WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT1125

Date of Decision: 2 November 2020

Complaint

The customer is a victim of domestic violence and had moved to a new flat. The company passed her details to a debt collection agency who linked her to another address. Letters were sent to the other address and that revealed her new address to the occupier, putting her at risk from her former partner.

The company and its debt collection agency breached data protection regulations by writing to her at another address. The customer seeks an apology and £1,000.00 compensation for distress and inconvenience.

The customer has submitted comments dated 30 October 2020 to my preliminary decision issued 26 October 2020. These are addressed later in this decision.

Defence

The customer had an overdue balance on her account. It is the company's commercial practice to refer debts to a debt collection agency after appropriate notices have been issued. After notification that the customer had moved, a tracing agency linked her to another address and wrote to her at that address.

The company says that it had not breached data protection regulations. It also says that data protection matters are outside the scope WATRS and should be referred to the Information Commissioner's Office.

The company accepts it failed to respond to customer complaints on two occasions. It says it has made payments under its customer guarantee scheme for those failings.

The company disputes the customer's claim for distress and inconvenience.

Findings

The company was entitled to demand payment from the customer for services provided. The company followed its standard commercial practices in relation to recovery of outstanding debts. The customer has not established that the company's actions in seeking payment were unreasonable or that they were not to a standard to be reasonable expected.

In relation to customer complaints, the company accepts it had not responded in the required timescales. The company has made total payments of £60.00 under its customer guarantee scheme. The company has also removed arrears of £56.13 from the customer's account as a goodwill gesture.

Outcome

The company does not need to take any further action.

The customer must reply by 30 November 2020 to accept or reject this decision.

ADJUDICATOR'S DECISION

Adjudication Reference: WAT 1125

Date of Decision: 2 November 2020

Party Details

Customer: The Customer

Company: The Company

Case Outline

The customer's complaint is that:

- The Customer is a victim of domestic violence and had moved to a new flat, setting up a new account with the company in a different name. The company did not link the name on the new account with their legal name. This left an outstanding balance on the account in her legal name.
- The company passed her details to a debt collection agency and a tracing agency who linked her legal name to a different address. The tracing agency wrote to her at that other address, referring to an account at her current address. The company wrote to her at that difference address concerning the outstanding balance on her account. Letters to her at that different address revealed her new location, putting her at risk from her former partner.
- She had to move out of her flat and stay with family while the complaint was being investigated. She had to contribute to bills at her family home while still paying for her flat.
- She considers the company and the company's agent are in breach of data protection regulations.
- She seeks a written apology from the company and claims £1,000.00 compensation for distress and inconvenience.

The company's response is that:

- It considers that whether or not there has been a breach of data protection regulations is outside the remit of WATRS. It suggests that it would be better dealt with by the Information Commissioner's Office.
- It says that it is its commercial practice to pass account details to debt collection agencies (DCA) to recover outstanding debts after appropriate notices and demands have been sent.
- The customer had not paid the outstanding balance on her account and her details were passed to a DCA in accordance with the company's policies.
- Following notification that the customer had left the property, it says that it passed details to a tracing agency. The tracing agency traced the customer to another property and wrote to her at that address.
- It says that it appears someone else at that address opened the letters addressed to the customer. It adds that it could not be responsible for someone else opening the customer's post.
- It has paid the customer two goodwill gestures of £30.00 each when it failed to update the customer on two occasions. It also says that it removed arrears from her account totalling £56.13 as a further goodwill gesture.
- It disputes the customer's claim.

How is a WATRS decision reached?

In arriving at my decision, I have considered two key issues:

1. Whether the company failed to provide services to the customer according to legislation and to standards reasonably expected by an average person.
2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing of the company.

In order for the customer's claim against the company to succeed, the evidence available to the adjudicator must show on the balance of probabilities that the company has failed to provide its services to the standard one would reasonably expect and 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 I have not considered it in reaching my decision.

How was this decision reached?

1. The customer says the company and the debt collection agency used by the company have breached data protection regulations. An adjudication under WATRS can only deal with matters between a customer and a water company. Therefore, any debt collection company is not a party to this adjudication. Under the WATRS rules, where there is a more appropriate forum to deal with a matter, the matter should be referred to that forum. A more appropriate forum to determine whether or not there has been a breach of data protection regulations is the Information Commissioner's Office (ICO). Should the customer wish to pursue this aspect of her complaint against the company or other agencies, I recommend she contacts the ICO. I make no determination on this matter in this decision.

