

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-XX56

Date of Decision: 28/02/2021

Party Details

Customer: Customer

Company: XWater

Complaint

The customer's complaint started in October 2018, when he received a high bill. The company accepted that an error had been made, adjusted the customer's bill and, on 19 June 2019, his meter was exchanged. However, on 2 October 2020, the customer received another bill, the first since his meter was exchanged, but the amounts itemised on the bill did not make sense and, to add to the confusion, the bill showed that some of the charges were based on readings from his old meter. The company was unable to explain the billing discrepancies, and would not accept that it had billed him on readings from a non-existent meter, or that his meter had been exchanged on 19 June 2019. Following CCW's involvement, the company finally accepted that it had made some errors and credited the customer's account with £100.00 but, considering the company's failings and its inability to fully understand his complaint, the customer feels this is inadequate, and he wants the company to provide compensation, an apology and accurate billing.

Response

The customer's meter was exchanged on 19 June 2019, but the serial number of the new meter was not entered into the company's system until 3 April 2020. The company accepts that this caused it to use an estimated meter reading for the old meter to bill the customer on 2 October 2020, but this has not financially disadvantaged the customer. The company accepts that the bill dated 2 October 2020 included an error; part of a £50.00 goodwill payment was added to the account credit and part of it was shown as an adjustment, and it is trying to get the bill amended for the customer. The company also accepts that it provided incorrect information to the customer about this billing error; however, it has already paid the customer £100.00 and has apologised adequately.

for its failings.

The company has not made an offer of settlement.

Findings

Having reviewed the evidence provided by the parties, I accept that the bill dated 2 October 2020 contained errors and the company used an estimated read from a replaced meter to calculate the customer's charges; therefore, I find that the company has failed to provide its service to the standard reasonably expected by the average customer in this regard. I also accept that the customer service provided by the company has failed to meet the expected standard. In view of this, I direct the company to formally apologise to the customer and pay compensation in the amount of £300.00. However, I do not foresee any further billing problems so make no direction to the company in this regard.

Outcome

I direct the company to issue the customer with a formal apology and compensation in the amount of £300.00.

The customer must reply by 29/03/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

1. • On 5 October 2018, he received a letter from the company stating that his usage had increased. As there was no obvious explanation for his increased consumption, the company asked him to read his meter and carry out a flow test to see whether there was a leak. • On 19 April 2020, six months after the issue was first raised, an engineer attended, repeated the tests, and confirmed that the meter was working, but said that the two previous readings had been wrong. • It was agreed that his bills would be adjusted to reflect his historic usage and a new meter was installed on 19 June 2019. A final read off the old meter was taken on 19 June 2019, and he was billed on 4 July 2019 in the amount of £30.07 for the period from 30 April 2019 to 19 June 2019. After paying the bill, his account was £53.94 in credit. At this point, whilst there had been errors on his billing, he was satisfied that the issue had been resolved. • On 2 October 2020, he received a bill covering the period from 19 June 2019 to 30 September 2020, but it made no sense whatsoever; it showed an opening balance of £88.77 instead of £53.94, a refund of £50.00 and an adjustment of £15.17, without any explanation for the amounts shown. To add to the confusion, the bill showed that the charges had been based on readings off his old meter. • On 9 October 2020, he contacted the company to say that the bill was wrong, but the company were unable to explain the problem or provide an accurate bill, so he escalated his complaint to the company's Chief Executive Officer. The CEO's personal assistant said that his complaint would be passed to the Head of Customer Services and would be fully investigated. However, the response he received was very poor and clearly showed that the problem had not been understood, so he gave more detailed information to the CEO's personal assistant. He then received an account statement that, again, referred to the meter that had been removed on 19 June 2019. He finally received a letter from the CEO, but it was full of inaccuracies and errors, including a statement that his meter had been exchanged on 2 April 2020. This demonstrated that his complaint had not been understood, the company did not realise his meter had been exchanged on 19 June 2019, and it was using meter readings from a non-existent meter to produce his bills. • The company eventually explained that the bill of 2 October 2020 contained a technical error as a £50.00 refund had been incorrectly recorded on his bill in two separate parts; £15.17 as an adjustment and £34.83 as part of his balance. This is something his grandson worked out in five

