

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/X383

Date of Decision: 08 May 2023

Party Details

Customer: XX
Company: XX

Complaint

The customer has a dispute with the company regarding the level of compensation to be paid to her for distress and inconvenience. The customer states that the water meter at her previous residence was not working correctly and she was being charged according to estimated readings and the company wrongly referred her account to debt collection agencies. The customer acknowledges that the company has written off the outstanding balance on her account but believes she should receive additional compensation for a dispute that has been running since 2001. The customer claims that despite ongoing discussions with the company and the involvement of CCWater the dispute is unresolved and therefore she has brought the claim to the WATRS Scheme and asks that the company be directed to pay compensation for stress and inconvenience in the sum of £2,500.00.

Response

The company denies that the customer's meter was malfunctioning and says that she received high bills because she made inadequate payments over a long period of time, and this resulted in her account being referred to debt collectors. The company says that it has now written off the entire outstanding balance on the customer's account, paid her £100.00 as a goodwill credit, and recalled her account from the debt collectors. It has not made any additional formal offer of settlement to the customer and declines to pay additional compensation.

Findings

The claim does not succeed. I find that the evidence does not support on a balance of probabilities that the company has provided an unreasonably low level of compensation. I find that the parties have both contributed equally to the dispute and that the company failed to manage the customer's account to a reasonable level. Although I find compensation is appropriate, I also find that the £1,033.40 already paid by the company is a fair and reasonable recompense and I shall not direct that it makes any additional payments. I find that the evidence shows that the company did not provide its services to a reasonable level, but it has made reasonable and sufficient recompense to the customer.

Outcome

The company does not need to take further action.
The customer must reply by 06 June 2023 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

- She has experienced an ongoing dispute with the company concerning issues with billing on her account. Despite the customer's recent communications with the company, and the involvement of CCWater, the dispute has not been settled.
- Her dispute with the company is in regard to a property where she previously resided between 01 January 2001 and 2018.
- She contacted the company in July 2022 to complain that her meter was malfunctioning by revolving backwards, and she was concerned about how she would be billed.
- The company investigated and acknowledged that the meter was no longer working correctly, but it did not replace it until 2004. As a result, the company repeatedly sent her higher than average bills.
- She vacated the property in 2018 and believed that the issue was settled. However, she received a bill from the company some four years later requesting payment for an outstanding amount on her account at the previous property.
- She has been contacted by two separate debt collection companies acting for the company and she says they were both harassing her. The customer records that she has been disabled since breaking her neck in 2002.
- Believing the company had not properly addressed her concerns she, on 08 September 2022, escalated her complaint to CCWater who took up the dispute with the company on her behalf.
- The records show that CCWater contacted the company on 01 November 2022 to request its version of events and its proposals to resolve the dispute.
- On 08 November 2022 the company confirmed that it would waive the entire outstanding balance of £933.40 and instruct the debt collection companies to close the customer's account in their records. The company also confirmed that it had previously made goodwill gestures to the customer totalling £100.00.

- She understood that the company was not offering any compensation for its failures over a long period of time, and believed she would be awarded over £10,000.00 should she take her complaint to court.
- She acknowledges that CCWater advised her that should the company decline to pay compensation and she decide to escalate to the WATRS Scheme that the maximum award for distress and inconvenience would not be greater than £2,500.00.
- On 21 December 2022 CCWater contacted the company again advising that the customer was seeking £2,500.00 in compensation for the stress and inconvenience experienced because of the dispute.
- On 09 January 2023, CCWater advised her that the company had responded to its request for compensation and confirmed that it believed waiving the outstanding balance in full was sufficient and would not pay compensation to her.
- CCWater concluded that this was the final position of the company, and it could not take any further measures to have the company change its position and was thus closing her case.
- Continuing to be dissatisfied with the response of the company she has, on 12 January 2023, referred the matter to the WATRS Scheme where she requests that the company be directed to pay compensation for distress and inconvenience in the amount of £2,500.00.

The company's response is that:

- It provided its response to the claim in its package of documents submitted on 20 March 2023.
- It confirms its obligations in respect of both water supply and sewerage services, and explained its debt collection process.
- It confirms that it has no record of the customer's original complaint about a faulty meter but acknowledges the copies of correspondence submitted by the customer to CCWater and WATRS.
- It notes that it sent a letter to the customer, dated 15 July 2002, confirming that the meter was not recording and that it would be replaced. The company says that it made numerous attempts to install the new meter at the property but was unable to gain access and thus began to issue estimated bills. The company says the meter was eventually changed on 10 June 2004.
- It acknowledges that CCWater contacted it on 13 September 2022 in respect of a claim from the customer. The company confirms that to resolve the dispute it had written off the outstanding

balance of £933.40 and cancelled referrals to debt collection companies. The company also confirms that the customer has received £100.00 in goodwill payments.

