

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X488

Date of Decision: 06/08/2021

Party Details

Customer:

Company:

Complaint

The customers stated that following a large increase in the February 2021 bill, she contacted the company, which misled her by saying that it was a catch-up bill from previous estimated bills. The high bills continued during the following months in spite of the finding in April 2021 that there was a leak. The customers seek an apology, reimbursement for the overpayments, the completion of the repairs and compensation for the service failings and for the inconvenience caused.

Response

The company stated that the high charges were the result of a leak. The company said that they initially believed that they were the correct charges because the customer had provided meter readings. The company stated that now that the repairs have been completed and a new meter installed, they will soon be able to calculate the leakage allowance that will be refunded to the customer. The company has apologised to the customer and it recognised service failures. The company has offered a £150.00 goodwill payment, but this amount was rejected by the customer.

Findings

The company was not aware that the customers' bill increase was due to a leak and misled the customers by stating that the bills were correct. The company subsequently found out that there was a leak in the customers' premises but failed to park the customers' outstanding balance until the leak was fixed. In view of that, I direct the company to apologise to the customers and to compensate them with £300.00 for the inconvenience caused.

I direct the company to apologise to the customers and to compensate them

Outcome

with £300.00 for the inconvenience caused.

The customer must reply by 06/09/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

- The February bill of £149.40 was queried with the company because during the previous 12 months the bills were between £12.00 and £14.00.
- The company said that the bill was correct as it was based on a meter reading, unlike the previous bills.
- The March bill was £278.06, the April bill was £94.56, and in the May bill was £78.47.
- The company was notified in April that there was a water leak, but continued to charge them.
- They request a reimbursement of the overpayments caused by the leak, to complete the repair, an apology, and compensation for the service failures, for the inconvenience caused and for the financial loss.

The company's response is that:

- The final repair was the installation of a new meter that took place on 23 June 2021.
- The reimbursement for overpayments will be calculated once they obtain two meter readings, and it will be paid to the customer in the form of a leakage allowance.
- It recognised service failings, for which it has apologised and offered a £150.00 goodwill payment.

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. The customers received an unusually high bill in February 2021. The bill was for £149.40, while during the previous 12 months they were paying much lower bills, averaging between £12.00 and £14.00 per month. The customers contacted the company, which informed them that the increase was due to a meter reading, which was catching-up from previous estimated readings, and that the following month, the bill would return to the previous lower charges.
2. However, the March bill was for £278.06. The customers queried again the bill, and they were informed that with this bill they have caught-up the outstanding debit and that they could expect a return to normal bills the following month. Yet, the April bill was £94.56 and the May bill £78.47. The customer contacted REDACTED, which investigated their complaint and eventually found a leak in the customers' business premises. This was communicated to the company in an email sent by the customer on 30 April 2020 which had a letter attached from REDACTED advising that they had identified a leak. However, the company failed to freeze the customers' outstanding balance.
3. After an initial disagreement on whether the customer or REDACTED had to repair the leak, REDACTED accepted responsibility and repaired the leak on 19 May 2021. In addition, after many communications from the customer, a new meter was finally installed on 23 June 2021. The customers have agreed to provide the company with readings over the next few weeks, which will be used when applying for a leakage allowance. In view of this information, I find that all the necessary repairs have already taken place. With regards to the reimbursement, the company will need to calculate the applicable refund once it has obtained the new readings.
4. The customers stated that REDACTED told them that since January 2021 the water usage shown for their business had risen from a usual 50cl to 800cl daily usage. In view of this, and the various calls made by the customers, the company should have mentioned to the customer the possibility of a leak and the need to contact REDACTED. The company has acknowledged shortfalls in its customer services by having not raised the possibility of a leak. It has also admitted that it should have frozen the outstanding balance of the customers until the leak was repaired. The company has offered the customers an apology and £150.00 in compensation, which the customers rejected as insufficient.
5. With regards to the amount in compensation, the customers requested compensation for the impact that the repairs had on their business. The company stated that according to section 4.4 of its terms and conditions, they are not liable for any loss of business in so far as the leak and its repair was beyond its control. I note that the customer has not quantified their economic loss, but they have

highlighted that the company's service failings brought them a significant amount of stress and inconvenience, in particular due to their personal and professional circumstances which the company could not have been aware of.

6. According to the non-binding guidelines used in the WATRS scheme, there are four tiers that reflect the different levels of inconvenience and distress. The guidelines, which are available online in the WATRS scheme, note that although the award is capped at £2,500.00, most awards are modest, between £100.00 and £200.00. The scale recommends for cases falling within Tier 1 compensation up to the value of £100.00; for Tier 2 between £100.00 and £500.00; for Tier 3 between £500.00 and £1,500.00; and for Tier 4 between £1,500.00 and £2,500.00. I am mindful that the company had tried to resolve this complaint and offered an apology and compensation to the customers, however, in view of the time it took to identify and resolve the leak (from February to June 2021) and the various service failures acknowledged by the company, I find that the customer ought to be compensated in accordance with the mid-range of Tier 2, which is £300.00. I am mindful that the preliminary decision stated that the middle point was £250.00, however the exact mid-range of Tier 2 is £300.00. I also note that the customer requested the payment of the money in their account instead of providing them with credit. However, as this request was not made in the original claim, I cannot include it in my direction. Thus, I direct the company to compensate the customers with £300.00.

7. Finally, the customer requests an apology for the poor services. I am mindful that the company apologised to the customer in the defence, but in view of the above findings, I direct the company to issue a written apology to the customer.

Outcome

1. I direct the company to apologise to the customers and to compensate them with £300.00 for the inconvenience caused.

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.

Pablo Cortes
Adjudicator