

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-XX72

Date of Decision: 07/01/2021

Complaint

The customer claims that since taking over a farm from its previous occupants, the company has failed to promptly or correctly invoice him. The delayed and incorrect invoices have led to a delay in identifying a leak and the wholesaler rejecting his leakage allowance application. Once the customer raised these issues, the company then provided poor customer service, which has led to inconvenience and distress. The customer wants the company to provide a leakage allowance to offset its charges on his account.

Response

The company says that it has investigated the customer's complaint thoroughly, chased the wholesaler and tried to resolve it. However, the wholesaler maintains its position that no leakage allowance is due. The customer failed to repair the leak within 28 days of being notified by the company of high consumption and is therefore not eligible for a leakage allowance. The company accepts customer services failures concerning the delay in invoicing the customer, late payment charges, incorrect VAT codes, an inaccurate meter read and its initial misunderstanding of the customer's leakage allowance application. The company has made a goodwill gesture of £1,186.19 in recognition of these failures, and the company is of the view that no further sums are due. The company has not made any further offers of settlement.

Findings

I am satisfied that the company did not fail to provide its services to the customer to the standard to be reasonably expected concerning the customer's leakage allowance. Furthermore, I am satisfied there have been no failings concerning customer service, which the customer has not already been adequately compensated for.

Outcome

The company needs to take no further action.

The customer must reply by 04/02/2021 to accept or reject this decision.

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Party Details

Company: X Company

Case Outline

The customer's complaint is that:

1. • Since taking over a farm from its previous occupants, the company has failed to invoice the customer promptly or correctly. • The delayed and incorrect invoices have led to a delay in identifying a leak and the wholesaler rejecting his leak allowance application. • Furthermore, once the issue had been raised with the company, he endured poor customer service through his dialogue with the company, which led to inconvenience and distress. • The customer wants the company to provide a leakage allowance to offset its charges on his account.

The company's response is that:

1. • It has investigated the customer's complaint thoroughly and chased the wholesaler and tried to resolve it. • However, the wholesaler maintains its position that no leakage allowance is due. • The customer failed to repair the leak within 28 days of being notified of high consumption and is therefore not eligible for a leakage allowance. • The company accepts customer services failure concerning the delay in invoicing the customer, late payment charges, incorrect VAT code, an inaccurate meter read and its initial misunderstanding of the customer's leakage allowance application. • The company has made a goodwill gesture of £1,186.19 in recognition of these failures its customer service, and the company is of the view that no further sums are due.

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. The dispute centres on whether the company promptly and correctly invoiced the customer and whether any delay has led to the customer's leakage allowance application being rejected by the wholesaler.
2. The company is required to meet the standards set out in OFWAT's Charges Scheme Rules and the Water Industry Act 1991.
3. Since April 2017, a non-household customer only has a relationship with the company, not the wholesaler. Therefore, if a non-household customer has an issue with their water supply or sewerage services, they have to approach the company, who is responsible for chasing the wholesaler and trying to resolve the matter. Accordingly, it must be borne in mind by all parties that within this decision, I cannot find the company liable for something that only the wholesaler is accountable for.
4. From the evidence provided by both the customer and the company, I understand that on 25 October 2018 the farm's previous occupants informed the company that the customer would be the farm's new owner. A new account was opened and as the previous occupier did not provide a meter reading an estimate read was used.
5. On 11 December 2018, the company took a reading from the customer's meter, which showed high consumption. This meter reading was higher than expected so the company suspected that its readers had read the wrong meter, and a second read was requested. I understand that the company did not issue its invoice on 29 January 2019 because it awaited this second read.
6. On 21 February 2019, a second read was taken, and the meter serial number confirmed that it belonged to the customer's meter. On 5 March 2019, the company

issued its invoice which showed high consumption at the customer's property.

7. On 29 March 2019, the customer contacted the company to query the VAT on the invoice, and the evidence shows that the company then amended the invoice to reflect the change in VAT. On 1 April 2019, the customer contacted the company to provide a meter reading for 26 October 2018; however, a revised invoice could not be initially issued due to a system error.

8. On 2 July 2019, the customer contacted the company to query his charges. The company checked the various meter reads and requested a supply check from the wholesaler to verify that the readings were from the correct meter. I understand that the wholesaler confirmed the reads were from the customer's meter.

9. On 8 July 2019, the company received a leak allowance application from the farm's previous occupants. On this information, the company contacted the customer to advise him it suspected a leak and request that the customer undertakes a self-leak test. On 19 September 2019, the company received the customer's own leak allowance application and confirmation that the leak had been repaired on 14 April 2019.

10. However, on 17 October 2019, the wholesaler rejected the customer's application as it was of the view that the customer was aware of the leak on 5 March 2019, when the first invoice was issued, and he had failed to repair the leak until 14 April 2019, which was longer than the required 28-day period.

