

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/X812

Date of Decision: 22 March 2022

Party Details

Customer:

Company:

Complaint

The customer has a dispute with the company regarding its refusal to remove negative markers wrongly entered on her credit history file. The customer says that she inadvertently cancelled a Direct Debit in favour of the company and was not aware that she had done so. Consequently, she fell behind with her monthly payments but did not receive any notification from the company, and it further issued a default notice without her knowledge. The customer says she has requested the company to remove the markers, but it refuses to do so. The customer claims that despite ongoing discussions with the company and the involvement of CCWater the dispute is unresolved and therefore she has brought the claim to the WATRS Scheme and asks that the company be directed to remove the markers and issue an apology.

Response

The company denies any liability to the customer to remove the markers, and says it followed all the required procedures after the customer's cancellation of the Direct Debit and her failure to make required payments. The company did not make any formal offer of settlement to the customer and declines to agree to the remedies sought in her application to the WATRS Scheme.

Findings

I find that the evidence does not support that the company wrongly registered a default on the customer's credit history file. I can see that she cancelled the Direct Debit set up to pay her monthly charges and that she did not respond to reminders and notifications sent out by the company. I find that the evidence shows 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.

Outcome

The company does not need to take any further action.

The customer must reply by 19 April 2022 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. Despite the customer's recent communications with the company, and the involvement of CCWater, the dispute has not been settled.
- She became aware that she had two separate Direct Debit mandates, one in favour of (REDACTED)
- After investigating as to why she had two Direct Debit's in favour of the company, she understood that the mandate in favour of (REDACTED) was for an insurance policy in respect of drainage.
- She has no recollection of signing up for the insurance policy, particularly as she is aware that the local authority is responsible for the drainage system outside her property, and she has a different insurance to cover those pipes.
- As a result, she took the decision to cancel the Direct Debit in favour of (REDACTED) but in error cancelled the Direct Debit in favour of (REDACTED) but was not aware of her error.
- She only became aware of the mistake when she discovered that the company had placed a default marker on her credit history file.
- The company did not advise her of overdue payments nor of its intention to place the default notice. The customer says the company claim that it did send such communications to her but she refutes this.
- She contacted the company after becoming aware that it had placed negative markers on her credit history file, but she asserts that the company refused to remove the markers.
- She notes that she had made regularly monthly payments to the company from October 2019 up to and including 26 February 2020 and thus queries why the default notice was issued in February 2020.

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- Believing the company had not properly addressed her concerns she, on 02 November 2021, escalated her complaint to CCWater who took up the dispute with the company on her behalf.
- CCWater advised her on 02 December 2021 that it believed the company had not acted incorrectly when raising the default notice. It explained that she had cancelled the Direct Debit that paid her water and drainage charges and thus she became overdue with her payments.
- CCWater concluded that it could not take any further measures to have the company change its position and was thus closing her case.
- Continuing to be dissatisfied with the response of the company she has, on 01 February 2022, referred the matter to the WATRS Scheme where she requests that the company be directed to remove the default markers from her credit history file and issue an apology.

The company's response is that:

- It provided its response to the claim in its submission dated 14 February 2022.
- It acknowledges that the customer was operating two Direct Debit mandates as she has stated.
- (REDACTED) is represented by (REDACTED), a sister company of the company.
- The customer was the occupier of the property and thus liable for charges. The charges were originally on an unmeasured tariff until a meter was installed on 16 November 2021 and thus changed to a measured tariff thereafter.
- It confirms the customer was paying her charges on a monthly basis through a Direct Debit in the company's favour. The company states that the customer cancelled the Direct Debit and the claim for payment for January 2020 was rejected by the customer's bank.
- In accordance with its charging policy, it issued another invoice for the payment of the full outstanding balance. Neither payment nor contact was made by the customer and thus on 20 January 2020 it issued the notice of default.
- Again, no contact was received from the customer and on 27 March 2020 it registered the default with the credit reference agency.
- It denies that it failed to follow its own debt recovery process. It further confirms that all communications were sent to the correct address of the customer and its records show that none were returned by Royal Mail as being undelivered.
- All reports to the credit reference agency were correct and were an accurate report of the payment history of the customer's account.

