

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT X776

Date of Final Decision: 17 February 202

#### Party Details

**Customer:** The Customer

**Company:** The Company

#### Complaint

The customer complains that the company has refused to alter his credit file which shows a late payment, even though he did not receive the relevant bill and any email reminders sent to the customer would have gone into his junk folder and been deleted after 30 days. The customer asks for a direction that the late payment entry be removed from his credit file.

#### Response

The company says that the customer had been correctly billed and reminders had been sent by email. The stating of its policy on data sharing appeared on a bill that the customer would have received, is consistent with industry practice and was explained on its website. The company says that the customer made a late payment and this has been correctly reported.

#### Findings

I find that there is evidence that the customer knew that a sum was due to the company because he had asked the company to correct an earlier bill that had been raised for a longer period in consequence of the customer's error in inputting information. The customer was therefore aware that money would be due. The company communicated with the customer in ways that would be expected by sending a bill and email reminders. Although I accept that this is distressing to the customer, I find that the company provided its services to the expected standard in the way that it billed the customer, shared data relating to late payment and in refusing to make an alteration.

#### Outcome

The company does not need to take further action.

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# ADJUDICATOR'S FINAL DECISION

Adjudication Reference: WAT X776

Date of Final Decision: 17 February 2022

## Case Outline

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

- The customer complains that his credit rating has been damaged and he has been marked adversely for a late payment of the company's bill in circumstances where he did not receive his bill until December 2020 and any email reminders that have been sent are likely to have gone into "junk" and have become irrecoverable.
- The customer asks for a direction that the late payment entry be removed from his credit file.

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

- In September 2020, the company received notification via its website from the customer that he had moved to his property with effect from 1 October 2019. A bill was issued for the period 1 October 2019 to 31 March 2021. A 'Welcome letter' was sent to the customer which provided him with some information about his account. On 15 September 2020, the customer called to say that he had provided his occupation date incorrectly and that it should be 1 October 2020 and not 2019. On 1 October 2020, the company sent the customer a revised bill for the period 1 October 2020 to 31 March 2021.
- On 10 November 2020 an email was sent by the company to the customer to remind him of his overdue balance. As no payment was received, a second email was sent.

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- On 9 December 2020 a 'Notice of further action' was sent to the customer as his account remained overdue. On 19 December 2020 the company says that it received a payment of £348.93 from the customer which cleared his charges up to 31 March 2021.
- On 27 January 2021 the company received a call from the customer expressing discontent that his credit score had been affected because the company had notified a credit reference agency (CRA) of late payment. On 3 February 2021 the company's Customer Services Team reviewed the customer's concern from 27 January 2021 and called him to discuss the matter. The company said that as it had carried out the correct debt recovery actions, and the customer's payment was received late, the information provided to the CRA is correct and won't be changed. Later that day, the customer called to dispute the information he had been given earlier in the day.
- The customer made a further call on 12 February 2021 and on 8 March 2021. The company's Credit Referencing Team confirmed to the customer (via an agent from outside that team who took the call) that the information provided to the CRA was correct and would not be changed.
- On 7 June 2021 the customer made a payment of his outstanding balance. The agent who took the call offered to arrange a payment plan via Direct Debit to prevent future bills being paid late but this was rejected. On 5 July 2021 the company received a referral of the complaint from the Consumer Council for Water (CCWater) including an email from the customer that was sent to the company on 11 March 2021 although the company has been unable to locate this email in its own records.
- On 13 July 2021, a Senior Case Manager from the company's Chief Executive's Office, emailed the customer in response to CCWater's referral of his complaint. And on the following day a telephone conversation took place between the customer and the company.
- The company points out that it has notified the customer on the last page of each bill sent, that the customer's payment history is shared with CRAs which is commonplace throughout the utility industry. In this fixed paragraph a link to the company's website was also supplied. This explained the company's data sharing policy. The company says that it has explained to the customer that the account was overdue in November 2020 and so the CRA was notified of this. On these calls, the information provided to the CRA was correct and will not be changed. This information has also been confirmed in writing to the customer.