minutes. • He referred his complaint to CCW, however, the company refused to fully answer the pre-investigation questions on the basis that they had already been answered and the complaints procedure had been exhausted. He accepts that the company had previously addressed his questions, but the information it provided in answer to them was incorrect. In the end, after his CCW case worker asked the company to search its system for background information in a last attempt to establish the date the meter had been exchanged, the company finally acknowledged that it had the wrong date on its system for the meter exchange, and this was because the serial number of the new meter had not been provided until 2 April 2020. So, CCW confirmed that he was correct all along; the meter was exchanged on 19 June 2019 and the billing, based on estimated reads from the old meter, was inaccurate. • The company has credited his account with £100.00 for the errors, however, he did not start his complaint with a view to getting compensation and he did not ask for it; he just wanted an apology and an accurate bill. That said, in light of the fact that the billing issues he has experienced have been on-going since October 2018, the very poor level of customer service he has received, including basic things like spelling his name wrong and sending poorly written communications, and the failure of the company to understand simple elements of his complaint and get to the bottom of it, he feels this is inadequate. • The company's response to this dispute also spells his name wrong, contains numerous mistakes and irrelevant information and, most importantly, fails to address the question at the heart of this complaint; how can estimated readings be applied on a meter that did not exist from 19 June 2019 to 2 April 2020? • He wants compensation, an accurate bill and an apology from the company.

The company's response is that:

1. • On 19 June 2019, the meter at the customer's property was exchanged following an investigation into increased usage. A final meter reading was taken from the previous meter of 1501.0 and charges were raised to that date. Due to a previous billing error, it applied an allowance of £50.00 on 4 July 2019 to the customer's account. • It had not been provided with the new meter serial number when the meter was exchanged, so it arranged to visit the property on 17 July 2019 to obtain it. However, although a meter reading was taken on 17 July 2019, due to an administrative error, the new meter serial number was not updated on the company's system until 3 April 2020. • On 9 October 2020, it received a written complaint from the customer asking for clarity regarding his bill, as it showed two credits, one of £50.00 and one of £15.17, and he wanted an explanation of the outstanding balance. The customer also asked for clarification regarding his meter serial number and why a meter reading was estimated. • On 22 October 2020, it responded to the customer and provided greater detail and further information as to the contents of his bill dated 2 October 2020, and it referred the customer's bill for amendment. It confirmed that it was aware of a £50.00 credit being applied to the

customer's account, but said it would investigate the £15.17 credit and provide a further update by 4 November 2020. • It received further letters of complaint from the customer addressed to its CEO on 25 October 2020, 4 November 2020, 18 November 2020, 22 November 2020 and 25 November 2020. In response, it provided a detailed response on 4 November 2020. It explained that the bill dated 2 October 2020 brought forward a credit of £88.77, a credit of £50.00 (included in the £88.77) was refunded to the customer by way of a goodwill gesture, and this left a remaining credit of £38.77. It explained that a credit adjustment of £15.17 was added to the account because an estimated reading had been taken on the removal of the customer's old meter, rather than amending the meter reading. A revised bill was produced on 22 October 2020. • On 16 November 2020, it contacted the customer by email as further correspondence had been received on 4 November 2020 requesting further clarification. It also provided an account statement for the period 4 July 2019 to 16 November 2020 in order to add additional clarity regarding the bills, payments and adjustments. • On 25 November 2020, it contacted the customer by email and acknowledged that it had not provided accurate information in the emails sent on 22 October 2020 and 4 November 2020 regarding his balance, carried forward amounts and adjustments on his bill. It apologised for the customer service as the customer remained unhappy with his bill, the poor grammar content and the incorrect spelling of his name in the responses he had received during the course of his complaint, and made a goodwill payment of £100.00 by way of an apology. • It explained that on the bill dated 2 October 2020, the £50.00 credit which was applied to his billing account on 4 July 2019 was incorrectly displaying on his bill due to an IT error; £15.17 of this goodwill payment was displayed on the 'adjustments' line of his bill, and the further £34.83 was incorrectly displayed in the 'balance brought forward' line of his bill. The balance brought forward was displayed as a credit of £88.77, however the actual amount of credit carried over was £53.94. The remaining £34.83 was part of the additional goodwill payment that was applied to the billing account on 4 July 2019. • On 9 December 2020, it emailed the customer and confirmed that the complaints process had been exhausted and referred him to the Consumer Council for Water, in the event he remained unhappy. • It discussed the complaint with CCW and advised that the points raised by the customer had been addressed by both the company and its CEO and, therefore, the customer had been informed that its complaints procedure had been exhausted. CCW said the pre-investigation stage could be 'down-graded' but requested it to provide written correspondence confirming the actions taken together with reasoning. • On 22 December 2020, it received a telephone call from CCW requesting clarification regarding the meter exchange date, as this was a key part of the complaint. It responded to CCW on the same day, confirming it had provided the meter exchange dates on 4 July 2019 and 25 November 2020, and that the meter exchange took place on 19 June 2019, however, the meter details were not

