

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X317

Date of Decision: 21/04/2021

Party Details

Customer:

Company:

Complaint

The customer occupied his property from 2012 until around August 2016. The customer says that he notified the company that he had moved out of the property around August 2016 and had paid the final bill for water services.

At some point during 2019, the customer discovered that he had an adverse credit rating. This resulted from payment defaults notified to credit reference agencies by the company. Payment defaults related to an outstanding amount due to the company from the time the customer occupied his property.

The customer seeks to have his credit rating amended with defaulting payments removed. He also seeks a review of the customer services as he considers this was not to a reasonable standard.

Response

The company became aware in September 2016 that the customer had vacated his property from August 2016. The company issued a final bill and closed the account. The company says that it had no record of the customer paying his final bill. The company says that the customer had not provided a forwarding address. It attempted to trace the customer, without success.

The company reported the payment defaults to credit reference agencies in line with its policy. The company considers that its reporting accurately reflected the situation and considers there is no reason to amend its records.

The company believes that its customer service has been to a standard to be reasonably expected. It notes one occasion where it had not

responded to a customer email and had made a payment of £30.00 to the customer under the Guaranteed Standards Scheme. It does not consider there to have been any other failings in customer service.

Findings

The customer vacated his property around August 2016. There is nothing within the documents provided that shows the customer notified the company he had moved at the time he moved out of the property. There is no evidence available that the customer paid his final bill.

The company exercised its right to demand payment from the customer but was unable to trace the customer after he had vacated his property. The company acted within its policy to notify credit reference agencies of payment defaults.

The evidence available does not show that the company failed to provide its services to a standard to be reasonably expected.

Outcome

The company does not need to take any further action.

The customer must reply by 19/05/2021 to accept or reject this decision.

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X317

Date of Decision: 21/04/2021

Case Outline

The customer's complaint is that:

- The customer is unhappy with negative marks on his credit history. These result from reports by the company concerning a debt from 2016.
- The customer says that he paid what he believed to be the outstanding amount of this debt in 2016. He says a further payment was made in 2020.
- The customer says that he moved out of the property associated with his account in late 2016. He says that he supplied the company with a letter from his landlord confirming that he had moved out by 1 August 2016. He says the company closed his account from 29 July 2016. The customer says that he heard nothing more from the company after he paid what he believed to be the outstanding amount on his account.
- In the process of applying for a mortgage in 2019, the customer found he had an adverse credit record. The credit record showed payment defaults in relation to his account with the company.
- The customer seeks to have his credit record amended or at least backdated to 2017.
- The customer seeks a review of the customer service provided to him by the company.

The company's response is that:

- The company says that it sent reminder letters to the customer on numerous occasions from June 2015. It says that it also tried to contact the customer by telephone from June 2015 but was unable to reach him.
- The company says that it had no record of the call the customer says he made to clear his final balance. The company had no record of payment of the final balance.
- The company says that payment defaults were from May 2015 to August 2016. These defaults were removed when the customer paid the sum of £431.97 on 24 April 2020. The company says that it wrote off the remaining debt of £431.98.
- The company says that it believes its credit reporting is an accurate record of the customer's payment history. The company says that it will not be changing its credit history for the customer's account.
- The company denies that the customer service provided to the customer fell below a standard which the customer could reasonably expect to receive.

How is a WATRS decision reached?

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

- Whether the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
- 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.

How was this decision reached?

1. The customer says that he moved out of his property in late 2016. He says that he paid his final bill. However, the company says that it has no record of a final bill being paid in 2016. The company says that it sent numerous reminder letters to the customer at the property address.
2. The key elements in this matter are whether or not the customer properly notified the company that he was vacating the property and whether or not he paid the final bill up to the date he moved out.
3. Under the Water Industry Act 1991 (the "Act"), water undertakers are entitled to charge for the provision of water and sewerage services. Such charges are to be in accordance with the scheme of charges set by the relevant company. Occupiers of premises are liable to pay for services provided. Companies are entitled to take steps to recover payments from customers. Under the Act, an occupier is obliged to notify the relevant water undertaker should they cease to occupy the premises.
4. The records provided by the company show that on or around 22 September 2016 the company was made aware that the customer had moved out of the property. The company's notes indicate that on 23 September 2016 the company was notified by the landlord for the property that the customer had vacated the property. The company says that it received no notification from the customer that he had moved out of the property and had no forwarding address from the customer.
5. The customer's letter to the company dated 7 December 2019 raised a formal complaint with the company. In the letter, the customer notes that he had called the company at the time he moved out of the property to close his account. The customer says he was advised there was a balance on the account of around £200.00 which he paid. The customer says that in September 2019 he registered

with a credit reference agency and discovered records of payment defaults. He also says these related to multiple account numbers and opening dates.

