

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT X942

Date of Final Decision: 22 June 2022

#### Party Details

Customer:

Company:

#### Complaint

The customer complains that the company has billed him incorrectly from 2017 and 2019 because of changes of the meter by the wholesaler and because the company's meter readers read the wrong meter between 2017 and 2019, which led to the accrual of an unexpected deficit. Although this situation was contributed to by incorrect information on CMOS, by reading the incorrect meter, the company has caused or contributed to a situation where the customer is now meeting an unexpected debt. The company has applied a discount and made a goodwill payment but the customer asks for a further reduction of his bill.

#### Response

The company says that this problem was caused by the wholesaler's failure to register the correct information on CMOS and its meter readers did not read the meter associated with the customer's property. The company has given redress and applied the same level of redress (20% of the difference in billing) in respect of the customer's complaint as it would with any other customer in similar circumstances. As such, it is unable to credit his account further as to do so would be to treat the customer differently from another customer.

#### Findings

I find that the company has failed to provide its services to the expected standard. Although the wholesaler may not have registered information correctly on CMOS, its meter readers read a meter other than that registered which did not attach to the customer's premises. This occurred between 2017 and 2019 and gave rise to an unexpectedly large bill. The customer had been misled as to his liability. This is not the same situation as that where the company has failed to read the meter. The company's 20% policy does not therefore apply. The company is at least equally responsible for the misunderstanding and it is fair and reasonable that the company should credit the customer's account with 50% of the difference in billing, calculated at  $\text{£}3,779.15 / 2 = \text{£}1,889.50$  less the amount that has already been credited under its policy and by way of compensation for service failures totalling

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£855.83. The company should also clarify the calculation of the customer's bill over the relevant period.

#### Outcome

The company shall:

- credit the customer's account with a further sum of 1,033.75.
- provide a statement to the customer of the total charge that has been imposed from 1 April 2017 to date in accordance with paragraph 6 of this Decision.

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# ADJUDICATOR'S FINAL DECISION

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## Case Outline

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

- He contacted the company in 2018 after receiving an unexpectedly large invoice and disputed that the company was charging him for the correct water meter.
- It was revealed that the customer's meter had been exchanged in 2017 but was not updated in the market by REDACTED. Due to this the wrong meter was being read. Once corrected it has left the customer with a large outstanding balance. The customer disputes this is fair given that this happening was out of his control and the company and REDACTED should take more responsibility. Although the company has applied a 20% allowance as per their policy, the customer feels that more should be done because he had contacted the company and REDACTED on numerous occasions expressing concern about his water bills and the meter being incorrect. Several engineers were sent, all saying that they had resolved the problem and yet nothing was done. The customer says that it is not his responsibility to ensure that he is correctly billed. Also, he asks, as the meter has been incorrectly read for so many years how does the company know how much water has been used as there was no starting point?
- The customer asks for a further reduction of his bill.

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

- REDACTED transferred the customer's account to the company effective from 1 April 2017. At this time the meter serial number attached to the account was REDACTED. REDACTED had issued invoices based on reads taken from meter serial REDACTED since September 2011.
- The customer contacted the company in July 2017 to enquire why his invoice was higher than expected. His first invoice from the company was based on an estimated reading.

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- The customer advised he would provide the company with an actual read, however, he was unable to locate meter serial REDACTED. In light of this, a request was raised to REDACTED for them to verify the correct meter.
- REDACTED confirmed on 1 August 2017 that meter serial REDACTED was serving the customer and the account was updated. All charges from 1 April 2017 to 31 July 2017 were removed from the account.
- The starting read used effective from 1 August 2017 was 6236 as that was the meter read taken at the time of REDACTED's visit.
- REDACTED then advised in September 2019 that meter REDACTED was exchanged with effect from 1 April 2019, whereupon it updated the customer's account accordingly. Due to delays in amending the account, it initially credited his account with an ex-gratia payment of £477.06, however, upon review this amount was incorrect and a further £278.77 was credited which equates to 20% of the difference in volumetric charges from the incorrect meter to the correct meter. Further ex-gratia of £100.00 was added due to delays and service failings by the company in accordance with its redress and compensation policy.
- The company has applied the same level of redress in respect of the customer's complaint case as it would with any other customer in similar circumstances. As such, it is unable to credit his account further as to do so would be to treat the customer differently from another customer.

### 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.

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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. Although the company says in its response to the customer's WATRS application that it was informed by REDACTED that the current meter at the customer's property was installed on 1 April 2019 and it has also submitted its account notes relating to this matter to the Consumer Council for Water (CCWater). The customer says both that the current billing is wrong and that he has been treated unfairly.
2. I find that the supporting documentation (a substantial proportion of which deals with unravelling this issue and which is not fully clear) suggests that the following happened:
  - a. The initial number for the meter serving the customer's premises was REDACTED.
  - b. On 1 April 2017, this was replaced by REDACTED, now the wholesaler, with meter number REDACTED. The company says that this meter change was not registered or not initially registered at CMOS (the central marketing database). REDACTED have waived charges for the period of 1 April 2017 to 1 August 2017 but state that the new meter had a starting read of 6263:

*The starting read used effective from 1 August 2017 was 6236 as that was the meter read taken at the time of REDACTED's visit.*

- c. The company says that a further change of meter occurred on 1 April 2019. The documentation says that the wholesaler explained on enquiry that the meter pit had been found to be full of mud and therefore the meter had been exchanged. The final reading was for meter number ending . The documentation appears to suggest that the meter readings measure the quantity of water used in cubic meter measurements. This would mean, I find, that the customer should have been charged for the difference as at 1 April 2019 of 842m<sup>3</sup>. As no bills or breakdown of the calculation has been submitted by either party, I cannot say whether this is what had occurred.

