

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-XX79

Date of Decision: 28/01/2021

Complaint

The customer says that he has been billed incorrectly by the company since 2003 and has experienced poor customer service.

Response

The company acknowledges that the customer has been billed incorrectly and has offered the customer a refund backdated to 2014. The company denies that a further refund is owed.

Findings

The company failed to provide its services to the customer to the standard to be reasonably expected by the average person with respect to the billing of the Property since 19 September 2016, and with respect to the handling of his complaint.

Outcome

The company needs to take the following further actions: It must provide the customer with a clear and detailed calculation of his refund, backdated to 13 September 2014, sufficient to enable him to verify the correctness of the company's calculation; the company must also re-calculate the refund using the occupancy information the customer has provided, giving the details of the calculation to the customer, and if this gives a larger refund than the method currently used by the company, then the company must provide the customer with a refund based on this method of calculation; the company must also pay the customer interest of 3.73%, calculated as simple not compound, for that part of the refund that involves amounts billed to the customer since 19 September 2016; and the company must pay the customer additional compensation of £750.00.

The customer must reply by 25/02/2021 to accept or reject this decision.

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Date of Decision: 28/01/2021

Party Details

Company: X Company

Case Outline

The customer's complaint is that:

1. The customer's complaint is that:
 - He moved into the Property, in January 2003.
 - From that date until September 2019 he was billed through a meter.
 - The meter served both the Property and a rented property, The Property 2.
 - In September 2019 he was notified by the company that he should not be billed through a meter because a meter cannot serve two properties.
 - He is now being charged on an Assessed Measured Charge basis.
 - He argues that he should have been charged through an Assessed Measured Charge since moving into the Property in 2003.
 - He has been credited with the difference between the two rates backdated to 2014, but the company refuses to backdate the credit any further.
 - The company has not clearly explained its calculation of the refund given.
 - The company has communicated poorly and has been unhelpful.
 - He requests that the company explain its calculations, provide him with the information he requires to make his own calculations, clarify the methodology used to calculate the applicable interest, and refund the difference plus interest since 2003.
- The customer's comments on the company's response are that:
- He notes that the company has failed to provide much of this information previously despite repeated requests.
 - The company knew or should have known as of late 2003 or early 2004 that the two properties were on a shared water supply, as all water pipes from the meter at the roadside to both properties were replaced in 2002.
 - Upon moving into the Property he contacted the company as the initial bills he received referred to The Property 2, not The Property.
 - Bills from July 2003 and November 2003 refer to "The Property 3", while those from 2004 refer to "The Property". These bills have the same meter number but different account numbers.
 - At some point between November 2003 and May 2004 the company came to survey the Property. It would have been clear to the individual doing the survey that the pipework was shared. It must similarly have been clear to anyone who subsequently read the meter.
 - The company inspected

the pipework in 2016 due to a leak. The engineer was clearly made aware at this time of the shared pipework. • His wife does not recall contacting the company in 2014. • He notes that he was not informed about the creation of the separate account for The Property in 2014. • He provided the company with a listing of the occupants in the Property since 2014 as he was told he would be billed on this basis. • He remains unconvinced that the company has calculated his bills correctly. • He reiterates that he believes his refund should be backdated to 2003, not 2014.

The company's response is that:

1. The company's response is that: • An account was created for the customer on 31 October 2003 and a meter was installed at this time. • The customer lives in The Property and the private pipework splits to The Property 2. • The customer is billed for the usage on the meter and it is his responsibility to apportion charges with The Property 2 or to install new pipework. • The company was made aware of the joint supply in January 2020. • When the customer's account was created in 2003, the company was unaware of the joint supply. • On 27 August 2014 the company was contacted by the customer's wife, who asked that The Property 2 be placed in a void status as the tenant had moved out and no water would be used. • An account for The Property 2 was created on this date. The account was backdated to 1 April 2006, the earliest date the company's systems would allow. • On 24 September 2014, the company was contacted by a letting agent, providing notice that a tenant had been present in The Property 2 since 13 September 2014. • The company was unaware at this time that the two properties shared a supply. • The Property 2 was billed on Assessed Measured Charges for a 2 bedroom property from this date. • On 31 December 2019, the tenant at The Property 2 contacted the company to confirm that water charges were included in the rent for the property. • The customer made contact on 7 January 2020 and confirmed that the two properties were on a shared water supply. • The company notified the customer at this time that because the two properties were on a shared water supply they should be billed on separately on Assessed Measured Charges, not through a meter. • On 9 January 2020, the customer's account was amended so that Assessed Measured Charges were applied as of 1 April 2019. • The company acknowledges that an engineer should have been sent at that time to examine whether separate meters were possible, but this was not done. The company will take this action once the customer consents. • The customer made contact on 21 May 2020 to request that Assessed Measured Charges be backdated to 2003, when he first moved into the Property. • The company said it would investigate his claim, but that any refund would be at most for the preceding 6 years. • On 18 June 2020, the customer contacted the company and was informed that he was entitled to a credit of £5,990.81. • The customer replied on 1 July 2020, objecting that the

