

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT/XX/X305

Date of Final Decision: 30 January 2023

Party Details

Customer:

Company:

Complaint

The customer states he believes that the level of water consumption recorded on his meter in 2016 is incorrect. He doubts the reliability and performance of the water meter and believes the company's calculations for his household's average daily usage are incorrect. The customer also raises a concern about the company's negative reporting to credit reference agencies affecting his credit score. Further, he is unhappy with the compensation credits applied by the company for delays in replying to his correspondence within a reasonable timeframe. The customer requests that the company clear his bill, pay him compensation and increase the level of credits offered.

Response

The company acknowledges meter reads from the customer's water meter show two periods of high water usage since 2016 but state there is no evidence of a leak or problem with its assets that could have caused the situation. As the customer did not pay his bills in full and monthly payments did not cover usage and arrears, charges accrued on his account which he is responsible for paying. In addition to the credits already applied to the customer's account totalling £100.00, it will arrange to apply additional credits totalling £150.00 for further instances of its service provided not reaching the standard to be reasonably expected. The company did not make any settlement offer.

Findings

Overall, the company took reasonable steps to investigate the high water usage disputed by the customer. I find that there is no evidence to establish there was a fault with the customer's water meter that

resulted in him being overcharged by the company. There were instances of the company's service provided not reaching the standard to be reasonably expected however it acknowledged the majority of these and provided the customer with reasonable compensatory credits. However, it shared his details with credit reference agencies although the customer contacted it and agreed a payment plan within the date given in its final notice. 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:

- Make best efforts to arrange for the negative mark to be removed from the customer's credit file.
- Pay the customer £250.00 in compensation (by way of a credit applied to his account) for stress and inconvenience caused by the further instance of its service provided not meeting the standard to be reasonably expected.

The customer has until 27 February 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 his behalf) is that:

- The customer believes that the water use measured at the property during the period 2016 to 2017 is unusually high for his circumstances and therefore that the company overcharged him.
- The company carried forward the debt each year.
- The customer believes that the company's calculations for average daily household water is incorrect. He believes that the water meter is unreliable.
- The customer advised that several of the company's agents confirmed there is an issue but failed to resolve it.
- The customer is unhappy about the company affecting his credit score.
- The customer requests that the company:
 - compensate him for inconvenience over two years - pay more than the £70.00 credit it offered him for the length of time it took them to respond to his complaint;
 - fit a new meter and;
 - clear the outstanding balance.

The company's response is that:

- There was an increase in water usage after the customer moved into the property on 2 June 2016.
- On 20 September 2016, it sent the customer his first bill. This was based on usage indicated by the meter read taken on 19 September 2016 from the customer's water meter number REDACTED. This showed high usage of 1.4 m³ being used on average per day.
- Following contact from the customer in regards to the high bill, it advised it would take an additional meter reading to ensure the reading was correct. The next meter read taken on

13 October 2016 showed very high average usage of 3.5m³ (or 3,500 litres) per day between 19 September and 13 October 2016.

- On 12 November 2016, it advised the customer that he would need to locate his inside stop valve (ISV) and ensure it was operable before it arranged for a technician to visit. The customer advised it on 24 January 2017 that the ISV was working and it subsequently arranged for a technician to attend.
- The visit took place on 13 February 2017. Its technician's notes state no fault was found and there was no leak. The meter was reading 1676 on this date which showed that the usage had significantly fallen from 3.5m³ to 0.9593m³. The company states therefore that whatever the issue causing high water usage in the property, this had been resolved either partly or fully before it visited and carried out its investigation.
- Subsequent meter reads it received on 1 March 2017 (meter reading of 1685) and 24 April 2017 (meter reading of 1712) showed 0.56 m³ and 0.28 m³ of water being used on average per day during these periods, respectively. The company states this indicates the water consumption had dropped quite significantly without any intervention from it. It advised the customer that its investigations were complete: as no leak or faults were found it concluded that the customer's usage had been correctly recorded and his bills were correct and payable.
- On 9 March 2017, it sent the customer a Final Demand asking that he pay his bill for £348.44 (for the period 2 June 2016 to 19 September 2016). This stated if the customer did not make arrangement to pay this bill by 23 March 2017, it would pursue the amount by contacting a debt collection agency and it may also share his details with a credit reference agency.
- As the customer made no payments on his account from the time it was opened on 2 June 2016 to 10 April 2017, his credit file was negatively impacted by non-payment. On 22 March 2017, the customer set up a Direct Debit for £36.00 per month. It let the customer know that the payments of £36.00 per month were insufficient to cover his usage but it accepted his request at that time.
- After 12 months on 23 March 2018, it reviewed the customer's payment plan and based on his arrears and usage he was asked to increase his payment plan to £84.00 per month to cover his arrears and future use. If he had paid £84.00 per month, he would have an estimated balance of just £1.80 at the end of the plan. It was unable to take a meter reading due to a skip being over the meter pit.

