

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT X179

Date of Final Decision: 27 October 2022

Party Details

Customer:

Company:

Complaint

The customer complains that the company has overcharged him for water and provided poor customer service. The customer says that he does not agree with the meter readings and would like to have the billing reviewed and to revert to a non-smart metered billing method. He would also like compensation of £1,000.00. In a subsequent communication, the customer says that he would like the company to prove (without charge to him) that the meter is not faulty, to arrange a new payment plan and restrict this to £50.00 per month.

Response

The company says that it is not liable for this claim. There is no evidence that the meters installed at the customer's property were faulty and there is no leak. The company cannot be responsible for the customer's water use over which it has no control. The company has acknowledged some customer service failings and made a compensatory payment of £120.00.

Findings

I find that the evidence does not show that either the customer's initial meter or new meter were faulty and the evidence shows that there was no leak. It follows that the water is being used in some way within the customer's property and an average customer would reasonably expect the customer to be required by the company to pay for the water consumed. Moreover, the customer is not eligible to revert to non-metered water and, as the company now has a smart metering programme, an average customer would not reasonably expect the company to install a non-standard meter. There were some shortfalls in the company's customer service which the company has acknowledged by making a payment of £120.00. This goodwill payment is at the expected level and I find that the evidence does not indicate that further compensation should be directed.

Outcome

The company does not need to take further action.

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ADJUDICATOR'S FINAL DECISION

Adjudication Reference: WAT X179

Date of Preliminary Decision: 27 October 2022

Case Outline

The customer's complaint is that:

- The customer complains that he has an outstanding bill of £1,012.55 which the company says is a consequence of high usage of water. However, he says that the company has not explained how, in a space of under two years, a family of two and a toddler can build up such a huge volume of use. The customer asks why, when he complained about the high readings, the old meter was exchanged for a new one if the old meter was reading correctly?
- The customer also says that the company failed to communicate with him during the period of his complaint, and he has been chasing the company for almost a year. The customer says that he has no leaks, no plants that he waters, and his family do not wash cars at his home, so he cannot understand why the readings are so high.
- The customer says that the issue has caused sleepless nights and anxiety. The customer is scared to turn on any taps for fear of escalation of the readings. The customer would like the company to take out the smart meter and switch back to the traditional billing method.
- The customer says that he has done some research and according to Water UK, 46% of people believe their household only uses under 20 litres of water a day when, in reality, the average person uses around 142 litres. That means a family of four will use around 500 litres of water every single day. The customer says that if he used 500 litres a day, it would still not come to the bill the company is requiring the customer to pay.
- He says that the company has put him in this situation because there was a total breakdown in communications and the customer was not updated with what was going on. He said that the call centre agents in India had no idea what was happening when the customer contacted them. The customer says that, if, mysteriously, the billing is correct, he would have cleared it and would not be in this difficult situation if he had been immediately informed of the outstanding bill.

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- Overall, the customer says that he does not agree with the meter readings and would like to have the billing reviewed and to revert to a non-smart metered billing method. He would also like compensation of £1,000.00. In a subsequent communication, the customer says that he would like the company to prove (without charge to him) that the meter is not faulty, to arrange a new payment plan and restrict this to £50.00 per month.

The company's response is that:

- It is not the company's responsibility to explain to customers how much water they are using for any individual activity in the home. When the customer raised a query over his meter readings, the company exchanged his meter (which had only been fitted in 2019) for a brand-new smart meter. Both had been calibrated and tested in the factory for accuracy before installation and use. The readings on the new meter have been dropping since installation which is not surprising as the customer is now very aware of how much water the household is using. This is a normal reaction in these circumstances when customers are looking to reduce their usage and their resultant water bills.
- The law states that meter readings are an accurate reflection of the water used and this usage must be paid for.
- The company has provided explanations and tables to the customer showing the usage on both meters and given a full breakdown of all his bills and payments which also explained that his outstanding balance is correct. Today this balance is £1,039.84.
- As the customer has only paid £30.00 per month towards the bills, this was insufficient.
- The company denies that it is liable for this claim and in respect of the customer's request that the company should prove that the meter is not faulty, should arrange a new payment plan and restrict this to £50.00 per month, the company says that it has not had the opportunity to comment and this claim is outside the scope of the Scheme.