refund had not been backdated to 2003. • The customer subsequently provided headcount information for the Property as well as bills for the period November 2003 to May 2006, which were no longer in the company's systems. • The company argues that any measured water charges applied from 2003 until August 2014 were applied correctly, and the customer was responsible for apportioning those costs as the owner of both properties. • It was the customer's responsibility to notify the company that the two properties were on shared pipework, but this was not done until January 2020. • The occupiers of The Property 2 have had a separate obligation to pay water charges since September 2014. • The company revised the customer's bills for the period 19 September 2014 to 31 March 2019 as a gesture of goodwill, based on the average charge for 5 people living in a property. The difference of £5,990.81 has been credited to the customer's account.

- The customer is not entitled to the interest rate claimed. The company's responses to the customer's comments are that: • The company acknowledges that it was not contacted by the customer's wife in 2014. The contact was made by a letting agent. • It confirms the correctness of the re-calculation of the customer's bills. • Any pipework after the meter is privately owned, and so replacement of this pipework would not have provided the company with notice of the shared pipework.

- The company believes that the differences in the bills issued in 2003 and 2004 reflect a change in name of the billed property, which would have been reflected in a change in account number as well. • The company can find no evidence of a survey of the Property undertaken in 2003 or 2004. • The company acknowledges that a visit took place in 2016 and that the company may have had knowledge from this point that the pipework was shared between the properties. As a result, changes to billing should have been made at this time. • The company does not hold historical RV data for the Property and so cannot provide it. • Ordinarily the company would seek to calculate water usage based on the occupants in a property, but it does not believe that doing so would assist in this case.

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. 1. The customer argues that the company knew or should have known since as early as 2003 that the two properties were on a shared supply and so should not have been billed through the use of a meter. However, I do not find that the customer has produced evidence that supports this conclusion.
2. The customer has highlighted that bills from 2003 and 2004 listed different property names alongside different account numbers, but he has not produced any document that refers to both properties being serviced and billed by the company at the same time. The company has satisfactorily explained that the customer's action of changing the name on the bill in this period would also have resulted in a change in the account number and I find that this satisfactorily explains the evidence the customer has produced.
3. The customer also highlights that all the pipes from the meter to the two properties were replaced in 2002, but as this was private pipework the company could only have gained knowledge of the layout of the pipes if it had performed the work on the customer's behalf. No evidence has been produced that this was the case.
4. The customer also suggests that it should have been clear to individuals reading the meter over the years that both properties were connected to the meter. However, no evidence has been produced that would support this conclusion beyond the customer's own assertion.
5. The customer also says that the company undertook a survey of the Property at some point between November 2003 and May 2004, and if correct this might justify a conclusion that from this date the company was on notice of the shared water supply. However, the company has satisfactorily established that it has no evidence of such a survey taking place and the customer has produced no conflicting evidence.
6. In his comments on the Proposed Decision in this case, the customer has emphasised that the company has stated that it no longer has records from this period. However, this would not have prevented subsequent references being made to such a survey, which would appear in the records retained by the

company, and the customer has produced no independent evidence of such a survey taking place, even of an informal nature such as contemporaneous emails or other communications to third parties making reference to the survey.

7. In his comments on the Proposed Decision in this case the customer has also highlighted that in 2005/2006 there was a change in the meter number on his bills. The customer suggests that “It is not plausible to suggest they sorted that out without an inspection of what meter was where”. However, as acknowledged by the customer, the meter number was correct on previous bills. As a result, the correction may have been performed administratively to correct an inconsistency in the company’s records. Moreover, even if an inspection was undertaken, this would only have required examining the number on the meter, rather than surveying the property. In addition, as the time of this change does not correlate with the time the customer states a survey took place, it does not provide additional support for the customer’s statement that a survey was performed. Ultimately, the customer has the burden to produce evidence to support his claims, and while there is clearly ambiguity in the evidence on this point, I find that the evidence produced by the customer is not sufficient to make it “more likely than not” that at this time the company gained knowledge, or should have gained knowledge, of the layout of the pipes.

