

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/2069

Date of Decision: 1 October 2020

Complaint

The customer disputes that the bill of £21,862.32 for two occupants' water consumption over nine months is accurate and claims it is "illogical" to suggest this amount of water could be used. His plumber checked all the pipe work at the premises and found no leaks. The company's engineer confirmed the meter was faulty and that it was recording consumption after the stop tap had been turned off. The meter was replaced with a new meter and reads taken and water used since the meter was replaced are "normal" and in line with what he would expect. The company however refused to reduce the charges, rather it increased them based on the meter accuracy test showing the meter was under recording. The customer says the charges are incorrect and the matter has made him stressed and ill. The customer requests that the company recalculate the charges based on reads taken after the meter was exchanged which show "normal usage".

Response

The company asserts the customer's water meter was tested following the customer disputing high readings/bills. Whilst the results confirmed the meter was faulty, it showed it was under recording rather than over recording the amounts used. It explained to the customer that the wholesaler does not grant an allowance for water meters that under record as there is nothing to give back to the customer. It confirmed he was responsible for the charges of £21,862.32. It arranged for a supply check and the engineer confirmed it served the shop premises and the two flats above and that there were two private sub meters. This means that there might be a leak on either the pipework to the flats or the commercial premises and this would be something the customer needs to further investigate. It has reviewed this case thoroughly and it is unable to apply any adjustments to the customer's account as the faulty water meter was under recording the amounts used. The balance is correct and is therefore payable.

Findings

The customer purchased the commercial premises in 2017 but it was unoccupied until 1 March 2019, at which point two tenants moved in (to the flats above the shop). The disputed bill of £21,862.32 is for usage recorded on the (old) meter since this date up to when the company exchanged the meter on 5 December 2019 due to a suspected fault. This equates to an average daily usage of approximately 383.82 m³, whereas after the meter was exchanged, the meter reads indicate an average daily usage of 0.60 m³. I find no evidence to suggest a leak at the customer's premises. The drop in water consumption after the meter was exchanged supports this finding. I find the

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.

most likely cause of the exceptionally high usage to be the faulty meter as the evidence indicates it is capable of both under recording and over recording consumption. The company has failed to explain how it calculated extra charges applied based on the meter accuracy test results and I am not satisfied it has shown that the disputed charges of £21,862.32 (later reduced to £18,529.04 without explanation) for usage between 1 March 2019 and 5 December 2019, are correct. This constitutes evidence of the company failing to provide its services to a reasonably expected standard. To rectify the errors, the company shall recalculate the customer's charges for the timeframe 1 March 2019 to 5 December 2019 based on reads taken from the new meter (that equate to an average daily usage of 0.60 m³).

Outcome

The company shall: recalculate the customer's charges for 1 March 2019 to 5 December 2019 based on meter reads taken from the new meter (which equate to an average daily usage of 0.60 m³).

The customer must reply by **30 October** 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/2069

Date of Decision: 1 October 2020

Party Details

Customer: Customer

Company: XWater, a retailer.

Case Outline

The customer's complaint is that:

- He bought the property in June 2017. It has been empty and unoccupied until two people moved into the flat above in March 2019. Up until then no one was living or using the property or water supply. The business shop floor has also been kept as a storeroom, purely to store goods.
- The first bill he received on 16 October 2019 for the period 1 March 2019 to 22 August 2019, was for £1,818.73, which he disputed with the company. This was disputed as this was a very high amount for two people in a small flat over a period of five months. He requested for the company to check the meter but was told no one would as someone had visited in February 2019 and it was reported to be vacant so his next meter reading would be in February 2020.
- He was then sent a second bill for £2,563.26 which included the first amount and £668.74 for the period 22 August 2019 to 1 November 2019. He was "very concerned" with the vast increase of over £600.00 in the water bill for such a short billing period. At this point he knew the bills he was receiving were incorrect.
- He rang the company again on 2 Dec 2019 to say the bills he had received are inaccurate and are too high. He was told to do some checks, which he did, as well as having an independent plumber attend the property. The plumber thoroughly checked all the pipes and confirmed there definitely was no leakage or burst pipes in the property. The plumber turned off the main water tap for one hour and took a water reading of before and after. That is when they discovered the meter was still running non-stop, even when the main water supply was turned off. They also made a video of the water meter running whilst the main water tap was turned off (enclosed), as

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.

well as recording the meter reading before and after. This showed the water meter was faulty all along.

