



An Coimisiún
um Rialáil Fóntais
**Commission for
Regulation of Utilities**

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Commission for Regulation of Utilities

Compliance Investigation

Irish Water – Bailieborough Public Water Supply

Information Paper

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Executive Summary

The Commission for Regulation of Utilities (CRU) is Ireland's independent energy and water regulator and has a wide range of economic, customer protection and safety responsibilities in energy and water. The CRU's role in regulating Irish Water is established in the Water Services (No. 2) Act 2013,¹ which sets out our key functions and powers as the economic regulator of Irish Water.

As part of its remit, the CRU publishes Customer Handbooks,² which contain individual codes for domestic and non-domestic customers. The Handbooks set out the minimum standards Irish Water must fulfil when providing water and wastewater services to ensure customers are protected. Irish Water is required to prepare a suite of Codes of Practice in line with the Customer Handbooks for CRU approval. The approved Codes are published on Irish Water's website www.water.ie.

On 12th December 2019, the Environmental Protection Agency (EPA) carried out a site visit of the Bailieborough Water Treatment Plant (WTP) in Co. Cavan. The plant serves a population of 7,785 customers. The EPA conducted its audit on foot of a large volume of complaints received by Irish Water regarding customers' water supply.

Key findings from the EPA's audit³ included:

- *"Elevated Manganese levels in the lake source resulted in repeated manganese (Mn) failures since 9th October 2019 in water serving the Bailieborough PWS. The EPA was not notified of any Mn failures from 9th October to 1st December 2019."*
- *"Irish Water visited the site on 02/12/19 and discovered the matter of high turbidity and Mn failures at the plant, but there was a breakdown in communication of these issues within Irish Water. This meant the matter was not investigated in more detail, communicated to the HSE and the EPA and the appropriate risk to human health could not be assessed in a timely manner."*

The EPA also noted:

- A high number of complaints received by Irish Water regarding the water supply;
- Complaints were not escalated internally;
- Customer dissatisfaction following a lack of response upon making a complaint; and
- The observation of brown water during the audit.

At the close of the EPA audit, the HSE decided to place a 'Do Not Consume' notice on the Bailieborough Public Water Supply (PWS) to protect consumers' health. This notice was in place between the 13th – 23rd December 2019.

The findings of the EPA's audit raised concerns for the CRU about Irish Water's compliance with the approved Codes of Practice, particularly in terms of customer communication and complaint handling. In September 2020, the CRU wrote to Irish Water requesting information with respect to

¹ Water Services (No. 2) Act 2013, available at

https://www.lawreform.ie/_fileupload/RevisedActs/WithAnnotations/HTML/en_act_2013_0050.htm#SEC32

² [Irish Water Domestic Customer Handbook](#) and [Irish Water Non-Domestic Customer Handbook](#)

³ EPA audit report, DW2019/218, available at <https://www.epa.ie/publications/compliance--enforcement/drinking-water/audit-reports/cavan/baileborough-public-drinking-water-supply.php>

the issues arising at the Bailieborough PWS in 2019 and, following review of the response, in March 2021 the CRU communicated its intention to proceed with a formal investigation into Irish Water’s compliance with its requirements. The CRU’s investigation has focused on the events leading up to and including the issuing of the ‘Do Not Consume’ notice on 13th December 2019. Additional information was requested to complete the CRU’s investigation.

The CRU found a number of non-compliances by Irish Water with the approved Codes of Practice between October and December 2019. These findings have been communicated to Irish Water alongside the requested remedial actions. Irish Water has informed the CRU that remedial actions are either already completed or will be completed at various dates between now and Q1 2022. Irish Water is to provide a progress report on all remedial actions by 12th November 2021.

The findings are summarised as follows:

Complaint Handling Code of Practice	
Requirement	Finding
<i>“A complaint is defined as “the expression (through various channels, letter, email, phone call, physical claim) of a customer’s dissatisfaction and his/her explicit expectation for a response or resolution”.”</i>	1. Categorisation of customer contacts as complaints Irish Water did not appropriately categorise all contacts expressing dissatisfaction and an expectation for a response or resolution as complaints. This had implications for how contacts were handled and resolved, and for comparative customer service metrics. Of 96 ‘contacts’ received, the majority should have been categorised as ‘complaints’.
<i>“Efficient complaints process - We will formally record complaints and try to resolve them as soon as possible.”</i>	2. Escalation of cluster of complaints Irish Water did not recognise and escalate the cluster of complaints relating to discoloured water impacting customers served by Bailieborough PWS between October and December 2019. This failure contributed to the considerable delay in resolving the issue driving customer complaints.
<i>“Simple complaints process - We will provide you, or a person you name to act on your behalf, with an easy process to make a complaint.”</i> <i>“Clear way to escalate your complaint - We will make it clear how you can escalate your complaint further if you are not satisfied with the outcome of your complaint.”</i>	3. Enabling escalation of complaints Irish Water did not inform customers about how to escalate a complaint when required. It is important that when a customer remains dissatisfied at the end of the first stage of the complaint process, they are informed of how they can escalate their complaint to a more senior level. Of 47 contacts categorised as complaints, zero were escalated. One customer contacted Irish Water nine times, including to ask how to escalate their complaint, but the complaint was not escalated.
<i>“Simple complaints process - We will provide you, or a person you name to act on your behalf, with an easy process to make a complaint.”</i>	4. Enabling escalation of complaints Training material provided to customer service advisors may lead to serious complaints relating to water quality not being appropriately categorised.

