

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X556

Date of Decision: 29/09/2021

Party Details

Customer: The

Customer

Company: The Company

Complaint

In 2018, the customer negotiated a reduction in its wastewater charges. As a result of this, the customer's billing needed to be revised. While its account showed a credit for a long period of time, in June 2020 the customer received nine bills which brought its account into debit. The customer is not satisfied that all payments have been taken into account in the calculation, and does not consider that the company has provided a clear explanation of the situation. The customer asks for an apology and a gesture of goodwill from the company, to reflect its poor service and inaccurate communication.

Response

The company contests the customer's claim. It says that following the renegotiation of the customer's tariff, it billed the customer based on estimated readings. It then cancelled these and issued corrected bills once the customer's meter readings were obtained, which meant that the large credit shown on the customer's account became a debit. The company considers that the customer has been correctly billed. It acknowledges that there was a delay in issuing the bills, but says that this was unavoidable due to the slow response by the freshwater provider, REDACTED. It does not consider that it should apologise to the customer for miscommunication as it does not consider that any of its communications were inaccurate. It does apologise for the length of time it took to issue the correct bills (although this was due to the slow response from REDACTED), and for any frustration that this may have caused.

Findings

I do not accept the customer's argument that there is an error in the statement of account, and from the papers before me it appears that the

company acted reasonably in attempting to provide clear explanations to

the customer. Although the customer's billing did take a long time to resolve, this was not primarily the responsibility of the company as it acted diligently in attempting to get this information from the customer's freshwater provider, which was slow to respond. I therefore find that the apology that the company has already made in its submissions is sufficient, and I do not consider that the company should make any further payments or apologies.

Outcome

The company does not need to take any further action.

The customer must reply by 27/10/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

The customer named in the application makes his complaint as the representative of a resident's association, which holds the account with the company in its own name and so will be referred to as "the customer" below. In 2018, a previous representative of the customer negotiated a reduction in the payments the customer was making for its sewerage charges. As a result of the negotiation, billing of the sewerage charges was suspended. In 2019, the customer then received three bills for amounts of £2,879.40 (covering the backlog period 2017-2018), £2,560.57 (covering the period 23 June 2018 - 4 April 2019) and £1,023.66 (covering the period 5 April 2019 - 16 August 2019). In February 2020, the customer then received four invoices relating to the period 17 December 2015 to 8 June 2017, the last of which indicated a credit on the account of £6,551.13. The customer made some seven calls to the company during the period from February to June 2020 to discuss billing, and says that at no point during these calls did the company suggest that a credit was not due. The company even requested the customer's bank account details to process the rebate. On 15 June 2020, on a further call, the company then said that no rebate was due. The customer wrote a letter of complaint, and received two letters in response from the company, followed by nine invoices with different invoice numbers, dating from 17 December 2015 to 27 December 2019, which set out different amounts from the previous invoices. The customer says that the three payments made in 2019 do not seem to have been taken into account. The customer's representative is extremely frustrated as he feels he has spent a great deal of personal time on this matter, and does not consider that the company has provided a clear explanation of the situation. In its comments on the company's defence, the customer also points out that the company's delay in providing it with accurate bills has also caused inconvenience because it did not routinely read the residents' meters due to a belief that the account was in credit. It is now no longer possible for these readings to be taken because the meters have been replaced with smart meters, and several residents have moved on. The customer asks for an apology and a gesture of goodwill from the company, to reflect its poor service and inaccurate communication.

The company's response is that:

The company contests the customer's claim. It explains that it is the sewerage undertaker for the customer, with (RECATED) acting as the

