

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X459

Date of Decision: 11/07/2021

Party Details

Customer:

Company:

Complaint

The customer has a dispute with the company regarding its placing of negative default markers on her credit file. The customer says that she had to apply twice to be placed on a reduced tariff and when accepted she expected the backdated charges to apply to the date of the first application. The customer claims the company only backdated to the date of the second application and then placed negative markers on her credit file when she rejected a payment plan they proposed. The customer says that despite ongoing discussions with the company and the involvement of CCW the dispute is unresolved and therefore she has brought the claim to the WATRS Scheme and asks that the company be directed to remove negative markers placed on her credit history file.

Response

The company states that it merely follows DEFRA guidelines when processing applications for the reduced tariff, and that the customer had not supplied requested additional data with her first application. The company says the customer declined to pay charges for the year 2013/14 because of her unhappiness with the back-charging, and it correctly applied the negative markers. The company has not made any offer of settlement to the customer and declines to remove the negative markers.

Findings

I am satisfied that the company acted correctly in placing the negative markers on the customer's credit file. It is clear from evidence provided that she has not made any payments towards the bill raised for the year 2013/14. Her unhappiness over the length of back-charging is not a justifiable reason to withhold payments. Overall, I find that the company has not failed to provide its services to a reasonable level nor has failed to

manage the customer's account to the level to be reasonably expected by the average person. I shall not direct the negative markers to be cancelled.



The company does not need to take further action.

The customer must reply by 09/08/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

• She has experienced an ongoing dispute with the company concerning issues with billing on her account and the subsequent entering of negative markers on her credit history file. Despite the customer's recent communications with the company, and the involvement of CCWater, the dispute has not been settled. • In September 2010 she applied to the company to be placed on the REDACTED scheme. • In response to a request from the company she forwarded to it additional information, but she asserts that she did not receive any further response from the company. • On 21 December 2012 she re-applied to be placed on the scheme. • The company again requested additional information to enable it to process her application, and that she sent the requested details on 28 January 2013. • The company confirmed her acceptance on to the REDACTED scheme and backdated the commencement date to 01 April 2012. This meant a refund of £363.98 was calculated by the company as being due to the customer. • The company initially proposed to offset part of this amount to cover in full the upcoming annual charge for the period 2013/2014. After the customer complained, the full amount of £363.98 was paid to her. • She believes the backdated refund does not go back far enough, and she contends she should have been placed on the REDACTED scheme as from when she first applied in 2010.

• She contacted the company in March 2013 to request that it backdate her acceptance onto the scheme to 2010. The customer says that the company did not process her complaint in a satisfactory manner, and it was not escalated to a senior manager as she requested. • She declined to pay the charges raised for the period 2013/14 believing that they would be covered by the backdated amount she was due for the period between April 2012 and April 2010. • She only became aware towards the end of 2019 that the company had passed her account to a debt collection agency and had placed negative markers on her credit history file. • The company refused to remove the markers and stated that they were correctly applied. • Believing the company had not properly addressed her concerns she, on 13 October 2020, escalated her complaint to CCWater who took up the dispute with the company on her behalf. The records show that CCWater contacted the company and requested more detailed information from it and to review the customer service provided. • On 02 December 2020 the company provided a detailed response to CCWater. The company stated that the REDACTED scheme is a government funded scheme overseen by DEFRA who set down strict rules for acceptance onto the scheme. The company confirmed

that it received the customer's application in 2011 but she did not respond to a request for additional information. It denies receiving such information in 2011 as claimed by the customer. It also confirmed that it has correctly backdated the customer's acceptance onto the scheme and cannot backdate it beyond April 2012. Additionally, it confirmed it would not remove the negative markers from the customer's credit history file as they had been correctly applied. • Consequently, on 08 December 2020, CCWater informed her that it believed the company had followed its own procedures by limiting backdated payments to the date of an application for acceptance onto the REDACTED scheme, in this case 01 April 2012. CCWater confirmed that it could not take any further steps to alter the position of the company and was closing her complaint. • The customer says that despite the intervention of CCWater, the dispute is ongoing, and the company has not changed its position and CCWater are unable to obtain a resolution between the parties. The customer remains dissatisfied with the response of the company and has, on 15 June 2021, referred the matter to the WATRS Scheme where she requests that the company be directed to remove the negative markers off her credit history file.

The company's response is that:

• It provided its response to the claim in its submission dated 21 June 2021. • It acknowledges that the customer made an application to be placed on the REDACTED scheme in September 2010, and that it responded by requesting additional information. It has no record of the customer having responded to the request. • In December 2012, it received a second application from the customer, and again requested additional information. It confirms that the information was received in January 2013 and allowed it to place the customer on the scheme and backdate this to commence as from 01 April 2012. The company states that this was fully in compliance with the guidelines of DEFRA in that any successful application is only backdated to start of the tax year in which it is submitted. • Following correspondence with the customer a backdated credit balance of £363.98 was paid to the customer in March 2013. • It acknowledges that the customer expressed her dissatisfaction that the REDACTED scheme tariff had not been backdated to 01 April 2010, the time of her first application to be placed on the scheme. The company says that it explained to the customer that the backdating had been correctly calculated in accordance with its Scheme of Charges and the DEFRA regulations. • In March 2013 it wrote to the customer confirming the bill for the period 2013/2014 had been issued in the amount of £256.00 and it proposed to take monthly payments via a Direct Debit mandate set up in its favour. It noted that the customer declined the Direct Debit payment plan, and it wrote to the customer on 17 July 2013 to inform her that her account was in arrears. • It records that the customer did not make any payments and the £256.00 remains unpaid. • Since September 2015 it shares information on the status of customers accounts with credit reference agencies and has done so in respect of the customer's outstanding debt. It acknowledges that the customer contacted it in September 2019 to

