

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT X672

Date of Final Decision: 09 December 2021

Party Details

Customer: The Customer

Company: The Company

Complaint

The customer was alerted to a possible leak at her property in August 2020. The company advised her the leak was on her private pipework and that she needed to engage a plumber to investigate and repair.

Investigations showed the leak was not in the customer's property. The leak ceased after the company replaced its equipment in November 2020.

Investigations by the customer's plumber resulted in damage to her property with significant repair costs. The customer considers the company did not follow its own procedures relating to a leak. She holds the company liable for damage caused as she engaged the plumber on the advice of the company.

The customer seeks compensation to cover the cost of repairs. She also seeks compensation for distress and inconvenience. The customer claims a total of £10,000.00 from the company.

Response

The company acknowledges that it did not handle the case well. However, it says that it followed its procedures in relation to advice it gave to the customer to engage a plumber.

The company accepts that it replaced equipment at the property boundary and this appeared to cure the leak.

The company accepts no responsibility for damage caused by the plumber during his investigations. It considers the plumber could have avoided damage by carrying out some simple checks to determine whether the leak was inside or outside the property. The company has, however, agreed to pay the costs for the plumber's initial visits.

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Findings

The company followed its stated procedures in relation to leak investigation. However, although it advised the customer the leak was on her private pipework, that was not the case. The leak was resolved when the company replaced its equipment at the property boundary.

The company has reimbursed the customer for the plumber's initial visits. It has also made payments to the customer as a result of failures under the Guaranteed Standards Scheme. Total paid to the customer is £495.00.

The company is not liable for the damage to the customer's property caused by the plumber's investigations.

The customer has suffered distress and inconvenience as a result of the company's handling of the situation.

Outcome

The company needs to take the following further action:

Pay the customer the sum of £400.00 in respect of distress and inconvenience. This is in addition to the payments already made.

ADJUDICATOR'S FINAL DECISION

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Case Outline

The customer's complaint is that:

- The customer was alerted to a possible water leak at her property in August 2020. The customer believes the company failed to follow procedure in investigating the leak.
- The company told the customer that the leak was her responsibility as it said it was on her private pipework. It advised the customer to engage a plumber to locate the source of the leak.
- The customer employed a plumber but no leak was found in her property. However, investigations resulted in damage to the customer's property.
- The leak was rectified in November 2020 when the company carried out work outside the boundary of the customer's property.
- The customer considers that if the company had investigated the leak initially, she would not have had to engage a plumber and there would not have been any damage to her property.
- The customer considers that the incorrect advice and failure to follow procedure resulted in unnecessary work and damage to her property.
- The customer seeks compensation in the total amount of £10,000.00. This includes £8,520.00 for repairs to her property and £1,480.00 for ongoing distress and inconvenience.
- The customer has commented on my preliminary decision. I have addressed these comments at the end of this decision.

The company's response is that:

- The company acknowledges that it did not advise the customer correctly during her initial contact. It also accepts that initially it raised an incorrect investigation to check the data communication from the customer's smart meter.
- The company says that under its current smart meter programme, it only investigates leaks if the meter records a continual flow exceeding 10 litres per hour. It says its data showed there was a continual flow rate of eight litres per hour at the customer's property. The company considers it followed its procedures.

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- The company says that it advised the customer to employ a private plumber to investigate a leak on her private water supply. It says that it advised the customer that the leak was on the customer's private pipework and was therefore her responsibility to rectify.
- The company accepts that replacement of its equipment at the boundary appeared to cure the leak.
- The company considers that the plumber engaged by the customer should have conducted some basic checks before carrying out work that damaged her property. It says that it is not responsible for the actions of a private plumber engaged by the customer. It therefore accepts no responsibility for any damage caused by the plumber.
- The company accepts that it had not handled the customer's case as well as it should have. It has made payments to the customer totalling £495.00 as a gesture of goodwill. This payment was for poor handling of phone calls and the initial survey costs for the customer's plumber.
- The company denies any liability in relation to the damage to the customer's property. It rejects her claim for compensation.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. 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.

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How was this decision reached?

