation that he claims in these respects is £680.22.

The company's response is that:

- The customer's complaint relates to water charges at his former address, 8 Oakway, and also at his new address, 1 Beech Grove. Both of these properties are supplied by meter and therefore, charges have been raised by reference to volume of water supplied.
- On behalf of Thames Water, the company also raises charges to the customer for sewerage.
- Its records indicate that the customer first moved into 8 Oakway on 15 November 2014. An opening bill was sent to the customer on 21 November 2014, to the value of £125.77. However, this opening bill also included overdue charges of £155.75 from the customer's former address, 2 Apple Court. The total balance at that stage was £281.52.
- Charges for 8 Oakway at that point were billed based on un-metered water charges, using the rateable value of the property.
- Subsequent annual bills were issued to the customer in early 2015 and 2016 and both bills were paid in full.
- On 24 October 2016, a water meter was installed to 8 Oakway as part of the company's Customer Metering programme.

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- On 21 November 2016, as a result of the meter installation, it cancelled the unmetered charges to 24 October 2016 and also issued an opening metered bill to the customer from the date when the meter was installed. In view of the customer's annual payment in 2016, it credited the overpayment beyond 24 October (a value of £157.98). This was deducted from the opening water bill of £43.88 to leave a remaining balance of £114.10 in credit.
- Meter readings for 8 Oakway were scheduled to be taken in January and July of each year.
- An actual meter reading was obtained on 12 January 2017 of '41' and a bill was subsequently issued on 20 January 2017. The bill value totalled £81.78 but in view of the customer's credit, the bill was paid in full leaving a remaining credit balance of £32.32.
- It then obtained a further actual reading on 9 July 2017 of '122'. A subsequent bill totalling £212.54 was issued on 11 July 2017, which showed a remaining balance (following the deduction of £32.32) of £180.22 to pay.
- On 1 September 2017, it received notification via its website that the customer would be leaving 8 Oakway on 14 October 2017.
- It replied to the customer's web form request on 6 September 2017 to thank him for his notification, during which it explained that it would use an estimated reading to close the water account.
- On the same day, 6 September 2017, it received the customer's stage 1 complaint, which made clear that the customer was unhappy with its proposal to use an estimated reading.
- On 8 September 2017, it attempted to call the customer to discuss his concerns, however, the customer's partner requested that a reply be made in writing due to the customer's work commitments.
- It replied in writing to the customer on the same day, 8 September 2017.
- Its response acknowledged and apologised for the customer's concerns. Within this reply, it was agreed that actual readings would be obtained for both 8 Oakway and 1 Beech Grove on 14 October 2017.
- Regrettably, however, on 16 September 2017 (within one month of customers move), through the company's automated change of occupier process, the customer's account for 8 Oakway was closed and an account was raised for 1 Beech Grove. Both were updated using estimated readings.
- A closing bill for 8 Oakway, covering the charges between 9 July 2017 and 14 October 2017, was issued to the customer for the total of £96.78. However, as the charges of £180.22 remained outstanding from July, the final bill total was £277.00.
- An opening bill for 1 Beech Grove was also issued at the same time. This bill included standing

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charges for the period 14 October 2017 to 31 March 2017, to a value of £45.97. Including the balance of the closing bill, this brought the account balance to £322.97.