- On 31 March 2018, the customer called and asked to reduce his payment back down to £36.00 per month. It agreed to do this, however, it advised on the revised statement it sent him, that as he was significantly underpaying, he would have an estimated outstanding balance of £882.80 when the payment plan matured.
- On 24 November 2018, the customer called about his bills and usage. He advised he had not been living at the property as it was being renovated.
- On 9 April 2019, it sent the customer a payment plan renewal advising that to clear his outstanding balance and pay for his next 12 monthly usage, he would need to increase his payments to £200.00 a month.
- On 15 April 2019, it reduced his monthly payment plan to £36.00 as per the customer's request.
- On 17 March 2020, it read the meter which showed average daily usage of 0.5 m³; the company states that this usage is "completely normal" for four occupants.
- On 9 April 2020, a bill/payment plan statement was sent to the customer and it advised him that by paying £43.20 a month, he would have a carried forward balance at the end of 12 months of £871.46.
- On 1 May 2020, the customer called about his bills and said he has had inconsistent readings. It advised it could arrange for the meter to be removed and exchanged with a new meter but as there was the Covid pandemic at the time it was not a priority.
- The reading taken on 24 September 2021 showed very high usage of 5.2 m³, however, the next reading taken on 10 March 2021 showed usage had reduced to 0.65 m³ for the period between 24 September 2021 to 10 March 2021.
- The customer called on 24 July 2021 advising he was concerned about his payment plan being increased to a higher level. Whilst it deemed his usage was normal for a family of four, it asked him to carry out a test by switching off his ISV to establish if there was a leak; if usage was still being recorded on the meter this would indicate there was.
- On 27 August 2021, it advised his payments were not enough to cover his usage and arrears.
- On 21 September 2021, it received a complaint from the customer and he then sent a chaser email on 28 September 2021. It did not answer these communications in line with its Customer Guarantee Scheme (CGS), or apply CGS payment owed in timescale, as such the company states it credited £30.00 to the customer's account on 8 October 2021 and £20.00 on 21 October 2021.

- It provided the customer a response on 5 January 2022 declining his request to write off the debt from 2016. It also explained that due to late and non-payment of his bill his credit file was negatively impacted for the month of February 2017.
- The customer wrote to it again on 12 February 2022 asking to escalate his complaint to stage two of its complaint process. As it failed to answer this within its CGS, it applied a £20.00 credit to his account on 2 March 2022.
- It provided a complaint response to the customer on 29 March 2022 and replied to contact from CCW on 1 June 2022 and 5 July 2022. It supplied evidence including a timeline and meter reads.
- On 10 July 2022, it removed the customer's water meter REDACTED for testing and replaced it with a new smart meter, serial number 311908052.
- The company states that it sent the meter to an independent laboratory for testing and found the meter was under recording the usage in the property. It advised CCW of this on 25 August 2022 and sent the Calibration Certificate confirming the meter had been under recording the customer's usage. The company explained this is very common in meters which are 15 years old or more as was the case; they can slow down once limescale from the water begin to clog the internal workings. The company acknowledges however that it should have offered to change the customer's water meter sooner. Therefore, it added a further credit of £30.00 on 7 October 2022 in recognition of this.
- As of today's date, the customer owes £1,050.12 as shown from his account. The company disputes it is responsible to clear the bill or his remove the negative reporting of his payments.

