

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X402

Date of Final Decision: 5 April 2023

Party Details

Customer: XX

Company: XX

Complaint

The customer says that he was not notified by the company that he owed charges until a substantial debt had accrued. He then experienced poor customer service.

Response

The company acknowledges that the customer was not notified of the charges on his account due to an error by the company.

It has offered to reduce the customer's charges to £655.10, including charges of £144.71 for charges from 12 August 2022 until 8 December 2022.

Findings

The company failed to provide its services to the customer to the standard to be reasonably expected by the average person with respect to its billing of the Property.

Outcome

The company needs to take the following further action: It must reduce the customer's bill to £350.00, including the £144.71 for the period 12 August 2022 to 8 December 2022.

The customer must reply by 8 May 2023 to accept or reject this decision.

ADJUDICATOR'S FINAL DECISION

Adjudication Reference: WAT-X402

Date of Final Decision: 5 April 2023

Case Outline

The customer's complaint is that:

- Five years after moving into the Property, he received a bill from the company for £2,398.82.
- He had not previously heard from the company, and believed that his sewerage services were being provided by **XX**, to whom he was making regular payments for water services.
- He says that the company is also billing him based on incorrect data about when he moved into the Property.
- He requests that all charges prior to August 2022, the date he was first contacted by the company, be removed from his account.

The company's response is that:

- The company acknowledges that through its own error it opened an account at the Property under the wrong name.
- Invoices were sent to the Property, but under the incorrect name, and when they were not paid the company sent the debt to a debt collection company.
- The company became aware in August 2022 that the account details it held for the Property were incorrect.
- Ofwat's code of practice allows retailers to backdate charges up to 24 months.
- The company applied a credit to the customer's account of 50% of the outstanding balance, this also being applied to charges for services after 8 August 2022.
- The customer was responsible to ensure he was being billed correctly.
- The company is willing to further reduce the customer's charges by £655.16, leaving £655.10 outstanding, the latter including charges of £144.71 for charges from 12 August 2022 until 8 December 2022.

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. The company acknowledges that the customer did not receive proper notice of the charges accruing on his account because, due to an error by the company, notices were being sent under a different name. The company also acknowledges that due to the substantial outstanding charges on the account, collection actions were taken against the customer. The evidence also shows that after the customer contacted the company about the bill he had received, he experienced repeated poor customer service.
2. I find, therefore, that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.
3. The company has offered to lower the customer's charges to £655.10, including £144.71 incurred after the customer's account was corrected on 12 August 2022. This would involve a reduction of the customer's original £2,398.82 bill to £510.39.
4. While this is a reduction of £1,888.43, the company acknowledges that Ofwat's code of practice requires that it not backdate charges further than 24 months. Precise details of the monthly billing of the customer have not been provided, but the information provided indicates that the code of practice would itself result in the customer's charges being reduce to approximately £1,000.00. The company, therefore, is properly understood to be offering the customer a goodwill gesture of approximately £500.00.


5. While the customer requests that all charges prior to August 2022 be removed from his account, he does not deny benefiting from the company's services prior to that date, and so there is no basis on which the customer's requested remedy can be granted.
6. However, the precise situation raised in this case is addressed in the WATRS Guide to Compensation for Inconvenience and Distress, with compensation of £700.00 recommended. The example in the Guide, though, does not include the customer having to deal with debt collection companies, as the customer in the present case was required to do. I find that additional compensation is appropriate in acknowledgement of the substantial distress that I accept the customer will have experienced dealing with debt collection for a substantial debt about which he had not previously been notified, particularly when the company failed to quickly acknowledge and remedy its error.
7. I find, therefore, that the appropriate remedy is that the company reduce the customer's bill to £350.00, including the £144.71 for the period 12 August 2022 to 8 December 2022, a reduction of £305.10 beyond the compensation already offered by the company.

Outcome

The company needs to take the following further action: It must reduce the customer's bill to £350.00, including the £144.71 for the period 12 August 2022 to 8 December 2022.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 8 May 2023 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.



Tony Cole

Tony Cole FCI Arb

Adjudicator