

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT/X271

Date of Final Decision: 16 December 2022

Party Details

Customer:

Company:

Complaint

The customer states that the bill he received from the company for a repair to a leak on private pipework is excessive (£1,741.85) . He disputes that he is responsible for the whole bill on the basis that some of the cost relates to work carried out at neighbouring properties. The customer requests for the company to reduce his bill to £269.76, which is a reasonable amount and represents his share of the bill.

Response

The company states it is not responsible for leaks on private supply pipes and repairing private leaks is not a service it offers. On finding a leak in the vicinity of the customer's property, in accordance with Section 75 of the Water Industry Act 1991 (the Act) and the process agreed by Ofwat, it notified the affected properties that they were responsible for finding and repairing the leak. The customer agreed for it to repair the private leak and as the source of the leak was located within the boundary of the customer's property and as he is downstream from the leak, it correctly billed him for the full amount. The company did not make any settlement offer to the customer.

Findings

The company arranged for a repair of a leak to the private pipework on a shared supply after correctly notifying those customers affected and giving them a reasonable opportunity to arrange for the repair themselves. As the leak was found on the private supply pipe within the boundary of the customer's property, the company was entitled to recoup the costs incurred in getting the leak repaired from the customer. It provided the customer with details of the works carried out and a breakdown of the cost when he queried this. However, the company did not provide him with the full breakdown of the

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cost at the first opportunity. This is evidence of the service provided by the company not reaching the standard to be reasonably expected.

Outcome

The company needs to take the following further action:

- Provide details to the customer of the £40.00 GSS payment made to him for its late reply, as referenced in its Response.
- Pay the customer £75.00 for stress and inconvenience caused by the instance where its customer service provided did not meet the standard to be reasonably expected.

The customer must reply by 19 January 2023 to accept or reject this decision.

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Case Outline

The customer's complaint (submission by the Consumer Council for Water on her behalf) is that:

- In around May 2020, his tenant informed him that the company had advised that there was a possible leak outside several properties.
- He contacted the company and asked what it was about. He asked the company to carry out the repair if it was on his property.
- He asked for a quote, but was told this was impossible.
- He told the company he was happy to pay if it was a reasonable price.
- A "huge" bill arrived for £1,741.85. He requested a breakdown many times but was told that there was no breakdown and the only bit of paper he received showed an incorrect address (REDACTED). Nothing has been explained to him.
- Eventually on 17 May 2022, he received a full breakdown of the bill from the Consumer Council for Water (CCW).
- He is happy to pay a reasonable cost. This would be his part of the bill £269.75. He has spent hours talking and emailing different people and have waited months for responses which are not satisfactory responses.
- Even though he put the bill in his name, it kept being placed in his tenant's name and he was told several times that the bill was not his and therefore nobody could speak to him.
- The customer requests that the company reduce his bill to £269.76 (his share of the bill).

The company's response is that:

- A leak on private pipework was identified at the property on 8 February 2020. It is not responsible for leaks on private supply pipes and repairing private leaks is not a service it offers.

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- As per the Section 75 (S.75) process agreed with the water regulator Ofwat, it issued a S.75 initial contact letter to the consumer of water on 10 February 2020. It continued to follow process and a further letter was issued on 24 February 2020 to both the consumer of water and the customer as landlord of the property.
- The customer called it on 28 February 2020 advising he was happy for it to fix the leak and bill all the properties on the affected supply.
- It issued an enforcement letter on 30 April 2020 following no further contact and an enforced repair was then carried out by an independent contractor.
- Since then, the customer has disputed the charges, but as explained in correspondence with him, the works are carried out by an independent contractor and the costs incurred are then passed onto customers/consumers of water.
- Both the consumer of water and the property owner were provided with enough notice and time for this to be repaired by the home insurance provider or a contractor of the customer's choosing; however, he told its Customer Leak Support (CLS) during the call on 28 February 2020 that he was happy for the repair to be carried out under enforcement. Having not heard from the customer, the CLS team wrote to the consumer of water on 30 April 2020 advising an enforced repair would be carried out.
- The customer queried the costs and believes his part of the bill should be £269.75 but, as it has explained, the costs issued are correct and payable.
- As it has advised in multiple correspondence and telephone conversations, the enforced repair charges are payable in full. This is correct as per S.75 of the water industry act, which is agreed/set by the water regulator Ofwat.
- It does not profit from enforced repairs carried out by independent/private contractors and it must recoup the costs from all customers who have an enforced repair in the interests of fairness to all its customers. As enforced repairs are undertaken by private contractors, it has no say in the costs incurred.