- It acknowledges that the customer has requested compensation for distress and inconvenience but it declines to make any additional payments, believing waiving the full outstanding bill is sufficient.
- In summary, it believes that the customer is not due any additional compensation following the waiving of outstanding charges.

The customer's comments on the company's response are that:

- On 27 March 2023, the customer submitted detailed comments on the company's response paper. I shall not repeat word for word the customer's comments and in accordance with Rule 5.4.3 of the Rules of the WATRS Scheme I shall disregard any new matters or evidence introduced.
- The customer reiterates her position that she believes the company was harassing her by having two debt collection agencies repeatedly contact her. The customer repeats that once she sent copies of her interactions with the company to the agencies, they both closed her account on their records. The customer says that at no time did the company take into consideration the extent of her injuries or the fact that she was unable to leave her bedroom for some two years.

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 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 relates to the customer's dissatisfaction that the company has not agreed to compensate her for the distress and inconvenience she experienced over many years because of a malfunctioning meter and subsequent overcharging.
2. I note that the WATRS adjudication scheme is an evidence-based process, and that for the customer's claim to be successful, the evidence should show that the company has not provided its services to the standard that would reasonably be expected of it.
3. I accept that the company has established its statutory duty under the Water Industry Act 1991 to provide water services to every property in its area, and to seek payment for the provision of services.
4. The company has also explained its debt collection procedures.
5. I can see that the crux of this dispute revolves around the issue of the conduct of the company over a long period of time, and whether this conduct directly contributed to any distress and inconvenience the customer may have experienced.
6. I can also see that the company has waived the customer's outstanding bill in the full amount of £933.40 and has credited her with goodwill payments to the value of £100.00.
7. The customer has stated that she understood in 2001/2002 her water meter was malfunctioning and recording backwards, and she contacted the company to complain.
8. The company stated in its letter to the customer dated 13 November 2017 that the meter was functioning correctly and that she had been billed on measured readings not estimated readings as she believed.
9. The company has submitted into evidence an account breakdown for the period between May 2003 and November 2017. The company has stated that it advised the customer on several occasions that her payments, although regular, were only covering current usage but were insufficient to reduce her outstanding balance.
10. I can see from the breakdown that the outstanding balance was growing. As such, I am satisfied that the company acted within its debt collection procedures when it referred the customer's account to debt collection agencies.

11. I find that the evidence submitted by both parties does not permit me to clearly understand the exact situation in respect of the customer's payments over such a long period, between 2001 and 2018 when she changed residence.
12. There also appears to be confusion as to whether the customer moved out of the original property in early 2018 and did not advise the company of her new address. Hence, the company's need to retain another agency to identify the customer's new address such that it could continue to communicate with her over the outstanding account balance.
13. From my reading of the evidence, I find that there have been errors and omissions by both parties in the management of the customer's account. I take note that the company was unable to secure access to the property to install the meter for a period of almost twenty-four months and the fact that the customer did not appear to respond to numerous company requests to increase her monthly payments. At the same time, I am conscious that the company has not provided consistent responses and I note that the defence submission is not wholly consistent with other elements of evidence submitted.
14. I am satisfied that the evidence establishes that the company contributed to the confused status of the account on an equal level to the customer. I find, on a balance of probabilities, that the company's contribution amounted to a failure to manage the account to a level to be reasonably expected by the average person.
15. I am further satisfied that the failure did contribute to the distress and inconvenience experienced by the customer, and that compensation is appropriate.
16. I would be content to grade the failure at Tier 3 level according to the *WATRS Guide to Compensation for Inconvenience and Distress* and award the sum of £750.00, having in mind the number of years the dispute was ongoing.
17. However, I take into consideration that the company has written off in full the customer's outstanding balance of £933.40 and paid a goodwill credit of £100.00 giving a total compensatory payment of £1,033.40. As this amount is in excess of the payment of £750.00 that I would have awarded then I decide that the company does not need to pay any additional amount in excess of the £1,033.40 already paid.
18. Thus, I find that the customer's claim does not succeed, and I shall not direct the company to pay any additional compensation.
19. My conclusion on the main issues is that although the company has failed to provide its services to the standard to be reasonably expected by the average person, the evidence does not confirm that the customer is due any additional compensation.

The Preliminary Decision

- The Preliminary Decision was issued to the parties on 13 April 2023.
- The customer has, on 04 May 2023, responded to the Preliminary Decision.
- The customer disputes that the company made several attempts to install a new meter.
- The customer believes the amount of compensation calculated by the adjudicator is insufficient for a problem that was ongoing for so many years.
- The customer reiterates her belief that the company was negligent in its responses to her complaints.
- However, I remain satisfied that the facts upon which the Preliminary Decision was based remain unchanged.
- Having read the response of the customer I am satisfied that no amendments are required to the Preliminary Decision.

Outcome

The company does not need to take further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 06 June 2023 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.



Peter R Sansom
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Member, CI Arb Business Arbitration Panel.
Member, CI Arb Pandemic Business Dispute Resolution Arbitration Panel.
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Independent Adjudicator