

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X546

Date of Decision: 03/09/2021

Party Details

Customer:

Company:

Complaint

The customer claims that the company, in error, opened numerous accounts for a block of flats in the customer's company's name over approximately ten months. In addition, the company set up bank details against some of the accounts without permission, raised bills and chased balances. The customer is seeking the company to open the accounts in the correct names and pay £8,000.00 for the staffing costs that the customer's company incurred to resolve this matter.

Response

The company says it has been unable to identify why the customer's company's name was added to the block of flats, and each time the customer contacted them, it honestly believed it had closed every single account incorrectly opened. The company accepts it has made mistakes that have caused the customer's company inconvenience and have offered £2,500.00 in addition to the £420.00 already paid. However, the company refutes any allegation that it attempted to defraud the customer's company, deliberately or otherwise. The company has not made any offers of settlement.

Findings

I am satisfied the evidence shows the company did fail to provide its services to the customer's company to the standard to be reasonably expected regarding the opening of numerous accounts in the customer's company's name. The reasons and evidence provided by the customer are sufficient to justify that the company pay £2,500.00, which is the maximum that can be awarded for the non-financial loss under the WATRS adjudication scheme.



The company shall pay the customer's company the sum of £2,500.00.

The customer must reply by 01/10/2021 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

• The company, in error, opened numerous accounts for a block of flats in the customer's company's name over approximately ten months. • In addition, the company then set up bank details against some of the accounts without permission, raised bills and chased balances. • The customer is seeking the company to open the accounts in the correct names and pay £8,000.00 for the staffing costs that the customer's company incurred to resolve this matter.

The company's response is that:

• It has been unable to identify why the customer's company's name was added to the block of flats. • Each time the customer contacted them, it honestly believed it had closed every single account incorrectly opened. • The company accepts it has made mistakes that have caused the customer's company inconvenience and have offered £2,500.00 in addition to the £420.00 already paid. • The company continues to open the accounts in the correct names and ensure all the incorrect accounts are closed. • However, the company refutes any allegation that it attempted to defraud the customer's company, deliberately or otherwise, and therefore the company is not liable for any damages in this respect.

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 centres on whether the company should pay £8,000.00 for the staffing costs that the customer's company incurred due to its error in the opening, then chasing unrelated accounts.
2. The company must meet the standards set out in OFWAT's Charges Scheme Rules, the Water Supply and Sewerage Services (Customer Service Standards) Regulations 2008 and the Water Industry Act 1991.
3. The company also has certain obligations regarding its customer services as set out in OFWAT Guaranteed Standards Scheme and its own Guarantee Standards Scheme (GSS).
4. From the evidence put forward by the customer and the company, I understand that following an application from a developer for new water and wastewater supplies and connections to a new block of flats, the customer's company was added, in error, as the company who would accept the initial bills raised and until the properties became occupied.
5. Once the development was built and all connections made for water and wastewater services, the company opened accounts for each of the flats in the name of the customer's company gradually over a period of 10 months. From 2 September 2020, the flat's managing agent advised that the apartments were now being occupied and provided the company with the occupiers' names to start billing those occupiers directly. This led to the accounts in the name of the customer's company being closed and the customer's company receiving final bills and debt recovery notices.
6. I understand that on 19 November 2020, the customer called to advise he had received a bill for a property with which his company had no connection. The evidence shows that the customer was assured that the account was closed, and the information had been removed from that account.
7. However, between 3 December 2020 and 19 May 2021, the customer's company continued to receive bills for the same block of flats and debt recovery notices for the previous unpaid bills. The evidence shows that the customer contacted the company numerous times throughout this period to try to resolve the matter. However, the customer remained dissatisfied with how the company had handled his complaint and, in May 2021, progressed his complaint to CCW to resolve.

8. I understand that during the company's dialogue with CCW, it was explained that the company had closed all accounts it was aware of at the time, and it did not foresee any further issues. It was also explained the company would not be paying the customer's invoice for £1,200.00. However, the company made a goodwill payment of £420.00 to apologise. However, further active incorrect accounts and direct debits were still being found and billing notices being received by the customer's company. The customer remained unhappy and, on 20 July 2021, commenced the WATRS adjudication process.

9. Following receipt of the WATRS adjudication, the company contacted the customer to inform him that it was in the process of closing all the accounts down, and the customer would steadily receive zero statements on each of the accounts. The company apologised and assured the customer that it had removed all bank details from any accounts. Furthermore, it does not negatively report to Credit Reference Agencies where accounts are held in a business name.

10. The company then offered the customer made a settlement offer of £2,500.00. However, this offer was refused by the customer's company because the customer's company was not claiming for stress and inconvenience but for staffing costs.

11. As to whether the company should pay compensation of £8,000.00 for the staffing costs that the customer's company incurred due to the company's error. The evidence shows that the company accepts it has made mistakes that have caused the customer's company to received unwarranted bills and chasers. From the evidence provided, I am satisfied that by the end of the company's dialogue with the customer, the company had explained the reasons behind its error which caused the customer's company inconvenience and distress. Furthermore, on reviewing the various correspondence, I believe that once the company became aware of its mistake, it dealt with the customer's concerns efficiently and appropriately, considering the circumstances. I understand that the company continues to recheck all accounts held in the name of the customer's company, and if any are found which it has not already dealt with, these will be addressed over the coming days.

12. Accordingly, I find the customer has proven the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning the unwarranted accounts.

13. The customer's company has requested £8,000.00 for the staffing costs incurred in dealing with the complaint. In my view, I agree with the company's position that staff who work for an organisation are employed to protect the interests of that organisation which will include dealing with any bills and queries

that might arise. However, I am mindful that this dispute has caused the company and its staff considerable inconvenience and distress through no fault of its own. Whilst I sympathise with the customer regarding the inconvenience, stress and disruption, I find the redress requested of £8,000.00 is disproportional to the claim. On careful review of all the evidence, I am satisfied this dispute falls within tier four, and a more appropriate sum bearing in mind the issues in dispute would be £2,500.00 for any service failures and the inconvenience and distress incurred. Accordingly, I direct the company to pay £2,500.00, which is the maximum that can be awarded for any non-financial loss under the WATRS adjudication scheme.

14. I note the customer's comments that the company attempted to defraud the customer's company. However, on careful review of all the evidence I can find no indication that the company attempted to defraud the customer's company, deliberately or otherwise.

15. Considering the above, I find the customer has proven the company failed to provide its services to the customer's company to the standard to be reasonably expected regarding the opening of numerous accounts in the customer's company's name. The reasons and evidence provided by the customer are sufficient to justify that the company pay £2,500.00, which is the maximum that can be awarded for any non-financial loss under the WATRS adjudication scheme.

Outcome

1. The company shall pay the customer's company £2,500.00

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.

- If you choose to accept this decision, the company will have to do what I have directed within 20 working days of the date in 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.

Mark Ledger
Adjudicator