updated on its systems until 2 April 2020. • In addition, it clarified that the final bill produced for the old meter had been calculated using an actual reading of 1501.0 on 19 June 2019 and an estimated reading of 1527.9 from the 2 April 2020, which showed the billing consumption to be 93.4 litres per day. It advised CCW that it had evaluated the customer's water usage on his new water meter across a similar period and concluded that the estimated figure resulted in the customer being undercharged by an average of 80 litres per day between 20 June 2019 and 2 April 2020. However, the charges were not recalculated to ensure the customer was not financially disadvantaged. • The customer states within his application form that he would like it to acknowledge its errors, provide an apology and provide him with a correct bill. • It has already acknowledged the errors made and it has apologised, and the balance on his account is correct, however, the bill does not clearly set out the goodwill credit of £50.00 as an itemised figure. However, it is in the process of exploring if a bill can be produced to accurately show the adjustment of £50.00. It also acknowledges that it billed the customer using an estimated reading from the old meter from 19 July 2019 to 2 April 2020 at 93.4 litres per day, but subsequent readings have been taken from the correct meter and have not been estimated and therefore the billing is accurate. • The customer has stated that he would like an award of compensation; however, he has failed to specify the amount or explain what he wants compensation for. It has already made a goodwill payment of £50.00 for a previous billing issue and has made a further £100.00 goodwill payment by way of an apology for customer services failings on 25 November 2020, and responsibility to pay more is denied.

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.

How was this decision reached?

1. Having reviewed the evidence provided by the parties, I find that there are three main issues in this complaint. Firstly, the customer complains that the bill dated 2 October 2020 was confusing because it displayed an opening balance of £88.77, instead of the correct carried over credit of £53.94, a refund of £50.00 and an adjustment of £15.17, without any explanation for the amounts shown. Secondly, the customer complains that the bill is inaccurate because it shows that the company used an estimated reading for a meter that was replaced on 19 June 2019 to calculate his charges for the period from 19 June 2019 to 2 April 2020, and the customer wants the company to explain how it can estimate a reading for a meter that no longer exists. Thirdly, the customer complains about the customer service he has received, primarily the company's inability to provide the basic factual information required to understand the issues he raised, but also the poor standard of communications and the fact that the complaints procedure was deemed exhausted before the company had accurately answered his queries. Therefore, I shall consider these issues one at a time and assess whether the service provided to the customer has failed to meet the standard reasonably expected by the average customer.
2. The evidence shows that the bill dated 2 October 2020 contained errors; the carried over credit was £34.87 higher than it should have been, and an unexplained adjustment of £15.17 was shown. The evidence also shows that when this was raised by the customer on 9 October 2020, the company was unable to explain it and, when it finally provided a reason for the error almost a month later, on 4 November 2020, it was incorrect. It was not until 25 November 2020 that the company provided the customer with an accurate explanation for the billing error.
3. In view of the above, I find that the company failed to provide its service to the standard reasonably expected by the average customer, firstly by providing the customer with a confusing bill and, secondly, by providing inaccurate information about the error, and not providing a correct explanation until 25 November 2020.
4. The customer also complains that the bill is inaccurate because it is based on an estimated meter read from a meter that was replaced on 19 June 2019. There are two elements to this issue; first, the company's failure to acknowledge that the meter was replaced on 19 June 2019 and, second, the fact that the bill was based on an estimated reading from the replaced meter, which means that the bill is inaccurate.
5. The company states that the serial number for the new meter was not updated on its system until 3 April 2020, but it acknowledged that the meter was replaced on 19 June 2019 in communications sent on 4 July 2019 and 25 November 2020.

