

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-XX05

Date of Decision: 15/01/2021

Complaint

The building on the land owned by the customer was demolished on 26 October 2018, but the company applied an estimated daily usage to the water account from the date of demolition to 12 March 2020, the date the property was de-registered, even though no water was used during this time. The customer accepts that the company is entitled to use estimated readings where actual reads are unavailable, but the estimates should consider the customer's circumstances. The customer wants the company to reduce the estimated daily water usage to zero from the date of demolition to the date the account was closed, thereby reducing the outstanding balance on the customer's account.

Response

The company has billed the customer in line with the charges raised by the wholesaler. The company challenged the wholesaler on two occasions regarding the estimated final read and secured an amendment to the final read which lowered the charges considerably. The wholesaler has refused to make further amendments to the final estimated read without further evidence to show that the read is too high, and there are no further grounds to challenge the wholesaler; therefore, the invoiced charges are correct and payable. It has amended the customer's account to show the invoiced usage occurred before the date of demolition and no water was used after it, as requested by the customer, and a revised invoice has been issued.

The company has not made an offer of settlement.

Findings

The wholesaler is responsible for calculating the customer's water usage, and the company is responsible for billing the customer based on the information provided by the wholesaler. As the wholesaler is not a party in this case, I am unable to make a finding regarding the wholesaler's calculation of the customer's water consumption. The evidence shows that the company billed the customer in line with the usage calculated by

the wholesaler, engaged with the wholesaler about the customer's complaint, secured a reduction of the charges applied to the customer's account, and amended the customer's bill to show zero consumption from the date of demolition. In view of this, I find that the company has effectively operated as an intermediary between the wholesaler and the customer, and that the company has provided its service to the standard reasonably expected by the average customer in this regard.



The company does not need to take any further action.

The customer must reply by 12/02/2021 to accept or reject this decision.

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-XX05

Date of Decision: 15/01/2021

Party Details

Customer's Representative: The Customer

Company: X Company

Case Outline

The customer's complaint is that:

- The outstanding account balance is disputed because the building to which the company previously supplied water services was demolished on 26 October 2018, but the company applied an estimated daily usage to the account from the date of demolition to 12 March 2020, the date the property was de-registered; however, as the building had been demolished, no water was used during this time so the company should have estimated the daily usage as zero. • He has a photograph of the water meter that was taken on 12 February 2018 showing a reading of 3859 m3. That photograph also shows that the meter was a Smart meter. He questions why the company applied estimated meter reads to the account for such a long period of time when it could have taken an automatic meter read, especially when it had proof that the building had been demolished for a large part of the billing period and no water could have been used. • He accepts that the company is entitled to use estimated readings where actual reads are unavailable, but the estimates should be based on a reasonable rate of water usage based on the proven circumstances. • He wants the company to reduce the estimated daily water usage to zero from the date of demolition to the date the account was closed, thereby reducing the outstanding balance.

The company's response is that:

- On 21 November 2019, the customer sent a disconnection form to the wholesaler, and on 19 March 2019 the wholesaler confirmed that a permanent disconnection had been carried out on 12 March 2020. • On 18 May 2020, the disconnection date and final invoice was sent to the customer. However, the customer disputed the final invoice date, so it explained that charges are applicable up to the time a supply is officially disconnected by the wholesaler. • On 6 July 2020, it received the CCW Pre-Investigation letter and it challenged the wholesaler on the estimated final meter read. • On 20 July 2020, the wholesaler confirmed that the estimated

final read was based on the last actual read available, which was 3742 m³, taken on 16 October 2017. The wholesaler agreed to reconsider the final estimated read if the customer provided photographic evidence of the actual read at the time of the disconnection. • On 14 October 2020, it received further evidence regarding the final estimated read and the date of demolition, so it challenged the wholesaler again. • On 29 October 2020, the wholesaler responded and said that the customer requested an emergency isolation of the supply on 12 July 2018 due to a private leak and, therefore, there was consumption after the last actual read was taken. The wholesaler explained that the final read had to be estimated as the meter could not be found on the demolition site, but the wholesaler agreed to change the final estimated read to 5707 m³ to reflect previously confirmed consumption, and advised that this read could be reconsidered if the customer provided photographic evidence of the actual read on 13 March 2020. • The customer wants the estimated daily water usage reduced to zero from the date of demolition to the date of closure of the account. • It agrees to this request but it will not change the charges on the customer's account. It explains that no meter read was provided for the date when the property was sold, so it used an estimated read of 3903 m³ to mark the change of ownership on 16 November 2017. As above, the wholesaler agreed to change the final meter read from 8348 m³ to 5707 m³ for 12 March 2020. As there are no other meter reads for the period when the customer was liable for the supply, the estimated consumption can be distributed in any way desired by the customer, however, the consumption between the estimated meter reads of 3903 m³ and 5707 m³ is still payable. • In order to comply with the customer's request, it has reissued the charges under a new invoice. The invoice covers the period from 16 November 2017 to 12 March 2020. The volumetric charges have been billed based on an initial estimated read of 3903 m³ for 16 November 2017 and an estimated read of 5707 m³ for 31 October 2018. The same read of 5707 m³ has been used as the final read on 12 March 2020, which means that zero consumption has been invoiced between November 2018 and March 2020, as requested by the customer.