<p><i>“Clear way to escalate your complaint - We will make it clear how you can escalate your complaint further if you are not satisfied with the outcome of your complaint.”</i></p>	<p>The categorisation of complaints impacts how complaints are handled and escalated.</p>
<p><i>“Response within five working days - We will respond to your complaint within five working days with a resolution or an outline plan on how we will resolve the issue, under normal conditions.”</i></p> <p><i>“We will issue a final decision to your complaint within two months from when you registered your complaint, and provide reasons for our decision.”</i></p>	<p>5. Closing of complaints Irish Water did not ensure in all cases that the customer was aware that their complaint had been closed and that no further action would be taken.</p>
Communications Code of Practice	
Requirement	Finding
<p><i>“Timeliness - The information will be provided in a timely manner so as to minimise inconvenience to our customers.”</i></p> <p><i>“Adequacy - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”</i></p>	<p>6. Provision of information to customers There was a breakdown in internal communications following Irish Water’s visit to the Bailieborough WTP, which contributed to an 11-day gap between the visit and the issuance of a ‘Do Not Consume’ notice, and the corresponding interval before customers were provided with accurate communications.</p>
<p><i>“Timeliness - The information will be provided in a timely manner so as to minimise inconvenience to our customers.”</i></p> <p><i>“Adequacy - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”</i></p>	<p>7. Communication of flushing events Irish Water did not provide sufficient updates to customers affected by flushing events, considering the volume and duration of these events.</p>
<p><i>“Adequacy – All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”</i></p>	<p>8. Detailed communication of affected areas Communications provided by Irish Water in relation to the location of flushing events were not sufficiently detailed and clear and may have caused confusion for customers</p>
Billing Code of Practice	
Requirement	Finding
<p><i>“We guarantee to apply the applicable discount/rebate to your</i></p>	<p>9. Application of rebates due to impacted non-domestic customers</p>

bill in relation to notices that declare water unfit for human consumption in line with the Commission for Regulation of Utilities decision on Irish Water's Water Charges Plan."

Irish Water failed to apply the applicable discount/rebate to 232 non-domestic customers impacted by the Bailieborough 'Do Not Consume' notice.

In some cases, these findings are interlinked. For example, the failure to escalate the cluster of complaints had consequences for the identification of the root cause of the issue and for customer communications.

The CRU notes the importance of responsive complaint handling processes, which can help identify issues in a timely manner. In addition, providing communications to customers which are accurate, precise and timely is also essential.

The CRU has requested remedial actions to address the process failings which led to these issues. These actions are not prescriptive in nature and allow Irish Water to propose solutions which are compatible with its structures and existing processes. Some of the key areas to be addressed by Irish Water include:

- Review processes to categorise customer contacts to ensure that complaints are captured.
- Review processes to ensure recognition and escalation of clusters of contacts/complaints.
- Amend processes to ensure that a cluster of contacts/complaints can be escalated even if it appears the cause is known.
- Review training material in terms of raising complaints, escalating complaints, the categorisation of complaints and closing of complaints.
- Provision of incident response training to all necessary staff.
- Improvement of communication to customers impacted by flushing or other issues causing abnormal and unacceptable change to water colour, including detailed information on locations affected.⁴

Irish Water has provided a plan detailing remedial actions to the CRU and the CRU has assessed this plan to ensure it resolves the issues raised in this investigation.

Discussions are ongoing between Irish Water and the CRU in order to clarify some aspects of these remedial actions. Irish Water is due to submit a progress report on all remedial actions by 12th November 2021 and subsequent compliance monitoring will be required to follow up on all actions.

The CRU will continue to monitor Irish Water's compliance with its legislative obligations as set out in the approved Codes of Practice. Compliance monitoring includes spot checks, audits and the investigation of any issues that may arise.

⁴ As per S.I. No. 122/2014, the indicator parameter for water is 'acceptable to consumers and no abnormal change', <https://www.irishstatutebook.ie/eli/2014/si/122/made/en/print>

Public Impact Statement

The CRU's mission is to protect the public interest in Water, Energy and Energy Safety.

The CRU is guided by four strategic priorities that sit alongside the core activities we undertake to deliver on the public interest. These are:

- Deliver sustainable low-carbon solutions with well-regulated markets and networks
- Ensure compliance and accountability through best regulatory practice
- Develop effective communications to support customers and the regulatory process
- Foster and maintain a high-performance culture and organisation to achieve our vision

The CRU undertook a formal investigation into Irish Water's compliance with its approved Codes of Practice in relation to issues at Bailieborough Public Water Supply (PWS) arising in Q4 2019. The CRU found several non-compliances with the approved Codes of Practice, which resulted in customer protection failings by Irish Water.

- Regarding the Complaint Handling Code of Practice, there was a failure to correctly categorise customer contacts as complaints; a failure to recognise and escalate a cluster of complaints and contacts and, in turn, identify and remedy the issue in a timely manner; a failure to inform customers on how to escalate a complaint when required; inadequacies with training material provided to staff and a failure to make some customers aware when their complaint had been closed.
- Regarding the Communications Code of Practice, a breakdown in internal communications contributed to a delay in the issuance of a 'Do Not Consume' notice and the provision of accurate and timely information to customers; insufficient updates were provided to customers impacted by flushing; and insufficient detail on the location of flushing events.
- Regarding the Billing Code of Practice, there was a failure to apply the applicable discount/rebate to 232 non-domestic customers impacted by the 'Do Not Consume' notice.

The CRU has required Irish Water to address the management processes which led to these issues and provide the CRU with a progress report on the remedies by 12th November 2021.