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.

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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 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 also note, in reaching my Final Decision, that neither party has made substantive comments on my Proposed Decision. The outcome of the Final Decision is the same as that in the Proposed Decision.

How was this decision reached?

1. The customer raises two points. First, he says that the company has charged him for water that he has not used and that in consequence he would like to revert to unmeasured billing. Secondly, he complains of poor communications.
2. The main events in this dispute can be summarised as follows:
 - a. The previous occupant of the customer's property was affected by the company's compulsory metering programme. In September 2019 a new smart meter was fitted, serial number REDACTED. The company says that this had been tested for accuracy in the factory where it was manufactured. There is no evidence to the contrary and I therefore find that this occurred.
 - b. The occupant at that time was notified that the company would send comparison letters to him/her every three months over the next year to give them the opportunity to compare their use between unmetered charges and their new metered charges. At the end of the 12-month comparison period, the customer's account would be automatically converted to metered charges.
 - c. On 8 October 2019, the smart meter began to send readings.

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- d. However, on 31 October 2019, the customer moved into the property. He was charged according to the metered connection and the meter recorded 5m³. The customer subsequently contacted the company to set up a payment plan, add another name to the account and to say that he was undertaking renovation work.
- e. On 17 December 2019 it was agreed that the customer could pay £30.00 per month on his payment plan.
- f. On 25 January 2020, the company erroneously sent the customer a final bill. The company is now unable to say why this occurred, but it was corrected at the request of the customer who contacted the company. The customer's account was restored by the company.
- g. On 25 March 2020, the first bill was sent.
- h. On 24 September 2020, the next bill was sent. The customer was informed by the company that the meter reading of 246 taken on 21 September 2020 showed a rise in usage and as such, although the company would continue to accept £30.00 per month, there would be a large outstanding balance of £649.21 carried forward to his next plan on renewal if his usage stayed the same.
- i. On 9 September 2021 a new bill was sent to the customer for water used from 22 September 2020 to 22 March 2021 when the meter reading was 456 m³. There was also a review of the yearly payment plan and due to the increase in water usage at the property, the customer now needed to pay £246.00 per month to pay for this over the next 12 months. The company estimated that if the customer continued using the water at the same rate, the bills would likely be in the region of £1,141.38.
- j. On 17 September 2021 the customer called to query the bill and revised payment plan. At that time the customer believed that there was a leak. The company said that this was not shown in the hourly readings based on the smart meter but, in any event, it agreed to send a technician. Following a recommendation on 3 December 2021, the company agreed to change the meter. Although the company's systems record the meter as "faulty", the company has explained that the meter was not faulty, but unless it was described as such, the company's computer system would not accept that a change was

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required. The meter was changed on 9 December 2021. I have considered whether the description of the meter as “faulty” is conclusive evidence that there was a fault in the meter. I find that it is not, because the company has put forward a reason why that description had to be used in order to trigger the computer system into processing the change. I find that it is likely that this explanation is correct because, in the ordinary way, it would not be expected that the meter would be changed in the absence of a fault. These, I find, were exceptional circumstances. I further find that the surrounding evidence, including the reduction in the volume of water used before the change, as well as the similarity to the volume recorded by the new meter after the change suggests that there had been no fault in the first meter. Moreover, there is no evidence that the customer asked for the meter that had been removed to be sent for testing.

