

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT 1617

Date of Decision: 14 October 2019

#### Complaint

The customer submits that in March 2019 she made a payment in the sum of £244.62 at her local Post Office to clear the outstanding balance on her account. She has provided the company with a receipt from the Post Office. However, the payment has not been received by the company and the company has been sending her threatening letters demanding payment. She complained to the Post Office with no success. She would like the company to stop harassing her for the outstanding balance since she followed protocols and paid her bill using one of the methods accepted by it. The customer requests that the company acknowledge and accept the payment made at the Post Office and stop sending her threatening letters for payment. The customer also requests that the company provide compensation for distress and inconvenience, an apology and to ensure that her credit score has not been affected.

#### Defence

The company submits that it has never received the customer's payment and as such it cannot accept the Post Office receipt as proof of payment. Santander takes Post Office payments and passes these on to it, but Santander has been unable to locate the payment and has confirmed that the customer needs to return to the Post Office where her payment was made. It has removed the late payment marks for February to April 2019. The issue with the customer's missing payment lies with the Post Office and as such the outstanding balance of £244.62 remains payable in full. It has previously placed the customer's account on hold and this has been extended until 24 October 2019 to allow time for the customer to arrange payment or contact the Post Office directly. The customer has the option to set up a payment plan to spread the cost of the charges, but either payment in full or a payment plan will need to be arranged by 24 October 2019. Failure to do so will mean that her account will continue to follow its debt recovery process.

#### Findings

Water companies are required by Ofwat to offer a range of locations where customers can pay their bills. The Post Office is one of the ways to pay offered by the company to its customers. The customer has submitted clear evidence showing that payment was made. The customer also submits that she complained to the Post Office but with no success. Evidence from the Consumer Council for Water (CCW) also shows that on 5 September 2019 the

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customer informed it that she had visited the Post Office where payment was made, but she was told that it could not do anything as the employee who had processed the payment had left. I accept the customer's submissions that she followed protocols and paid her bill using one of the methods accepted by the company. The evidence indicates that the Post Office and Santander receive payments on behalf of the company. I am not satisfied that the company has shown that the burden rests on the customer to pursue the matter with the Post Office and/or locate the payment.

#### Outcome

The company needs to take the following further action:

I direct that the company: (1) acknowledge the £244.62 payment and apply it as credit to the account; (2) cease any and all debt recovery procedures against the customer; (3) provide the customer with a written apology; (4) ensure that the customer's credit file has not been affected by this matter and remove any negative markers applied.

The customer must reply by 11 November 2019 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT 1617

Date of Decision: 14 October 2019

## Party Details

Customer:[ ]

Company: [ ].

## Case Outline

### **The customer's complaint is that:**

- In March 2019 she made a payment in the sum of £244.62 at her local Post Office to clear the outstanding balance on her account. She provided the company with a receipt from the Post Office. However, the payment has not been received by the company and it has been sending her threatening letters demanding payment. She complained to the Post Office with no success.
- She has provided the company with evidence, in the form of the Post Office receipt, that she paid the bill by cash at the Post Office. She has provided the receipt to TW several times, but the company denies that it has received this payment and advised her that its Bank, Santander, is unable to locate this payment. Therefore the company has advised her take the issue up with the Post Office. There is a balance outstanding on the account which the company deem remains payable.
- She would like the company to stop harassing her for the outstanding balance, since she followed protocols and payed her bill using one of the methods accepted by it.
- The customer requests that the company acknowledge and accept the payment made at the Post Office and stop sending her threatening letters for payment. The customer also requests that the company provide compensation for distress and inconvenience, an apology and to ensure that her credit score has not been affected.