dispute having negative markers placed on her credit history file and that on 06 September 2020 it sent her an e-mail explaining in detail the history of her account and why it had shared the information with the credit rating agency. • In summary, it confirms that it has acted in compliance with (i) the DEFRA guidelines when receiving the customer's two applications and correctly backdated her to April 2012, and (ii) its own debt recovery procedures when passing her account to a credit agency and entering the negative markers. • It does not accept to remove the negative markers. The customer's comments on the company's response are that: • On 25 June 2021, the customer submitted detailed comments on the company's response paper. I shall not repeat word for word the customer's comments and in accordance with Rule 5.4.3 of the Rules of the WATRS Scheme I shall disregard any new matters or evidence introduced. • The customer reiterated her position as previously set down. She repeats her stance that she sent the requested additional information to the company in 2011.

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 dispute relates to the customer's dissatisfaction that the company placed negative markers on her credit file and declines to remove them.
2. I note that the WATRS adjudication scheme is an evidence-based process, and that for the customer's claim to be successful, the evidence should show that the company has not provided its services to the standard that would reasonably be expected of it.

3. It seems to me that the crux of this dispute is the customer's unhappiness that the company did not backdate her placement on the REDACTED tariff to April 2010.

4. The REDACTED scheme is a government initiative in respect of water assistance and is controlled by DEFRA, who set down the applicable regulations. The company implements the scheme according to the DEFRA guidelines.

5. From my reading of the document "Ourscheme of charges for 2012-2013" I can see that it is stated in respect of the water assist scheme :-

Application forms can be requested by contacting 0800 052 0145 (supporting documentation will be required). On receipt of the completed application form and supporting documentation the Company may carry out validation checks with the appropriate bodies.

The effective date of any claim will be 1 April of the charge year in which the application was received. Customers will be required to confirm details of their eligibility on an annual basis.

6. It seems to me that the customer applied for inclusion on the scheme on 24 September 2010. The company, in conformity with the scheme of charges, requested supporting documentation in its response dated 29 September 2010. The customer contends that she forwarded the required documents, the company denies any record of having received them. The customer does not supply any proof that she did indeed submit the requested additional documents.

7. I can see that the customer submitted a second application to be placed on the scheme on 28 January 2013, and again the company requested to be provided with additional documentation.

8. On this occasion the customer supplied the requested information, and she was subsequently approved for inclusion on the scheme. In accordance with the rules set down in the scheme of charges for 2012-2013 the company backdated commencement on the scheme to 01 April 2012.

9. I am not satisfied that the customer has shown on a balance of probabilities that the company acted incorrectly in backdating the charges only to the commencement of the relevant tax year, in this case 01 April 2012. I am not persuaded that the customer has established any valid reasons for having the charges backdated to 01 April 2010.

10. Based on my review of the available information, I am satisfied that the customer did not pay the charges due for the year 2013/14 because she was unhappy that the company refused to backdate the scheme refund beyond 01 April

2012.

11. I am further satisfied that the customer rejected the offer of a Direct Debit payment plan and has not paid any amount towards the raised charges of £256.00 for the year 2013/14.

12. I can see that the customer has paid her invoices in full in the years subsequent to the year 2013/14 but has not made any payments towards the charge for that particular year. The debt remains outstanding.

13. As the customer made no payments for the 2013/14 charges the company triggered its debt recovery procedures and referred the outstanding balance to a credit reference agency. As the bill remains outstanding the company placed negative default markers on the customer's credit history file on :-

February 2016

August 2016

December 2017

November 2018

14. I find that the company acted correctly in applying the markers. I am further satisfied that the company was correct when it advised the customer in September 2020 that it would continue to record negative markers until such time as the outstanding balance was cleared.

15. The customer has requested in her application to the WATRS Scheme that the company be directed to remove the negative markers from her credit history file. I am not satisfied that the customer has established on a balance of probabilities that the company is in error in placing the negative markers or in refusing to remove them before the outstanding balance is settled. I shall not direct the company to remove the negative markers from the customer's credit history file.

16. My conclusion on the main issues is that the company has not failed to provide its services to a standard to be reasonably expected by the average person.

Preliminary Decision

- The Preliminary Decision was issued to the parties on 28 June 2021.
- On 29 June 2021 the customer submitted comments on the Preliminary Decision, and also submitted additional documents.
- I understand that the documents are in support of the customer's initial application to the company to be included on the REDACTED tariff. However, the submission of these documents at this time does not substantiate that they were

given to the company at its first request.

- I am not persuaded that the additional comments and documents require any amendment to the Preliminary decision.

Outcome

1. The company does not need to take 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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Peter Sansom
Adjudicator