freshwater provider. It says that its wastewater charges, in addition to certain standing charges, include a volume charge which is calculated as 92.5% of the volume of water used by the customer, as recorded by the water meter. However, when a customer generates significantly less wastewater than average, the customer can apply for a "Non Return to Sewer" allowance which will allow the customer to calculate wastewater volume charges based on a reduced percentage. In this case, prior to 2017, the customer was billed on a fixed water volume charge. However, in 2018, the customer negotiated a Non Return to Sewer allowance, which meant that the customer's wastewater would be calculated at 64% of its metered water from 1 April 2017 onwards. At that time, the company was unable to bill the customer accurately as it did not have accurate meter readings (which needed to be provided to it by REDACTED). Starting from January 2020, the company contacted REDACTED for an accurate reading on a number of occasions, but REDACTED was very slow to respond. While it was awaiting information from REDACTED, in February 2020, the company revised the customer's billing for the period December 2015 to June 2017 which resulted in a credit balance of £6551.13 on the account. The company stresses, however, that at this time, the account had been billed up to June 2017 only. The company agrees that it spoke to the customer a number of times in 2020, but it says that it advised the customer that the customer had not yet been billed for the period from 2017 and that the company would bill the customer for wastewater at the agreed rate of 64%, once it received accurate meter readings from REDACTED. It therefore told the customer that the credit balance shown on the customer's account was not a true credit. The company continued to chase REDACTED for meter readings by email, without success. It then called REDACTED on 2 June 2020 and obtained meter readings verbally. It told the customer that it had done this and that it would therefore bill the customer. On 17 June 2020, it billed the customer for the period 17 December 2015 to 19 March 2020 based on the meter reading that REDACTED had provided verbally on 2 June 2020, which meant that a number of previous bills were reversed and reissued. The company then advised the customer that there was not a credit on its account and instead, the customer owed money to the company. The company explains that while it had previously billed the customer based on estimated readings, now that the accurate meter readings had been obtained, the customer could be correctly billed. When the previous bills from 2015 to 2017 were removed from its account, this left a large credit which was subsequently amended when the correct bills for the period were issued. In conclusion, the company considers that the customer has been correctly billed. It acknowledges that there was a delay in issuing the bills, but says that this was unavoidable due to the slow response by the freshwater provider, REDACTED. The company has paid the customer two Guaranteed Payment Scheme payments in recognition of its late response to two letters from the customer, but does not consider that it should be required to make any further payments to the customer. It also does not consider that it should apologise to the customer for miscommunication as it does not consider that any of its communications were inaccurate. It does apologise for the length of time it took to

issue the correct bills (although this was due

to the slow response from REDACTED), and for any frustration that this may have caused.

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 customer's complaint concerns the way in which it has been billed following a renegotiation of its wastewater tariff which took place in 2018. Prior to the renegotiation, the customer was charged on the basis of a fixed volume of water used, while after the renegotiation, it was charged on the basis of 64% of the water used according to the water meters on the property. The agreement between the customer and the company is recorded in an email provided by the company as Exhibit 3.
2. In order to apply this change of tariff, which was agreed to be effective from 1 April 2017 onwards, the company needed to obtain accurate meter readings from the customer. As the company is the sewerage undertaker only, the company needed to contact the customer's freshwater provider, REDACTED, in order to obtain these.
3. I understand from the papers that before it obtained these readings, the company billed the customer for the period up to August 2019 on an estimated basis, and the customer paid these bills. However, these bills did not reflect the true water usage, and therefore needed to be corrected. The company therefore contacted REDACTED on a number of occasions starting in January 2020, but REDACTED was very slow to respond.

4. I note that it is not clear to me, from the papers, why the company only contacted REDACTED in January 2020 to ask for accurate meter readings, when the customer's renegotiated tariff was agreed in 2018. However, the customer has not made a specific complaint about any delays by the company during this period, so I do not make any findings about this.

5. The customer's complaint relates, firstly, to the accuracy of the company's statement of account, and secondly to the way in which the company communicated with the customer.

6. Regarding the first complaint, the customer is particularly concerned that the three payments it made of the bills received in 2019, in the amounts of £2,879.40 (covering the backlog period 2017-2018), £2,560.57 (covering the period 23 June 2018 - 4 April 2019) and £1,023.66 (covering the period 5 April 2019 - 16 August 2019), have not been taken into account by the company. However, looking at the statement of account provided by the company as Exhibit 2, I can see that credits of these three amounts, marked as "Payment Received", do in fact show up on the customer's statement of account.

7. I can also see that there are no corresponding debits in the "debits" column, and indeed no debits at all in the period between 29 December 2015 and 17 June 2020. This appears to correspond with the company's explanation - the company says that it did issue bills during this period, but they were incorrect because they were not based on accurate meter readings. The company therefore cancelled these bills, and re-issued them for the correct amounts on 17 June 2020. This seems to explain why the customer's account shows no debits at all in the period between 29 December 2015 and 17 June 2020, and then a series of debits marked "charges" for various periods on 17 June 2020.