2. The matter that led to the customer's current address being potentially exposed to her former partner was the company seeking payment of an outstanding bill. Under Rule 3.5 of the WATRS Rules, a WATRS adjudicator cannot evaluate the fairness of contract terms and/or commercial practices operated by a water company. I cannot therefore comment on the company's debt recovery policies. The aspect of the customer's claim which I am able to deal with is whether or not the company's actions in seeking recovery of payments were to a standard to be reasonably expected and in line with legislation.

3. Under the Water Industry Act 1991 (the "Act"), water companies are entitled to set charges for the services they provide. The Act also entitles water companies to demand and recover charges from anyone they provide services to.

4. The company says that before 13 November 2017, a housing association was being billed for services at the customer's property address. The company was informed the customer had moved into the property and sent a letter to her on 5 December 2017 with her new account details. I will refer to this account as account 1. The company says that on 12 January 2018 it received a call from the customer enquiring about her account. The company says that it confirmed the details to the customer and advised her a bill would be sent in due course. The company also says that it removed the customer's first name from her account at her request.

5. The company has provided copies of communications sent to the customer concerning her account 1. A bill dated 25 January 2018 for £46.40 was sent to the customer at her property address. This covered the period from 13 November 2017 to 22 January 2018. The bill included details of payment methods. A reminder letter was sent to the customer on 1 March 2018. The company says that the letter was sent as it had not received payment from the customer.

6. A final demand was sent to the customer at her property on 29 March 2018. A letter was sent to the customer at her property on 31 May 2020 giving notice of further action. An additional notice of further action was sent to the customer on 25 June 2018. From the evidence I can see that, including the original bill, there were over six communications sent by the company concerning payments. Further communications followed from the DCA. These communications all related to the customer's account 1.

7. I note that the bills and notices sent included details on how to pay the account. They also included details on what a customer should do if they had difficulty paying the bills.

8. During the period covered by the reminders sent by the company, the customer began to use an alternative name. The customer refers to this as a nickname and I shall do the same. The customer says the use of a nickname was based on advice she had received from a domestic violence charity. The customer says she contacted the company to set up her account using her nickname.

9. The company says that on 11 April 2018, a new occupier contacted the company advising she had moved into the property on 23 March 2018. I can see from the evidence that the new occupier was the customer using her nickname. The company opened a new account with a different account number. I will refer to that new account as account 2. The company says that the process of opening a new account, account 2, automatically closed the previous account, account 1, for the customer's property. The company says that it was not aware at that time that the person opening the new account was the same person as the customer.

10. The company set up a payment plan for the customer for account 2 under her nickname. The company also sent a final bill dated 11 April 2018 to the customer for account 1 in her real name.

11. The company says that on 2 May 2018, the customer called to advise she was having difficulty with the payment plan on account 2 under her nickname. The company referred her to its customer assistance fund. The company also says that on 3 May 2018 the customer started to make monthly payments of £5.00 on account 1. This was without agreement of the company. The company says that as it was expecting full payment on that account, it continued to send notices to the customer.

12. The company says that on 12 May 2018, the customer called under her real name requesting details of the outstanding balance account 1. The company has provided a screenshot of the notes of the call. I can see that whilst the company confirmed the outstanding amount, there is no note indicating the customer was reminded that the balance was overdue. The company says that at this time it was still unaware that the names on account 1 and account 2 were the same customer.

13. The company says that as it had not received the balance on account 1 and there was no agreed payment plan it referred the matter to a DCA. This was done on 17 July 2018. The company says that the DCA wrote to the customer at her property and followed up with an automated text message a week later. The company says that on 8 August 2018 the DCA received an email notification that the customer was no longer at the property address. The company says that in January 2019 it referred the matter to a tracing agency to trace the customer and recover monies due. The tracing agency linked the customer's name to an alternative address and wrote to her at that address.

14. The company says the email to the DCA was in a different name to the customer's real name or nickname. The evidence suggests the name on the email was the customer's former married name. In her comments on the response, the customer says she has not used that name since 2015.

15. I have reviewed the actions taken by the company in notifying the customer of the outstanding balance on her account 1. The evidence indicates that the customer was receiving notifications of outstanding amounts due. I conclude that the company had taken reasonable steps to notify the customer of the outstanding balance on account 1 prior to passing the matter to a DCA and then to a tracing agency.

16. I note that the company says it was initially unaware that the customer was using an alternative name and that the account set up in that name was the same customer. The company's email dated 5 June 2020 to CCW advised that it was in April 2019 that the customer clarified that she was using a different name.

