

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT 1852

Date of Decision: 23 March 2020

Complaint

The customer submits that the company placed a default on his credit file for unpaid charges at a previous property. However, the customer asserts that he was unaware of any outstanding charges. The customer vacated the property in question on 27 February 2017 and believed that his final bill would be taken by the direct debit instruction. However, this did not happen and the company issued payment requests to the property after he had vacated. The customer submits that it was the responsibility of the letting agent to inform/notify the company of all incoming and outgoing tenant details so he assumed that everything was fine. The total arrears were in the sum of £61.14. The customer submits that the company has been unfair and heavy-handed. The customer remains displeased with this situation and is now seeking for the company to remove the default from his credit file.

Defence

The company confirms that the customer vacated the property on 27 February 2017. The company was only made aware of a change in occupancy on 8 March 2017 when the letting agents provided the new tenants' details. The company submits that, as the account holder, it was the customer's responsibility to ensure that the information held by the company was correct (as well as ensuring that his bills are fully paid on time). As a result of the company not receiving any contact/payment from the customer, both the final bill and default notice were sent to the property (as this was the last known address held for the customer). The company had hoped that the customer put provisions in place to collect/redirect his mail. Prior to the customer vacating the property, the company was notified that the customer's direct debit had been cancelled. A letter was sent to the customer on 15 February 2017 to confirm this. This led to the customer's final bill being left unpaid. The company highlights that the last direct debit payment was made on 1 February 2017 and the customer was living at the property until 27 February 2017. Accordingly, it was reasonable to believe that he would be aware that no direct debit was in place for payment to be collected. The company submits that the default has been reported correctly and it does not accept any liability to provide the customer with the redress claimed.

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Findings

I am unable to conclude that the company failed to provide its services to the standard to be reasonably expected by the average person. Based on the evidence available, it appears that the company has acted in line with its set policies. Therefore, the customer's claim for redress is unable to succeed.

Outcome

The company does not need to take any further action. This decision cannot be appealed. However, the customer is not obliged to accept this decision and is free to refer his complaint to all other forums for resolution as available to him.

The customer must reply by 27 April 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT 1852

Date of Decision: 23 March 2020

Party Details

Customers: [].

Company: [].

Case Outline

The customer's complaint is that:

- The customer submits that the company placed a default on his credit file for unpaid charges at a previous property. However, the customer asserts that he was unaware of any outstanding charges.
- The customer vacated the property in question on 27 February 2017 and believed that his final bill would be taken by the direct debit instruction. However, this did not happen and the company issued payment requests to the property after he had vacated.
- The customer submits that it was the responsibility of the letting agent to inform/notify the company of all incoming and outgoing tenant details so he assumed that everything was fine.
- The customer only discovered the default subsequently when a credit search was carried out for him. The total arrears were in the sum of £61.14. The customer submits that the company has been unfair and heavy-handed.
- The customer remains displeased with this situation and is now seeking for the company to remove the default from his credit file.

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The company's response is that:

- It submits that the customer vacated the property on 27 February 2017. The company was only made aware of a change in occupancy on 8 March 2017 when the letting agents provided the new tenants' details.
- The company submits that, as the account holder, it was the customer's responsibility to ensure that the information held by the company was correct (as well as ensuring that his bills are fully paid on time).
- As a result of the company not receiving any contact/payment from the customer, both the final bill and default notice were sent to the property (as this was the last known address held for the customer). The company had hoped that the customer put provisions in place to collect/redirect his mail.
- Prior to the customer vacating the property, the company was notified that the customer's direct debit had been cancelled. A letter was sent to the customer on 15 February 2017 to confirm this. This led to the customer's final bill being left unpaid.
- The company highlights that the last direct debit payment was made on 1 February 2017 and the customer was living at the property until 27 February 2017. Accordingly, it was reasonable to believe that he would be aware that no direct debit was in place for payment to be collected.
- The company submits that the default has been reported correctly and it does not accept any liability to provide the customer with the redress claimed.