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- d. During this time the company states that its meter readers incorrectly read the wrong meter and billed the customer at an average daily rate of 0.31 as opposed to the 1.94 m<sup>3</sup> per day which it calculated in 2022. This persisted, according to the company's notes, from 1 August 2017 to 12 December 2019.
- e. On 11 October 2019, the reading of the new meter, which I take to have started at 0000m<sup>3</sup> was said to be 527m<sup>3</sup> giving total usage for 1 August 2017 to 11 October 2019 of 1369 m<sup>3</sup>. (527 + 842) By this stage, it appears that a site survey carried out on 25 September 2019 had discovered that the relevant meter was REDACTED, situated to the right-hand side of "White Stuff" in REDACTED with a meter reading of 342.
- f. A typographical error was said to have been made when the new meter was entered into CMOS of 8632 whereas it should have been 7632 (7105, the final reading for the removed meter ending 8230, plus 527 from the new meter). On a review of the customer's account, this error was corrected in February 2020, and the customer's bill to of October 2019 was adjusted, although it is not clear from the account notes whether the customer was charged for a usage of 7632 m<sup>3</sup> of water or merely for 1369 m<sup>3</sup> which I have found.
- g. A communication with the customer on 24 February 2020 states however, that usage for the period 1 August 2017 to 3 February 2020 (an additional 114 days from the measurement to 11 October 2019) was said to be 1721 m<sup>3</sup> giving a bill at that point of £5,357.61. This was a further 352 m<sup>3</sup> of water, suggesting use of more than 3m<sup>3</sup> per day in the final 114 days – significantly more than the currently estimated usage of 1.94 m<sup>3</sup>. However, I would have to observe that this level of usage is not necessarily inconsistent with the increase from 342 to 527 – seemingly in a 16 day period between 25 September 2019 and 11 October 2019 - which is equally difficult to understand. There is no evidence about why these leaps in usage should have occurred.
- h. Shortly after the readjustment in February 2020, the pandemic resulted in closure of the business and the customer has successfully claimed an allowance of £926.44.

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- i.* In 2021, the customer again complained about the historic inaccuracy of his bill. In July 2021 the customer was asked to read his own meter and reported that it read 0000. As this was improbable, a verification was requested. This having been carried out, it was confirmed that the correct meter for the customer's premises is meter number REDACTED.
3. The company gave an allowance of £477.06 in accordance with its policy to award "up to 20% of the difference between the estimated and actual consumption during the period where the meter has not been read". The company subsequently has said that this was miscalculated, and it has added a further sum of £278.77 (totalling £755.83). This, therefore, envisages a billing discrepancy of £3,779.15 but the notes indicate that there is a large outstanding amount because no payment has been made since 2019. The company has also credited a £100.00 ex gratia payment for service failings.
  4. Against this background, I find that it is very difficult for the customer to understand what has happened and the position has been far from clear for a period of more than four years. I accept the customer's submission that this situation is not on all fours with a mere failure to read the meter, but that the customer's billing has been positively misleading for a period of approximately 2.5 years, has led to a false sense of security for the customer during this period, and there remain queries about the readings as indicated above. I find that reading the wrong meter is significantly more seriously than merely failing to read a meter, which is a matter that a customer might be able to remedy by taking his own readings. In this instance, neither the meter readers nor the customer were easily able to recognise which meter should apply to his premises.
  5. I therefore find that the company is not constrained by its policy in this situation and should make compensation that is fair and reasonable in all the circumstances. Having regard to the misleading nature of its communications with the customer as a consequence of the errors of its meter readers and the change of position of the customer who has not made provision for the additional payments, I find that the company has contributed at least equally to the customer's misunderstanding of his position and therefore I also find that it is fair and reasonable that the overall compensation should be 50% of this amount, namely the sum of £1,889.58 less the amount that has already been credited under its policy and by way of compensation for service failures totalling £855.83. No change is made in respect of the

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payment to the customer as a result of the Ofwat covid policy. It therefore follows that I find is that the additional amount that the company should credit to the customer is £1,033.75.

6. I further find that it is fair and reasonable in light of both the difficulty in ascertaining what has occurred and the customer's belief that he has been wrongly charged to direct that the company shall provide a statement to the customer of the total charge that has been imposed from 1 April 2017 to date, breaking this down to show the various meters that have been used and the meter readings that have been taken to calculate the charge. While I do not direct this, I observe that it would be of assistance if this can be provided before the Final Decision in this adjudication is issued.

### Outcome

The company shall:

- credit the customer's account with a further sum of £1,033.75.
- provide a statement to the customer of the total charge that has been imposed from 1 April 2017 to date in accordance with paragraph 6 of this Decision.

### What happens next?

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

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- 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.

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*Claire Andrews*

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

**Adjudicator**

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