The CRU will continue to examine issues of customer concern, conducting investigations where necessary. In addition, the CRU will continue to monitor compliance through a range of audits and spot checks on Irish Water's customer-facing activities.

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Glossary of Terms and Abbreviations

Abbreviation or Term	Definition or Meaning
BWN	Boil Water Notice
CRU	Commission for Regulation of Utilities
DNC	Do Not Consume (Notice)
EPA	Environmental Protection Agency
ERA	Electricity Regulation Act
HSE	Health Service Executive
Mn	Manganese
PWS	Public Water Supply
WTP	Water Treatment Plant
WUHC	Water Unfit for Human Consumption

1. Introduction

1.1 The CRU

The CRU is Ireland's independent energy and water regulator. In its role as economic regulator of water, the CRU aims to protect the interests of customers by monitoring the performance of Irish Water in delivering services and providing investment in water and waste infrastructure in a cost-efficient manner.

The CRU's compliance activities are conducted in line with the CRU's Compliance and Enforcement Policy Statement, which sets out key regulatory principles – clarity, proportionality, targeting, consistency, transparency and effectiveness.⁵ The CRU takes an outcome-focused and risk-based approach to compliance monitoring.

Section 39 of the Water Services (No. 2) Act 2013 provides the CRU with the legislative powers to protect the interests of Irish Water customers and ensure that customers are provided with the quality of services provided for in approved Codes of Practice. In accordance with Section 32(1) of the Act, Irish Water must prepare and submit Codes of Practice to the CRU for approval. These are published on Irish Water's website and are based on the Customer Handbooks prepared by the CRU. The Handbooks provide guidelines to Irish Water in terms of required levels of customer service and customer protection measures to be implemented in their business operations. Under section 32(5) of the Act, the CRU may direct Irish Water to comply with an approved code of practice or a provision of a code of practice.

The CRU's enforcement powers in respect of energy licence holders, including electricity and gas suppliers and network companies, are more comprehensive. The Electricity Regulation Act 1999 empowers the CRU to issue a direction or notice to a licensee where it considers that the licensee may be contravening or may be likely to contravene a condition or requirement, apply to the High Court for an order to ensure compliance with a direction and ultimately revoke a licence where the CRU determines it appropriate. In addition, the Energy Act 2016 grants the CRU power to impose administrative sanctions on licensees, which include financial penalties. The CRU is currently developing the administrative sanctions framework; however, this enforcement power does not apply to Irish Water.

1.2 Bailieborough PWS incident

Bailieborough Public Water Supply Scheme (PWS) serves a population of 7,785 customers in County Cavan, including the areas of Bailieborough, Killinkere, Virginia, Crossbane and Mullagh. On 13th December 2019, a 'Do Not Consume' notice was placed on the supply. This was in place for ten days, until 23rd December 2019.

⁵ [CRU19134-CRU-Compliance-and-Enforcement-Policy-Statement.pdf](#)

The notice was decided upon by the Health Service Executive (HSE) following an EPA audit of the Bailieborough Water Treatment Plant (WTP) on 12th December 2019. The EPA's audit raised a number of key findings, including:

- *“...serious deficiencies regarding management and control...”*
- *“Elevated Manganese levels in the lake source resulted in repeated manganese (Mn) failures since 9th October 2019 in water serving the Bailieborough PWS. The EPA was not notified of any Mn failures from 9th October to 1st December 2019.”*
- *“Irish Water visited the site on 02/12/19 and discovered the matter of high turbidity and Mn failures at the plant, but there was a breakdown in communication of these issues within Irish Water. This meant the matter was not investigated in more detail, communicated to the HSE and the EPA and the appropriate risk to human health could not be assessed in a timely manner.”*
- *“Following the audit, Bailieborough PWS was added to the EPA's Remedial Action List for public water supplies in the Q4 2019 update, due to the treatment and management issues identified during the EPA audit.”*

The EPA also noted:

- A high number of complaints received by Irish Water regarding the water supply;
- Complaints were not escalated internally;
- Customer dissatisfaction following a lack of response upon making a complaint; and
- The observation of brown water during the audit.

These findings raised concerns for the CRU, particularly in terms Irish Water's complaint handling and customer communication between October – December 2019.

1.3 CRU investigation

In September 2020, the Commission for Regulation of Utilities (CRU) requested information from Irish Water in relation the incident at Bailieborough PWS in Q4 2019.

Following a review of Irish Water's response, in March 2021 the CRU communicated its intention to Irish Water to proceed with a formal investigation into Irish Water's compliance with the requirements of the Customer Handbooks⁶ and the relevant approved Codes of Practice as required under Section 32 of the Water Services (No. 2) Act of 2013.

The CRU's investigation has focused on the events leading up to and including the issuing of the 'Do Not Consume' Notice. A total of nine areas of non-compliance with the Codes of Practice have been identified.

The CRU has communicated its findings to Irish Water and requested a range of remedial actions. Irish Water has informed the CRU that remedial actions are either completed or will be addressed at various dates between now and Q1 2022. The CRU is continuing to liaise with Irish Water to ensure the satisfactory completion of all remedial actions.

⁶ CRU/17/319 & CRU/18/041 - Irish Water Domestic and Non-Domestic Customer Handbooks

2. Findings

The CRU's investigation found Irish Water to be non-compliant in nine instances with the requirements of its Codes of Practice, approved by the CRU in accordance with Section 32 of the Water Services (No. 2) Act of 2013.

The following sections outline these findings:

- Section 2.1 details non-compliances identified in relation to the Complaint Handling Code of Practice;
- Section 2.2 sets out non-compliances in relation to the Customer Communications Code of Practice; and;
- Section 2.3 outlines a non-compliance with the Billing Code of Practice.