8. The result of the fact that the bills for the period between 29 December 2015 and 17 June 2020 were cancelled is that the customer's account showed a large credit amount during this period. However, this did not reflect the true situation, as it did not take into account the amounts that were due from the customer in respect of this period. It is only when the bills were re-issued for the correct amounts in June 2020 that the customer's account was brought up to date. I can see that there is now a current balance due from the customer to the company of £2,459.48.

9. I therefore do not accept the customer's complaint that its account should be in credit, or that the company has failed to take into account payments that were made by the customer.

10. Secondly, the customer complains about the way in which the company communicated with it, and says that the company provided it with a poor service.

11. The company acknowledges that it took a long time to issue correct bills to the customer. I agree that that the time taken was very long. However, I cannot make findings in this adjudication against the customer's freshwater provider, REDACTED. It appears from the papers that the company, from January 2020, was diligent in chasing REDACTED to provide it with meter readings. I therefore find that the delay in issuing the bills was mainly due to reasons that were not the fault of the company.

12. The customer also considers that during its conversations with the company in the period from February to June 2020, the company did not clearly explain that the credit that showed up on its accounts was not in fact due.

13. I have considered the call logs provided by the company at Exhibit 1, and I see that there are in fact indications that the company explained the position to the customer. For example, on 3 March 2020, the company said that "account isn't billed to date yet so the credit isn't a true balance", and on 15 June 2020 it said that "we need to bill acct to date before issuing any refunds". The company also explained on several occasions that it was waiting for information from REDACTED. Although the call logs show that the customer referred to a letter dated 12 February 2020 in which the company is said to have advised the customer that it would receive a refund of £6,000, the customer has clarified in his comments on the company's defence that the log is incorrect and that he simply referred to the invoices that had been issued.

14. Although I accept the customer's point that the call logs are not a full record of what was said in the relevant telephone calls, I consider that they show that the company did not give an unequivocal promise that the amount shown as a credit on the customer's account would be refunded. On the contrary, it explained that there were outstanding amounts that needed to be billed before the final balance on the customer's account could be determined. I therefore do not accept that the company was responsible for any miscommunications during this period.

15. The customer is also unhappy about the explanations provided by the company once it had rebilled the customer's account. I can see from the papers that the company attempted on a number of occasions to explain the position to the customer, both by telephone and in writing. Then, in the context of its complaints procedure, on 2 November 2020 and again on 28 July 2021, the company provided the customer with a clear explanation of the debits and credits that appear in its statement of account.

16. The customer's billing situation was not easy to understand, for the reasons explained above. It is therefore understandable that the customer had a number of questions that it raised with the company, and that it took some time to understand the position. However, from the papers before me, it appears that the company

acted reasonably in attempting to provide clear explanations to the customer. I do not find that the company was responsible for any service failings in this regard.

17. The customer has asked for an apology and a goodwill payment from the company as result of the issues that it experienced. As explained above, the situation did take a long time to resolve, but I have found that this was not primarily the responsibility of the company. I therefore find that the apology that the company has already made in its submissions is sufficient, and I do not consider that the company should make any further payments or apologies.

18. In its comments on the Preliminary Decision, the customer stressed that the company should be blamed for the delays in billing, because of its delays in getting accurate data from REDACTED. The customer says that it no longer disputes the arithmetic of the billing, but points out that the fact that it previously believed that it was in credit mean that it did not take meter readings from its residents in early 2020. When it realised that it was not in credit, the residents had new meters and many had moved on. The delays therefore created a difficult situation for the customer.

19. While I understand that the situation has created difficulties for the customer for the reasons it sets out, I conclude that, as set out above, the delays were not the responsibility of the company and appear to have been caused by the customer's freshwater provider, REDACTED. Unfortunately, in this adjudication, I cannot make findings against REDACTED. I find that the company did make reasonable efforts to get the necessary information from REDACTED, and I therefore do not consider that the company needs to take any further action.

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.

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Natasha Peter
Adjudicator