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### **The company's response is that:**

- It has never received the customer's payment and as such it cannot accept the Post Office receipt as proof of payment.
- Santander take Post Office payments and pass these on to it, but Santander has been unable to locate the payment and has confirmed that the customer needs to return to the Post Office where her payment was made, with the receipt, so that the Post Office can investigate further.
- It has removed the late payment marks for February to April 2019, despite the February mark being correct, as the customer did not attempt to make payment until March 2019 when payment had been due on receipt of the bill in January 2019. To check her credit score the customer will need to arrange this herself, but to confirm, it has no late payment marks outstanding against her.
- The issue with the customer's missing payment lies with the Post Office and as such the outstanding balance of £244.62 remains payable in full. It has previously placed the customer's account on hold and this has been extended until 24 October 2019 to allow time for the customer to arrange payment or contact the Post Office directly. The customer has the option to set up a payment plan to spread the cost of the charges, but either payment in full or a payment plan will need to be arranged by 24 October 2019. Failure to do so will mean that her account will continue to follow its debt recovery process.
- A £30.00 goodwill payment was credited to the customer's water services account when it asked in error for her to provide a bank statement as proof of payment when the payment was mostly made in cash. In addition, it incorrectly advised the customer that it would update her by 15 July 2019 and did not call until 17 July 2019; it added a goodwill payment of £10.00 to her water services account.

### **How is a WATRS decision reached?**

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

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

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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. Water companies are required by Ofwat to offer a range of locations where customers can pay their bills.
2. The Post Office is one of the locations/ways to pay offered by the company to its customers. This is also reflected in the bill dated 22 January 2019 in the sum of £244.62 submitted by the customer in evidence.
3. The customer has submitted a receipt from the Post Office Ltd which shows that on 21 March 2019, she paid the outstanding £244.62 amount in full by cash. The receipt shows that the customer was also charged a fee of £2.60 by Santander for paying at the Post Office, and the customer paid this £2.60 fee by MasterCard.
4. The company states that it never received the monies. The company submits that the issue with the customer's missing payment lies with the Post Office and as such the outstanding balance of £244.62 remains payable in full, and the customer needs to take the matter up with the Post Office.
5. The customer submits that she complained to the Post Office with no success. Evidence from the Consumer Council for Water (CCW) also shows that on 5 September 2019 the customer informed it that she had visited the Post Office where payment was made, but she was told that it could not do anything as the employee who had processed the payment had left.
6. I accept the customer's submissions that she followed protocols and payed her bill using one of the methods accepted by the company. The customer has submitted clear evidence showing

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that payment has been made. The evidence indicates that the Post Office and Santander receive payments on behalf of the company. On balance, it appears that the customer made payment, but during the transaction (transfer of funds from the Post Office to the company via Santander), an error occurred. The customer has provided evidence (in the form of a receipt) and as such I am minded to accept this information, in the absence of any further evidence.

## **Redress**

7. The customer requests that the company acknowledge and accept the payment made at the Post Office and stop sending her threatening letters for payment. In light of my findings above, that the customer has provided clear evidence showing that she has paid her bill, I find it fair and reasonable to direct that the company acknowledge this payment and cease its debt recovery procedures against the customer.
8. In respect of the customer's request that the company provide compensation, bearing in mind the fact that this matter has been ongoing for a number of months and that the customer has been pursued for the debt, I am satisfied that the £40 already applied to the account seems fair and reasonable in the circumstances.
9. In respect of the customer's claim for an apology, in light of my findings above, I find that it would be fair and reasonable to direct that an authorised representative of the company provide the customer with a written apology.
10. I also find it fair and reasonable to direct that the company ensure that the customer's credit file has not been affected by this matter. For the avoidance of any doubt, any and all negative markers should be removed from the customer's credit file. Accordingly, the customer's claim in this respect also succeeds.

### **Outcome**

The company needs to take the following further action(s):

I direct that the company: (1) acknowledge the £244.62 payment and apply it as credit to the account; (2) cease any and all debt recovery procedures against the customer; (3) provide the customer with a written apology; (4) ensure that the customer's credit file has not been affected by this matter and remove any negative markers applied.

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## What happens next?

- This adjudication decision is final and cannot be appealed or amended.
  - The customer must reply by 11 November 2019 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.
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**U Obi LLB (Hons) MCI Arb**  
**Adjudicator**

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