Reply

- The customer reiterates the main points of the claim including that, during the call with the company on 28 February 2020, he requested a quote for the work but was told this was impossible.
- He requested that all contact should be through him as he was responsible as landlord. He gave his name, phone number, email and address at this point. At no time was he told that he would be responsible for the investigative work or travel.

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- He had to isolate at this time for 14 months as his wife is 75 and vulnerable and he is 77.
- The map of the site that was provided to him says the work was carried out at a different location.
- He kept requesting a breakdown of the bill and asking how it could be so huge. He has received no satisfactory answer.
- Communication has been “spasmodic” and lengthy and always different people responding but not answering his questions. Nobody has explained why he should be expected pay for the work carried out at neighbouring properties in the road.
- On the Home Serve leaflet the company originally sent to him, it says that a leak is likely cost £511.00 to locate and repair a water supply leak.

Comments on Preliminary Decision

- The customer stated he was not told during the initial call that he would be responsible for investigative work on other properties and that the company would use a subcontractor.
- The customer reiterates that he was only provided with a breakdown of the bill in May 2022 and asks why this was because the company did not want him to see this.
- The customer maintains the visit costs are excessive and asks what are these and how this figure was reached and if the company queried the cost with its subcontractor.
- The customer states he is unaware that the company made a £40.00 Guaranteed Standards Scheme (GSS) payment to his account.

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. The customer's claim relates to a bill issued by the company for the repair of a leak to private pipework. The customer submits that the bill is excessive and he disputes that he is responsible for the whole bill on the basis that some of the cost relates to work carried out at neighbouring properties.
2. When a water company identifies a leak on private pipework, in accordance with S.75 of the Act, it must notify affected customers of their responsibility to find and fix the leak. If the leak is not repaired, in accordance with S. 75 (9), the company has a right to take the necessary steps to prevent further wastage from occurring and to recover any expenses it reasonably incurs in doing this from those on whom the notice was served.
3. In this case it notified the tenant of the property about the leak (as the water account was in their name), who in turn informed the customer, the owner of the property. It is clear from the evidence including the parties' respective submissions and the company's call note dated 28 February 2020 that the customer on this date agreed for the company to proceed with the repair of the leak. At that time, the company was unsure of the source of the leak as all of notices issued to the tenant quoted the two neighbouring properties as well as the property. Nonetheless, the call note dated 28 February 2020 suggests it explained to the customer that the bill maybe a "3 way split or may only affect one property" and further that the customer was happy with this.
4. The customer states he asked for a quote during the call but was told this was not possible. It is clear from the company's Response that this was because it does not carry out repairs to leaks on private pipes itself and arranges for these "enforced" repairs to be carried out by independent/private contractors, the cost of which is then recouped from the customer. The customer had the option at this stage of arranging the repair himself if he was unhappy about the company being unable to provide a quote; however, he chose to proceed with allowing the company to arrange the repair. Nonetheless, the company is only able to recover expenses that are "reasonably incurred" through it arranging for the repair on the behalf of the customer.