2.1 Non-compliances with the Complaint Handling Code of Practice

2.1.1 Categorisation of customer contacts as complaints

Irish Water Complaint Handling Code of Practice⁷

"A complaint is defined as "the expression (through various channels, letter, email, phone call, physical claim) of a customer's dissatisfaction and his/her explicit expectation for a response or resolution"."

Customers Handbooks

Code of Practice on Complaints Handling, Section 10.1 (Domestic Handbook) / Section 9.1 (Non-Domestic Handbook)

A complaint is defined as:

- The expression (through various possible channels, letter, email, phone call, physical claim) of a customer's dissatisfaction and his/her explicit expectation for a response or resolution.

Explicit – the customer states he/she is seeking some action to address his concern, even if he/she is not able to identify and state what action is required.

For clarity a customer in this context is defined as any person that wishes to complain to or about Irish Water.

During the course of this investigation, the CRU examined logs of contacts received by Irish Water at the time, including the log of 96 contacts classified as 'contacts', and found that the above

⁷ Irish Water Domestic Complaint Handling Code of Practice, <https://www.water.ie/iw-documents/about/Domestic-Complaint-Handling-Code-of-Practice-02.10.17.pdf>

definition of a complaint was not followed in the categorisation of many contacts. Most customers were expressing dissatisfaction or concern due to discoloured water and wanted something done about the issue.

For example, one customer contacted Irish Water and stated that they had been experiencing brown water for four weeks, that their neighbours had also been affected and that the customer would like to be informed when the issue was being investigated so that they could show Irish Water the discolouration of the water. Another customer wrote to Irish Water describing that the water was brown, and they could not drink it or shower. The customer stated that no notice had been provided, wrote that it was a human right to have clean water and that they would appreciate a follow up email with any findings. Neither of these contacts were categorised as complaints.

While Irish Water reported 96 ‘contacts’ to the EPA – which predominantly consisted of customers reporting brown/yellow water, which was ongoing for a considerable period of time (in many cases three weeks or more) and included customers who stated they had become ill from the water – none of these were categorised as complaints by Irish Water. The CRU considers that the majority of these 96 contacts should have been categorised as complaints.

The CRU notes that the accurate recording of complaints has important repercussions, firstly in resolving/escalating complaints and, secondly, in the comparative use of complaints figures as a metric⁸.

Finding 1: Irish Water did not comply with the Complaint handling Code of Practice as it did not accurately categorise all contacts expressing dissatisfaction and an expectation for a response or resolution as complaints. This had implications for how contacts were handled and resolved, and for comparative customer service metrics.

2.1.2 Escalation of cluster of complaints and contacts

Irish Water Complaint Handling Code of Practice

“**Efficient complaints process** - We will formally record complaints and try to resolve them as soon as possible.”

Customer Handbooks

Code of Practice on Complaint Handling, Section 10.2.2 (Domestic Handbook) / Section 9.2.2 (Non-domestic Handbook)

“Irish Water is required to appropriately attempt to resolve all relevant complaints as soon as possible in house.”

⁸ For example, as published in the CRU’s Energy and Water Monitoring Annual Report

Between October and December 2019, over 140 complaints and contacts in relation to Bailieborough PWS were received by Irish Water. Many of these referenced prolonged discolouration of water.

Despite the large number of complaints, Irish Water did not provide evidence to demonstrate the ability for the call centre to recognise a cluster of complaints/contacts and escalate the issue across the organisation; rather, individual complaints were assigned to a stakeholder for input or action.

The CRU considers that this limited Irish Water's ability to detect and respond to the water quality issue affecting customers of Bailieborough PWS. While repeated manganese water quality failures were recorded at the plant between October – December 2019, the CRU is concerned that the full extent of this issue was not identified through timely or proactive investigation by Irish Water and was instead revealed through an EPA audit conducted on 12th December 2019.

Therefore, by failing to adequately escalate a cluster of complaints and investigate the cause in a timely manner, there was a delay of approximately two months, from October to December, in identifying the root cause of the issue, consulting with the HSE – which resulted in the issuing of a 'Do Not Consume' notice – and remedying the issue.

This contributed to delays by Irish Water providing timely and adequate information to customers throughout this period, an issue which is further examined in Section 2.2 below.

The CRU also noted that in many cases, customer complaints were attributed to flushing events which were ongoing during this period and, as a result, Irish Water did not appropriately respond to these complaints. The CRU does not consider that it was appropriate to close these complaints without follow up, given the number and timespan of the complaints received.

Finding 2: Irish Water did not recognise and escalate the cluster of complaints and contacts relating to discoloured water impacting customers served by Bailieborough PWS between October and December 2019. This failure contributed to the considerable delay in resolving the issue driving customer complaints. As a result, Irish Water did not comply with its requirements in line with its approved Complaint Handling Code of Practice.

2.1.3 Enabling escalation of complaints

Irish Water Complaint Handling Code of Practice

“Simple complaints process - We will provide you, or a person you name to act on your behalf, with an easy process to make a complaint.”

“Clear way to escalate your complaint - We will make it clear how you can escalate your complaint further if you are not satisfied with the outcome of your complaint.”

Customer Handbooks

Code of Practice on Complaints Handling, Section 10.2.1 (Domestic Handbook) / Section 9.2.1 (Non-Domestic Handbook)

Irish Water is required to provide an easy process for customers/potential customers to use when they are experiencing difficulties with their water/wastewater service supply and wish to make a complaint to Irish Water.

