

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X064

Date of Final Decision: 2 August 2022

Party Details

Customer:

Company:

Complaint

The customer says the company recorded her as occupier of an address in error and then recorded a default on her credit file in error. This resulted in a declined mortgage application and her having to take a higher rate mortgage with another lender. She seeks an apology and an unspecified sum of compensation.

Response

The company says it acted properly in identifying the occupier of the property. Once the customer queried this, it promptly took action to resolve the matter and removed negative credit entries. It denies the claim.

Findings

The evidence shows the company did not provide its services to the standard to be reasonably expected.

Outcome

The company should pay the customer compensation in the sum of £100.00 for distress and inconvenience.

The customer must reply by 31 August 2022 to accept or reject this decision.

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Case Outline

The customer's complaint is that:

- The company registered her as account holder at an address that she did not occupy.
- She lived at number 18 until 2015. The company later registered her at number REDACTED.
- The company recorded a negative entry on her correct file for non-payment of bills at REDACTED. However, she was not responsible for payment at that address.
- She became aware of the negative entry when applying for a mortgage; her application was declined as a result.
- She provided the company with evidence in support as requested; however, it refused compensation.
- She seeks that the company provide an apology and an unspecified sum of compensation.
- In comments on the company's defence the customer says she was not asked to provide any evidence of her mortgage being declined until CCWater. She can provide sufficient evidence that her mortgage was declined due to the company making reports to the credit reference agencies that were incorrect and registering a default in her name at an incorrect address. The company says a financial link was made between herself and REDACTED. This is impossible and incorrect due to that address not even existing when she lived at REDACTED.
- In comments on a preliminary decision the customer said she had no opportunity to provide evidence previously. But she now enclosed evidence to show her mortgage application was declined due the negative credit report and she then had to take a mortgage at a higher loan to value ratio. She seeks compensation of £11,300 to reimburse the additional deposit she paid plus £5000 for distress, inconvenience and the time spent in the complaints process.

The company's response is that:

- If the customer was not the occupier at the address in question then she was not a customer and cannot use the WATRS scheme.

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- The customer's claim is for financial loss, which is a complex legal matter and is more appropriately dealt with by the courts.
- According to its records, consumption had been recorded at the property, REDACTED; however, no-one had registered with the company as the occupier. Under such circumstances, it identifies an occupier using a tracing tool. The search identifies those who have financial links with that property, such as a mortgage or bank account, and are therefore likely to be in occupation of that property.
- On 2 October 2020 the company did a search that identified the customer as having financial links with the property. An account was opened in her name.
- Invoices were raised that remained unpaid and it reported on the customer's account with credit reference agencies.
- On 2 July 2021 the customer contacted it to advise that she had occupied REDACTED until 2015. After this the property was split into two, namely REDACTED and REDACTED.
- On the same day the customer emailed evidence to the company that she had vacated number 18 in 2015.
- On 7 July 2021 the company confirmed that the customer's account at REDACTED had been cancelled as of 5 July 2021 and her credit report updated.
- It acted reasonably based upon the information held at the time. Upon notification from the customer that she was not in occupation and not liable for the charges it took immediate action to update its records.
- The customer has failed to demonstrate that she has suffered financial loss as a direct result of its credit reporting.
- The customer's evidence states that the default registered was one of the factors that affected her ability to borrow and does not support that the default was the only factor that affected the customer's ability to borrow. What the evidence does imply is that there were in fact other factors taken into account and that the lending was not refused based solely on the default registered by the company.

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.

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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. A customer is a person who receives water and/or sewerage services provided by a company. This definition includes but is not limited to the person on whom liability to pay charges for such services would fall.
2. The company made the customer liable to pay charges at an address. Therefore, I am satisfied that she became a customer and eligible to apply to WATRS.
3. The customer's complaint is not complex and I consider the dispute appropriate to adjudicate.
4. It is not in dispute that the customer occupied a property at REDACTED, that she left this in 2015 and that her account with the company was closed at that time.
5. I acknowledge the company identified its services were in use at REDACTED, but it did not know the occupier. I also acknowledge the company took steps to identify the occupier. However, the company has not provided any evidence to support its assertion that it found the customer linked to the property.
6. It is reasonable to expect the company to take action to ensure it issue bills to the correct occupier. However, there is a lack of evidence to show the company had reason to identify the

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customer as occupier before it billed her. I therefore find the company did not provide its services to the standard to be reasonably expected.

7. Because of the company's failing the customer had a default registered on her credit file in error. The evidence shows that the company apologised, removed the customer from the account and removed the default from her correct file promptly upon her complaint. While I acknowledge the customer may have chased the company to take action, it still completed this within days, which I consider timely.
8. The documents provided also show the company agreed to consider compensation if the customer could evidence she was declined a mortgage application and suffered a financial loss.
9. On review of the correspondence exchanged, I note the customer provided evidence that the default affected her mortgage application. The company explained this was not sufficient to evidence it was directly responsible for any financial loss; however, no further evidence was forthcoming. This correspondence was by email of 10 May 2022 from the company to CCWater and prior to the customer's WATRS application.
10. I am satisfied the company gave the customer the opportunity to evidence a financial loss. The customer also had the opportunity to provide evidence to support her application to WATRS, but did not do so. In comments on a preliminary decision the customer has provided some evidence, however I note this shows the default was not the sole factor for the declined mortgage application, rather age at the end of the term is also listed as a factor. I therefore cannot say the company is directly responsible for the declined application.
11. However, I remain satisfied the customer would have been distressed upon finding the default, particularly so at a time when she wanted to secure a mortgage. I have also taken into account that the company remedied the matter very quickly, once brought to its attention. I therefore consider the distress and inconvenience suffered as a direct result of the company's failing was relatively limited. In the circumstances I consider a tier 1 payment under the WATRS compensation guide is appropriate. I therefore direct the company to pay the customer compensation in the sum of £100.00 for distress and inconvenience.
12. Insofar as the customer wants compensation for the time spent in the complaints process, I can only consider a remedy where I have found a failing. The customer did not raise any complaint

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about the complaints process in her application to WATRS or seek a remedy in that regard. And the rules do not allow the customer to amend her claim at this late stage in the process. It follows that I have not considered any dispute about the complaints process or found any failing by the company in regards to such. Therefore I cannot consider a remedy for this.

13. I note the company apologised to the customer in correspondence of 7 July 2021. I therefore consider no further apology is due.

14. I have considered the customer's comments on a preliminary decision and addressed these at paragraphs 7, 10, 11 and 12 above. My decision outcome remains the same.

Outcome

The company should pay the customer compensation in the sum of £100.00 for distress and inconvenience.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 31 August 2022 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.
- 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.



J Mensa-Bonsu LLB (Hons) PgDL (BVC)
Adjudicator

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