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- CCWater supported the company's position and found no grounds to challenge it.

### 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 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.

The parties have commented on my Preliminary Decision dated 7 February 2021, but no changes have been made to the Outcome in this Final Decision

### How was this decision reached?

1. I remind the parties that the jurisdiction of this Scheme addresses whether the services supplied by the company meet the reasonable expectations of an average customer. This means that it is the conduct of the company and not of the customer that needs to be considered. Where, for example, a company sends a correctly addressed letter to a customer but for some reason this is not received by the customer, the fact that the letter has not been received does not mean that the company has failed to meet expected standards; rather, the company by correctly addressing the letter and sending it has done everything that would reasonably be expected. I find that this complaint raises the question whether the company took all the steps that would reasonably be expected, first in billing the customer so that he knew he had an obligation to pay, secondly in sharing data of non-payment and thirdly, when considering the customer's request to alter the credit file because he had not received the company's bill or email reminders.

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### *Billing the customer*

2. I find that it is more probable than not that the company correctly sent the revised bill to the customer because:
  - a. The evidence shows that the bill was correctly addressed. The customer had registered his details with the company in an online form. The billing address that is set out at the top of the revised bill is the same as the details that had been entered by the customer. It is also the same as an earlier bill that had been raised by the company in the sum of £1,043.12 (the first bill) in consequence of the customer's error in inserting 1 October 2019 as his "move-in date". Even though this bill would have been sent to the customer's property at a date before the start of his occupation (1 October 2020), the evidence suggests that this was received because it prompted the customer on 15 September 2020 to contact the company to say that he had made a mistake. The first bill was therefore received by the customer.
  - b. The revised bill is in a form which indicates that it was computer generated in a similar way to the first bill. As the first bill was posted and received, there is no reason to think that the revised bill would not have been posted to the customer.
  - c. The third posted document, the Notice of Action dated 9 December 2021, was also sent to and received by the customer.
3. Although the customer says that it is impossible to prove that he did not receive the bill, I find that he does not need to supply any "proof" to establish this. The company does not challenge that the bill was not received and, as the customer says he did not receive it, I find that this was the case. It does not follow, however, for the reason given above, that the company failed to supply its services to the correct standard. I find that in sending the customer a revised bill, the company supplied its services to the expected standard. That the customer did not receive this was not, I find, a failing of the company.
4. It is notable that the revised bill was a replacement bill, to an end date on 31 March 2021, which had already been billed but which included a year of occupation at the start of the period which the customer had inadvertently included on the online form, the customer would reasonably have known that payment was then due. The first bill was due to be paid on 24 September 2020. Because the revised bill was a replacement, it follows that it was already due for payment at the

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time when it was issued. Although I note that the revised bill does not set out a new payment date, the revised bill gave a credit for the amount of the first bill and made clear on its face that it was a recalculation of the first bill.

5. As the company had not received payment of the revised bill the company sent an email reminder to the customer on 1 November 2020. The customer does not deny that this may have happened but says that this would have gone into “junk” and been deleted after 30 days. It would therefore have been deleted on 30 November or 1 December 2020. As to this, I find that the customer had supplied the company with an email address as part of the “Move In Creation” on 4 September 2020. The company had tried to communicate with the customer by post without a successful outcome, so I find that it was fair and reasonable that the company would try to contact the customer by an alternative method, such as email. The company had no control over the settings that the customer had placed on his computer and therefore could not have known that the email went into junk. Only the customer and not the company, could have done anything about this. Moreover, even in “junk” the communication was available to the customer to see during this period and contained information that was of assistance, including information that could help if the customer was experiencing difficulties in making payment. I find that, the email address having been supplied to the company, the company had no reason to believe that the email would not be delivered, and the company has not failed to supply its services to the expected standard.
6. As the bill remained unpaid, the company sent the customer a further reminder by email. This warned that if payment was not received within 3 days, the customer’s credit file might be affected. The same considerations as above applied and, again, I find that in notifying the customer of his obligations to make payment the company met the expected standard.