- He called the company again and it arranged for an engineer to attend to check the meter. The engineer confirmed that the meter was faulty, the engineer also carried out the checks by turning off the main water supply and still found the water metering to be running non-stop. He then changed the water meter and took away the old meter.
- He received a paper bill on 16 February 2020 for £2,803.26, which included charges (£180.00) for Debt Collection Activity (DCA). This amount was incorrect as the company had not taken account for the faulty meter.
- He then received an email from the customer service department stating the old meter had been found to be under recording following the accuracy test. He does not understand how this could be the case as the water meter was running non-stop even when the water meter had been turned off. He was then sent another email from the company to say they had looked into his complaint and there was nothing they could do and furthermore, that accuracy tests carried out showed he owed the company £20,067.70 in total and that if not paid, action would be taken against him. He was “taken a back” and called the company explaining the demand for £20,067.70 was incorrect.
- He was then sent another email advising him to carry out tests on the new meter. This included turning off the water supply and checking the meter reading before and after this test. The new meter, which was fitted in December 2019, seemed to be working fine. The meter reading before he turned the water supply off on 25 February 2020 was 26 m³ and this reading did not change when he turned the water supply off for one hour.
- He would like to point out that he owns the sub meters connected to the meter (for two separate flats in the property). This is so he can read water usage in each flat. There are no other shared meters connected to the main water meter other than the two flat meters, no other meter is connected to the main water meter.
- Since receiving this “outrageous” bill for £20,067.70, he has been very stressed and ill. The customer says it is just “not logical” that two people occupying a small flat can use this much water for this period of time. The usage since the new meter was fitted in December 2019 has been as expected for two people and was 136 m³ on 26 July 2020. This appears to be accurate. The customer asserts that he believes the most accurate way of measuring the water used prior to the meter change is to base it on the usage recorded on the meter since it was replaced. The customer requests a reduction to the bill on this basis.

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 company's response is that:

- The customer contacted the company on 15 October 2019 advising he is the landlord and responsible for water charges since 1 March 2019. When he bought the property in 2017 it was empty, but tenants had moved in on 1 March 2019. He requested for an engineer to go out and locate the meter, but it rejected this request as a scheduled appointment was due to take place in February 2020. It explained to the customer over the telephone where the meter was located and asked him to take a photo of the water meter showing it the reading. The reading he later provided of 7958m³ was different to the one it had on its system and was showing high consumption. It advised the customer to do a leak test.
- The customer contacted it again in November 2019 with another high reading of 8233m³ and it advised the customer to hire a plumber to locate and repair a leak to explain the high consumption readings.
- The customer contacted it on 9 and 10 December 2019 to advise that they have a leak at the property after new meter was fitted.
- It received the meter exchange details from the wholesaler on 12 December 2019 which confirmed that the meter had been replaced. The engineer had also confirmed that the new meter was still running, even though the water had been isolated.
- On 14 February 2020, it received the results from the meter accuracy test which confirmed that the meter was in fact under recording. It explained to the customer that the wholesaler does not grant an allowance for a water meter that has been under recording as there is nothing to give back to the customer; however, as the water meter was found to be faulty, the cost of the meter accuracy test was free of charge.
- It carried out a supply check on 11 July 2020, and the engineer confirmed that the water meter serves the business and two flats above and that there were two private sub meters installed that ran to the flats above. These sub meters are not monitored by the company or the wholesaler and it does not charge or invoice from these private sub meters, as this is something that the owner/landlord would have fitted to monitor the water usage of the tenants in the flats above the commercial premises.
- It explained to the customer that if he wishes to have his own water meters installed, he would need to amend the internal pipe work of the properties and once this had been completed, it can then instruct the wholesaler to go out and fit the appropriate meters to each property.
- This means that if there are any leaks present which may still be causing high consumption, the leak(s) could be in one or both of the domestic flat(s) as well as the customer's commercial premises and this is something that the customer would need to investigate further, as well as to

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.

hire a plumber to locate and repair any leaks that are found, as the main water meter serves all three properties.

- In conclusion it has reviewed this case thoroughly and it is unable to apply any adjustments to the customer account, as the water meter has been tested and confirmed as under recording. Therefore, the balance on the account is correct and payable.
- It has advised the customer that the water meter is on a shared supply with the flats above and if they wish to have their own meter fitting, the customer would need to amend the internal pipe work for this to take place. It has removed the debt collection fee of £180.00 as a gesture of goodwill.
- If the customer is unable to pay the balance in full, it will be more than happy to arrange a payment plan over a 24-month period to cover the current debit amount on the account only. All future consumption would need to be paid in full 14 days from the date the invoice was produced.
- It has apologised for any inconvenience or stress that this matter may have caused the customer.