Code of Practice on Complaints Handling, Section 10.2.4 (Domestic Handbook) / Section 9.2.4 (Non-Domestic Handbook)

The Code, as a minimum, should include the following:

c) An outline of the procedure of complaint escalation enacted by Irish Water if the customer remains dissatisfied having completed the first step in the complaints process. This will include escalation to a more senior level where appropriate. Irish Water must outline that complaints must be made in writing in order for them to be escalated.

Customers making a complaint to Irish Water may escalate their complaint by writing to the Customer Service Manager by post or email. It is important that when a customer remains dissatisfied at the end of the first stage of the complaint process, they are informed of how they can escalate their complaint to a more senior level.

During this investigation, the CRU noted that while a significant number of complaints were closed without reaching customer satisfaction, no escalated complaints in relation to the issue were received in writing by Irish Water.

The CRU has examined contacts and complaints made by customers in relation to the issues at Bailieborough PWS and found that one customer, who contacted Irish Water a total of nine times by email, asked Irish Water how to escalate a query, but received no response. The CRU considers this to be an unacceptable level of customer service and a barrier to the customer escalating their complaint.

In addition, the CRU has found that relevant sections of Irish Water's complaints handling training material do not explicitly instruct customer agents to explain to customers how to escalate a complaint.

The CRU also found that Irish Water's internal process documents on the classification of complaints – which impacts how complaints are handled and escalated – may lead to serious complaints relating to water quality issues not being appropriately categorised.

Finding 3: Irish Water did not inform customers about how to escalate a complaint when required. This reduced the number of escalated complaints received by Irish Water to zero. Staff training material provided by Irish Water is not explicit enough to ensure the necessary details are explained to customers. This finding is a non-compliance by Irish Water with its approved Complaint Handling Code of Practice.

Finding 4: The CRU has found that the training material provided to customer service advisors may lead to serious complaints relating to water quality not being appropriately categorised. The categorisation of complaints impacts how complaints are handled and escalated. This finding is a non-compliance by Irish Water with its approved Complaint Handling Code of Practice.

2.1.4 Closing of complaints

Irish Water Complaint Handling Code of Practice

“Response within five working days - We will respond to your complaint within five working days with a resolution or an outline plan on how we will resolve the issue, under normal conditions.”

“We will issue a final decision to your complaint within two months from when you registered your complaint, and provide reasons for our decision.”

Customer Handbooks

Code of Practice on Complaints Handling, Domestic Customer Handbook Section 10.2.4 / Non-domestic Customer Handbook Section 9.2.4

h) Guidance that outlines where a customer has completed Irish Water’s complaints handling process and is not satisfied with the outcome, the customer will be informed that their complaint has been closed and will be referred to the Code of Practice on Complaint Handling. Irish Water shall keep a record of the final outcome of all complaints received.

Irish Water is obliged to inform a customer that their complaint has been closed and provide a reason for this decision. In assessing the contact log provided by Irish Water to the CRU, the CRU noted that, in a number of cases, customers had their complaint closed, seemingly without being aware this had been done. In some cases, customers contacted Irish Water on a second occasion and queried why they had not heard anything further following their first contact; however, the complaint had already been closed by Irish Water.

The CRU found that Irish Water did not always ensure that the customer was aware that their complaint had been closed and that no further action would be taken.

Finding 5: Irish Water did not ensure in all cases that the customer was aware that their complaint had been closed and that no further action would be taken.

This finding is a non-compliance by Irish Water with its approved Complaint Handling Code of Practice.

2.2 Non-compliances with the Communications Code of Practice

2.2.1 Provision of information to customers

Irish Water Communications Code of Practice⁹

“**Timeliness** - The information will be provided in a timely manner so as to minimise inconvenience to our customers.”

“**Adequacy** - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”

Customer Handbooks

Code of Practice on Customer Communication, Section 5.1.2 (Domestic Handbook) / Section 5.1.2 (Non-Domestic Handbook)

Irish Water must take all reasonable steps to ensure all customer communications are easy to understand and accurate.

As previously outlined, there was a water quality issue at the Bailieborough PWS between October and December 2019, with elevated manganese levels in the lake source resulting in repeated manganese water quality failures.

Irish Water visited the Bailieborough Water Treatment Plant on 02/12/2019 and discovered the persistent manganese (Mn) failures and turbidity issues in the plant’s final water.¹⁰ The EPA audit report notes that from 09/10/2019 the final water leaving Bailieborough Water Treatment Plant was repeatedly in excess of both the parametric limit (set at 50µg/l)¹¹ and health limit of 120µg/l set by the HSE, with samples exceeding 300µg/l on a number of days.

However, Irish Water did not communicate these findings to the HSE or the EPA in a timely manner following the visit to the Bailieborough Water Treatment Plant by Irish Water on 02/12/2019. As noted in the EPA audit report, ‘there was a breakdown in communication of these issues within Irish Water. This meant the matter was not investigated in more detail, communicated to the HSE and the EPA and the appropriate risk to human health could not be assessed in a timely manner.’¹² Providing this information to the relevant bodies in a timely manner would have allowed the HSE to make an assessment of the public health impact sooner and would most likely have resulted in the ‘Do Not Consume’ public health notice being issued by Irish Water to customers earlier.