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5. The company subsequently appointed its contractor to undertake the repair. I am satisfied from the evidence that it followed the correct process by issuing a 'Notice of intention to carry out work under section 75(9) of the WIA 1991' letter to the tenant on 30 April 2020. Following this, it issued a bill of £1,741.85, which the customer disputes on the basis it should be shared amongst affected properties and that it was excessive.
6. The notes in breakdown of the bill do suggest excavation works were carried out at the neighbouring properties; however, they also confirm that the source of the leak was located in the garden at the property. Where the exact source of a leak is unknown, it is reasonable to expect that digging in the suspected vicinity of leak will be required in order to trace the leaking supply pipe. In its 7 January 2022 response to CCW, the company explained that engineers carried out a dig in the alleyway to trace the private service supply pipe and eventually discovered the leak to be within the property boundary on the 'T' pipework feeding the property. It stated that as his property was the only one downstream of the repair, he was responsible for the costs of the repair.
7. Therefore, as the leak was found on the private supply pipe within the boundary of the customer's property, I am satisfied that the company acted correctly by recharging the full cost to the customer. I also find that it is reasonable for the cost to include excavation works associated with the repair. On balance, I am satisfied the company made the customer aware that he may be liable for the full bill at the outset. Therefore, I find that it provided its service to the standard to be reasonably expected and there is no basis to order the company to readjust the bill.
8. Regarding the size of the bill, I consider that it is reasonable to expect the company to provide proof of the expenses incurred as well as a breakdown of the amount where requested by a customer particularly when the cost is high, as in this case. Based on its responses provided to the customer in 2020 following his 28 May 2020 complaint raised regarding the cost, I am satisfied that the company provided the customer with sufficient information about the works undertaken. On 22 July 2020, it provided him with a "copy of the recharge". This showed notes of the works completed which included fitting a new pipe and stop tap and gave the following breakdown of the overall cost: visit costs (£1,377.32); reinstatement costs (£340.25) and; materials (£24.28).
9. It is evident that the two-month delay in providing the customer with the breakdown was because the bill was originally put in the tenant's name as the water account was in their name. The company also explained that for data protection reasons, it could not forward the bill to the

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customer. On balance, this is understandable and the call note dated 28 February 2022 suggests the customer was told the bill would be in the tenant's name in the first instance and that he would need to request in writing for the bill to be put in his name which he did on 22 July 2020.

10. I note, however, that the breakdown of the bill provided to CCW in May 2022 after the customer escalated the complaint to them on 2022, appears more detailed than the one provided to the customer in July 2020 as it gives a breakdown of "visit costs (£1,377.32)" which described the work undertaken and time spent on each this plus travel costs. In the circumstance, I find that it is reasonable to expect the company to have provided the full breakdown to the customer when he originally queried the cost in 2020. The company has not explained this. Therefore, on balance this constitutes evidence of the company's service provided not reaching the standard to be reasonably expected.
11. Whilst the customer remains unhappy with the cost of the repair, the breakdown provided details the cost associated with the repair and on balance, these do not appear unreasonable given the works outlined. Therefore, I find no basis to direct that the company readjust the bill. In regards to the customer's query as to whether the company queried the cost with its subcontractor, I am unable to answer this however it does not affect my above finding.
12. Apart from the shortfall in the customer service provided by the company as noted above, the only other instance of the company's service not reaching the expected standard was its lack of any response provided to the customer's 29 July 2020 communication and a delay in responding to his subsequent 25 June 2021 letter. The company, however, has said it applied a £40.00 GSS payment on 22 July 2022. As such, I am satisfied this redress was reasonable. Nonetheless, in light of the customer stating in his Comments on the Preliminary Decision that he is unaware of the £40.00 GSS payment referred to by the company in its Response, I find it reasonable to direct that the company provide details to the customer of the £40.00 GSS payment made to him for its late reply.
13. In light of the instance where the company's customer service provided has not reached a reasonably expected standard, I find it fair to direct that it pay the customer a measure of compensation. In the circumstance, I assess that a reasonable amount is £75.00 in compensation. This falls in Tier 1 of the WATRS Guide to Compensation for Inconvenience and Distress and I am satisfied this is proportionate to the proven failure.

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Outcome

The company needs to take the following further action:

- Provide details to the customer of the £40.00 GSS payment made to him for its late reply, as referenced in its Response.
- Pay the customer £75.00 for stress and inconvenience caused by the instance where its customer service provided did not meet the standard to be reasonably expected.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 19 January 2023 to accept or reject this decision.
- 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.



A. Jennings-Mitchell, Ba (Hons), DipLaw, PgDip (Legal Practice)

Adjudicator

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