Reply

- The customer reiterates that he purchased the property in June 2017 and it was empty with no tenants occupying the flats above because the property did not even have flats when he purchased to property. He had applied for planning permission from the council and the building work finished in March 2019, which is when he rented out the flats to two tenants. He has also attached copies of the council letter which clearly states the property was empty and he was given empty property relief.
- He reiterates that he does not understand how the old meter could be under recording when it would not stop clocking water usage even when water supply was off. This was confirmed by the company's engineer. He disputes the accuracy of the meter test carried out by company and asks that someone independent run tests on the water meter which was removed, as he believes these test results are wrong.
- He reiterates that he monitors the sub-meters as he had them fitted to monitor the tenant's water usage. They are connected to the main water meter which the company monitor. There are no other sub-meters connected to this, as previously explained.
- He reiterates that there are "no leaks whatsoever"; he has had an independent plumber check both flats and all pipe work and they confirmed there is no leak.

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.

- He reiterates that the new meter is working fine and is recording accurate water usage. The same tenants live in the flats as before, but the company has sent him an “outrageous bill of over £18,000” that it is refusing to cancel.
- Regarding the leak he noticed after the new meter had been installed; he saw this and immediately told the company, consequently another engineer was sent out to sort this out. The company has said the leak was to a private pipe, but this pipe was damaged by the company’s engineer when he fitted the new meter, therefore, it was completely their fault and responsibility.
- He has suffered “so much mental stress having to worry day and night about this bill”. The goodwill gesture of £180.00 is “an insult” to him and his family.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer’s claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

I have carefully considered all of the evidence provided. If I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

How was this decision reached?

1. The dispute concerns higher than expected water usage leading to a bill for £21,867.32.
2. The customer is a business customer and I accept he owns the commercial property at 14 Nottingham Road, Ilkeston, Derby DE7 5RE comprising a shop “and premises” (the Property). In light of the business rates letter from the council (submitted in evidence), I accept the Property was empty prior to March 2019. The customer has explained that after purchasing the Property

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.

in 2017 he applied for planning permission from the council and the building work finished in March 2019 which is when he rented out the flat(s) to two tenants.

3. I find the dispute concerns the bill received from the company for the timeframe 1 March 2019 to 5 December 2019 (at which point the meter was exchanged). The customer disputes the charges of £21,862.32 on the basis that it is “illogical” to suggest this amount of water could be used by two people over 9 months, particularly in light of the new water meter readings. The customer asserts that the old water meter was found faulty when tested by the company’s engineer in December 2019 and it was replaced on this basis. He says the water consumption recorded on the new meter since this time is as expected, yet the company issued a further bill of £21,867.32 on the basis of the meter accuracy test under recording consumption.
4. The customer has submitted his complaint letter sent to the company, a video, screen shots of meter reads (dated 29 February 2020 and 29 July 2020), his bill dated 4 August 2020 for £18,969.01 (first page), in support of his claim. The company has supplied its account notes at Fig 1 to Fig 10, the customer’s bill dated 6 May 2020 for £21,867.32 (first page), documents titled: “Breakdown of Account”; “Meter Accuracy Certificate”; “Reads and Consumption Table”; “Visit Details”, screenshot of a meter read 11 May 2020 and two messages, in support of its stated position.
5. Based on the evidence, I accept that the customer called the company following his receipt of higher than expected bills received from the company, the first for £1,818.73 (dated 16 October 2019) and the second for £2,563.26 (dated 3 November 2019). I can see that the company advised him to check for a leak at the Property. The customer called the company on 2 December 2019 advising he had had a plumber check for leaks and none were found and that the plumber thought there was a problem with the meter. The company agreed to arrange for an engineer to check the meter; this check was carried out on or around 5 December 2019. The engineer notes (included at Fig 7) states: *“Meter is still running even though I have water isolated. Meter has been exchanged and sent for testing. Old msn 04375521. New msn 19LA096028. Final read 8954 m³”*. I am satisfied this evidence indicates the engineer confirmed the old meter continued to record usage despite the engineer isolating the stop tap and that it was exchanged on this basis. The customer has submitted video evidence which I find evidences this, as it shows the dial spinning and consumption increasing quickly (the usage showing confirms the video was taken before it was exchanged as the reading is at around 8711

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.

m³). I acknowledge that movement on the meter whilst the stop tap has been isolated would usually indicate either a faulty meter or a leak. The customer subsequently received a bill from the company for £2,803.26 in February 2020. Whilst I have not been provided with a copy of the bill, I find it likely this bill would have been calculated based on the last meter read of 8233 m³ (from the old meter) taken on 5 December 2019. However, I am mindful of the evidence showing that the company then issued a bill to the customer dated 23 February 2020 for £20,067.70 which included £17,264.44 of new charges (confirmed in Fig 9 of the Defence). It appears the new charges were raised based on the results of the accuracy test received by the company which it submits showed the meter was faulty but it was under recording rather than over recording.

