

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/X260

Date of Decision: 12 December 2022

#### Party Details

Customer:

Company:

#### Complaint

The customer has a dispute with the company regarding issues in respect of billing and payment on her account. The customer claims that the company has mismanaged her account by unilaterally amending agreed payment plans without her prior agreement, and by placing markers on her credit file. The customer says 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 negative markers from her credit history file and issue an apology.

#### Response

The company states that it has always agreed to the customer's requests for annual payment plans, including accepting lower monthly payments than required for the customer to clear her account. The company says that the markers were placed on the credit file because the customer had failed to adhere to the conditions of the payment plans. The company has not made an offer of settlement to the customer and refuses to remove the negative markers.

#### Findings

I find that the evidence shows that the company has, to a reasonable level, attempted to assist the customer in meeting her payment obligations. It has agreed to her annual requests for payment plans and has been flexible in setting monthly charges. I am satisfied the company was entitled to raise the negative markers. I find that the evidence shows that the company has provided its services to a reasonable level and has managed the customer's account to the level to be reasonably expected by the average person.

#### Outcome

The company does not need to take further action.

The customer must reply by 10 January 2023 to accept or reject this decision.

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**ADJUDICATOR'S DECISION**  
**Adjudication Reference: WAT/X260**  
**Date of Decision: 12 December 2022**

**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 had been experiencing ongoing problems with the company over a number of years in respect of payment plans. The customer contends that the company has mis-managed her account since 2016.
- She has set up numerous plans that have been subsequently changed by the company without any prior reference to her. This changing of agreed plans has caused her to receive many wrongly issued reminders of outstanding payments.
- During the previous six-month period she has been making regular payments of the agreed amount of £15.00 and believes that she has built up a credit balance on her account of £100.80 but has continued to receive reminders from the company of missed payments.
- Because it believes that she has missed payments the company has placed negative markers on her credit history file. The customer says she has requested the company remove the markers, but it refuses to do so.
- Also, she has requested the company to repay to her the credit balance on the account, but again it refuses to do so. The customer states the company has paid her some money because it delayed replying to her messages, but she believes this is insufficient.
- Believing the company had not properly addressed her concerns she, on 03 September 2022, escalated her complaint to CCWater who took up the dispute with the company on her behalf.
- The records show that on 05 October 2022 CCWater contacted the company requesting its explanation of events and to check the level of customer service it provided.
- Also on 05 October 2022, CCWater advised her that it believed the company had issued its final position on the dispute when stating that the markers on the credit history file were entered because of missed payments and in confirming that it had credited her account with £60.00

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under GSS rules. The company also confirmed that the customer's current payment plan was for £15.00 monthly and the positive balance would be used against her next bill.

- CCWater concluded that it believed the company's response to be fair and reasonable and 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 November 2022, referred the matter to the WATRS Scheme where she requests that the company be directed to remove the negative markers from her credit history file and issue an apology.

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

- It provided its response to the WATRS claim in its submission dated 07 November 2022.
- It confirms that it has had an ongoing series of communications with the customer since April 2016 in respect of payment plans.
- In October 2016 the first twelve-month payment plan was set up for the customer at £15.00 per month and this was renewed in October 2017, again at £15.00 monthly.
- In October 2018 the plan was renewed at £16.50 monthly, and in October 2019 at £18.00 per month.
- In October 2020 the plan was renewed at £20.00 but the company noted the customer made only four payments at the correct amount. Similarly, in October 2021 the plan was extended again, and as before, the customer did not make any payments in the correct amount.
- In January 2022 it received a complaint from the customer that she was receiving many reminders that she was not adhering to the payment plan.
- Its records show that the customer always requested a lesser monthly payment than the company desired and had over the years failed to comply with the terms of payment plans that she herself had requested and the company agreed to. The company states this is the reason that the customer received regular reminders that her payments were not compliant with the plan.
- It confirms placing negative markers on her credit history file, and states they were correctly entered and are an accurate reflection of the customer's payment history.
- It confirms crediting the customer's account with £80.00 in GSS payments due to it failing to meet deadlines for responding to her communications.

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- It has advised the customer that it will refund the positive balance on her account if she contacts the company's billing team, but it points out that there is currently no payment plan in operation and thus her next bill in March 2023 will have to be settled in full.
- In summary, it believes it is the customer who has mismanaged her own account by not adhering to the numerous payments put in place at her request, and thus it does not accept that it needs to apologise. It also notes that it has advised the customer that there are schemes available to further assist her if she is struggling to pay her bills.