1. The customer says that she completed the purchase of her property on 12 August 2020. The customer's property is fitted with a smart meter. She says that on 29 August 2020 she accessed her online water account and saw a "Stop the Flow" alert dated prior to 12 August 2020. The customer says that she immediately called the company who advised her that her meter would be checked within 10 working days.
2. The customer says that she called the company again on 17 September 2020 and was advised there had been a delay but the meter would be checked within 15 working days. She says an engineer visited on 30 September 2020 and confirmed to her that there was no leak. She also checked her online account and noted the alert had been removed.
3. The customer says that on 15 October 2020 the company confirmed that there was no leak. However, she says that later the same day she was advised by the company that there were signs of a leak, with a continual flow recorded of around nine litres per hour. The customer says that the company advised her that she would need to engage a plumber to investigate the leak. The customer refers to further calls during October 2020. She says that she was informed she would need to resolve the issue within six weeks to be eligible for a leakage allowance.
4. The customer has explained that she had a plumber attend on 23 October 2020 who identified a potential location for a leak. This required removal of kitchen units and a section of floor. The work was carried out on 4 November 2020 but no leak was found. Further investigations located an inside stop valve (ISV) below a section of flooring in a different location. The supply was turned off at the ISV but the meter continued to record water flow. The customer says that the conclusion was that there was no leak inside her property.
5. The customer says that she contacted the company again on 10 November 2020. She says that on 13 November 2020, the company attended and identified that a repair was required on the company's side of the supply. The work was carried out on 17 November 2020. The customer understands that the outside stop valve (OSV) and meter were replaced.
6. The customer reports that following the work carried out on 17 November 2020, there was no further indication of a leak.

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7. The company's report on events generally concurs with the customer's account of what happened. The company says that after the boundary box and OSV were replaced, there was still a non-visible leak on the customer's private pipework. It says this was observed on 27 November 2020 during a visit. The company says that it arranged a free repair which was booked for 3 February 2021. However, the company also reports that on attending the customer's property on 3 February 2021, it found no indication of a leak.
8. The customer's position is that the leak was external to her property and was the company's responsibility. She says that if this had been properly investigated by the company initially, there would have been no need to engage a plumber. Therefore, there would have been no damage as no investigations inside her property would have been carried out. The customer therefore considers that the company is responsible for the damage resulting from the plumber's investigations.
9. The customer claims compensation to cover the cost of repairs resulting from damage caused during the investigations. The customer also claims for distress and inconvenience caused. The total amount claimed by the customer is £10,000.00, made up as follows:
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|---|-----------|
| a. Repair damage to hallway/open plan downstairs area | £3,620.00 |
| b. Repair damage to kitchen | £4,690.00 |
| c. Repair to front garden area | £210.00 |
| d. Ongoing distress and inconvenience | £1,480.00 |
10. From the information provided, the main evidence indicating a leak is from the company's reports of a continual flow through the meter. The alert generated on the customer's account caused her to contact the company. The company says that the boundary box was dry when inspected, indicating no leak in that area. The apparent leak ceased after the company changed the boundary box and OSV. This was observed by the customer after the work was carried out. It was also noted by the company on 3 February 2021.
11. There is nothing in the information provided that indicates that the source of a leak was ever found. The company suggests in its email sent 1 October 2021 that there may have been a secondary intermittent internal issue. It supports this position by providing hourly meter readings taken during 4, 5 and 6 November 2020. It notes that there was no flow through the meter on 5 November 2020. The company says that if the leak had been on the meter, it would have expected to see

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continual flow over 5 November 2020. However, the customer in response says that she turned the water supply off at the meter and this is the reason for zero flow.