- On 19 November 2017, a stage 2 complaint was received from the customer. It was from this complaint that the company discovered its oversight in not requesting actual readings, which as a result led to the customer's accounts being updated using the estimated readings.
- On 4 December 2017, it replied to the customer to acknowledge its error and to apologise for the inconvenience caused. In light of the error (and to ensure that the customer had not been overcharged as a result of this amendment), it was agreed that its charges for the closing bill period (£96.78) would be waived. This meant that there had been no charge to the customer for any water used between 9 July 2017 to 14 October 2017.
- It also agreed that it would:
 - obtain an actual reading for the customer's new address, 1 Beech Grove; and
 - waive any charges between the occupation date and the new reading date – again, to ensure that the customer had not been billed on the basis of an estimated reading.
- In addition, it offered - within its reply - to arrange for a representative to come out to the property to show the customer the meter location and to explain how the meter could be read.
- On 6 December 2017, it received a response from the customer, thanking the company for its reply, and accepting its offer to arrange for someone to attend.
- On 14 December 2017, a representative attended at the property to meet with the customer and to demonstrate how to read the water meter. An actual read of '146' was obtained.
- On 15 December 2017, it received a further e-mail from the customer chasing the updates to his account. This update was being held deliberately whilst the company waited for the new opening reading and to ensure that all the updates were completed at the same time.
- On 15 December 2017, it updated the customer's account to commence charges for 1 Beech Grove using the actual reading of '146'. This meant, in effect, that the company was providing free water to the customer for the period between 14 October 2017 and 14 December 2017. At the same time, it credited the closing bill charge of £96.78 to the customer's account, honouring the commitment made in its stage 2 reply.
- An updated bill was issued on 16 December 2017 for £226.19. This included the outstanding charges for 8 Oakway for the actual water used between January and July 2017 (£180.22), which was based on actual readings. The bill also included the opening standing charge of £45.97 for 1 Beech Grove.
- It replied to the customer's emails dated 13 and 15 December on 15 December 2017.
- On 27 December 2017, it received a further email from the customer expressing confusion in

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relation to the company's amended water bills.

- It replied on 9 January 2018 to attempt to explain the updates made.
- On 10 February 2018, the customer's half-year bill was issued for 1 Beech Grove. This bill included water and sewerage charges for the period 14 December 2017 to 8 February 2018, totalling £66.89.
- On 13 August 2018, it released the latest half-year bill to the customer for services provided since 8 February 2018. This bill, together with the outstanding charges from its previous bills, is still outstanding. The customer's account balance, therefore, currently shows £602.10 to pay.
- Water charges are payable in full for the water supply that has been supplied to the premises. In the customer's case, these charges are metered and raised by reference to volume.
- It aims to read its water meters every six months to ensure that an accurate bill is provided.
- Where estimated readings are required, in the majority of cases and where possible, it uses the customer's previous usage to determine the calculation and to ensure that the estimate is as close to an accurate reading as possible.
- In this specific case, all half-year readings that have been taken to produce the six monthly bill have always been based on actual readings. It was the only the readings used to close and open the customer's accounts that were under dispute.
- It is normal for the company to use an estimated reading as part of its change of occupier process. This approach enables the company to update the account more efficiently and to ensure that it resolves things as quickly as it can for its customers.
- It will always communicate if an estimated reading will be used to bill water charges and if a customer shows concerns with an estimated reading being used, as in this instance, it is happy to arrange for an actual reading to be obtained.
- It accepts and agrees, on this occasion, that it did not follow through on its commitment to order an actual reading. Unfortunately, this was due to a human oversight for which an apology has been given.
- To recognise the inconvenience caused – and to underline its apology – the company agreed to waive all charges for water and sewerage (“the Waiver”) for the period between:
 - 9 July and 24 October for 8 Oakway; and
 - 24 October to 14 December for 1 Beech Grove.
- As a result, no charges have been raised during these periods.
- The company regards the Waiver as a generous gesture bearing in mind that both properties were occupied and that water supply has been used during the relevant two periods. The Waiver was agreed:

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- with a view to ensuring that the customer was not billed on the basis of estimated charges; but also
 - in direct response to the inconvenience caused, to provide free water to the customer for a period of five months.
- The balance outstanding for £602.10 includes charges based on actual readings prior to the customer vacating 8 Oakway, as well as the opening standing charges and actual water used at 1 Beech Grove. Therefore, these outstanding charges:
 - are unconnected to the estimated charges element of the customer's complaint; and
 - are due for payment in return for water and sewerage services already provided.
- It is appreciated that this matter has been ongoing for some time. However, the company acted with the best of intentions in trying to resolve the dispute for the customer in December 2017.