Overall, a breakdown in internal communications within Irish Water led to a delay in communicating the findings of their site visit on 02/12/2019. The findings of the visit by Irish Water to Bailieborough WTP were not communicated to the HSE and the EPA until 06/12/2019, which led to a delay in the assessment of the public health risk. This four-day delay contributed to an 11-day gap between

⁹ Irish Water Domestic Communications Code of Practice, <https://www.water.ie/iw-documents/about/Domestic-Communications-Code-of-Practice-FINAL.pdf>

¹⁰ EPA audit report, DW2019/218, available at <https://www.epa.ie/publications/compliance--enforcement/drinking-water/audit-reports/cavan/baileborough-public-drinking-water-supply.php>

¹¹ European Union (Drinking Water) Regulations 2014, [S.I. No. 122 of 2014](#)

¹² EPA audit report, DW2019/218, available at <https://www.epa.ie/publications/compliance--enforcement/drinking-water/audit-reports/cavan/baileborough-public-drinking-water-supply.php>

the site visit and the issuance of a ‘Do Not Consume’ notice to customers that the water was not safe to drink.

The CRU considers that customers did not receive accurate information on water quality in a timely manner due to the delay in communicating findings of the Irish Water visit to Bailieborough WTP. This had the potential to cause considerable customer harm as customers served by Bailieborough PWS were supplied with drinking water that did not meet the water quality standards outlined in the EU Drinking Water Regulations 2014 and had the potential to cause a danger to human health.¹³

Finding 6: Irish Water did not take necessary steps to ensure customer communications were accurate, timely and adequate. Irish Water visited the plant on 02/12/2019 but due to a breakdown in internal communications within Irish Water, the findings of the visit were not communicated to the HSE and the EPA until 06/12/2019, which led to a delay in the assessment of the public health risk. This four-day delay contributed to an 11-day gap between the site visit by Irish Water on 02/12/2019 and the issuance of a ‘Do Not Consume’ notice on 13/12/2019, and the corresponding interval before customers were provided with accurate communications.

This finding is a non-compliance by Irish Water with its approved Communications Code of Practice.

2.2.2 Communication of flushing events

Irish Water Communications Code of Practice

“**Timeliness** - The information will be provided in a timely manner so as to minimise inconvenience to our customers.”

“**Adequacy** - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”

Customer Handbooks

Code of Practice on Customer Communication, Section 5.1.1 (Domestic Handbook) / Section 5.1.1 (Non-Domestic Handbook)

Irish Water must adopt a transparent and fair approach to the communication of their services and the sign up of customers.

Irish Water has informed the CRU of five flushing events which took place on the Bailieborough PWS during this period. Flushing is conducted to remove sediment, rust and other particles that have accumulated in the water pipes. Flushing is achieved by opening hydrants on the network; this has the effect of increasing the velocity of the flow of water in a section of the pipeline, in a controlled manner, so as to bring sediments that are lying the bottom of the pipeline into suspension. In most

¹³ European Union (Drinking Water) Regulations 2014, [S.I. No. 122 of 2014](#)

instances, the main customer impacts are discoloured water and a possible drop in water pressure.

The CRU notes the volume and duration of these flushing events and considers that they would have had a significant impact on customers. In two cases, flushing events endured for two weeks or more, which would have exacerbated the impact on customers.

The CRU considers that the level of communication provided to customers by Irish Water in relation to these events was not adequate. Limited updates were provided to customers in all cases, e.g. in the case of the third flushing event, one tweet was published although the flushing lasted two weeks. In addition, the CRU notes that in relation to four of the flushing events, customer communications were only provided following the commencement of flushing.

Finding 7: Irish Water did not provide sufficient updates to customers affected by flushing events, considering the volume and duration of these events. This was in breach of Irish Water’s obligation to take a transparent and fair approach to the communication of their services.

This finding is a non-compliance by Irish Water with its approved Communications Code of Practice.

2.2.3 Detailed communication of affected areas

Irish Water Communications Code of Practice

“**Adequacy** - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”

Customer Handbooks

Code of Practice on Customer Communication, Section 5.1.2 (Domestic Handbook) / Section 5.1.2 (Non-Domestic Handbook)

Irish Water must take all reasonable steps to ensure all customer communications are easy to understand and accurate.

In relation to the flushing events described above, the CRU notes that the communication of the areas affected was not clear in all cases. All flushing notices referred to ‘*(Placename) and surrounds*’. This is not considered to be precise. For example, the town of Mullagh, where some customers who contacted Irish Water resided, is approximately 13km from Bailieborough. Mullagh was not explicitly mentioned until 2nd December; rather, ‘Bailieborough and surrounds’ was relied upon instead.

In the audit of the Leixlip Water Treatment Plant Boil Water Notices (BWNs),¹⁴ one finding, relating to information provided in digital maps, stated that the information was neither accurate nor easy to understand and requested remedial action. This action has since been completed. However, the present investigation highlights the need for comprehensive and clear communication of locations affected by any supply interruption or poor quality supply issue, including those which may not lead

¹⁴ [CRU20052-Leixlip-Water-Treatment-Plant-BWN—Irish-Water-Compliance-Audit.pdf](#)

to BWN or a 'Do Not Consume' Notice (DNC).

Finding 8: Communications provided by Irish Water in relation to the location of flushing events were not sufficiently detailed and clear and may have caused confusion for customers.

This finding is a non-compliance by Irish Water with its approved Communications Code of Practice.

2.3 Non-compliance with the Billing Code of Practice for Non-Domestic Customers

2.3.1 Application of rebates due to impacted non-domestic customers

Irish Water 2.0 Billing Code of Practice¹⁵

"We guarantee to apply the applicable discount/rebate to your bill in relation to notices that declare water unfit for human consumption in line with the Commission for Regulation of Utilities decision on Irish Water's Water Charges Plan."

