

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X909

Date of Final Decision: 30 May 2022

#### Party Details

Customer:

Company:

#### Complaint

The customer complains that the company (1) failed to assist her to find a leak at her property following a high bill in December 2020, (2) failed to issue a subsequent bill so that she did not know whether the high usage was ongoing and (3) did not monitor her usage prior to December 2020 so as to warn her of her prospective liability. She asks for an increase in the 50% leak allowance she was granted following discovery in September 2021 that she had a leak.

#### Response

The company says that it is for the customer to find a leak on a private supply. The customer has had 3 previous leak allowances and is not entitled to a fourth. It recognizes that it could have given her more assistance in early 2021 to find the leak and therefore it has made a goodwill gesture of the maximum allowance that it would grant to any customer.

#### Findings

I find that although the company did not supply its services to the expected standard in early 2021, it is for a customer and not the company to find a leak on a private supply. The company has granted the maximum allowance that it would grant in recognition of its shortcomings in customer service and an average customer would not reasonably expect the company to do more than this. Nor was the company liable to monitor the customer's usage of water. An average customer would have expected the issue of a bill when it next fell due, however, so that the customer could see the extent of her potential liability. This was a minor service shortcoming however, and the company should make a compensatory payment of £20.00

#### Outcome

The company needs to pay £20.00 to the customer.

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### Case Outline

#### The customer's complaint is that:

- The customer is unhappy with the company's decision to only provide a 50% leak allowance (£7,570.01). She says that the company needs to take more responsibility for how its lack of customer service and the amount of time taken to resolve the problem has contributed to her bill. She would like the company to offer her a greater discount.
- She explains that after receiving a larger-than-expected bill in December 2020, the customer requested the company to investigate the cause of unexplained water usage.
- The customer complains that the company did not visit until June 2021 because the customer had multiple bathrooms, swimming pool and irrigation system but she explained to them many times that the irrigation system had been off for years, the pool was not self-filling and despite the size of house, only the customer and her daughter lived there. No amount of consumption could explain the usage.
- The company failed to provide bills for months at a time which meant the customer could not see if the problem was addressed or not.
- In September 2021, the customer received a bill from a service provider that had found a leak in one of the pipes supplying the swimming pool (a private, customer side leak). The leak could not be fixed without ripping up the floor, so the supply had been switched off and had stopped the leak - this had happened on 18 June 2021 but the customer was not aware. After the company was shown a copy of the leak report/invoice it eventually granted a 50% leak allowance in October 2021, purely as a goodwill gesture because allowances have been granted in the past. However, the customer says that the fact that there had been previous leaks is irrelevant - those were much smaller and had been found and repaired. The customer says she needed help on a new issue and the company failed to provide it. She says that the large water bill was part of the reason she had to leave her home following the 'REDACTED'

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as she felt that she could not afford the upkeep. She would like the company to make a further payment to increase the leak allowance.

**The company's response is that:**

- Prior to this complaint, the customer had three leaks at the property and the company has provided two 50% leak adjustments and one 25% leak adjustment on the account.
- Company policy is to apply a 50% leak allowance on the first occasion of an internal leak, 25% on the second occasion and no further allowances for any subsequent internal leaks. Customers could previously also claim one 50% unexplained consumption allowance if the company had investigated and been unable to determine the cause of the increased consumption, but it had since returned to normal without any repairs being completed.
- In line with its policy, therefore, the customer was provided a 50% internal leak allowance on the first instance of an internal leak on the customer's swimming pool and irrigation system between 11 Dec 2014 and 8 Jun 2016.
- The 25% internal leak allowance was applied on the second instance of a leak from a tank in the garage between 8 June 2016 and 17 Dec 2016.
- A 50% unexplained consumption adjustment was applied between 17 Dec 2016 and 14 May 2019.
- This meant that all charges between 11 December 2014 and 14 May 2019 were discounted in some way.
- A new water meter was fitted 14 May 2019 and the customer provided her own readings on two occasions showing very low usage (between 0.418 and 0.454cm per day) however when the company took a reading on 29 May 2020 this was much higher. Based on the company's actual reading, the average usage per day was 1.007cm which was in line with what the company had expected to see based on historic usage, and it indicated that customer readings could have been wrong.
- The usage increased dramatically and was first brought to the company's and the customer's attention following the December 2020 reading. The customer asked for a leak test.
- Having reviewed the customer journey, the company gave the customer an additional 50% leak adjustment on the account as a matter of goodwill.
  - Balance before the adjustment: £16,921,79
  - Balance after the 50% leak adjustment: £9,481.73

