

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X763

Date of Final Decision: 18 February 2022

Party Details

Customer:

Company:.

Complaint

The customer claims that the company provided poor customer service when he complained about the incorrect charges imposed at a previous residence. Furthermore, the company pursued him for a debt that was never due, which led to inconvenience and distress. The customer is seeking the company to improve its services so that it does not chase any further undue debts and pay compensation of £885.00 for the inconvenience and distress caused.

Response

The company says it has acted reasonably and fairly and has taken sufficient steps to resolve the customer's complaint. The company says that during its dialogue with CCWater, it presented a detailed explanation of its position, arranged for the default judgment to be set aside and offered to pay the customer compensation of £350.00. However, the compensation was refused. The company has not made any further offers of settlement.

Findings

I am satisfied that the evidence shows that the company did fail to provide its services to the standard to be reasonably expected concerning customer service and its debt collection process.

Outcome

The company shall pay the customer the sum of £500.00.

The customer must reply by 11 March 2022 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

- The company provided poor customer service when he complained about the incorrect charges imposed at a previous residence.
- Furthermore, the company pursued him for a debt that was never due, which led to inconvenience and distress.
- The customer is seeking the company to improve its services so that it does not chase any further undue debts and pay compensation of £885.00 for the inconvenience and distress caused.

The company's response is that:

- It has acted reasonably and fairly and has taken sufficient steps to resolve the customer's complaint.
- The company says that during its dialogue with CCWater, it presented a detailed explanation of its position, arranged for the default judgment to be set aside and offered to pay the customer compensation in the sum of £350.00. However, the compensation was refused.
- Accordingly, no further sums are due.

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.
2. Whether or not the customer has suffered any financial loss or another disadvantage as a result of a failure 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 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.

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How was this decision reached?

1. The dispute centres on whether the company should pay compensation for its delay in resolving an account issue which led to the customer being chased for an undue debt and a county court judgement against him.
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 OFWAT's Guaranteed Standards Scheme and the company's own Guarantee Standards Scheme (GSS).
4. The evidence shows that on 21 April 2016, the company received contact from the customer confirming that he had moved out of his previous address and into a new address as of 17 April 2016. I understand that although the customer provided a closing meter reading for his previous address, the company did not receive an opening meter reading for the new address, and the company was, therefore, unable to complete the transfer of accounts in one transaction.
5. Following this, the evidence shows that the company incorrectly closed the "task" on its systems without following up on the correspondence to the landlord and finalising the customer's move to a new address. This meant that the customer's account for his previous address remained open, and bills continued to be produced.
6. In October 2017, the company identified the customer's account at his previous address as eligible for debt recovery action. On 26 October 2017, the company issued a claim through the courts. As the customer did not file an acknowledgement of service or defence in response to the claim, the company obtained a judgment in default. I understand that all the correspondence regarding the debt was sent to the customer's previous address.
7. On 6 October 2021, the customer's account was reviewed by a member of the company's credit management team, and it was discovered that the customer's account had not been closed as it should have been in April 2016. The company then closed the account to the correct date, which reduced the outstanding balance to £90.64, including £77.00 relating to the county court claim. I understand that it was only then that the customer became aware that the company had been chasing him for a debt and that a county court judgment had been issued.

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8. Following this, the dispute was progressed to CCWater, in which the company agreed to remove all charges and ensure the county court judgement was set aside. I understand that the company offered £350.00 compensation for its failures, which was rejected by the customer. The customer remained unhappy with the outcome as he was of the view he had and still was experiencing substantial distress and inconvenience due to the company's poor service. On 20 December 2021, he commenced the WATRS adjudication process.
9. Concerning the customer's comments that he had been incorrectly charged since 2016 for a property in which he was not the occupier, the evidence shows the customer had left his previous property in 2016 and had notified the company of his change of address. The company admits that it incorrectly closed the "task" on its systems without following up on the correspondence to the landlord and finalising the customer's move to a new address. This meant that the customer's account for his previous address remained open, and bills continued to be produced. These errors led the customer to be chased for an undue outstanding debt and then a county court judgment issued. On careful review of all the evidence, I am satisfied that had the company taken early and decisive action at the time of the customer's move, the issue with the customer's account could have been resolved promptly. The customer would not have been subjected to any substantial amount of distress and inconvenience had the company taken this action.
10. Therefore, I find there are grounds to conclude the company has failed to provide its services to the standard to be reasonably expected by the average person concerning the customer's charges between 2016 and 2021. The company states that it has revoked the county court judgement and removed any charges for the customer's account at his previous address. I believe that this does not adequately compensate the customer for the distress and inconvenience incurred and the fact that the customer's credit score was downgraded due to the county court judgment. Whilst I sympathise with the customer regarding the inconvenience, stress and disruption, I find the redress requested of £885.00 is disproportionate. On careful review of all the evidence and taking particular account of the length of time that this dispute has been ongoing and the level of inconvenience that was caused by a county court judgment being incorrectly entered against the customer, I am satisfied that these failures fall within Tier 3 of the WATRS Guide to Compensation for Inconvenience and Distress and I consider that £500.00 would adequately compensate the customer for the inconvenience caused by the company's failings. Accordingly, I direct the company to pay the customer £500.00 for this aspect of his claim.

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11. The customer has also requested that the company improve its services so that it does not chase any further undue debts. Whilst I am satisfied that the company has failed to provide its services to the standard to be reasonably expected, the requested redress falls outside the scope of this adjudication, and therefore I am unable to direct the company to improve its services so that it does not chase any further undue debts. However, I understand that the company has completed a "*Sharepoint Analysis*" regarding the customer's complaint. The evidence shows that this involved reviewing any errors made and submitting feedback to team managers, who then used that feedback to conduct reviews with the operatives in question to ensure that such errors are avoided in the future.
12. The customer and company have both made minor comments on the preliminary decision. Having carefully considered each aspect of both sets of comments, I find that they do not change my findings, which remain unaltered from the preliminary decision.
13. Considering the above, I find the evidence does prove that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning billing and customer service. Accordingly, as above, I have directed the company to pay the customer £500.00.

Outcome

The company shall pay the customer the sum of £500.00.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 11 March 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 of 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.

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- 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.

A handwritten signature in black ink, appearing to read 'ML', followed by a long horizontal line extending to the right.

Mark Ledger FCI Arb
Adjudicator

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