- Although the wholesaler has agreed to reduce the final estimated meter read and it has applied zero consumption to the customer's account from the date of demolition, as requested by the customer, it would like to address a few other matters raised during the dispute. • The customer provided a photograph along with the WATRS application and stated that the photo was taken on 12 February 2018 and that the read was 3859 m³. However, a read from February 2018 is not relevant as the wholesaler confirmed there was a leak at the property in July 2018.

- The customer states that it has not fulfilled its duty to read the meter as the property had a smart meter and, therefore, direct access to the meter was not required. However, a smart water meter can only transmit reads by radio frequency within a very small range and are mostly used if the meter is located underground or in a tight, inconvenient space where obtaining a visual read would be difficult. In order to obtain a read in this manner, the meter reader still needs to be within a few

feet of the meter location. • Devices which transmit remotely over long distances are called data loggers; however, these devices are not part of the standard retail contract and the customer's water meter was not fitted with a data logger. • It provided the customer's representative with the disconnection request form on 5 June 2018. The form had to be filled in, signed and submitted in order for an official disconnection to be arranged with the wholesaler. It had no further contact from the company's representative or the customer until 13 May 2019 when the property was already demolished and the customer had performed the disconnection themselves. • In line with the wholesaler's terms & conditions, and based on Section 175 of the Water Industry Act 1991, tampering or disposing of a water meter is a criminal offence, and this course of action also breaches Section 81 of the Building Act 1984. • By disposing of the water meter instead of proceeding with the supply disconnection process, the customer removed the wholesaler's ability to confirm the final read on 12 March 2020, when the disconnection process was finally adhered to. For this reason, the wholesaler used an estimated final read as no other option was available. • It has billed the customer in line with the charges raised by the wholesaler. It challenged the wholesaler on two occasions regarding the estimated final read and was able to secure an amendment to the final read which lowered the overall charges considerably. The wholesaler has refused to make further amendments to the final estimated read in the absence of photographic evidence of a final read and, therefore, there are no further grounds to challenge the wholesaler unless the customer can provide the requested evidence.

How is a WATRS decision reached?

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

- Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
- 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.

Customer: The Customer

How was this decision reached?

1. Having reviewed the evidence provided by the parties, I find that the company is the customer's retail provider and is responsible for billing, accounting and customer services. Severn Trent Water is the customer's wholesaler and is responsible for the maintenance and repair of the water and sewerage assets and, amongst other things, the calculation of the customer's water usage.
2. In order to make a decision in this matter I must clearly distinguish between actions taken by the wholesaler and the duty owed by the retailer (the company) to its customers. Since the water market in England opened up to retailers in April 2017, all non-household customers have been moved to a wholesale/retail split service. As a result, a non-household customer now only has a relationship with the retailer. In turn, an adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, as the party to the case, has responsibility, and not those things for which the wholesaler has responsibility. This includes, however, the effectiveness with which the retailer has operated as an intermediary between the wholesaler and the customer.
3. The evidence shows that the company challenged the wholesaler about the final estimated read applied to the customer's account and the wholesaler reduced the estimated read as a result. In view of this, I find that the agreed amendment has reduced the disputed charges considerably and goes a long way towards fulfilling the customer's request for a reduction to the charges on his account.
4. The company states that it has no grounds to challenge the wholesaler further and, having considered the evidence, I accept this to be the case. As stated above, I am unable to consider matters for which the wholesaler is responsible and, as the wholesaler is responsible for calculating the usage on which the bill is based, I find the charges shown on the revised bill, dated 11 December 2020, are payable by the customer.
5. The evidence shows that the company billed the customer in-line with the usage calculated by the wholesaler, engaged with the wholesaler regarding the customer's complaint, and secured a reduction of the charges applied to the customer's account. The evidence also demonstrates that the company has amended the customer's bill to show zero consumption from the date of demolition. In view of this, I find that the company has effectively operated as an intermediary between the wholesaler and the customer, and the company has provided its service to the standard reasonably expected by the average customer in this regard.

6. In the customer's comments on the company's response, the customer states that the revised bill still includes surface water drainage charges and that he expected these charges to also be stopped at the date of demolition as the property was no longer connected to the public drainage system from that date. The customer asks for confirmation that the surface drainage charge will also be stopped from October 2018. However, in the company's response to questions from CCW, dated 20 July 2020, the company states that the standing charges, fixed charges and surface water drainage charges applied to the customer's account fall outside the dispute and will still be applicable even if the wholesaler reduces the charge for water usage.

7. In any event, Rule 5.4.3 of the WATRS Scheme Rules states "If the customer wishes to make any comments on the company's response, these must be submitted within 5 working days of receipt of the company's response. The customer cannot introduce new matters or evidence in their comments on the company's response; the adjudicator will disregard any such material if submitted". The customer's application for adjudication did not raise an issue regarding surface water drainage charges and, therefore, I am unable to consider the customer's comments regarding surface water drainage charges in this adjudication, apart from to say that if the customer wishes to pursue this matter further, then he should ask the company to raise the matter with the wholesaler as the abatement of surface water drainage charges is normally the responsibility of the wholesaler.

Outcome

1. 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 within 20 working days to accept or reject this final 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.

Kate Wilks
Adjudicator