- k. On 11 January 2022, the customer complained again that there was a leak and was advised that there was not.
- l. On 14 May 2022, the customer contacted the company by Webchat. He accepted that there was no leak but suggested that changes in the water pressure might cause the meter to malfunction. The customer asked for an investigation. This request was passed on internally to the company and the company then called back for more information on 27 May 2022. The company subsequently arranged another meter inspection appointment, but the customer called to advise he was unable to make this appointment. The company says that it appears that this appointment was at the stage of the cancellation no longer showing on the company’s systems for reasons that cannot be explained. While this is not an eventuality that would reasonably be expected, there is no evidence that it has caused the customer loss because he wanted to cancel the appointment. The company attempted to rebook but before this happened, the customer made a complaint, including that he had been calling the company’s agents for 1 ½ years with no resolution to his complaint that he is being charged for too much water.
- m. On June 2022, the company’s technician visited the property to check the supply. No leaks or issues with the meter were found.
- n. The case was then reviewed by a Complaints Case Manager who spoke to the customer on 14 July 2022. The manager explained the company’s view that as there is no continuous usage and the meter is recording the same as the previous meter, the bills

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are correct and payable. He advised that the customer was not making a sufficient payment each month to cover his usage. The customer asked for this to be confirmed in writing, which was done on 15 July 2022. The customer asked for his billing statements, which were provided on 15 August 2022.

- o. The Consumer Council for Water then began its pre-investigation process and in due course this led to the issue of the application to WATRS.

Smart meter

3. It is common ground between the parties that the consumption of water at the customer's home is higher than would reasonably have been expected. The company has made the point that this has been shown through its records to have been particularly high between 10 and 11 pm at night, when the customer says that his family may be taking showers. The highest usage is, however, at about 9pm and usage in the evening is higher than at other times during the day and no usage is shown between 1 and 7am.
4. The customer points out in contrast that his consumption of water is relatively low and he does not water gardens or flowers. He says that since moving into his current address in 2019, he is recorded as using substantially more water than he did when resident in the REDACTED and suggests that this is due to a fault in the metering arrangements. He does not accept the position of the company that its metering is reliable and says that as the company has acknowledged that its smart meter readings are downloaded from the mast, there is no evidence that the underlying algorithms are correct. He says:

What if those downloaded readings are getting corrupted or not correctly uploaded and downloaded? I can have a live physical meter reading which will be more realistic than relying on data uploaded somewhere and then downloaded, who knows what gets done to the downloaded data?

Why is it that the majority of your customers are complaining about high bills after moving to smart meters, so how can we customers trust this process? That is why I will fight to get off this smart meter unless you write off this pending bill and send me a more realistic one, and put me on a kind of monitored billing.

The customer alleges that something in the company's systems is incorrectly recording the downloaded information.

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5. I am mindful that adjudication is an evidence-based process and that I cannot find in favour of a party's submissions if there is no evidence supporting that party's arguments.
6. Having regard to the events summarised above, I empathise with the position of the customer. There is more water passing through his meter than he is able to explain and the company has not been able to explain this either, despite requesting investigations by the company and by a private plumber. However, unless the metering arrangements are faulty it does not follow that the company would reasonably be expected to know the reason for the water use or to provide a remedy. I find that, as the company points out, it is for customers and not for the company to take responsibility for water usage.
7. As for whether the metering arrangements are faulty, I am mindful that there are a number of other possible explanations for why the customer's water consumption could be high. These would include that the customer is using more water than he realises or that household appliances or equipment are unduly or unexpectedly water intensive. The customer says that he has replaced a number of appliances, but I find that, bearing in mind the number of items in the property that might use water, the possibility that a fitting or an appliance is inefficient so far as water is concerned, cannot be ruled out. I note that the company suggests that an item of the customer's equipment may be causing the problem.
8. I further find that, save for the customer's assertion that the usage recorded by the company's meters show higher consumption than he would have expected, there is no evidence that either of the meters installed at the customer's property were working incorrectly. I reach that conclusion for the following reasons:
 - a. The company's records show that the usage of water at the customer's property ranged between 0.6 m³ and 1.15 m³ per day, with usage having escalated from taking possession to a high point of 1.95 m³ in March 2021 and beginning to tail off in December 2021 (which had a reading of 0.86 m³ and followed a conversation between the company and the customer about the high level of usage in September 2021). Usage had thus begun to fall before the meter was changed on 9 December 2021. Lows of 0.60 m³ were reached on the new meter in March 2022 and 0.57 m³ in August 2022 and readings for January 2022 and 2021 were in both cases particularly low, which would be consistent with the family not using water in this time (for instance because they were on

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holiday) and readings in August 2022 were also low. Generally, however, once the replacement meter had been installed, water usage fell into a range from 0.6 to 0.8 m³ per day. Having regard to these records, therefore, I find that there is a correlation in the patterns shown from the readings of the two meters and no indication that one or other of the meters was not functioning correctly.