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- The customer made a payment on 11 October 2021 of £4,000.00 and a further payment was received by the customer on 23 February 2022 of £73.16. The total balance as of 9 March 2022 is £5,578.07.

### 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.

I make clear also that I have considered the customer's and company's response to my Proposed Decision of 13 May 2022.

### How was this decision reached?

1. The documentation shows that the customer has had a number of leaks at her property in the past for which she has received leak allowances in accordance with the company's policies. I do not find that the size of such leaks is material to whether the customer should receive an additional allowance on this occasion.
2. In December 2020, it became apparent that the customer was experiencing higher water usage than she expected (although the company says that the usage was consistent with previous use). The customer complains that the company did not adequately help her to investigate and that therefore she is still facing a high bill, even following a 50% allowance. She says that the company, had it provided its service to the reasonably expected standard, could have discovered the leak

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at an earlier stage and therefore she would have an outstanding balance which would be 50% of a lower figure.

3. It is clear from the documentation, including the company's communications with CCWater, that the company says that the leak was in the vicinity of a swimming pool which it would not be expected normally to check, the customer is responsible for making her own checks in respect of private leaks, (for example by undertaking a self-leak test, looking at her water meter readings and employing a private plumber) and it would not have been prepared to offer a 50% goodwill compensation payment if the bill had been a lower figure.
4. The company's records show as follows:
  - a. The company had taken the view in May 2019 that it would not carry out further tests at the customer's property because of the number of times that it had been called out in the past. The company discussed attendance in January 2021 and advised the customer instead to call the company's Home Service. This was followed up by the Home Service with a call or visit only in May 2021 following the end of the lock-down due to the pandemic. The customer was advised to get a plumber.
  - b. The customer told the company on 28 July 2021 that the pool had been checked but that there were no leaks. The company then installed a logger between 17 and 23 August 2021. This caused the company to mention some matters of concern including that something may be using water overnight. This happened on both 21 August 2021 and 22/23 August 2021 and the company's records show that it gave rise to a huge spike in usage for a period of time, after which it reduced but did not stop until the early hours of the morning.
  - c. The water meter was found not to be moving otherwise when there was no known usage and the customer was told on 2 September 2021 that she would need to pay the outstanding bill. The customer then reported that in August 2021 she had received a bill from a private plumber which stated that a leak behind valves was found under her floor when he had attended on June 2021 to fix her pool cover, and that he had disconnected this supply. This would have had the consequence that the leak would not have been detected by the company's testing in July or August 2021.

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- d. Following the customer's complaint and the involvement of CCWater, the company offered a goodwill payment of 50% of the water charge. The customer asked for the removal of the wastewater charge as well as 50% of the charge for the supplied water. She invited a further review. The company responded indicating that no further allowance would be given and asked for payment of the outstanding balance in full or the establishment of a payment plan. The customer then paid £4,000.00 based upon a calculation in which she referred to the company's policy to make no further leak allowances. The company responded on 11 October 2021 stating that it required payment in full of the amount once reduced by its goodwill gesture and would put her account into recovery action if she did not make payment. The customer responded indicating that the company could not take recovery action on a second bill that had not been issued.
5. Against this background, I find that when the customer reported a high bill (approximately £8,000.00) following receipt of the company's invoice of December 2020, it is very probable that there was a leak somewhere within the customer's property - probably in connection with the swimming pool water supply under the customer's floor. While I accept that the customer and not the company is expected to find out the reason for any problem with her water consumption, I find that the company, which indicates willingness to help customers when leaks occur, did not respond to requests for help in early 2021 in the way that an average customer would reasonably expect. I find that an average customer would not regard it as an acceptable reason not to assist a customer that she had had leaks at her property in the past, nor, when she had asked for help, that she had a swimming pool, irrigation system and a number of bathrooms. The internal email contained in the company's records stating that "it boggles the mind" that customers with these luxury items should not expect high bills, indicates that the company had focussed more on the potential legitimate ways in which water could have been used at the customer's property rather than the customer's fear that she had a leak. I find that ownership of a large property could not justify the company's choice to not provide reasonable assistance to a customer distressed about her bill. It is notable that, had this help been given, the customer's next bill might not have been in the region of £8,000.00.
6. it does not follow, however, that the company should be required to give a greater leak allowance than the 50% allowance already granted. I take into account that the customer has said in response to my Proposed Decision that the company "had a responsibility" to confirm if the leak was on its side of the supply which took months, that it failed to bill the customer in a timely manner and that it did not treat her with respect. I make clear that I empathise with the customer's upset