Reply

- The customer reiterates the main points of the claim including that he doubts the reliability and performance of the water meter.
- The customer also provided further details surrounding the events. He states that he asked the company to listen to calls where its operatives agreed his usage in 2016/2017 was "abnormally" high, however, this is not reflected in its Response.
- The customer stated the company has not provided all the bills that were issued since 2015 and he takes issue with some of the meter readings included in the Response.

- The customer disputes the company's suggestion that he did not pay his bills or intended not to pay his bills. The company has caused harm by permanently affecting his credit score which was done without any notice to him.

Comments on Preliminary Decision

- The customer says he does not accept the finding that there is a lack of evidence to show his household's water consumption was being incorrectly recorded. He says at no point has there been more than four people staying at the property. They all go to work/school and renovations took place between April 2018 and October 2018. He has provided details of his annual water consumption since 19 September 2016 based on meter reads which he says is consistent.

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.

How was this decision reached?

1. The customer's claim concerns meter reads showing higher than expected water usage and the level of service provided by the company whilst handling his concerns raised about this issue.

2. The company acknowledges there are two periods of high water consumption by the customer, however, states there is no evidence this has been caused by a leak or any problem with its assets.
3. I find that the meter reads included in the company's Response (and shown in the customer's bills) confirm two periods of high water consumption by the customer. The first occasion is after the customer moved into the property on 2 June 2016, as based on an opening read of 1321 and the first (actual) meter read taken on 19 September 2016 of 1474, this shows the customer's average daily usage during this timeframe was 1.4 m³.
4. I note that after contact from the customer querying his bill dated 20 September 2016 for £348.44, the company obtained a further reading of 1558 on 13 October 2016; this showed an increased average daily usage of 3.5 m³. As the company deemed the usage to be high, its technician attended on 13 February 2017 to carry out a supply check.
5. Therefore, by taking a further meter reading on 13 October 2016 to ensure the high reading was correct and in arranging for a technician to check the customer's supply the subsequent reading confirmed high usage, the company acted reasonably.
6. I find that the technician's notes made at the time of the visit on 13 February 2017, included in the company's Response, indicate that no leak or any issue with the water meter was found at this time. Further, I note that the subsequent (actual) reads taken on 13 February 2017, 16 March 2017 and 19 September 2017 showed significantly reduced daily usage of: 0.95 m³; 0.48 m³ and; 1.00 m³, respectively.
7. Therefore, as no leak or issue with the meter was found when investigated by the company and because meter reads taken over the subsequent 12 months show reduced water consumption by the customer, I do not consider this to be indicative of a fault with the water meter. Therefore, on balance I find that there is insufficient evidence to establish the meter readings were incorrect or that the customer was being overcharged for water usage showing on the meter at this time.
8. However, in the circumstance, I find that it is reasonable to expect the company to have offered the customer the option of changing the meter in order to reassure him it was

operating correctly. By not taking this additional step, I consider that the service provided by the company at this stage did not reach the standard to be reasonably expected. I note that the company has since acknowledged this service shortfall and on 7 October 2022, it applied a £30.00 credit to the customer's account as recompense. On balance, the redress provided by the company is reasonable.

9. The read subsequently taken on 24 September 2020 of 2375 shows the customer's average daily water used increased to 5.2 m³ during the period from 9 September 2020 to 24 September 2020. This indicates very high water consumption and generated a bill of £985.60 on 7 July 2021 (for the period 10 September 2020 to 10 March 2021). However, it is clear from subsequent readings taken 10 March 2021, 18 September 2021, 21 March 2022 and 10 July 2022, that the customer's average daily usage then reduced to between 0.53 m³ and 0.65 m³.
10. The customer next raised a concern about the level of usage with the company during a call on 24 July 2021. I note that he followed up with a complaint made to the company on 9 September 2021 wherein he requested for his water meter to be replaced with a new one. I note the parties originally discussed replacing the water meter when the customer called the company on 1 May 2020 and the company advised as there was a pandemic, it would follow up on this after it was able to resume its day to day work. In the circumstance, its response in this regard was reasonable. However, as it did not then replace the meter until 10 July 2022 after contact from CCW, this indicates an unreasonable delay by the company. I consider this to be evidence of the company's service provided not reaching the expected standard.
11. In its Response, the company acknowledges it should have progressed the change of meter after the customer's call of 24 July 2021. Further, it agrees to apply a credit of £150.00 to the customer's account to say sorry (based on £10.00 per month in addition to a further £30.00 credit for not recognising this sooner). On balance, I am satisfied the compensation credit offered by the company in its Response is fair and proportionate to the proven issue.
12. In CCW's letter to the customer dated 21 July 2022 (included in the CCW documents), they advised the company confirmed it had arranged for the meter to be sent off for independent testing. I consider such action taken by the company to check if there was an issue with the