12. I have examined the meter readings provided. They show that from around 02:00 hours and 08:00 hours on 4 November 2020, there was a continual flow of around 15 litres per hour. They also show that from 22:00 hours on 4 November 2020 to 12:00 hours on 6 November 2020 there was no flow of water through the meter. The customer has said that she turned the supply off but it is not clear how long the supply was isolated. It is therefore difficult to draw any conclusion from the data. All that can be concluded is that during the early hours of the morning of 4 November 2020 a continual flow occurred. If there was no usage in the property during that time it suggests a leak.
13. The company says that it found no indication of a leak at the meter during any inspections. It says the area excavated around the meter was dry and has provided photographs showing that. The company notes that it received a call from the customer on 10 November 2020 advising that she could see water around the meter. The customer has provided a photograph taken on 7 November 2020 which she says shows wetness around the meter. I acknowledge from the photograph that there does appear to be some wetness around the meter.
14. It is evident that the customer engaged a plumber following advice from the company. The results of the investigations indicated that engagement of the plumber may not have been necessary. The plumber found no internal leaks.
15. There has been no indication of a leak since the company carried out its work on 17 November 2020. I note that in its email sent 1 October 2021, the company says, "I accept our works of 17 November 2020 appear to have cured a leak." It is therefore reasonable to conclude on the balance of probabilities that the apparent leak was associated with the company's equipment.
16. I find that the customer has incurred unnecessary expense as a result of a leak on the company's equipment. The expense was incurred following the company's advice to engage a plumber. I direct that the company shall cover the costs for the plumber's initial attendance to investigate the leak. Invoices for 23 October 2020 and 4 November 2020 submitted by the customer for the plumber's investigations total £225.00. It is noted that the company had previously agreed to cover the cost of the initial plumber's invoices as a gesture of goodwill. The company says that it

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has made a payment to the customer in the sum of £225.00. This is the total invoiced. I therefore make no further order for payment on this matter.

17. The customer is also claiming recovery of costs for repairs resulting from the plumber's investigations. The company disputes any liability for this. It says that it cannot be held responsible for the actions of a plumber engaged by the customer. It considers that the plumber should have carried out some basic checks to see whether the leak was inside or outside the property before removing kitchen units.
18. The plumber's invoice dated 6 September 2020 (believed to refer to the 23 October 2020 visit) states, "Initial inspection carried out throughout the property". Comments on the invoice say, "No signs of water damage or leak throughout the property except damp signs under sink'. The notes then recommend further investigation to the kitchen area. The plumber's invoice dated 4 November reports, "No source of leak and no issues with pipework in kitchen area". The invoice also refers to investigations under floorboards in a downstairs area. It notes that the ISV was located below floorboards between the kitchen and the external pipework. As referred to earlier, this is a different location from the initial investigation. The invoice notes that no leaks were found in the second location investigated. The invoice also notes that when the ISV was turned off, the water meter continued to record water flow.
19. The company says that the plumber should first have identified the location of the ISV and isolated it to establish whether any leak was inside or outside. It says that the plumber removed the kitchen units before locating the ISV and isolating the supply. It considers that the supply should have been isolated before removing kitchen units. I accept that such action would have established whether any leak was inside or outside the property. The plumber's investigations confirmed there was no leak inside the property. If he had isolated the ISV first, it would have been evident that the leak was not inside the property. It would therefore not have been necessary to remove kitchen units and flooring.
20. The customer's plumber had to remove flooring to locate the ISV. The company has noted that it has no responsibility for private pipework. Pipework from the OSV to the property and pipework within the property is the responsibility of the customer. It would not be reasonable to expect the company to be liable for any work required in order to locate the ISV or for any repairs that followed.

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21. The customer relied on advice from the company and engaged a plumber to investigate the leak. The customer then relied on the plumber to properly investigate the leak. I appreciate that the customer has been put to expense that may not have been necessary if the company had investigated its own equipment first. There is no doubt that the company's advice led the customer to have abortive work carried out. However, the company had no control over the methods adopted by the plumber. Damage could have been reduced if the plumber had adopted a different approach. Therefore, I accept the company's position that it cannot be liable for the actions of the plumber engaged by the customer. Further, the company has no responsibility for private pipework inside the property. Therefore, I accept the company cannot be liable for damage caused in locating and operating the ISV.
22. The customer's claim for compensation in respect of damage caused by the plumber therefore fails.
23. The customer has claimed the sum of £1,480.00 for distress and inconvenience. In considering this claim, I have reviewed how the company dealt with the initial enquiry, the results of its actions and the customer's subsequent complaint.
24. The customer contacted the company as soon as she was aware of a possible leak at her property. The company acknowledges that it had not handled the case well. However, the company does not consider that it failed to follow its own procedures. The action taken by the company following the customer's initial contact was to advise her to engage a plumber to investigate a leak. As referred to earlier, the company has accepted that the work it carried out on 17 November 2020 on its equipment appeared to cure the leak.
25. The company has provided copies of its internal procedures. Within those procedures, there is a statement that says the company "...will only investigate a leak if the continuous flow is over 10 litres per hour." This is contrary to what the company says in its email dated 1 October 2021 which says it would "...only offer to investigate if the leak was over 15 litres per hour". The company says that at the time of the initial contact from the customer the leak was around eight litres per hour.
26. The company has also provided a copy of a further policy guide for situations where continuous flow is below 10 litres per hour. This advises agents to "...explain to the customer that the leak is on their pipework and recommend that they have it fixed as soon as possible." The company's