Customer Handbooks

Non-Domestic Customer Handbook, Code of Practice on Billing, Section 7.1.4

Irish Water guarantees to apply the applicable discount/rebate to a customer's bill in relation to notices that declare water unfit for human consumption in line with the CRU's decision on Irish Water's Water Charges plan.

During the ten days for which the 'Do Not Consume' notice applied to customers supplied by Bailieborough PWS, bill-paying customers should have received a discount/rebate to their bill. However, during this investigation, Irish Water reported to the CRU that the correct procedure with regards to discounts/rebates was not followed in this case and the 232 non-domestic customers who were impacted by the notice did not have the discount applied at the time. The total value of this discount equalled €1,208, averaging at €5.30 per customer. Irish Water has reported that the issue was caused by an internal communications failure.

Having discovered this issue during the investigation, Irish Water reviewed all Water Unfit for Human Consumption (WUHC) events from 20th November 2018 to Q1 2021. This time period was viewed to be appropriate by the CRU as automatic tariff discounts were applied from 20th November 2018 onwards.

¹⁵ Irish Water Business Customer Codes of Practice, https://www.water.ie/iw-documents/about/11.09.18_NDBillingCode_InsideConsultation_Clean.pdf

Events examined in the review include Boil Water notices and Do Not Consume notices, where discounts are applicable. Irish Water's review determined that in 32 out of 113 WUHC events, customers did not have the relevant discounts applied to their account at the time. This impacted 1,294 non-domestic customers. 1,173 customers were owed less than €20 each, 117 were owed between €20 and €250 each, while four customers were owed over €250 each.

Irish Water has now taken remedial action by refunding the impacted customers a combined total of €11,497, which is an average of €8.88 per account. Irish Water has informed the CRU that it has identified the cause of this error, attributing it to an internal communications failure which led to the relevant file not being actioned. It has put remedies in place to prevent the recurrence of this issue, including cross-function process changes and the application of new internal controls. This includes a quarterly internal audit of the process.

Finding 9: Irish Water failed to apply the applicable discount/rebate to 232 non-domestic customers impacted by the Bailieborough 'Do Not Consume' Notice.

This finding is a non-compliance by Irish Water with its approved Billing Code of Practice for Non-Domestic Customers.

3. Remedial Actions & Next Steps

Reflecting the findings outlined in the previous section, the CRU has requested Irish Water to undertake a number of remedial actions relating to the findings of this investigation. Remedial actions include:

- Review processes to categorise customer contacts to ensure that complaints are captured.
- Review processes to ensure recognition and escalation of clusters of contacts/complaints.
- Amend processes to ensure that a cluster of contacts/complaints can be escalated even if it appears the cause is known.
- Review training material in terms of raising complaints, escalating complaints, the categorisation of complaints and closing of complaints.
- Provision of incident response training to all necessary staff.
- Improvement of communication to customers impacted by flushing or other issues causing abnormal and unacceptable change to water colour, including detailed information on locations affected.

A summary of these remedial actions is outlined in the appendix to this information paper. Discussions are ongoing between Irish Water and the CRU in order to clarify some aspects of these remedial actions. Irish Water must submit a progress report on all actions by 12th November 2021. Following the submission of this report, further compliance monitoring will be required to follow up on all actions.

In addition, the CRU will continue to monitor Irish Water's compliance with all requirements of its approved Codes of Practice. Future investigations will be conducted when issues arise, and the CRU will carry out spot checks and audits with the aim of strengthening customer protection.

As outlined previously, Section 32(1) of the Water Services (No. 2) Act 2013 requires Irish Water to prepare and submit Codes of Practice to the CRU for approval. Section 32(5) of the Act empowers the CRU to direct Irish Water to comply with an approved code of practice or a provision of a code of practice.

The CRU's enforcement powers in respect of energy licence holders, including electricity and gas suppliers and network companies, are more comprehensive. The Electricity Regulation Act 1999 empowers the CRU to issue a direction or notice to a licensee where it considers that the licensee may be contravening or may be likely to contravene a condition or requirement, apply to the High Court for an order to ensure compliance with a direction and ultimately revoke a licence where the CRU determines it appropriate. In addition, the Energy Act 2016 grants the CRU power to impose administrative sanctions on licensees, which include financial penalties. The CRU is currently developing the administrative sanctions framework; however, this enforcement power does not apply to Irish Water.

Appendix

Overview of preliminary findings and requested remedial actions

Finding reference	Section of Code of Practice	Summary of finding	Summary of requested remedial actions
Finding 1 – Categorisation of customer contacts as complaints	Irish Water Complaint Handling Code of Practice – “A complaint is defined as “the expression (through various channels, letter, email, phone call, physical claim) of a customer’s dissatisfaction and his/her explicit expectation for a response or resolution”.”	Irish Water did not appropriately categorise all contacts expressing dissatisfaction and an expectation for a response or resolution as complaints. This had implications for how contacts were handled and resolved, and for comparative customer service metrics. Of 96 ‘contacts’ received, the majority should have been categorised as ‘complaints’.	<ul style="list-style-type: none"> (i) Irish Water should ensure that adequate procedures are in place to ensure all contacts are correctly categorised, actioned upon and reported. (ii) Irish Water should review its training material for staff to ensure they are not discouraged from categorising contacts as complaints (iii) Irish Water should ensure full details of all complaints and contacts are reported to the relevant bodies (e.g. EPA) when requested.
Finding 2 – Escalation of cluster of complaints	Irish Water Complaint Handling Code of Practice – “Efficient complaints process - We will formally record complaints and try to resolve them as soon as possible.”	Irish Water did not recognise and escalate the cluster of complaints relating to discoloured water impacting customers served by Bailieborough PWS between October and December 2019. This failure contributed to the considerable delay in resolving the issue driving customer complaints. As a result, Irish Water was not in a position to meet its requirements in line	<ul style="list-style-type: none"> (i) Irish Water should review and modify its processes to ensure it can recognise and escalate a cluster of complaints, including when contacts are spread across more than one local authority area. (ii) Irish Water should introduce appropriate processes to ensure that a cluster of customer contacts can be