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about this. However, I also find that were these matters not present, the customer would not have received an allowance of 50%. I do not find that the customer is entitled to more than this for the following reasons:

- a. The allowance granted is the maximum allowance that a company will afford as a matter of its policies affecting all customers.
  - b. The customer has had the maximum number of previous leak allowances permitted under the company's policies. She therefore has no entitlement to a further allowance.
  - c. The responsibility to find the leak lay with the customer not the company because this was in private pipework.
  - d. It would appear that the customer had not properly investigated whether there was a leak in the plumbing affecting her swimming pool, notwithstanding having told the company in July 2021 that she had done so. The evidence reveals that the customer's contractor had found such a leak in June 2021 but, seemingly had not been asked to find this previously, nor subsequently until he volunteered this information when he supplied a bill in August 2021.
7. Overall, I am not satisfied that an average customer would expect the company to apply a further allowance in these circumstances and I do not direct this.
8. I add that the customer has also complained of the company's failure to notify that her consumption was high before it reached the level of her December bill, I do not find that it was for the company to monitor the customer's water use and warn her that it was very high, particularly as the customer's use was consistent with what had previously been seen and the potential water use was variable as she had an irrigation system and swimming pool. Although the customer says that she did not use the irrigation system and the pool does not fill automatically, I find that the company was not in a position to know what choices the customer might make as to her use of water for these features, both of which use water extensively. I am satisfied that it could not reasonably be expected in these circumstances to take pro-active steps to prevent the customer's use of water, even if its systems enabled the company to be aware of the level of use before the bill was issued.

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9. As for the company having not issued further bills after December 2020, the company has explained that it did not issue another bill because the customer's account was on hold. The customer, on the other hand complains that she had to contact the company on several occasions and was not enabled to know that a further very large bill would be forthcoming except by enquiry, and she was in October 2021 told that the company expected payment in full save for a leak allowance of 50% applied as a matter of goodwill that I find took into account that the customer did not know of the amount of water that was being wasted. I find that the 50% goodwill payment has provided compensation in relation to the customer's complaint overall.
10. However, I also find that an average customer would reasonably expect the company to continue to inform the customer of the amount of her liability to make payments to the company (unless varied by application of an allowance) by issuing bills in a timely way. The company did not do this. I further find the company's answer that the account was on hold was not a reasonable answer for this shortcoming in communication and the customer says that she had to make various telephone calls to the company in consequence. I accept that this was an inconvenience for her. I find that the inconvenience associated with this was not taken into account in the goodwill leak allowance, which operated to reduce the customer's bill. I find that the company also fell short of expected standards in a minor way, which should be recognised by the level of payment appropriate for not meeting reasonable service standards. I find that a fair and reasonable sum is £20.00.
11. It follows from the above that I find that the customer's claim is not able to succeed save in respect of a small payment of £20.00.

#### **Outcome**

The company needs to pay £20.00 to the customer.

#### **What happens next?**

- This adjudication decision is final and cannot be appealed or amended.

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- 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.

*Claire Andrews*

**Claire Andrews, Barrister, FCI Arb.**

**Adjudicator**

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