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response says that where the continuous flow is below 10 litres per hour "...the leak can only be a result of a fault on privately owned pipework". No explanation is offered to show how the company concludes that a flow of less than 10 litres per hour means a leak must be on the customer's private pipework.

27. In accordance with Rule 3.5 of the Water Redress Scheme (WATRS) Rules, a WATRS adjudicator is not able to comment on the fairness of company policies. I can therefore only examine whether a company has followed its stated policies.
28. The company says that the continuous flow when the leak was reported was below eight litres per hour. According to its policy, this means that any leak is on the customer's private pipework and the customer should be advised to have it repaired. This procedure appears to have been followed. Nevertheless, the leak seems to have been on the company's equipment and not on the customer's private pipework.
29. I conclude that the company did follow its procedures. However, the customer has incurred unnecessary expense and disruption in her property as a result of the advice given by the company. The customer followed the company's advice but was unable to resolve the problem. The leak was only resolved after the company replaced its equipment.
30. The information provided shows that the customer was not directed to the correct department following her initial enquiry. The company has acknowledged that it did not handle the case well. The customer had to follow up on the matter on several occasions before problem was resolved.
31. I find the customer has suffered inconvenience and distress as a result of the company's actions. This results from disturbance in her property that was not necessary but arose following advice from the company. The customer had to continually follow up matters with the company. The customer was also under pressure to resolve the matter, which it transpired was the company's problem, within six weeks.
32. I consider an appropriate award in this case to be within Tier 2 of the WATRS Guide to Compensation for Inconvenience and Distress. I award the customer the sum of £400.00 for distress and inconvenience and direct the company to pay this sum to the customer. This is in addition to any sums already paid or offered by the company.

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33. I have also examined the company's handling of the complaint under the Guaranteed Standards Scheme (GSS). The GSS sets out the minimum standards of service customers are entitled to expect from water or sewerage undertakers. Under the GSS, a company is required to respond to written complaints from customers within ten working days. Where a company fails to provide a substantive reply to a customer's written complaint within the required period, the company must make an automatic payment to the customer.
34. The company identified a number of service failings in its email dated 1 October 2021. These relate to delays in responding to communications. The company says that it has paid the customer £180.00 in respect of these failings. These have been paid at a rate of £30.00 for each failing identified. In the company's response, it says that it has credited the customer a further £90.00 for its poor handling of calls with the customer on 21 August 2020, 17 September 2020 and 15 October 2020. These payments are consistent with the requirements of the GSS. From my review of the information provided, I have found no further instances of service failures. I am therefore satisfied that the company has made the necessary payments to the customer under the GSS. I make no further direction on this matter.
35. In summary, the company says that it has paid the customer a total of £495.00 as a goodwill gesture. I have ordered that the company pays the customer an additional £400.00 in respect of distress and inconvenience caused by the company.
36. The customer has commented on my preliminary decision. I have summarised the customer's key comments as follows:
- a. The customer disagrees that if the plumber had first isolated the ISV it would have shown the leak was not inside the property. The customer considers that as the meter continued to run after the ISV had been isolated, it only showed the leak was not beyond the ISV and not in the kitchen. She says the leak could still have been inside or outside the property.
 - b. The customer considers there is a contradiction between the statements in paragraph 11 and paragraph 15 of this decision in relation to the leak.
 - c. The customer refers to the evidence provided for the 4 November 2020 showing the continual flow of around 15 litres per hour during the overnight period. She considers that, according to the company's policy, this meant it should have investigated the matter before advising her to engage a plumber.

