

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X416

Date of Decision: 25/06/2021

Party Details

Customer:

Company:

Complaint

The customer claims that the company failed to remove late payment markers once he highlighted that he was forced out of his property due to a third-party issue, and he had not received any notifications that his account was still in debt. This failure to remove the late payment markers led to inconvenience and distress. The customer is seeking the company to remove the negative credit markers placed on his account.

Response

The customer informed the company of moving out of his property on 8 June 2020, and a final bill was issued showing a debt of £12.58. The customer agreed that the outstanding sum of £12.58 would be taken by direct debit on 22 June 2020. However, the direct debit was rejected as it had been cancelled by the customer's bank. No further payment was received, and the company made various attempts to contact the customer at the address previously provided by the customer. As the customer failed to keep his account up to date regarding payment, the company is entitled to begin its recovery process according to its policy set out in its Charges Scheme. The defaults on the customer's account were correctly reported, and the company cannot remove them. The company has not made any further offers of settlement.

Findings

I find the customer has not proven the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning the late payment markers. Furthermore, I am satisfied there have been no failings regarding customer service as the company has provided a good level of service throughout its dialogue with the customer.



The company needs to take no further action.

The customer must reply by 23/07/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

• The company failed to remove late payment markers once he highlighted that he was forced out of his property due to a third-party issue, and he had not received any notifications that his account was still in debt. • This failure to remove the negative credit markers led to inconvenience and distress. • The customer is seeking the company to remove the negative credit markers placed on his account.

The company's response is that:

• The customer informed the company of moving out of his property on 8 June 2020, and a final bill was issued showing a debt of £12.58. • The customer agreed that the outstanding sum of £12.58 would be taken by direct debit on 22 June 2020. However, the direct debit was rejected as it had been cancelled by the customer's bank. • No further payment was received, and the company made various attempts to contact the customer at the address previously provided by the customer. • As the customer failed to keep his account up to date regarding payment, the company is entitled to begin its recovery process according to its policy set out in its Charges Scheme. • The defaults on the customer's account were correctly reported, and the company cannot remove them.

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. This dispute centres on whether the company should remove the late payment markers placed on the customer's account.
2. The company must meet the standards set out in OFWAT's Charges Scheme Rules and the Water Industry Act 1991.
3. The company also has certain obligations regarding its customer services as set out in the OFWAT Guaranteed Standards Scheme and its Customer Guarantee Scheme.
4. From the evidence put forward by the customer and the company, I understand that on 8 June 2020, the customer informed the company that he was moving out of his property. The evidence shows that a final bill was issued showing a debt of £12.58, and it was agreed that this sum would be taken by direct debit.
5. The documents show that the company attempted to take the direct debit on 22 June 2020. However, I understand that the customer's bank rejected it as the direct debit had been cancelled. Following this rejection, the company wrote several times to the address provided by the customer. However, no response or payment was received, and late payment markers were registered for the customer for both July and August 2020.
6. On 6 October 2020, the customer contacted the company to query the late payment markers on his account. The company advised the customer that as no payment had been received, late payment markers had been registered on the customer's account. The customer responded by saying that he had not received any of the correspondence from the company relating to the cancellation of the direct debit or late payment. The company requested that the customer provide confirmation from his bank that the company did not request the direct debit as the customer's positions differed from that of the company's records.
7. The evidence shows that the customer remained unhappy with the company's position and the customer progressed the dispute to CCWater in March 2021. However, the evidence indicates that CCWater was unable to resolve the dispute. The final position was that the company would not remove the late payment markers. The customer remained unhappy with the company's final position, and in May 2021, the WATRS adjudication process commenced.
8. As to whether the company was correct to report any late payment to the credit reference agencies, section 143 of the Water Industry Act 1991 gives the company

the power to set a Charges Scheme. Where a bill has not been paid, in line with the company's Charges Scheme, a debt recovery process is in place for all its customers, in compliance with OFWAT's guidelines on the collection of debt. If no payment plan is in place with the company or full payment has not been received, the company is entitled to report any late payment to the credit reference agencies and pass the debt onto a debt collection agency.

9. In this instance, a final bill was produced in June 2020, showing a balance of £12.58. By September 2020, there remained an overdue balance of £12.58 on the account. While I appreciate the customer's position concerning leaving the property, as an outstanding balance existed on the account, I find that the company was entitled to report any late payment to the credit reference agencies.

10. It is for the customer to monitor his accounts and be aware that any payment had not been taken. The customer says that the company never provided any further correspondence regarding the outstanding payment or cancelled direct debit. Based on the evidence, letters were sent to the customer's previous address. The evidence shows that this address was the contact address the customer provided when notifying the company that he was leaving the property. The evidence shows that the customer did not give any forwarding address to the company, and therefore it was no fault of the company that the customer did not receive the letters sent.

11. Considering the above, I find that it has not been proven that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning its debt recovery processes.

12. The company has certain obligations in respect of its customer services. As evidenced by the timeline within the company's response documents, I am satisfied that by the end of the company's dialogue with the customer, the company had adequately explained the reasons behind why it was entitled to report any late payment to the credit reference agencies. Furthermore, reviewing the various correspondence, I believe that the company dealt with the customer's concerns efficiently and appropriately, considering the circumstances. Accordingly, I am satisfied there have been no failings concerning customer service.

13. Considering the above, I find the evidence does not prove that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning the late payment marks, nor does the evidence prove that the company failed to provide services to the standard to be reasonably expected when investigating these issues. Furthermore, I am satisfied there have been no failings concerning customer service.

Outcome

1. The company needs to take no 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.

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Mark Ledger
Adjudicator