6. The Meter Accuracy Certificate does not include any written text regarding the findings but indicates that five tests were undertaken on the customer's old meter on 7 January 2020, two of which state: -93.70% and -56% whilst the other three state: 0.32, 1.09 and 0.51. The two minus figures appear to therefore support the company's assertion that on these two tests the meter was under recording; however, I find that due to the lack of explanation, I cannot be certain about this. Furthermore, the company has not provided any explanation for how these results would justify it applying further charges of £17,264.44. The evidence at Fig 9 (of the Defence) shows that on 14 July 2020, it cancelled charges of £17,264.44 and £1,799.62 and then raised new charges of £15,725.78, leaving an outstanding balance of £18,529.04 (shown as the amount brought forward in the customer's later bill dated 4 August 2020). The company has offered no explanation for its cancellation of charges of £17,264.44 and re-charging.
7. As above, the customer had confirmed his plumber had looked for leaks and found no leak on the pipe work at the premises (the shop and flats). He has not provided any evidence from his plumber to confirm this, but I find that the reads from the new meter (installed at the Property on 5 December 2019): show usage of 26 m³ on 29 February 2020; 39 m³ on 11 May 2020 and 133m³ on 11 July 2020 (based on photographic evidence of reads on the meter submitted by both the company and customer). This equates to an average daily usage (ADU) since 5 December 2019, of 0.60 ADU. This is drastically less than the ADU of 383.82 m³ shown in the company's 'Reads and Consumption Table' based on the read taken on the old meter on 21 November 2019. As above, the company has not given any indication about how it calculated the additional charges added in February 2020 of £17,264.44 (slightly reduced down to £15,725.78 in July 2020) after receiving the results of the accuracy test, but it seems to me

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.

these charges would be based on even higher reads than the ones shows in 'Reads and Consumption'.

8. The company has implied that the disputed high consumption may be due to two private sub meters connected to the main meter (found by the wholesaler during its visit of 11 July 2020); however, in his Application, the customer has explained he owns the two sub meters (these were installed at the premises so he can read water usage in each flat). The customer states that there are no other shared meters connected to the main water meter. In the absence of the company disputing this or providing any evidence to the contrary, I accept the customer's submission in this regard.

9. Therefore, the evidence in this case is extremely conflicting. I have accepted the customer is not on a "shared supply" as he has demonstrated that he owns the whole premises and he is the landlord for the two new flats (occupied since 1 March 2019) at the Property which have sub meters that are connected to the main meter. Therefore, due to the usage recorded at the Property (at least 383.82 m³ per day) being exceptionally high, it follows that this is either due to a leak or a faulty meter. There is no evidence to indicate there is a leak at the Property. I find that the drastic drop in consumption recorded since the new meter was installed on 5 December 2019 supports this. The company has not commented on the fact that the recorded consumption dramatically reduced as soon as the new meter was installed. The customer has said there has been no change in occupation since 5 December 2019. As such, I consider the "normal" and undisputed usage recorded since 5 December 2019 shows the most likely cause for the high reads is due to the faulty meter. As mentioned above, there is no dispute that the meter was faulty, but the company says the fault has caused under recording rather than over recording. Whilst I accept the accuracy test indicates the meter is capable of under recording, other evidence, including confirmation from the engineer who exchanged the meter on 5 December 2019, suggests the meter was still recording consumption even when the supply had been isolated, therefore indicating it was over recording. Therefore, it appears the meter was capable of both over recording and under recording. I consider this is the most reasonable and plausible explanation as I cannot accept that two people used this much water in nine months especially when the ADU dropped from as much as 383.82 m³ to 0.60 m³ after the meter was exchanged. Therefore, in light of my above findings, I am not satisfied that the company has justified the charges of £21,867.32 (reduced to £18,529.04 without explanation). Furthermore, due to the drastic difference between the reads taken from the old meter and those taken from the new

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.

meter, I find that the fairest solution is for the company to recalculate the customer's charges for the timeframe from 1 March 2019 to 5 December 2019 (when the meter was exchanged) based on the undisputed reads taken from the new meter (ADU of 0.60 m³), which I am satisfied are accurate.

Outcome

The company shall: recalculate the customer's bill for the timeframe 1 March 2019 to 5 December 2019 based on reads taken from the new meter (which equate to an ADU of 0.60 m).

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 30 October 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.



A. Jennings-Mitchell, Ba (Hons), DipLaw, PgDip (Legal Practice), MCIArb

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

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.

www.WATRS.org | applications@watrs.org