

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X964

Date of Final Decision: 20 June 2022

Party Details

Customer: The customer

Company: The company

Complaint

The customer claims that the company failed to provide sufficient goodwill payments when his property suffered sewage flooding from the company's pipework. The customer is seeking the company to pay £1,000.00 to cover his loss of earnings whilst dealing with the issue and his additional insurance costs.

Response

The company says whilst it was responsible for resolving the issue on the shared sewer network, it was not liable for the flooding or damage caused by the flooding. The company has completed mitigation work to its sewerage pipework and has also camera surveyed the sewer network at the property and found no further issues. The company has made goodwill payments totalling £1,090.64 for the flooding and offered to employ a specialised cleaning contractor to attend to the property, clean up any residue from the flooding, and install drying equipment. However, this was declined. Accordingly, the company feels that the goodwill payments already made to the customer are generous and sufficient under the circumstances. The company has not made any further offers of settlement.

Findings

I am satisfied that the evidence shows that the customer has not proven that the company failed to provide its services to the standard to be reasonably expected by the average person concerning whether the company thoroughly investigated the source of the flooding and repaired its pipework and the customer's goodwill payments.

Outcome

The company needs to take no further action.

The customer has until 18 July 2022 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

- The company failed to provide sufficient goodwill payments when his property suffered sewage flooding from the company's pipework.
- The customer is seeking the company to pay £1,000.00 to cover his loss of earnings whilst dealing with the issue and his additional insurance costs.

The company's response is that:

- Whilst it was responsible for resolving the issue on the shared sewer network, it was not liable for the flooding or damage caused by the flooding.
- The company has completed mitigation work to its sewerage pipework and has also camera surveyed the sewer network at the property and found no further issues.
- The company has made goodwill payments totalling £1,090.64 for the flooding and offered to employ a specialised cleaning contractor to attend to the property and clean up any residue from the flooding and install drying equipment. However, this was declined.
- Accordingly, the company feels that the goodwill payments already made to the customer are generous and sufficient under the circumstances.

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 another disadvantage as a result of a failure by the company.

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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 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 dispute centres on whether the company had failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning goodwill payments when his property suffered sewage flooding from the company's pipework.
2. The company must meet the standards set out in the Water Industry Act 1991 and the Water Supply and Sewerage Services (Customer Service Standards) Regulations 2008. The combined effect of these is to place an obligation on a water and sewerage company that when there is a report of a leak, the company needs to investigate thoroughly if the company's sewage pipes or other assets are to blame and if repairs are required, make such repairs to prevent further leaks. However, under section 94 of the Water Industry Act 1991, the company is not liable for the escape of the contents of public sewers in the absence of negligence.
3. Furthermore, the company also has certain obligations regarding its customer services as set out in the OFWAT Guaranteed Standards Scheme and its Guaranteed Standard Service (GSS) scheme.
4. From the evidence put forward by the customer and the company, I understand that on 20 February 2022, the customer reported flooding in his cellar. The company attended the same day and found the customer's cellar flooded due to a blockage on its pipework.
5. The company sent another team later the same day who jetted downstream approximately 55-60 meters and removed what looked like a roof tile that was causing the blockage. The customer bought a pump to remove the water and a dehumidifier to dry out the cellar during this period. I understand that the company advised the customer that his insurance company would contact the company directly if negligence had been found and that the company would pay for the pump he

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bought and the dehumidifier. The company also made various goodwill and Customer Guarantee Scheme payments.

6. The customer contacted the company to advise that his insurance company had been out, and the only thing they would not cover is his loss of earnings whilst he had been dealing with the internal flood and the aftermath. I understand that the customer was advised that the company cannot cover costs for loss of earnings as it was not liable for the flooding. However, as a gesture of goodwill, it would pay £150.00 for the cleaning.
7. The evidence shows that the customer remained unhappy as the sewage had spread from his cellar over his garden, which his dog then ate and was ill. I understand that the company offered to pay the vet's bills and provide further goodwill payments. However, the customer remained unhappy as he believed that various technicians had said it was the company's responsibility.
8. In response, the company advised that as the defect was on the public sewer, it was responsible for carrying out works to rectify it. However, in the absence of negligence, the company is not liable for the escape of the contents of public sewers and would not make any further goodwill payments.
9. The dispute could not be resolved, and the customer progressed the dispute to CCWater on 4 April 2022 to resolve. However, the evidence shows that CCWater was unable to resolve the dispute, with the final position being that the company denies liability for the flooding, confirming that it made GSS or goodwill payments totalling £1,090.64 for the flooding to date. However, the customer remained unhappy with the company's final position and commenced the WATRS adjudication process.
10. As to whether the company has failed to maintain the sewer from which the flooding emanated, under section 94 of the Water Industry Act 1991, in the absence of negligence, the company is not liable for the escape of the contents of public sewers. I note the customer's comments that various technicians had said it was the company's responsibility. However, after careful analysis of the correspondence and evidence, I cannot find any indication the company has been negligent concerning the sewer. As shown by the evidence, the company investigated the cause of the flooding and took appropriate action concerning cleaning the sewer.

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11. The blockage causing the flooding was caused by roof tile. Whilst I appreciate the customer's position, I believe the company did investigate the flooding as best it could and acted appropriately according to the results of its investigations. By cleaning the sewer and undertaking further camera surveys, I am satisfied that the company made a reasonable effort considering the circumstances to prevent future blockages and flooding.
12. I note the customer's comments that the company failed to provide sufficient goodwill payments. The evidence shows that the company made GSS or goodwill payments totalling £1,090.64. The company will also refund 100% of the customer's sewerage charges for the year for an internal flood. Considering the above, I find there are no grounds to conclude the company has failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning the investigation of the source of the flooding, clearing any blockages of the sewer and paying sufficient goodwill payments.
13. The company has certain obligations in respect of its customer services. From the evidence provided, I am satisfied that by the end of the company's dialogue with the customer, the company had adequately explained why it would not pay further compensation and why it was not liable for the flooding. Furthermore, reviewing the various correspondence, I am satisfied that once this issue was highlighted, the company dealt with the customer's concerns efficiently and appropriately, considering the circumstances.
14. Considering the above, I find the customer has not proven that the company failed to provide its services to the standard to be reasonably expected by the average person concerning whether the company thoroughly investigated the source of the flooding and cleared any blockages of the sewer and paid adequate compensation.

Outcome

The company needs to take no further action.

What happens next?

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- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 18 July 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.



Mark Ledger FCI Arb
Adjudicator

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