How is a WATRS decision reached?

In reaching my decision, I have considered two key issues. These are:

1. Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on a balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and that as a result of this failure the customer has suffered some loss or detriment. If no such failure or loss is shown, the company will not be liable.

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I have carefully considered all of the evidence provided. If I have not referred to a particular document or matter specifically, this does not mean that I have not considered it in reaching my decision.

How was this decision reached?

1. It is evident from the available information that the customer's complaint rests with his dissatisfaction with the company reporting a default on his credit file. The customer indicates that his letting agent failed to inform/notify the company of all incoming and outgoing tenant details and therefore he was not aware of the outstanding payment. The customer submits that the company has been unfair and heavy-handed and he is now seeking for the company to remove the default from his credit file.
2. I draw attention to the fact that adjudication is an evidence-based process and in order for any remedy to be awarded, the evidence must show that the company has not provided its services to the standard that would reasonably be expected of it. As the party raising the dispute, the initial onus of proof rests with the customer.
3. I am mindful that water companies have been permitted by the Information Commissioners Office and OFWAT to share data with Credit Reference Agencies. More specifically, I note that the company's set policies (as detailed in its codes of practice) make it clear that it will register outstanding charges on customer accounts with Credit Reference Agencies. Accordingly, I am unable to conclude that the company's actions in carrying out its set policies regarding unpaid bills (in and of itself) amount to a failure to provide its services to the standard to be reasonably expected by the average person.
4. In the interests of completeness, I draw attention to the fact that by virtue of section 142 of the Water Industry Act 1991, the company is entitled to set its own scheme of charges and charge its customers in accordance with that scheme of charges. Furthermore, I must point out that it is entirely beyond the scope of this scheme to examine/review any issues relating to the fairness/appropriateness of the company's set contract terms and/or commercial practices (WATRS Rule 3.5). This extends to the company's set internal processes such as sending payment requests to its customers' last known addresses.

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5. I acknowledge the customer's submission that his letting agent failed to inform/notify the company of all incoming and outgoing tenant details and therefore he did not know about the outstanding payment. I must draw attention to the fact that the scope of this scheme is only to determine whether the company has provided its services to the standard to be reasonably expected by the average person. It falls beyond my remit to consider the failures of any third-parties (such as letting agents) who are not a party to this adjudication. Any redress claims that the customer may wish to make against any such third-parties should be referred to a more appropriate forum for resolution, such as The Property Ombudsman (TPO) or Property Redress Scheme (PRS), depending on who the letting agent is a subscriber of.
6. Following a review of all the submissions provided by the respective parties, I am only able to conclude that the customer left an outstanding payment on his account (after cancelling his direct debit payments), the company followed its commercial practice procedures to recover the debt and when it was unable to do so, it reported the default on the customer's credit file. Under the circumstances, I am only able to deduce that the premature cancellation of the customer's direct debit payments (and his decision to not follow up with the company to check for any final bills) was the main causal original for an outstanding default being reported on his credit file. Accordingly, based on the available information, I am unable to conclude that the company's act of reporting a default on the customer's credit file amounts to a failure to provide its services to the standard to be reasonably expected.
7. In light of all the above, whilst I appreciate the customer's views and frustration in relation to this issue, in the absence of any objectively proven failures on the company's part, I am left with no other option but to conclude that the customer's claim for redress is unable to succeed.
8. This concludes the WATRS stage of the customer's complaint. I remind the parties that the customer is not obliged to accept this decision and is free to refer his complaint to any other forums for resolution as may be available to him.

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Outcome

The company does not need to take any action.

This decision cannot be appealed. However, the customer is not obliged to accept this decision and is free to refer his complaint to all other forums for resolution as available to him.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 27 April 2020 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.



E. Higashi LLB (Hons), PGDip (LPC), MCI Arb.

Adjudicator

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