

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT- X406

Date of Decision: 16 June 2021

#### Complaint

The customer received negative credit marks as a result of a delay in paying the bills for a property he shared with his ex-partner from January to November 2017. At that time the customer, who said that he was not aware that the account was also in his name, was having a difficult time with his partner. He settled the outstanding bills in November 2007. The customer requested the removal of the negative credit marks as a gesture of goodwill.

#### Defence

The company stated that it had followed the debt recovery procedure when dealing with the customer's outstanding bills. The company states that while it sympathises with the customer's situation, it is required to report accurately to the credit reference agency. It noted that there is no evidence that the customer queried the bills or that he did not receive the correspondence sent by the company with the outstanding bills. Therefore, the company stated that there is no ground to remove the negative credit ratings from the customer's file.

#### Findings

The account was opened in the names of the customer and of his partner at the time on 24 January 2017. The customer did not pay the bills until 27 November 2017 when he called to notify the company that his partner had moved out of the property and agreed to settle the outstanding bills. Prior to settling the bill, the customer received at his home eight letters addressed to him and his partner containing the bills, reminders and default notices. I find that the customer has received adequate notifications from the company, so the report of the default in his credit file was accurately recorded.

#### Outcome

The company does not need to take any further action.

**The customer must reply by xx June 2021 to accept or reject this decision.**

*This document is private and confidential. It must not be disclosed to any person or organisation not directly involved in the adjudication unless this is necessary in order to enforce the decision.*

# ADJUDICATOR'S DECISION

Adjudication Reference: WAT-X406

Date of Decision: 16 June 2021

## Party Details

**Customer:** The Customer

**Company:** X Company

## Case Outline

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

- He is unhappy with the negative credit marks recorded by the company.
- The credit marks stemmed from 2017 when he had a difficult time with his ex-partner.
- He claims that he was not aware that the account was in his name as he believed that it was only in his ex-partner's name.
- The debts have been now paid in full.
- He would like the company to remove the negative credit marks as a gesture of goodwill and in recognition of his personal circumstances.

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

- The customer had a joint account with his ex-partner.
- The customer was notified in writing about the outstanding bills and the default on various occasions. The customer has not disputed receiving these notifications.
- It is obliged to report accurately to credit reference agencies.
- There is no ground to remove the negative ratings reported as a result of the late payments.

## 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.

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2. Whether or not the customer has suffered any financial loss or other disadvantage as a result of a failing by the company.

If the evidence provided by the parties does not prove both of these issues, the company will not be directed to do anything.

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 moved to the property with X Customer 2 on 24 January 2017. The company was notified by the estate agency about the change of tenants in the property and opened an account on both names, making them jointly and severally liable for all water charges. The customer and his partner at the time were billed for water and sewerage services between 24 January and 13 November 2017.
2. The first bill for £71.69 was issued on 25 January 2017 for the period from 24 January to 31 March 2017. This payment was due on 7 February 2017. The company has attached a copy of the bill, which was addressed to X Customer and X Customer 2. The next bill for £470.74 was issued on 5 March 2017 and it was for a one year period (1 April 2017 to 31 March 2018). This bill was also addressed to both tenants, and it included the balance from the previous unpaid bill.
3. The company then sent payment reminder letters on 27 March and 26 April. The company has attached copies of these letters which state on its front page in a prominent manner (with a heading in blue that says: Please be aware!) that the company “share your data with Credit Reference Agencies. This means if your payments are late or not paid at all, it can negatively affect your credit rating”. This statement was followed by information about the different ways by which the customer could pay the overdue bill.
4. Since no payment or contact was made by the customer, the company sent to the customer a Notice of Intention to file a Default (“the Default Notice”) on 8 May 2017, and a Final Notice on

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10 May 2017. Copies of these letters were attached by the company in its response to this complaint. The Default Notice confirmed that if the payment was not made by the 5 June 2017, the Default will be reported. As the payment was not made, the Default was correctly reported on 8 June 2017. A final letter was sent to the customer on 24 May 2017 to inform that because the payment was not made, it passed the customer's account to a Debt Collection Agency.

5. On 27 November 2017 the customer phoned the company to notify that his partner had moved out of the property. The company closed the joint account and opened a new account in the customer's name. The customer paid the outstanding balance, and the account was removed from the Debt Collection Agency on 28 November 2017.
6. The customer phoned the company on 6 January 2021 to discuss the default in his credit file. He stated that the account was opened by his ex-partner, and he was unaware of the outstanding balance. He requested the company to remove the negative credit marks as a gesture of goodwill, but the company refused to do so because the marks were accurately recorded.
7. I note that the company opened the account on both names after the notification from the estate agency and not from the customer's ex-partner. I find that the customer ought to have been aware of the outstanding balance because the company sent eight letters addressed to him and his ex-partner before the default was recorded. I am mindful that the customer has not disputed receiving the letters sent by the company. Furthermore, when the customer contacted the company in November 2017 to inform them that his partner had moved out of the house, he ought to have been aware that the account was in both of their names. Accordingly, I find that the company was correct to report to the Credit Rating Agencies that it had not received payments from the customer from March to June 2017. Equally, the company was correct to record the default as 'satisfied' on the customer's credit file on 28 November 2017 when the customer paid the outstanding bills. Therefore, I can only conclude that the negative credit marks were accurately recorded.
8. In view of the above, I find that the company has reached the standard to be reasonably expected by the average person.

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## 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 xx June 2021 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 from 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.



**Pablo Cortés, Ldo, LL.M, PhD**

**Adjudicator**

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