- b. Moreover, as the recorded usage began to fall after the conversation between the customer and the company in September 2021 and has continued to fall following the installation of the second meter, this is consistent with increasing awareness of the need to use water carefully even if the customer has not made conscious steps to change his lifestyle and that of his family. An average customer would reasonably expect the customer to have behaved in this way and the fact that the meter readings fell into line with customer expectations similarly suggests that the meter is not reading in a random way.
- c. Furthermore, full physical checks of the meter took place on 11 October 2021, 7 June 2022 and the meters were seen on removal / installation on 9 December 2021. These visits to the customer's property confirmed the information supplied digitally to the company by the smart metering system
- d. There is no evidence of any error in the company's computer algorithms or systems which might translate the readings taken at the meter into some other figures on the company's internal records, and, in any event, this would not explain why physical readings in October 2021 and June 2022 corresponded with the company's own records.
- e. Moreover, the evidence does not show that the customer has asked in writing for a test of the water meter in accordance with the Water (Meters) Regulations 1988 (the capped costs of which might be attributable to the customer if there is no defect). The meter has not been sent away for testing, prior to the late comments of the customer in this adjudication, although he has indicated that he would not be willing to pay for the test if no fault is found. The customer has not therefore accepted the conditions for the conduct of meter testing. It follows that regulation 8 of the Water (Meters) Regulations 1988 applies. This states:
8.(1) Where undertakers fix charges in relation to any premises by reference to volume, a reading from the meter installed in relation to those premises proved in accordance

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with this regulation shall be evidence of the volume of water supplied to those premises, unless the meter is proved to register incorrectly.

9. It follows, therefore, that I find that there is no evidence that the meters have not been registering correctly, and in consequence, while I acknowledge the distress that this causes the customer, I find that an average customer would reasonably expect that the company should bill the customer accordingly.
10. The consequence of this finding is that the customer is liable to pay for the water consumption recorded at his property. I note that the customer has asked for the setting of a payment plan for a period of time and limited in amount. As I have not found that the company has failed to provide its services to the expected standard, however, it follows that I am not able to direct this remedy.
11. I now turn to whether the customer can, irrespectively of whether the company has provided its services to the expected standard, ask for the reversal of the meter installation so that he can be charged by reference to unmeasured water. I find that this is no longer possible. Having regard to the matters stated above, the installation, which is consistent with the company's policy of compulsory metering, occurred in 2019 when the property was occupied by another customer.
12. The company is entitled by law (the Water Industry Act 1991) to charge customers for their consumption of water and I have considered the company's Charges Scheme for 2022/2023. This is the statement by which the company explains to its customers how its charges will be levied. and I find that an average customer would reasonably expect that the company would raise bills in accordance with that Scheme. At paragraph 7.2.1 of the Charges Scheme, it is stated that the company will only remove a meter if application for this is made within 12 months of the installation of the meter. Moreover, paragraph 7.2.1 further states:
 - You can only revert back to unmetered charges if you or a person living in the property who still remains living there had originally requested us to fit a meter and neither you nor the other person had previously requested a meter for the property*
13. It follows that I find that the customer is not within the category of customers who can now ask to be charged according to unmeasured water both because more than 12 months has passed since the original installation and the customer did not apply for the meter.

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14. Although the customer also says that he would like a meter other than a smart meter, I find that an average customer would not reasonably expect the company to install meters that do not correspond with the company's compulsory meter installation programme and nor would the company be expected to install a meter that does not communicate with its computer systems.
15. It follows from the above that I find that in respect of the customer's complaint about his meter readings, the customer is not able to succeed in his claim.