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- In summary, it believes it has provided its services to a reasonable standard. It says the charges raised against the customer were in accordance with its Charges Scheme and thus payable, and that the reports to the credit reference agency were accurate. Thus, it declines to remove the default marker or to issue an apology.

The customer's comments on the company's response are that:

- On 22 February 2022, the customer submitted 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 says that she believes the company did play a role in the setting up of the insurance policy with (REDACTED) (REDACTED) and denies ever having received postal communications from the company as it stated. The customer further notes that the company was aware of her e-mail address and telephone number and could have contacted her through these alternative methods.

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 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 has incorrectly entered negative markers on her credit history file and refuses to remove them. The company contends that the markers are correct and declines to recall 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. I accept from the evidence submitted by the company that it has established its authority to render charges to the customer for the water services supplied to her property, and to provide information to credit reference agencies.
4. I am satisfied that the parties agree that the customer had two Direct Debit mandates operating and I accept that the customer was confused because both mandates contained the words "(REDACTED) Water".
5. I sympathise with the customer that when she became aware of the existence of the two mandates, she believed she was making her monthly payment twice and thus elected to cancel one of the mandates.
6. The customer concedes that she cancelled the 'wrong' mandate. She accepts that instead of closing the Direct Debit in favour of (REDACTED) (REDACTED) she inadvertently closed the Direct Debit that paid her charges for water and drainage services.
7. The customer contends that she did not receive any communications from the company in respect of missed payments, outstanding balances, and default notices.
8. I can see that the company has provided copies of all written communications it says it sent to the customer. The company states that it has no record of any of the communications being returned by Royal Mail because they were not delivered. Whilst I accept that it is not possible for the customer to establish that she did not receive the documents, she has not shown that the communications were not despatched by the company.
9. I thus find that the evidence confirms that the customer, as the occupier of the property, was responsible for payment of charges. Additionally, the evidence establishes that having cancelled the Direct Debit in favour of the company the customer fell behind in her monthly payments and thus the company invoked its debt recovery process.
10. I am satisfied from my study of the evidence that the company followed the debt recovery process as set down in its *Core Customer Information* document. This document is available in hard copy and on the company's website.

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11. I am content that the evidence shows the customer inadvertently cancelled the Direct Debit in favour of the company, but it was her mistake and not the company's.
12. It thus follows that I further find that the default marker was correctly registered with credit reference agencies. I shall not direct that the company remove the marker from the customer's credit history file.
13. In her application to the WATRS Scheme the customer has also requested that I direct the company to issue an apology to her. Having found that the company correctly applied the negative markers it follows that I find an apology is not appropriate.
14. My conclusion on the main issues is that the company has not failed to provide its services to the standard to be reasonably expected by the average person.
15. My decision is that the customer's claim does not succeed.

The Preliminary Decision

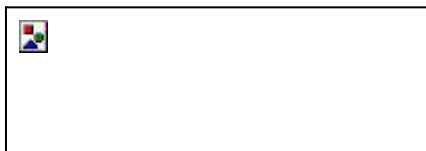
- The Preliminary Decision was issued to the parties on 08 March 2022.
- The customer has, on 14 March 2022, submitted detailed comments on the Preliminary Decision.
- The customer has reiterated that she accepts she cancelled the "wrong" Direct Debit but believes she has been treated unfairly because of the oversight.
- The customer does not agree that the company has provided its services to a reasonable level.
- The customer has not submitted any additional supporting documentation and as such I find the facts upon which the Preliminary Decision was made remain unchanged.
- The company has, on 15 March 2022, confirmed receipt of the Preliminary Decision.
- Having read the response of the parties I am satisfied that no amendments are required to the Preliminary Decision.

Outcome

The company does not need to take any further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
 - The customer must reply by 19 April 2022 to accept or reject this 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 R Sansom
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Member, London Court of International Arbitration.
Member, CI Arb Business Arbitration Panel.
Member, CI Arb Pandemic Business Dispute Resolution Arbitration Panel.
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Adjudicator

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