functionality of the water meter to be reasonable. I note that the 'certificate of calibration' provided by the company shows the test found the customer's water meter to be slightly under recording usage but, as the flow of water recorded through the meter was within 2.5% margin of error (deemed accurate in instances of under-recording), the meter "passed" the test. On balance, I find this evidence supports the company's stated position that there is no issue with the water meter number REDACTED that resulted in the customer being overcharged for consumption based on the reads taken.

13. Further, I am mindful that the two meter reads taken on 23 September 2022 and 15 December 2022, after the customer's meter was replaced, show average daily usage by the customer's household of 0.48 m³, and 0.57 m³. As these readings show the household usage to be broadly in line with the usage recorded on the previous meter number REDACTED (apart from the two periods of high water consumption considered above), I find this evidence supports my above finding that there was no fault with the water meter.
14. Therefore, whilst there have been two periods of very high usage since 2016, there is insufficient evidence to demonstrate, on balance of probabilities, that the customer's water consumption was being incorrectly recorded or that the customer has been overcharged. As such there is no basis to direct that the company is responsible to adjust or cancel the charges applied during these periods. I acknowledge the customer's comments on the Preliminary Decision, however, they do not affect my above finding. I am satisfied that the company has made the customer aware of the arrears.
15. Regarding the negative impact caused to the customer's credit score, the company has explained this is as a result of the customer's non-payment of the bill dated 20 September 2016. I note that the company's Final Demand sent to the customer dated 9 March 2017, stated if the customer did not make arrangement to pay this bill by 23 March 2017, it would pursue the amount by referral to a debt collection agency and may share his details with a credit reference agency.
16. Whilst under its Charges Scheme, the company is entitled to follow its debt recovery process if an amount owed is not paid within 7 days of the final notice, in the customer's case, I note that he contacted the company on 22 March 2017 to set up a payment plan. I am mindful that this was within the timeframe stipulated in the Final Demand (23 March 2017) and the company agreed to this payment plan at this time. I find that there is no

evidence to suggest the company made clear to the customer at this point that the agreed payment plan would not prevent it from sharing his details with a credit reference agency. Therefore, by sharing his details with a credit reference agency which resulted in his credit score being adversely affected, I consider that the company did not act reasonably. On balance, this is evidence of the company's service provided not reaching the standard to be reasonably expected.

17. I note that the company also failed to respond to the customer's communications and complaints dated 9 September 2021, 28 September 2021 and 12 February 2022 within the timescales stated in its CGS. I find that this further evidence of its service provided not reaching the standard to be reasonably expected. However, as the company has demonstrated it has applied total credits of £70.00 to the customer's account for these instances, I am satisfied this is reasonable and proportionate redress for this issue in the circumstances.

18. In light of my above finding that the company's service provided did not reach the standard to be reasonably expected when it shared the customer's details with credit reference agencies when he had agreed to a payment plan within the date given in the final notice, I find it reasonable to direct that the company pay a measure of compensation for the stress and inconvenience caused. I assess that reasonable sum to be £250.00. This amount falls in Tier 2 of the WATRS Guide to Compensation for Inconvenience and Distress and I am satisfied this is proportionate to the additional proven service failing. I also consider it reasonable to direct that the company make best efforts to arrange for any negative mark to be removed from the customer's credit file.

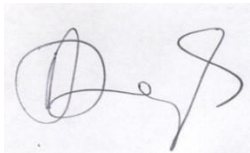
Outcome

The company needs to take the following further action:

- Make best efforts to arrange for the negative mark to be removed from the customer's credit file.
- Pay the customer £250.00 in compensation (by way of a credit applied to his account) for stress and inconvenience caused by the further instance of its service provided not meeting 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 27 February 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 handwritten signature in black ink, appearing to read 'A. Jennings-Mitchell', written on a light-colored background.

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

Adjudicator