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- d. The customer says that the financial loss she has suffered in having to carry out repairs is outstanding. She continues to hold the company liable for all damages incurred as a result of investigations.

37. The company has not commented specifically on the preliminary decision but has responded to the customer's comments. Its key comments are as follows:

- a. The usage data from 9 to 13 October 2020 shows an hourly usage of between eight and ten litres per hour. A copy of that data has been provided. The company says that when advice was given to the customer on 15 October 2020, the agent would have looked at past usage data. The company apologises that the customer was initially advised that the threshold for it to investigate was 15 litres per hour. It says that this related to an earlier policy.

38. The main aspect of this dispute relates to the costs of the repairs to damage incurred by the customer and, in particular, whether those costs should be met by the company.

39. In relation to the customer's comments, I respond as follows:

- a. An ISV is normally located at or near the point of entry to a property in an accessible location and before any other branches or outlets. Its purpose is to give the occupier of the property the means to turn off the supply if necessary. Isolation of the supply at the ISV would help to determine, by checking the meter, whether any leak was before or after the ISV. It is reported that the customer's meter continued to record flow after the ISV had been turned off. If the meter had stopped recording any flow, the conclusion would have been that a leak was after the ISV. As the meter continued to record flow, the conclusion is that there was a leak between the meter and the ISV. The customer acknowledges that this showed a leak was not in the kitchen. Removal of kitchen units and resulting damage would not have been necessary if the plumber had first isolated the supply at the ISV. The company was not responsible for the plumber's methods and cannot therefore be liable for the damage to the kitchen. From the customer's comments I take it that the ISV was not at the point of entry to the property. It was apparent from the documents that the ISV was not readily accessible and was below floorboards. The fact that it was necessary to remove flooring and floorboards to access the ISV is due to the layout of the customer's

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private pipework. Private pipework is the responsibility of the customer. The company cannot be liable for work that had to be undertaken to access the ISV.

- b. Paragraph 11 notes that there was no information that the source of the leak was ever found. I saw nothing in the evidence provided that showed a leak had been located. However, the evidence supported the view that there was a leak, even though none had been found. Once the company replaced its equipment, it appeared to resolve the issue. Hence, I stated in paragraph 15 that it was reasonable to conclude that the apparent leak was associated with the company's equipment.
- c. The data showing the continual flow rates on 4 November 2020 is not evidence of the continual flow rate when advice was given to the customer on 15 October 2020. The rate at that time was reported as around nine litres per hour as referred to in paragraph 3. As referred to earlier in this decision, the company appears to have followed its policies. Under WATRS Rule 5.5.3, the company cannot introduce new evidence after the preliminary decision has been issued. However, it is noted that the now data provided does support the advice given to the customer in October 2020.
- d. The financial loss suffered by the customer is acknowledged. However, in order for the company to be liable, it would have to be shown that the actions of the company were the direct cause of the loss claimed. The advice from the company did lead the customer to engage a plumber. The initial costs of £225.00 for engaging the plumber resulted directly from the company's advice. The company has reimbursed the customer for these costs. As referred to earlier in this decision, the method and approach adopted by the plumber are outside the control of the company. It has been explained that the plumber could have avoided damage to the kitchen by first locating and turning off the ISV. The company is therefore not liable for damage to the kitchen. Where an ISV is not in a readily accessible position, the company is not responsible for work that may be required to gain access to the ISV. Losses from damage caused by the work that the plumber undertook have not been shown to be a direct result of the company's advice.

40. Having reviewed all comments made by the customer and the company, I make no changes to my decision.

Outcome

The company needs to take the following further action:

Pay the customer the sum of £400.00 in respect of distress and inconvenience. This is in addition to the payments already made.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 12 January 2022 to accept or reject this 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 on 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.

I H Raine

Ian Raine, CEng, MIMech E, FCIArb, MCIBSE

Adjudicator

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