11. I understand that both the company and the customer disputed the wholesaler's position on the basis that the invoice issued on 5 March 2019 was based on an estimated reading and an actual reading for 26 October 2018 was not provided until 1 April 2019. The wholesaler responded that it was the customer and the company's responsibility to ensure the start reading was correct; accordingly, the decision to reject the customer's leak allowance stands.

12. Between 21 November 2019 and 15 September 2020, various discussions took place between the parties, and the dispute was also progressed to CCWater to resolve; however, without success. The wholesaler maintained its position that the leak was not repaired within the 28-day period and therefore the company was unable to offer the customer a leak allowance. However, the company provided the customer with credit for £1,056.19 to cover any charges incurred due to the leak for the period between 29 January 2019, when the invoice should have been issued on 5 March 2019. The customer remained unhappy with the outcome, and on 5 November 2020 commenced the WATRS adjudication process.

13. Concerning the customer's comments that the invoices were delayed and

incorrect, the company has the duty of accurately reading the customer's meter in line with the metering regulations set by OFWAT. Once it has obtained an accurate reading, the company is then required to upload the reads into the Commercial Market Database at which point the reads become visible to the wholesaler. As stated in the company's response, if it suspects a meter read might not be correct, it can withhold the read from being used in the billing process until it can confirm the read is accurate.

14. The evidence shows that the reading taken in December 2018 gave the company reason to suspect that the read was incorrect. Whilst I sympathise with the company's position that it was reasonable not to issue the January 2019 invoice until it had received further verification that the read was correct, an invoice should have still been issued. The company admits this within its response to the customer's claim. Whilst this delay prevented the customer from establishing that a leak existed on his private pipework earlier, I find that the goodwill credit for £1,056.19 to cover any charges incurred due to the leak for the period between 29 January 2019, when the invoice should have been issued, and 5 March 2019 adequately compensates the customer for the delay.

15. As to whether the company was correct in initially using an estimated reading based on the information provided by the previous owner, in line with the company's policy, if a meter read is not provided for the start date of an account, the evidence shows that the company is entitled to use an estimated read. Furthermore, in line with OFWAT guidance an invoice is not required to be based on an actual read. The evidence shows that the customer did not provide a meter reading for 26 October 2018 until 1 April 2019. Therefore, the company was correct to initially use an estimated reading based on the previous owner's information for its 5 March 2019 invoice. I find that until 1 April 2019, the company was unaware of the reading taken on 26 October 2018, when the customer took over the property. Therefore, I find there are no grounds to conclude that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning using an estimated read within its invoice of 5 March 2019.

16. As to whether the company sufficiently challenged the wholesaler on their decision not to grant a leak allowance, the invoice dated 5 March 2019 included two charge periods, the first based on an estimate read and the second based on actual reads. Both periods showed high consumption, and I find that I agree with the company's position that it could not be misinterpreted and therefore, the invoice is a valid and official way of notifying the customer of a potential leak.

17. The company states within its response that between 17 September 2019 and 4 September 2020, it has challenged the wholesaler on five occasions, including

informally escalating the case and requesting a review from the wholesaler's higher management. The evidence shows that the wholesaler has maintained its decision and confirmed that the customer is still ineligible for a wholesaler leak allowance even with the delayed invoice.

18. On review of the various correspondence put forward in evidence, I find that the company has fulfilled its duty to the customer by challenging the wholesaler on its decision. Furthermore, the company has disclosed its delays in billing so the wholesaler would not consider this as a reason for rejection. Therefore, I find there are no grounds to conclude that the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning challenging the wholesaler on its decision.

19. The company has certain obligations in respect of its customer services. As evidenced by the timeline within the company's defence documents, I am satisfied that by the end of the company's dialogue with the customer, the company had adequately explained the reasons behind why the customer was not eligible for a leak allowance. This is shown by the correspondence put forward by the customer and company as evidence.

20. I note there were failings with regard to late payment charges, incorrect VAT codes, and the company's initial misunderstanding of the customer leakage allowance application. Whilst these issues existed, I am of the view that these do not hide the fact that invoices showed high consumption existed at the customer's property.

21. The customer has submitted comments on the Proposed Decision. However, I find this has not raised any matters which affect my decision and so those comments will not be specifically addressed.

22. In light of the above, I find that the company failed to provide its customer service to the standard to be reasonably expected when dealing with the customer's complaint. The company has made goodwill credits of £130.00 to cover these failings, and I find that I am satisfied there have been no failings concerning customer service, which the customer has not already been adequately compensated for.

22. In light of the above, I find that the customer has not proven that the company failed to provide its services to the standard to be reasonably expected by the average person concerning the leakage allowance, nor has the customer proved that the company failed to provide its services to the standard to be reasonably expected when investigating these issues. Furthermore, I am satisfied there have been no failings concerning customer service, for which the customer has not

already been adequately compensated.

Outcome

1. The company needs to take no 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.

Mark Ledger
Adjudicator