6. The company replied on 11 December 2019 by email. The company confirmed that it received a payment of £219.07 on 23 February 2015. This was for the period ending 18 November 2014. The company says it received no further payments after that date. The company also listed further bills totalling £1004.65 for the period from 19 November 2015 to 19 September 2016. The company says these bills were sent to the customer's property address. One bill was returned marked "return to sender". The company says that following receipt of the returned bill it closed the customer's account on 29 July 2016. The final bill amount was £916.95.

7. The customer's email sent on 28 January 2020 indicates there was a letter attached to the email that appears to relate to the customer vacating the property. However, a copy of the letter has not been provided with the evidence. The company's email reply sent 3 February 2020 refers to the letter being from the landlord and confirming that the customer's tenancy ended in August 2016. The company's reply also notes that the final bill was issued for the period up to 29 July 2016. The company says that it issued the final bill on 23 September 2016 after being notified by the landlord of a change in tenancy on 23 September 2016.

8. On 22 September 2020, the customer sent an email to the CEO of the company in connection with his credit report. On 30 September 2020, the CEO of the company replied, referring to past correspondence on the matter. The email confirmed there was no record of an attempt by the customer to pay his final bill or arrears. However, the CEO requested that if the customer provided him with a copy of a bank statement showing payment had been made, he would investigate further. On 1 October 2020, the customer replied and advised he was in the process of obtaining a copy of his bank statement. I have found no evidence that a bank statement was provided to the company. No copy of a bank statement has been provided with the evidence.

9. The company has provided copies of letters sent to the customer between February 2015 and April 2016 concerning late payments. It is noted that these letters were sent prior to the customer vacating his property.

10. The customer has commented that his housemate may not have passed on letters concerning outstanding payments. The company considers that to be a private matter.

11. The company issued bills and letters to the customer at the property address registered on the account. In the event that another person residing at the property had not passed on letters to the customer, I find that to be a matter between the

customer and the other person. I therefore accept the company's position on this issue.

12. I have considered the evidence available to me and conclude that the company only became aware of the fact the customer had vacated his property when it received notification from the landlord. There is nothing in the evidence that supports the customer's position that he notified the company at the time he was moving out.

13. The customer says he paid the final bill when he moved out of the property in 2016. However, the company says it has no record of this. The company had requested a copy of the customer's bank statement to confirm payment and the customer advised he was obtaining a copy. However, no copy of a bank statement confirming payment was made appears to have been provided. There is no evidence available to me that confirms the customer paid his final bill in 2016.

14. The customer considers that the company or its debt collection agencies could have contacted him at his new address. The company's position is that it was not provided with a forwarding address for the customer and had no reason to link the customer's new address to his previous address. The company says that its debt recovery team had tried to trace the customer in line with standard practice. Whilst it may be possible to trace a customer who has moved through a tracing agency, I find it is not reasonable to assume the company would link a new address with a previous address unless it had been made aware of the customer's new address. I find the company's position on this matter to be reasonable.

15. The evidence shows that the company began issuing late payment letters over one year before the customer moved out of the property. As I noted earlier, the company is entitled under the Act to demand payment for services provided. Where payments are not received within the required timescales, the company is entitled to take further steps to recover the debt.

16. I find that the company had taken reasonable steps to recover the outstanding debts from the customer. I have seen no evidence that the customer paid his final bill on moving out of the property. As the debts remained unpaid, I find that the company did not act unreasonably in reporting the position to credit reference agencies.

17. In respect of the customer's request to have his default status removed or backdated to 2017, I find no basis to make such a direction to the company. The customer's claim therefore does not succeed.

18. The customer has complained about the level of customer service provided and asked that this be reviewed.

19. I have 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.

20. I can see that the company responded to the customer's written complaint sent to the company on 7 December 2019. The company's reply was sent on 11 December 2019. This was within the prescribed timescales and therefore no GSS payment was required.

21. I note that the company acknowledges that it failed to respond to an email from the customer dated 13 November 2019. The company advised the customer on 21 January 2020 that it had therefore made a payment to the customer in the sum of £30.00 in accordance with its GSS.

22. I find no further failings in relation to the GSS and therefore make no direction to the company to make further payments.

23. I find that the company had taken reasonable steps to contact the customer in respect of outstanding payments. I also find that the company has dealt with the matters raised by the customer in reasonable timeframes and has provided sufficient explanation for its position. I find the level of customer service in respect of the matters raised to be of an acceptable standard and therefore make no direction on the matter.

24. In his comments on the company's response to the application, the customer has asked why the company has multiple records reported to different credit agencies. As this was not asked for in the original application, the company has not had the opportunity to respond. However, I have looked at the additional evidence provided with the customer's comments, together with the response provided by the company.

25. The company's response provides a detailed explanation of the method of reporting to credit reference agencies. It explains how records are created and confirms it has been reporting the customer's payment history since 2014/2015. The company confirms the payment history on the customer's account has been correctly reported.

26. I am satisfied that the company has explained the method of reporting and how the customer's credit records have been created. I make no direction on this

matter.

Outcome

1. 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 within 20 working days to accept or reject this final 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.

- 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.

Ian Raine
Adjudicator