		with the Complaint Handling Code of Practice.	escalated, even if it appears the cause is known.
Finding 3 – Enabling escalation of complaints	<p>Irish Water Complaint Handling Code of Practice –</p> <p>“Simple complaints process - We will provide you, or a person you name to act on your behalf, with an easy process to make a complaint.”</p> <p>“Clear way to escalate your complaint - We will make it clear how you can escalate your complaint further if you are not satisfied with the outcome of your complaint.”</p>	<p>Irish Water did not inform customers about how to escalate a complaint when required. It is important that when a customer remains dissatisfied at the end of the first stage of the complaint process, they are informed of how they can escalate their complaint to a more senior level. Staff training material provided by Irish Water is not explicit enough to ensure the necessary details are explained to customers.</p>	<p>Irish Water should ensure training material and procedures are designed to ensure that customers are informed about how to escalate a complaint.</p>
Finding 4 – Enabling escalation of complaints	<p>Irish Water Complaint Handling Code of Practice –</p> <p>“Simple complaints process - We will provide you, or a person you name to act on your behalf, with an easy process to make a complaint.”</p> <p>“Clear way to escalate your complaint - We will make it clear how you can escalate your complaint further if you are not satisfied with the outcome of your complaint.”</p>	<p>Irish Water training material may lead to serious complaints relating to water quality not being adequately handled and escalated.</p>	<p>Irish Water should review documentation to ensure that examples provided adequately describe the types of complaints that should be captured in each category, with procedures in place to ensure complaints are correctly captured.</p>

<p>Finding 5 – Closing of complaints</p>	<p>Irish Water Complaint Handling Code of Practice –</p> <p>“Response within five working days - We will respond to your complaint within five working days with a resolution or an outline plan on how we will resolve the issue, under normal conditions.”</p> <p>“We will issue a final decision to your complaint within two months from when you registered your complaint, and provide reasons for our decision.”</p>	<p>Irish Water did not ensure in all cases that the customer was aware that their complaint had been closed and that no further action would be taken.</p>	<p>Irish Water should ensure that the customer is fully aware that a complaint or case is being closed, with the reason for doing so provided. This should be reflected in all training material for customer service advisors. The customer should also be informed of the reason for closing a complaint. In situations where a customer remains dissatisfied, Irish Water should ensure that the customer is clearly informed about how to escalate their complaint further.</p>
<p>Finding 6 – Provision of information to customers</p>	<p>Irish Water Communications Code of Practice –</p> <p>“Timeliness - The information will be provided in a timely manner so as to minimise inconvenience to our customers.”</p> <p>“Adequacy - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”</p>	<p>Irish Water did not take the necessary steps to ensure customer communications were accurate, timely and adequate. There was a breakdown in internal communications following Irish Water’s visit to the Bailieborough WTP, which contributed to an 11-day gap between the visit and the issuance of a ‘Do Not Consume’ notice, and the corresponding interval before customers were provided with accurate communications.</p>	<p>(i) Irish Water should ensure that the relevant persons and parties (e.g. HSE, EPA) are notified of any exceedances in a timely manner and that the necessary procedures are in place to consistently deliver timely and adequate communications to all customers.</p> <p>(ii) Irish Water should ensure that operational staff nationwide receive adequate training and guidelines to ensure similar incidents do not occur elsewhere.</p>

<p>Finding 7 – Communication of flushing events</p>	<p>Irish Water Communications Code of Practice –</p> <p>“Timeliness - The information will be provided in a timely manner so as to minimise inconvenience to our customers.”</p> <p>“Adequacy - All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”</p>	<p>Irish Water did not provide sufficient updates to customers affected by flushing events.</p>	<p>(i) Irish Water should provide regular updates to customers impacted by flushing events or other issues causing abnormal and unacceptable change to water colour.</p> <p>(ii) Irish Water should provide advance notice of any such events where possible.</p>
<p>Finding 8 – Detailed communication of affected areas</p>	<p>Irish Water Communications Code of Practice –</p> <p>“Adequacy – All information we provide will be detailed and clear so that customers will feel fully informed on all water related matters affecting them.”</p>	<p>Communications provided by Irish Water in relation to the location of flushing events were not sufficiently detailed and clear and may have caused confusion for customers.</p>	<p>Irish Water should ensure that customer communications are detailed and clear by naming locations affected by a supply interruption or poor quality supply issue with as much detail as possible, as well as clearly showing the affected areas in maps.</p>
<p>Finding 9 – Application of rebates due to impacted non-domestic customers</p>	<p>Irish Water Billing Code of Practice for Non-Domestic Customers –</p> <p>“We guarantee to apply the applicable discount/rebate to your bill in relation to notices that declare water unfit for human consumption in line with the Commission for Regulation of</p>	<p>Irish Water failed to apply the applicable discount/rebate to 232 non-domestic customers impacted by the Bailieborough ‘Do Not Consume’ Notice.</p>	<p>Irish Water should ensure measures introduced in response to the identification of this issue are implemented effectively to safeguard against reoccurrence.</p>

	Utilities decision on Irish Water's Water Charges Plan.”		
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