#### *Data sharing*

7. The company says that it is industry practice to share data with credit reference agencies and I am mindful that this is so. I note that the company stated in the first bill that it shared data. The bill said:

*Your data: To help maintain up-to-date records and manage our debt collection process, we share information with and receive information from credit reference agencies. To find out more about how we use, store and protect your data as well as how you can request access to it, please visit [thameswater.co.uk/yourdata](https://thameswater.co.uk/yourdata)*

8. The email message dated 1 December 2020 stated:

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*If you don't pay within three days we will need to register the default on your credit file which could affect your credit rating. We may also pass your details to an external debt collection agency. What to do next please make a payment now and avoid further action. We recommend setting up a direct debit for future payments... don't forget you can access your account online to view your bills and make and manage your payments, whenever you like...*

9. It follows that at the time that the company reported a default with effect from 20 November 2020 to the CRAs, the customer had received three requests for payment of the correct amount using two different media and the company had been given no reason to conclude that there was a communication problem. As the company had warned the customer in the first bill and in its email of 1 December 2020 that it might report the matter to a CRA, and this information is also available to customers on its website, I find that the company was reasonably entitled to consider that it had given notice as required of its intention. I find that an average customer would have found that the company's approach was that which would reasonably have been expected in the circumstances.

*Request to alter the credit file*

10. I am mindful that the keeping and publication of credit information is a regulated activity, and, where companies have entered into a relationship with CRAs, companies are required to provide accurate information about payments.
11. On 27 January 2021, the customer made a request for alteration of his credit file. The documentation submitted shows that the company made an investigation into the circumstances and, among other matters, discovered that the customer had also set up an online account management. The company says that the customer would have been able to see on this that a payment from him was overdue. This was therefore a third way in which the customer could have known of the overdue payment.
12. I am mindful that the company has shown that as at 1 December 2020, the customer had not met his debt to the company. Although the company might reasonably have been expected to consider a failure to bill the customer as a reason for attempting to correct a credit reference, this is not what has happened in this case. On balance, I find that the company's refusal to alter the customer's credit file is not indicative of a shortfall in its service provision. I find this for the following reasons:

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- a. The company had billed the customer correctly in accordance with information provided (the first bill) and the customer had received this.
- b. As indicated above, there is no reason to consider that the company had failed to send out the revised bill and had sent out two reminders including a reminder
- c. As a consequence of the first bill the customer was aware that he owed money to the company and I find that it is likely that he understood that we would be re-billed in the correct amount. If he did not receive the revised bill, it would appear that he was in possession of an uncorrected first bill which he would have been aware had not been paid. He was therefore on notice, I find, that money needed to be paid to the company, even though he did not receive the revised bill.
- d. Against this background, it would appear that the customer did not take further action to find out what his current liability for water and waste water charges might be. He did not contact the company to find out the amount of the revised bill or when it would be expected or paid; bearing in mind that he had provided the company with his email address, he might reasonably have been expected by the company to look into his junk folder to see if monies were due but it appears that he did not do so and neither did he look in his online account management system in order to find the amount of the payment.

13. Although I understand that the customer feels aggrieved that he did not know that a bill had been supplied and that his credit file has an adverse marker in consequence, for the reasons set out above I find that the company's refusal to alter the file is consistent with its policies and is within a range of decision-making that would reasonably be expected by an average customer.

14. It follows that I find that the evidence does not support that the company fell short of expected standards and therefore I find that the customer is unable to succeed in his claim for a remedy.

#### **Outcome**

The company does not need to take further action.

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### What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- 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.

*Claire Andrews*

**Claire Andrews, Barrister, FCI Arb.**

**Adjudicator**

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