17. The company says that the customer made an application to a social tariff scheme in July 2018. The application was successful and a new account was opened for the customer. I will refer to this as account 3. The account used the customer's nickname. The company reports that there was a discrepancy between the name on the social tariff application and the supporting documents but has not provided details. The company says that on opening account 3, account 2 was closed with an outstanding balance of £102.50.

18. The company's response says that a payment plan was agreed with the customer to clear the balance on account 2. The customer also says that these plans were not adhered to and began to follow the same process as with account 1. The company says that the customer also failed to make payments as required on account 3 and sent three notices to the customer.

19. The email from the company dated 10 July 2019 clarifies the situation concerning names. I note the same email confirms that an outstanding balance of £56.13 on account 3 was cleared and, following that, there was no monies owed on account 3.

20. I fully understand the reasons why the customer began using a different name. If this had been clarified when the customer opened account 2, the company may have been able to deal with matters differently. I have not seen any evidence that indicates the company was, or should have been, aware of the different name when account 2 was opened, or immediately following. I conclude that the company could not have known that the customer was using a different name. I concluded the company was therefore correct in closing account 1 and seeking payment of the outstanding balance.

21. Whilst I sympathise with the customer's situation, the company is entitled to recover payment for the services it provides. Water companies do offer assistance for those who have difficulty paying. However, they need to be aware of those difficulties. The company sent a number of reminders to the customer at her property concerning the debt for account 1. These were followed by letters from the DCA to the same property address. There is no evidence the outstanding balance was paid before further action was taken. I find no failure on the part of

the company in relation to the process adopted to recover the outstanding balance on customer's account 1.

22. I am satisfied that the company was entitled to seek recovery of the outstanding balance on account 1. I am also satisfied that the company took reasonable steps to seek recovery of the outstanding balance. I understand the customer's concern that her new address was potentially exposed to her former partner. It is apparent that this placed her in a difficult and stressful situation. However, I can find no fault on the part of the company in the measures it took to recover outstanding payments.

23. The customer's claim for £1,000.00 for distress and inconvenience therefore fails. I make no award for distress and inconvenience. I also find no justification to direct the company to apologise for its actions in seeking payment.

24. I have also considered the company's performance in relation to the Guaranteed Standards Scheme (GSS). The GSS sets out the minimum standards of service customers are entitled to expect from water or sewerage undertakers. Under the GSS, a company is required to respond to written complaints from customers within ten working days. Where a company fails to provide a substantive reply to a customer's written complaint within the required period, the company must make an automatic payment to the customer.

25. I note the company has acknowledged it failed to respond to a customer complaint in the required timescales on one occasion. The company says it has made a payment of £30.00 in respect of this failure.

26. I note that the customer complained on 21 April 2019. The company responded on 24 April 2019. The company has acknowledged that there was a subsequent delay in updating the customer in connection with that complaint. A GSS payment was made to the customer. I have also noted the customer complained on 8 November 2019 and received no response. The customer followed up on that complaint on 6 March 2020. From the content, this complaint was the same as the earlier complaint. I have therefore regarded this as the same complaint as that dated 21 April 2019. Apart from this complaint, I have not seen evidence of additional complaints that the company failed to deal with as required.

27. The company reports in its response that it noted the payments it said it would make to the customer were late and it has therefore added late payment amounts to those payments. The company says it has credited the customer's account with £80.00 in respect of GSS payments.

28. I am satisfied that the company has made appropriate payments for failing to meet the required standards in responding to complaints. I make no further direction on this matter.

29. The customer has submitted comments to my preliminary decision. I will deal with these matters here.

30. The customer has repeated that she had not used her former married name since 2015 and that this should not have been introduced. She says the accounts were set up in her real name and not her former married name. She also says again that she not living at the address the DCA wrote to and had provided proof of her current address. She says that she has taken up the matter of a possible breach of data protection regulations with the appropriate authorities. Her complaint against the company is for damage to her health and stress and inconvenience as she felt the need to move again after letters were sent to the alternative address.

31. I had considered the points made by the customer in my decision. I do recognise that the situation the customer is in is highly stressful. However, I can only consider failures on the part of the company and whether such failures caused inconvenience and distress. As I have said in my decision, the company was entitled to seek payment for overdue payments and wrote to the customer at her current address on a number of occasions. When the amounts remained unpaid, the company followed its procedures to recover outstanding payments, which it is permitted to do. These actions led to the customer's current address being revealed to others but they were not unreasonable actions to recover outstanding debts.

32. After consideration of the comments made by the customer, I make no changes to my decision.

Outcome

The company does not need to take any further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 30 November 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.

Signed

Name

Ian Raine **(**BSc CEng MIMechE FCIArb MCIBSE)

Adjudicator