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. I have carefully reviewed the history to this matter and have examined, in particular, the 36 documents that are appended to the company's defence.

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2. As I see it, the focus in this case is on the error that occurred during the change of occupier process - as the customer was moving out of 8 Oakway and into Beech Grove. Despite an express agreement that actual readings would be obtained for 8 Oakway and 1 Beech Grove, accounts for both properties were in fact updated based on estimated readings (“the Error”).
3. I am satisfied (and I find) that the Error amounted to a failure on the part of the company to provide its services to the standard one would reasonably expect. It is evident that the company accepts this. The Error having occurred, I note the apology and response that the company gave to the customer on 4 December 2017 (“the Stage 2 Response”):

“... I’m really sorry that following our promise to read the water meter and generate accurate bills, you have received further bills based on estimated readings. I am incredibly disappointed to see that this has happened despite []’s previous response ... In light of this, I am pleased to advise that I have removed all charges from your closing bill at 8 Oakway, and will arrange to send a bill confirming this amendment has been completed. I will arrange for this to be sent via post to you ...”

4. The customer’s principal complaint, as I understand it, is that – in and of itself – the Waiver was insufficient compensation for the Error. He submits that, in addition to the Waiver, the company should be required to pay a sum of money reflecting the amount of time that the customer has had to waste on this whole matter.
5. Overall, I find that the Waiver was an adequate compensatory gesture for the company to have made. It seems to me that it was proportionate to the impact of the Error, in this specific instance. I accept the company’s submission that the Waiver meant that – for a period of approximately five months – the customer has had the benefit of water and sewerage services free. In view of this, I do not consider that an award of additional financial compensation (i.e. on top of the Waiver already granted) would be appropriate or warranted.
6. I note the customer’s submission that the company has not sent him a revised bill, with all charges removed, as promised. However, having regard to the screenshot produced at defence appendix 15 and having reviewed the points made in paragraphs 44, 45, 48, 54 and 66 of the defence, I am satisfied:
 - a. that all the closing charges for 8 Oakway have been removed, as the company promised; and
 - b. that the company’s later bills have accurately reflected that fact; and

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- c. that, therefore, nothing further need be done by the company on this aspect.
7. The customer also requests, I note, that the company provide:
- a. an assurance that he will not be paying any charges that are calculated on the basis of estimated readings; and
 - b. a guarantee that his meter will be read at least every six months.
8. On this element, I have given careful consideration to the submissions that the company makes at paragraphs 68, 69 and 72 of its defence:
- “... We aim to read our water meters every six months to ensure an accurate bill is provided ... Where estimated readings are required, in [the] majority of cases and where possible, we use the customers previous usage to determine the calculation to ensure the estimate is as close to an accurate reading as possible ... We will always communicate if an estimated reading will be used to bill water charges and if a customer shows concerns with an estimated reading being used ... we are happy to arrange for an actual reading to be obtained ...”*
9. Broadly speaking, I am satisfied that the practice described in these sections of the defence is a reasonable one for the company to be adopting. It seems to me that:
- a. it would be too restrictive to bar the company from ever relying on estimated readings for the purpose of calculating charges on the customer’s account; and
 - b. there may be occasions when the use of estimated readings is a necessary option.
10. I accept the company’s submissions about striving to take actual meter readings every six months (whenever it is reasonably able to do so). As a result, I direct that nothing further is required of the company in this respect.
11. Finally, I note that the customer requests that the company give him an apology for the time that has been wasted in this matter dragging on for such a long period of time. On this, I take account of the forthright apology that was already made as part of the company’s Stage 2 Response and the Waiver that it has granted by way of compensation for the Error. Against that backdrop, I am not persuaded that it would be appropriate to compel the company to make any further or more extensive apology in this instance.
12. It follows that the customer’s claim does not succeed.

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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 6 November 2018 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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