

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference:

WAT/REDACTED/X265

Date of Final Decision: 5 December 2022

#### Party Details

**Customer:**

**Company:** a water and sewerage provider

#### Complaint

The customer says the company gave incorrect information to credit reference agencies and has not proven it has since corrected this. He seeks that the company remove any negative entries and ensure the credit reference agencies send him proof of this or else pay him compensation in the sum of £500.00.

#### Response

The company says it correctly reported the customer's arrears to credit reference agencies. Due to an oversight it did not log a piece of correspondence from the customer until a later date and this meant the complaint appeared active for longer than it was. It then amended the credit entry to reflect an active complaint, although this was not technically correct. It has no power to ask the agencies to send information to the customer. It denies the claim.

#### Findings

The evidence shows the company provided its services to the standard to be reasonably expected.

#### Outcome

The company does not need to take any action.

The customer must reply by 5 January 2023 to accept or reject this decision.

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## ADJUDICATOR'S FINAL DECISION

Adjudication Reference:

WAT/REDACTED/X265 Date of Preliminary

Decision: 5 December 2022

### Case Outline

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

- The company reported him to two credit reference agencies in November 2021, even though his complaint was ongoing. This is contrary to its complaints process.
- He seeks that the company remove any negative entries from his credit file and ensure the credit reference agencies send him proof this has been actioned or pay him £500.00 in compensation.
- In comments on the company's response the customer says his complaint remained active as he complained to CCWater and if the company had checked this it would not have filed the incorrect reports. The company made a mistake and needs to resolve this.
- In comments on a preliminary decision the customer disputes the decision reached. He maintains his complaint was active throughout and so should have been put on hold. Further that the company previously accepted its error.

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

- The customer considered it unfair his bills were higher because his water usage increased during the COVID-19 pandemic. However the bills were correct and payable.
- It reports customer payment activity to credit reference agencies (CRAs) monthly.
- When an active complaint is in place it logs this information as a query so that the CRAs are aware. However, it is up to the agencies how to interpret this and what impact this will have on a customer's credit file.
- In November 2021 it reported to CRAs that the customer's account was in arrears.

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- The customer raised a complaint on 4 November 2021, which completed the complaints process on 15 November 2021. On 16 November the customer responded further. However, the company did not reply again as it had already given a final response.
- In January 2022 a member of staff found the customer's correspondence of 16 November 2021 had not been logged onto the system. They added this on 5 January 2022 and closed the complaint down the same day. Because of this it appeared the complaint had been active throughout November. This would make the credit entry incorrect. On 16 June 2022, another staff member noticed this and amended the credit entry for November 2021 to query status.
- It remains that its report of November 2021 was correct. However, because it overlooked correspondence and the complaint was then recorded as active for longer on its system, it amended the credit entry to reflect this.
- It is unable to contact CRAs and request information about customers for GDPR reasons. Therefore, it cannot ask the CRAs to send the customer proof of the amended entry, though the customer can request this information directly.

### 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.

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### How was this decision reached?

1. The company has provided a copy of its complaints process. This does not explain how it reports to credit reference agencies (CRAs).
2. The company explains it shares customer payment information with CRAs on a monthly basis. It explains its practice is to flag information as a “query” if it is under investigation due to an active complaint.
3. The company has provided a table outlining the reports it has made to CRAs on the customer’s account. This shows the month of each report but not the date that any report is made. The table shows a one month payment arrears entry for November 2021 and then query entries up to August 2022.
4. The company says in November 2021 it reported to CRAs that the customer’s account was in arrears. It is not in dispute the customer’s account was in arrears at this time. And there is nothing to suggest the customer had raised a complaint at the time of the report. I therefore consider the company acted in line with its usual practice. In any event it provided information to CRAs that was correct at the time.
5. Correspondence shows the customer disputed payment on 4 November 2021 and the company provided its final response on 15 November, maintaining payment was due. I acknowledge the customer continued to dispute payment, however the company was no longer investigating the matter and had provided its final response. The company did not consider the complaint to be active and it therefore had no reason to amend the entry to a query.
6. In correspondence of June 2022 the company explained it had reviewed the customer’s account and found it reported a late payment to CRAs in November 2021. However, it could also see he had an active complaint at that time. Therefore, it had now amended the entry to query status. The company has since explained it took this action in June 2022 only because of an update to the account in January 2022 which made it appear as though the complaint was active throughout, even though it was not.

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7. In consideration of the company's submissions I accept on balance that the company was not obliged to amend the November 2021 entry to query status or remove any negative entries from the customer's account as these were technically correct. It follows that it should not have to provide further proof that it took such action. I also accept the company has no power to issue directions to CRAs for them to provide information to the customer.
8. The evidence does not show the company failed to provide its services to the standard to be reasonably expected. Therefore, the customer's claim is unable to succeed.
9. I appreciate the customer may be disappointed with this outcome. However, it is ultimately the company's decision as to whether a dispute remains under investigation and therefore subject to query status. The company considered it completed its investigation in November 2021 and the evidence supports its view.
10. I have considered the customer's comments on my preliminary decision but my findings remain the same. I note the company distinguishes placing a hold on debt collection action from placing queries on a customer's credit file. The company has explained its process for placing queries on a customer's credit file and what happened in this case. I cannot find, even on balance, that the customer had raised a complaint prior to the company reporting to CRAs and I cannot question the company's view that its complaint investigation was complete once it gave its final response in November 2021.

#### **Outcome**

The company does not need to take any action.

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## What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 5 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.



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

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