However, having reviewed the evidence, I cannot accept that this is accurate; the evidence shows that in the letter from the company's CEO dated 25 November 2020 the customer was informed that the meter was exchanged on 2 April 2020. The case notes provided by CCW show that the company did not accept the customer's version of events (that the meter was replaced on 19 June 2019) until 22 December 2020, when the CCW case worker asked the company for background information from its contractor's job notes.

6. This mistake on behalf of the company goes to the heart of the customer's complaint as he has been asking how his charges from 19 June 2019 to 2 April 2020 can be based on an estimated read from a meter that was replaced on 19 June 2019, and the company has failed to understand the issue because it did not realise the meter had been replaced on 19 June 2019.

7. Having considered the company's response, I find that the company has not provided an adequate answer to this query, but in view of the evidence the most likely explanation is that the company inputted the new meter serial number into its system on 3 April 2020 and presumed that the meter had been replaced on 2 April 2020. As it appeared that a final read from the old meter had not been taken on 2 April 2020, it generated an estimated read for the old meter from 19 June 2019 (when an actual final read had been taken from the old meter before it was replaced) to 2 April 2020, and calculated the estimated read by adding the estimated usage to the last actual meter read, and this estimated read appeared on the customer's bill on 2 October 2020.

8. The customer states that the mistake means that the bill dated 2 October 2020 is inaccurate and I accept that this is correct. I understand that the estimated reading was for less than the customer's actual usage and the customer has not been financially disadvantaged by the mistake as the company has not amended the charges, however, the information contained on the bill is inaccurate.

9. On balance, I find that the company's failure to update its system with the correct meter serial number after the exchange took place on 19 June 2019 amounts to a failing on the company's behalf, and the company's failure to get to the bottom of the customer's complaint and accept that the bill is inaccurate in this regard amounts to a further failing. However, I do accept that if the company adjusted the bill to reads from the new meter, the bill could go up and this would not be in the best interests of the customer.

10. The customer complains about the poor customer service he has received. Having reviewed the CCW case file, although I have already found that the information provided by the company with regard to the billing error, the date of the meter exchange and the accuracy of the bill did not meet the expected standards, I

also find that the company failed to provide its service to the standard reasonably expected by the average customer by failing to fully consider and investigate the customer's complaint, deeming the complaint exhausted before accurate information had been provided, and providing communications to the customer containing basic errors, like spelling his name incorrectly. In a letter dated 9 December 2020, the Executive Complaints Team stated, "I can confirm that the information that has provided to you is correct" and I find that this presumption that the customer had already received correct information stood in the way of a thorough investigation into the issues raised by the customer after he had referred his complaint to CCW.

11. The customer claims an apology and, in the circumstances, I find this to be appropriate. Therefore, I direct the company to issue the customer with a formal apology for its failings.

12. The customer also requests accurate billing, however, now the correct serial number for the new meter has been entered into the company's system, I do not foresee any further issues and, therefore, I find no need to direct the company in this regard.

13. The customer has requested an unspecified sum in compensation. The company states that the customer has failed to explain the basis for his claim, however, I find that the basis of the customer's claim is clear from the evidence I have been provided with.

14. In order to assess the customer's claim for compensation, I looked at the WATRS Guide to Compensation for Distress and Inconvenience. Having considered all the circumstances of the case, I find that the customer's claim fits into the middle range of the 'Tier 2' category on the award scale and, therefore, I direct the company to pay the customer £300.00. For clarity, I state that this award is in addition to the £100.00 already paid to the customer.

Outcome

1. I direct the company to issue the customer with a formal apology and compensation in the amount of £300.00.

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.

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.

- 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.

Kate Wilks
Adjudicator