

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT-X023

Date of Decision: 31 July 2022

Complaint

The customer's representative says that the customer was over-billed by the company for an extended period.

He requests that the company apologise, provide an accounting of the benefit it received from the over-payment, and pay additional compensation of £4,047.00.

Response

The company acknowledges that the meter was installed incorrectly, but says that it responded appropriately when contacted, and it is not responsible for the delay in the problem being identified.

The company has refunded to the customer all over-payments. It has offered the customer compensation of £150.00, but this was declined.

Findings

The company failed to provide its services to the customer to the standard to be reasonably expected by the average person in the installation of the meter, but responded appropriately to the customer's complaint.

Outcome

The company does not need to take any further action.

The customer must reply by 30 August 2022 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT-X023

Date of Decision: 31 July 2022

Party Details

Customer:

Customer's Representative:

Company:

Case Outline

The customer's complaint is that:

- The company incorrectly installed a meter at the Property in 2008, resulting in the meter providing a combined reading for the Property and a neighbouring property.
- The customer and her representative contacted the company multiple times in 2010 and 2011 to question the bills for the Property.
- In February 2022, a new owner of the Property discovered the issue with the meter.
- The company has provided a refund of £5,546.00 and has offered additional compensation of £150.00.
- The customer's representative believes this compensation is insufficient and does not take into account the customer's loss of use of the money paid to the company.
- He requests that the company apologise, provide an accounting of the benefit it received from the over-payment, and pay additional compensation of £4,047.00.

The company's response is that:

- In March 2008, the customer made contact, and during this call requested installation of a meter at the Property.
- The meter was installed on 22 April 2008.
- The customer made contact on 22 June 2010 to question the bill she had received, which was higher than expected.

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- The company attempted to contact the customer to discuss the reading, but when it could not do so it sent a letter explaining how to check for a leak and inviting her to make contact again if required.
- In November 2010, the customer made contact to request a visit to check for a leak.
- The company visited the Property on 14 February 2011, but could not complete its investigation as the internal stop tap could not be located.
- The customer made contact again on 21 February 2011 about the charges and the company's visit.
- The company responded to confirm that it would visit again once a fully operational internal stop tap was available, this being a customer's responsibility.
- The customer made contact on 3 May 2011 to confirm that the internal stop tap had been located, and it was operational.
- The company visited the Property on 3 June 2011, but the internal stop tap was not operational, and so the investigation could not be completed.
- The company asked the customer to repair or replace the stop tap, so that the required investigation could be completed.
- No further contact was received from the customer or the customer's representative until 19 February 2022, when the customer made contact to complain that new owners of the Property had identified that when the stopcock outside the house was turned off, this also turned off the water supply to a neighbouring property.
- When it was confirmed that the meter for the Property had been fitted to a joint supply, the company refund all excess charges since 22 April 2008.
- The company also apologised to the customer and provided a credit of £30.00 in recognition of its error.
- The company subsequently offered to increase its goodwill gesture to £150.00, but this was declined by the customer.
- The company apologises for the initial error and that it was not identified sooner.
- The company is unable to provide the accounting requested by the customer of the benefit it received from the over-payment.
- The company believes its goodwill gesture of £150.00 is appropriate.

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The customer's comments on the company's response are that:

- Due to the over-charging, the customer effectively provided the company with an interest-free loan.
- Despite the bill for the Property being substantially higher than normal for a single occupier, the company never initiated its own investigation to determine the cause. Even when prompted, its investigations were reluctant and minimal.
- The company has made no concessions for the customer's, or for the fact that the customer's representative lived 95 miles away and had many more pressing concerns when he visited her.
- The company has significantly profited by over-charging the customer.
- The compensation requested is reasonable and appropriate.

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.

How was this decision reached?

1. The customer's claim is based on extended over-charging at the Property, and the company has acknowledged that this over-charging occurred and that it arose from the company's error when installing the meter.

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2. However, the company has confirmed that a refund has already been provided to the customer, and the customer has not denied that this refund has been provided or challenged the amount refunded. Instead, the customer's claim primarily focuses on the level of additional compensation offered by the company, which the customer argues should be based on interest for the over-payment, specifically using the 8% rate that would ordinarily be applied to a court claim.
3. While there is no question that the customer lost use of her money due to her over-payments to the company, and so some level of compensation is appropriate, it is important to acknowledge that the 8% rate to which the customer refers is discretionary, and courts decide the actual rate to apply, or whether to award interest at all, based upon the specific facts of each case.
4. In the present case, while the initial error in the installation of the water meter was the company's, I find that the evidence shows the company responding appropriately to the initial questions raised about billing from the meter. Indeed, the company's final communication to the customer in 2011 occurred after a visit from the company, and expressly highlighted to the customer the actions that needed to be taken, and that once these actions were taken further investigations could be performed.
5. I find, therefore, that the cause of the subsequent delay in identifying the error with the meter and correcting the billing at the Property arose from the failure of the customer to follow up on these actions for an extended period, despite being on notice of potentially inaccurate billing. The customer's representative emphasises his mother's age and that he lived a substantial distance away from the Property, but the customer's representative had already been assisting his mother with her complaint, so she was not unsupported, and that the customer's representative maintained a separate residence, while potentially justifying some delay, does not justify a delay of over a decade.
6. In his comments on the Preliminary Decision in this case, the customer objected that the preceding paragraph failed to acknowledge that the company's emphasis on the internal stopcock turned out to be misguided and irrelevant to the problem's resolution. However, I have found that the failure to identify this fact is primarily attributable to the failure of the customer and the customer's representative to follow up within a reasonable time on the actions requested by the company. Had these actions been taken, the true cause of the problem relating to the

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customer's billing could have been identified in a more timely manner, as other plausible explanations could have been eliminated.

7. Moreover, I acknowledge that when the customer raised the problem to the company in 2022, the company proceeded to provide a full refund to the customer, and did not attempt to argue that any repayment should be limited by the 6 year period applicable under the Limitation Act 1980. As I find on the basis of the evidence provided in this case that a court would more likely than not have found this 6 year limitations period to be applicable, given that the customer was on clear notice of the potential over-charging but failed to take reasonable actions to confirm the company's error and correct the billing, the customer has already received compensation significantly beyond the amount that would be awarded by a court.
8. Given this, I do not find that an award of interest or of other compensation is appropriate. It is clearly true that the customer lost use of her money due to her over-payments, but she has already been compensated by the company significantly beyond the level that would likely have been awarded by a court.
9. Therefore, while I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person with respect to its original installation of the meter, I do not find that additional compensation is now owed. However, it should be emphasised that this conclusion does not preclude the company from making a voluntary goodwill gesture to the customer, as it has offered to do, should it decide that such an offer remains appropriate.
10. The customer has also requested that the company provide an accounting of the benefit it received from the over-payment. However, I accept the company's argument that such an accounting cannot be provided. Isolation of the impact of an individual's payments on the operations of a company with large numbers of customers cannot reasonably be performed, and the customer's representative has identified no need for this information beyond his own desire to have it.
11. Therefore, this element of the customer's claim does not succeed.

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12. The customer has also requested an apology, and I accept that an apology is required for the company's error in installing the meter. However, the company has provided such an apology in its Defence, and I find that this apology is sufficient.

13. Therefore, this element of the customer's claim has already been satisfied.

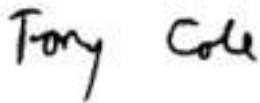
14. For the reasons given above, while I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in its installation of the meter, I do not find that any additional remedy is required beyond those already provided.

Outcome

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 by 30 August 2022 to accept or reject this 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.



Tony Cole FCI Arb

Adjudicator

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