

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X890

Date of Final Decision: 30 April 2022

Party Details

Customer: The Customer

Company: The Company

Complaint

The company reported a late payment to credit reference agencies even though the customer had not received any letters or emails about the debt and he paid within two weeks of being contacted by telephone. In view of this, the customer would like the company to remove the negative marker from his credit file.

Response

The customer's bill became due for payment on 1 August 2021 but no payment was received. Therefore, the company sent two payment reminders to the customer, and telephoned him on 14 September 2021. The customer agreed to make payment on 16 September 2021, but payment was not received until 28 September 2021. The information reported to the credit reference agencies regarding the late payment was accurate and, therefore, responsibility to remove the negative credit marker is denied.

The company has not made an offer of settlement.

Findings

The evidence demonstrates that the company correctly reported the status of the customer's water services account to credit reference agencies. Therefore, I do not find that the company has failed to provide its service to the standard reasonably expected by the average person and the customer's claim does not succeed.

Outcome

The company does not need to take any further action.

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Case Outline

The customer's complaint is that:

- His complaint is about the company registering a negative credit marker on his credit file.
- He called the company on 22 February 2021 to set up an account and registered for online management. However, he did not realise that this would result in paperless billing.
- He did not receive any emails or letters from the company but the company's collections department telephoned and told him that his bill was overdue. As he had not received a bill, he was unsure whether the call was actually from the company and, in any event, he was at work and did not have his card details, so he requested a call back. The company said that it was not possible to call him back but applied a 'grace period' to his account so he had longer to pay his bill. Two weeks later he paid his bill in full, but he accepts that this was after the end of the 'grace period'. The company then reported the late payment to credit reference agencies.
- The company refused to remove the negative marker even though he did not receive letters or emails about the debt, the company could not prove that it issued letters or emails, he was given incorrect information on several occasions, and the collections department refused to ring him back to collect his payment, even though this is a service it normally offers.
- The negative credit markers have impacted his ability to get good mortgage and loan rates, and the company has made him feel like he has lied.
- In view of the above, he would like the company to remove the negative credit mark from his credit file.

The company's response is that:

- The customer's bill was produced on 30 July 2021 and, as the customer had requested paperless billing, an email notification was sent to the customer on 1 August 2021 to let him know his bill was available on his online account.
- The customer did not pay the bill or make contact, so a reminder notice was sent by post on 22 August 2021 asking the customer to make payment and inviting him to set up a direct debit.

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- On 14 September 2021, it called the customer and he promised to call back on 16 September 2021 to make payment and arrange a direct debit.
- The customer did not pay his outstanding balance on 16 September 2021 as agreed, so a further reminder notice was sent on that day.
- Payment was received on 28 September 2021, twelve days after the customer said he would make payment.
- In view of the above, it correctly reported the late payment to credit reference agencies. It has followed all of its relevant policies and processes, and the applicable legal and regulatory requirements. In view of this, liability to remove the negative credit marker is denied.

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.

How was this decision reached?

1. Having considered the response provided by the company, I accept that the company has a duty to report factually accurate information about the status of its customers' accounts to credit reference agencies. Therefore, as the adjudicator in this dispute, I can only direct the company to instruct the credit reference agencies to remove the negative marker on the customer's credit file if the evidence shows that the company has failed to provide its service to the standard reasonably expected by the average customer by reporting inaccurate information, or by failing

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to comply with its policies and procedures, or the applicable legal and regulatory requirements, when the negative marker was registered.

2. The evidence provided by the company confirms that the customer signed up for paperless billing and includes a contact note showing that the customer was sent a bill, dated 30 July 2021, by email on 1 August 2021. The evidence also includes a reminder letter, sent to the customer at his home address on 24 August 2021, asking the customer to pay the outstanding balance and inviting him to set up a direct debit. A call note from a telephone call made to the customer on 14 September 2021 has also been provided, and this shows that the customer said he would call back on 16 September 2021 to pay the outstanding balance and set up a direct debit. The call note states that the customer was made aware of “credit consequences and further debt recovery action if unresolved”. The evidence also includes a second reminder, sent to the customer at his home address on 16 September 2021, which again asks for payment and outlines the possible consequences of non-payment.
3. In view of the above, I accept that before the customer made payment on 28 September 2021, and before the company reported the late payment to credit reference agencies, the company sent the customer an online bill, a bill notification email and two payment reminders by post, and telephoned the customer for payment. Therefore, I accept that the company provided its service to the standard reasonably expected by the average person by trying to contact the customer about his outstanding balance before reporting the late payment to the credit reference agencies.
4. I acknowledge that the customer states that he did not receive the letters and emails and he is upset because he feels that the company does not believe him. Therefore, I want to reassure the customer that although the evidence shows on the balance of probabilities that the company sent the emails and letters and delivered its service to the expected standard in this regard, I make no judgment about whether the customer actually received the letters and emails, and I accept that emails can sometime end up in a recipient’s ‘junk file’ and letters do sometimes go astray. However, the company is only obliged to show that communications have been sent, not that they have been received, to meet the expected standards of service.
5. The evidence does not show that the company failed to comply with its policies and procedures, or the relevant regulatory and legal requirements, when it reported the late payment to credit

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reference agencies, or that the information shared was not a true reflection of the status of the customer's account at that time.

6. In view of the above, while I understand that the customer will be disappointed by my decision, I do not find that the company has failed to provide its service to the standard reasonably expected by the average person by reporting the late payment on the customer's account to the credit reference agencies. Therefore, the customer's claim cannot succeed and I make no direction to the company in this regard.

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 13 May 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.

K S Wilks

Katharine Wilks

Adjudicator

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