Customer Service

16. The customer says that the company has provided poor customer service. He says that the company has put him in this situation because there was a total breakdown in communications and the customer was not updated with what was going on. He has reported that the call centre agents in India had no idea what was happening when the customer contacted them. The customer says that if it is true that the billing is mysteriously correct and he had been immediately informed of the outstanding bill early on, he would have cleared it and would not be in this difficult situation.
17. I find that there is some evidence that the customer has been frustrated by the communications arrangements which the company has set up for its customers. There may have been other instances in which the customer became annoyed that he had to contact a call centre and to explain his concerns to a member of staff who was unfamiliar with his file. An example arose during the period when CCWater was handling this dispute. The company advised the customer to contact the company's billing centre. On 23 August 2022, the customer wrote:

Just a quick update from me, I have completely given up on getting to REDACTED billing department regarding the suggested options they provided. All the numbers they provided or calling their customer numbers, I simply end up speaking with their call center agents in India who have no idea what to do. I have made 2 calls, got put on hold and they just ended the calls without even transferring me to the billing department or saying anything. Can you kindly ask the person working on my case at REDACTED to call me directly, and we go through their provided resolution option?

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18. The company informed CCWater on 5 September 2022 that the company had contacted the customer directly. The company recorded:

19.

I called and spoke to REDACTED this morning, he said he was unhappy with the resolution reached by us. I explained as we've already explained our final position regarding his complaint, I wasn't able to comment on this. I did go through any help we could offer such as the Customer Assistance Fund and REDACTED, but he said he wouldn't qualify for either of these. I also went through his payment options and advised he would need to increase his payment plan amount to keep on top of his bills, plus an affordable amount towards his arrears, but M REDACTED didn't want to do this.

He said his case is with CCW is still ongoing, so as he hasn't raised any new issues with us, but remains unhappy with our final position, I've referred him back to CCW.

20. I find that the customer's perspective is that the company should not have signposted his complaint to its call centres but provided targeted responses. The need for this would depend in part, however, on the merits of the customer's complaint. The customer objects to referral of his case to the company's call centres because he believes that the company should have taken further or different action in relation to the measurements provided by the meter. I have found above, however, that the company has provided its metering service to the standard that would reasonably be expected.

21. Moreover, I take into account that the company has provided regular bills to the customer. The account notes show that the customer registered for online account management, and he would therefore have received emails when his bills were posted online. He would also have been able to look at billing information online. The company also sent technicians to the property on at least three occasions to investigate, changed the meter when concerns were expressed, compared and analysed its internal information about billing and provided the customer with a copy of his bills and his payment details in August 2022 in response to the customer's request. I also find that in the circumstances, the company would not reasonably have been expected to provide additional communications facilities to enable the customer to express enhanced concerns.

22. However, the company has reviewed its customer service generally and has identified some points where it has failed to meet expected standards in its communications. The company has made a goodwill payment of £120.00 for:

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- Failure to call back as promised on 28 September 2021
- Cancelling an appointment from September 2021 without advising the customer
- Failing to update the customer after its visit to the customer in October 2021
- Failing to update the customer after the meter was exchanged to discuss the new bill
- Not following up on the revised bill in January 2022, after it had advised that this would be done
- An overall lack of communication, causing the customer to continually chase for answers.

23. On balance, I find that a payment of this type and in this amount is consistent with a recognition by the company of failures to meet service standards and an average customer would not reasonably expect the company to make a further payment. It follows that I find that, the payment of £120.00 to the customer having already been made, the company does not need to take further action.

Outcome

The company does not need to take further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- When the customer tells CEDR that they accept or reject this decision, the company will be notified of this. The case will then be closed.
- If the customer does not tell CEDR that they accept or reject this decision, this will be taken to be a rejection of the decision.

Claire Andrews

Claire Andrews, Barrister, FCI Arb.

Adjudicator

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