8. Based on the evidence provided by the parties, I find that the first date on which the company was on notice of the shared water supply between the properties was 19 September 2016, when the company inspected the customer’s pipework due to a leak. I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person by failing to correct the billing of the customer at this time, moving the Property to an Assessed Measured Charge.

9. Nonetheless, the company emphasises that it has billed The Property 2 separately since September 2014 and has calculated a refund for the customer backdated to this date. I find that the company has acted appropriately by doing this, as only backdating the refund to September 2016 would result in the company receiving double payment for the preceding two year period.

10. In view of the above, based on the evidence provided by the parties, I find that the customer’s refund is correctly backdated to 13 September 2014.

11. Nonetheless, I also find that the company continued to bill the customer incorrectly for a period of 3 years after it had the information it needed to know that there was a shared water supply, the error only being corrected because the company was contacted by the customer’s neighbour and the customer himself. In addition, the customer has satisfactorily established that he has experienced

ongoing difficulties getting clear information from the company regarding the billing of the Property, so that he could be assured he was now being billed correctly. The company has not denied that much of the information it has provided in response to the customer's WATRS claim was not previously provided to the customer, despite being directly relevant to the customer's complaint.

12. I accept, therefore, that the company's handling of the customer's complaint has caused him significant inconvenience over an extended period of time, and in consultation with the WATRS Guide to Compensation for Inconvenience and Distress I find that fair and appropriate compensation for that inconvenience would consist of £750.00. This reflects both the incorrect billing of the customer over a 3 year period and the difficulties the customer has experienced when attempting to resolve his complaint.

13. In view of the above, the company must pay the customer compensation of £750.00. In addition, the company must provide the customer with a clear and detailed calculation of his refund, sufficient to enable him to verify the correctness of the company's calculation.

14. The customer has also provided the company with detailed information on the number of people occupying the Property over time. The company acknowledges that "ordinarily" it would take into account "the number of occupants in a household", but argues that it "finds doing so may not assist in this case". The company has, however, provided no calculations to support this conclusion and given the difficulties the customer has experienced getting clear information from the company I find that it is reasonable that the customer be provided with all the information he needs to ensure that his refund has been calculated correctly.

15. In view of the above, the company must re-calculate the customer's refund using the occupancy information the customer has provided, providing the details of the calculation to the customer. If this gives a larger refund than the method currently used by the company, then the company must provide the customer with a refund based on this method of calculation.

16. The customer has also requested that interest be applied to his refund. I find that interest is appropriate for that part of the refund that involves amounts billed to the customer since 19 September 2016, as these amounts were only billed to the customer due to a failing by the company. The customer has requested an interest rate of 3.73% and I find that this is reasonable.

17. In view of the above, the company must pay the customer interest of 3.73%, calculated as simple not compound, for that part of the refund that involves amounts billed to the customer since 19 September 2016.

18. For the reasons given above, the company must provide the customer with a clear and detailed calculation of his refund, backdated to 13 September 2014, sufficient to enable him to verify the correctness of the company's calculation; the company must also re-calculate the refund using the occupancy information the customer has provided, giving the details of the calculation to the customer, and if this gives a larger refund than the method currently used by the company, then the company must provide the customer with a refund based on this method of calculation; the company must also pay the customer interest of 3.73%, calculated as simple not compound, for that part of the refund that involves amounts billed to the customer since 19 September 2016; and the company must pay the customer additional compensation of £750.00.

Outcome

1. The company needs to take the following further actions: It must provide the customer with a clear and detailed calculation of his refund, backdated to 13 September 2014, sufficient to enable him to verify the correctness of the company's calculation; the company must also re-calculate the refund using the occupancy information the customer has provided, giving the details of the calculation to the customer, and if this gives a larger refund than the method currently used by the company, then the company must provide the customer with a refund based on this method of calculation; the company must also pay the customer interest of 3.73%, calculated as simple not compound, for that part of the refund that involves amounts billed to the customer since 19 September 2016; and the company must pay the customer additional compensation of £750.00.

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.

- If you choose to accept this decision, the company will have to do what I have directed within 20 working days of the date in 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.

Tony Cole
Adjudicator