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

- On 07 November 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 reiterates her belief that she has always paid the agreed amount after the company agreed to a lower monthly amount, but the company appeared not to have updated its systems and hence it sent out notices that the amount paid was not in compliance with the plan. The customer also states that she is unhappy with the tone of the company's defence document.

### **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.

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## How was this decision reached?

1. The dispute relates to the customer's dissatisfaction that the company has wrongly and repeatedly sent her notices regarding her failure to adhere to payment plans, and wrongly entered negative markers on her credit history file. The company contends that the customer has continuously failed to comply with the terms of the plans and thus the referrals to credit reference agencies have been correctly entered.
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. The customer states that she has set up annual payment plans with the company over many years.
4. The company confirms that it has agreed to the customer's request for a payment plan each year since, and including, 2016, and has submitted into evidence copies of the payment plans agreed with the customer for 2020, 2021, and 2022.
5. The customer says that the company has mismanaged the plans by unilaterally changing them without any consultation or agreement with her. Unfortunately, the customer has not provided any evidence in support of her understanding.
6. I can see from my reading of the evidence that the customer always requested a lower monthly payment than that calculated by the company. The company has explained that the monthly amount is calculated not only to cover expected consumption over the forthcoming twelve-month period but also includes an element to pay off existing negative account balances. Thus, it seems to me that if the customer requests a lower monthly payment value, then the overdue balance will increase not decrease.
7. Also, from my examination of the payment history data submitted by the company I can see that there have been months where the customer has not made a payment.
8. Additionally, I can further see that the evidence shows that on occasions the customer made payments of amounts lower than the agreed monthly charge.
9. I make reference to the company's stated procedures for debt recovery, that says :-

*please bear in mind, if a payment arrangement is set up and you don't keep to it then the whole debt will immediately become due.*

*If you owe us money and don't repay in accordance with our payment terms, we'll have to pass this information onto a credit reference*

*agency – which could result in your credit rating being negatively impacted.*

*defaults remain on your file for 6 years and may affect your ability to obtain credit*

10. I am satisfied that the company has established that the customer did not adhere to the payment plans and that it was entitled to refer the missed and insufficient payments to a credit rating agency.
11. The customer, in her submission dated 07 November 2022, says that some of the underpayments were only marginally below the required amount. However, I am not persuaded that this is a valid defence against the company advising the credit agency.
12. In her application to the WATRS Scheme the customer requests that the company be directed to remove the negative markers from her credit history file. I am not satisfied that the customer has established with evidence that the company wrongly entered the markers. I also take note that CCWater have investigated the dispute on behalf of the customer and has found the actions of the company to have been fair and reasonable.
13. I find the customer's claim does not stand and I shall not direct the company to remove the negative markers from the customer's credit history file.
14. The customer also requests an apology from the company.
15. I am satisfied that the evidence does not establish that the company has mismanaged the customer's account as she claims. Additionally, I am satisfied that the company has acted in a fair and reasonable manner whilst dealing with the customer in the period since 2016. I can see that it has agreed to numerous payment plan requests, assisted the customer with a payment from its *Customer Assistance Fund* in the amount of £171.07, and advised her of the assistance schemes it offers to customers having difficulties in paying their bills.
16. I find that an apology is not applicable.
17. 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.

## The Preliminary Decision

- The Preliminary Decision was issued to the parties on 28 November 2022.
- The customer has, also on 28 November 2022, responded to the Preliminary Decision.
- The customer questions why the issue of negative credit markers has been addressed in my Decision. I would draw the customer's attention to her application form submitted to the WATRS Scheme whereby she requests the company be directed to remove the negative credit markers.
- The customer also contends that the Decision is "too lenient" towards the company. I am aware that the customer has her understanding of events, but as an unbiased third-party my understandings may differ. Because the customer does not agree with my positions does not make them incorrect.
- The company has, on 05 December 2022, responded to the Preliminary Decision.
- The company states it has noted the Decision and has no additional comments.
- The parties have not submitted any new evidence and thus I am satisfied that the facts upon which the Preliminary Decision was based remain unchanged.
- Having read the responses 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 10 January 2023 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.



Peter R Sansom  
MSc (Law); FCI Arb; FA Arb;  
Member, London Court of International Arbitration.  
Member, CI Arb Business Arbitration Panel.  
Member, CI Arb Pandemic Business Dispute Resolution Arbitration Panel.  
Member, CEDR Arbitration Panel.  
Member, CEDR Adjudication Panel.

### **Independent Adjudicator**

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