

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1595

Date of Decision: 25 February 2020

Complaint

The customer's application indicates that, in 2016, an outstanding balance for water services relating to her previous property was incorrectly generated by the company in the amount of £34.55 (the correct amount should have been £30.42). The company therefore agreed to correct this and send her a new invoice. The customer submits that she did not receive a new invoice so did not pay any outstanding balance. In 2019, following contact from a debt collection agency, the customer contacted the company and complained. The company acknowledged that it had incorrectly reported the outstanding balance on the customer's account as £34.55 when it should have been £30.42. Accordingly, this was amended to £30.42 and the customer discharged it. The customer is displeased that late payment markers have been reported on her credit file and also highlights that the outstanding payment figure reported by the company was in the incorrect sum of £34.55 (when it should have been £30.42). The customer is therefore seeking for the company to remove all the late payment markers from her credit file and pay her compensation for stress and inconvenience in the sum of £2500.00.

Defence

The company accepts that it made an error which resulted in the customer's final bill being issued in the sum of £34.55, instead of £30.42. It has apologised for this error previously and wishes to apologise again. The company submits that it sent an outstanding payment request to the customer in October 2016 (as shown in its evidence). Whilst the final outstanding balance was off by £4.13, there was a debt left on the account and the customer (despite knowing this) did not discharge it until April 2019. Therefore, the company submits that it was fundamentally correct to report the late payment (despite the £4.13 discrepancy). The company submits that the outstanding balance sum was later corrected and the marker was removed when the customer discharged the debt. The company submits that this issue would have been resolved much sooner if the customer had contacted it (instead of not paying any outstanding balance for approximately two years). Accordingly, it believes that its actions have been fair and it does not accept that the customer is entitled to £2500.00 in compensation. The company states that, in light of all the above, it does not

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accept liability for the customer's claims for redress.

Findings

Under the circumstances, I am satisfied that there were failures on the part of the company to provide its services to the standard to be reasonably expected by the average person. Consequently, customer's claims for redress succeed in part.

Outcome

The company shall provide the customer with compensation in the sum of £50.00. This decision cannot be appealed. However, the customer is not obliged to accept this decision and is free to refer her complaint to all other forums for resolution as available to her.

The customer must reply by 25 March 2020 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /1595

Date of Decision: 25 February 2020

Party Details

Customers: [].

Company: [].

Case Outline

The customer's complaint is that:

- The customer's application indicates that, in 2016, an outstanding balance for water services relating to her previous property was generated by the company in the incorrect amount of £34.55 (the correct sum should have been £30.42). The company therefore agreed to correct this and send her a new invoice. The customer submits that she did not receive the invoice so did not pay any outstanding balance.
- In 2019, following contact from a debt collection agency, the customer contacted the company and complained.
- The company acknowledged that it had reported the outstanding payment on the customer's account in the incorrect sum of £34.55, when it should have been £30.42. Accordingly, this was amended to £30.42 and the customer discharged it.
- The customer is displeased that late payment markers have been reported on her credit file and highlights that the outstanding payment sum reported by the company was in the incorrect amount of £34.55 (when it should have been £30.42).
- The customer referred the issue to CCWater (Consumer Council for Water). However, following its investigation, it concluded that it was unable to challenge the company any further.
- The customer remains displeased with this situation and is now seeking for the company to remove all the late payment markers from her credit file and pay her compensation for stress and inconvenience in the sum of £2500.00.

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The company's response is that:

- It accepts that it made an error which resulted in the customer's final bill being issued at £34.55, instead of £30.42. It has apologised for this error previously and wishes to apologise again.
- The company submits that it sent an outstanding payment request to the customer in October 2016 (as shown in its evidence). Whilst the final balance was off by £4.13, there was a debt left on the account and the customer (despite knowing this) did not discharge it until April 2019.
- Therefore, the company submits that it was fundamentally correct to report the late payment markers (despite the £4.13 discrepancy).
- The company submits that the outstanding payment sum was later corrected and the marker was removed when the customer discharged the debt on her account.
- The company submits that this issue would have been resolved much sooner if the customer had contacted it (instead of not paying any final balance).
- Accordingly, it believes that its actions have been fair and it does not accept that the customer is entitled to £2500.00 in compensation.
- The company states that, in light of all the above, it does not accept liability for the customer's claims for redress.

How is a WATRS decision reached?

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

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

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

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

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How was this decision reached?

1. It is evident from the customer's application that her complaint relates to her dissatisfaction with the company for reporting a marker (relating to outstanding payment) on her credit file and because the sum generated/reported was £34.55 when it should have been £30.42. The customer has complained to the company about this issue and whilst it acknowledged the customer's discontent and apologised for the £4.13 discrepancy, its position was that it had correctly carried out its set policies/processes. The customer referred her complaint to CCWater who, after completing its investigation, ultimately concluded that it could not challenge the company further. The customer is not satisfied with this outcome and is now claiming for the company to remove all the markers from her credit file and provide her with £2500.00 in compensation for stress and inconvenience.
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.
3. I 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 (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).

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5. Turning to the more specific aspects of this dispute, based on the submissions provided, I note that in 2016 the customer was made aware that an outstanding balance remained on her account but did not discharge it until 2019. Whilst it is clear that there had been some discrepancy (amounting to £4.13) in 2016 regarding the outstanding figure and that the company failed to correctly amend this figure on its payment requests to the customer (illustrated by the company's October 2016 payment request as submitted in evidence), overall, I am satisfied that the customer had been adequately put on notice (in 2016) that an outstanding payment remained on her account. Bearing in mind the above, I am only able to objectively conclude that the customer's decision not to take any action for approximately two years (despite knowing that an outstanding balance remained on her account) was a fundamental causal factor for an outstanding payment notice being reported on her credit file. Accordingly, I do not find that the company's act of reporting an outstanding balance on the customer's account (in and of itself) amounts to a failure to provide its services to the standard to be reasonably expected.
6. The company accepts that it failed to amend the outstanding balance on the customer's account from £34.55 to £30.42 for its payment requests and debt reporting. Accordingly, I am satisfied that this was a failure on the part of the company. However, I note that the company has apologised for this failure and amended this error before the customer discharged the outstanding balance in 2019. Consequently, whilst I acknowledge that the company eventually took remedial action to address this issue, I find that the customer would have experienced a degree of stress and inconvenience as a result of the company's initial failures.
7. I note that the customer is seeking for the company to remove all the late payment markers and pay her compensation for stress and inconvenience in the sum of £2500.00. Whilst I accept that the company's payment requests and debt reporting had a discrepancy of £4.13, having regard for the nature and extent of these established failures and the remedial actions already taken by the company, I am not objectively satisfied that it warrants the removal of all the late payment markers or a compensation payment in the sum of £2500.00 for stress and inconvenience. Under the circumstances, taking into account the nature and extent of the company's failures, I impartially conclude that a compensation payment to the customer for stress and inconvenience in the sum of £50.00 is fair and reasonable.

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8. Consequently, in light of all the above, I find that the failures established on the part of the company warrants a compensatory payment in the sum of £50.00 to the customer. In the absence of any other unresolved failures on the part of the company, the customer's claims for further redress are unable to succeed.
9. This concludes the WATRS stage of the customer's complaint. I remind the parties that the customer is not obliged to accept this decision.

Outcome

The company shall provide the customer with compensation in the sum of £50.00. This decision cannot be appealed. However, the customer is not obliged to accept this decision and is free to refer her complaint to all other forums for resolution as available to her.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 25 March 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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