

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X433

Date of Final Decision: 13 April 2023

Party Details

Customer: The Customer

Representative: The Representative

Company: The Company

Complaint

The customer's partner pays rent that is inclusive of bills, and she lives with him. The landlord failed to pay the water bill from 1 January 2021 to 9 September 2021, so the company created a water account in the customer's name, billed her for the unpaid charges, and recorded a default on her credit file when she did not pay. The customer wants the company to remove the default on her credit file and put the bill in the landlord's name. The customer also wants an apology as the stress has caused her to suffer two miscarriages and high blood pressure, and she has been told that she could lose her job due to her lack of concentration and regular absence.

Response

Section 144 of the Water Industry Act 1991 states that all occupiers are responsible for the payment of water bills, and all occupants are jointly and severally responsible while living at the address, irrespective of whether they have a tenancy agreement or not. The company is very sorry that this situation is causing the customer so much stress, but the law and its policies are clear; unless the landlord makes contact in writing to accept the charges, it cannot remove the customer's name from the account for the period in which the debt was accrued, or the negative credit marks for her credit file, because she was living in the property using the services it provides during the unpaid billing period.

Findings

I accept that under section 144 of the Water Industry Act 1991 all occupiers of a property are jointly and severally responsible for paying water bills, irrespective of whether they have a tenancy agreement or not, and I accept that the customer was an occupier of the property during the time in which the

debt accrued. Therefore, I accept that the company was entitled to bill the customer and report a default to the credit reference agencies, and the customer's claim cannot succeed.

Outcome

The company does not need to take any further action.

ADJUDICATOR'S FINAL DECISION

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Case Outline

The customer's complaint is that:

- The customer lodges with her partner in his rented room and the bills are included in the rent. The landlord failed to pay the water bill from 1 January 2021 to 9 September 2021. As a result, the company accessed the electoral roll or credit reference agencies to find out who lived in the property, and created a water account in her name, billed her for the unpaid charges, and then recorded a default on her credit file when she did not pay.
- She explained to the company that she is not the landlord, water bill payer, or even a tenant, and she has nothing to do with paying the rent or bills, so it should not be chasing her for the debt.
- The name of the landlord has been provided, and he also lives at the address and used to pay the bills. The company should send the bill to him, but the company says that she should pay it and will not take the bill out of her name or amend her credit file.
- The landlord rented the property from the owner fifteen years ago, and he rents out four rooms to four people without providing written tenancy agreements, and there are now seven adults living at the property. The landlord says that as the water bill is not in his name, he will not pay it, and he insists that he always paid the water bills in full when they were in his name, so he does not understand why there is a debt anyway. She has asked him to call the company, but he will not do so, and he says that if she pays the bill, he will not reimburse her.
- All the company need to do is switch the account to the landlord's name. It previously switched the account holder's name because the bill was first put in the name of her partner, but when he protested the company switched it to her name instead. At this time, the company admitted that it had lost the original bill payers name due to a systems failure.
- From 10 September 2021, the bill has been in the name of **XXX**, another tenant.
- She understands that the company needs to chase this debt, but it cannot just hold anybody responsible who lives at the address when the rent is inclusive of bills. If the company thinks there is a debt, it should write to the landlord and explain why.
- The company asked her to prove she lived elsewhere during the relevant period, but she had already explained that she lived with her partner who is a tenant.

- If the bill cannot be put in the landlord's name, the company should bill all seven of the occupants individually, although some tenants from the period from 1 January 2021 to 9 September 2021 have moved out. She has provided the names of all the tenants. .
- She has read the company's response and does not understand why the company is refusing to write to the landlord. She has explained that the landlord has said he will not contact the company, but the company is insisting that she asks him to anyway.
- She wants the company to remove the default on her credit file and switch the bill to the landlord's name, as he will only pay the bill if it is in his name.
- She also wants an apology from the company as the stress she has suffered has caused her to suffer two miscarriages and high blood pressure, she has been warned that she could lose her job due to her lack of concentration and her absences, and she wakes up in the night thinking about why this has happened to her.

The company's response is that:

- The customer's representative states that the customer lives in the property with him and a person he calls his landlord. However, this person has not confirmed whether he is a long standing tenant, or is in fact the landlord of the property.
- It appears that the customer and her representative believe that she has no tenancy agreement or rights to live in the property, so she is not responsible for the water charges.
- The customer wants it to cancel all the water services charges in her name and remove any negative credit markers from her credit file on the basis that it should be billing someone else for the charges.
- The customer's account was closed on 10 September 2021 because another person registered to take over the account, presumably because they believe they have to pay these charges. It has not been told that this person is the landlord, so it believes that they are another occupant.
- Regrettably, it has been unable to fully resolve this complaint with the customer because it has not received all the information that it asked for from the landlord of the property.
- It has to comply with the Water Industry Act 1991 (WIA) and its Charges Schemes at all times.
- At the time of opening the account in the customer's name, it had identified her as being an occupant of the property. Section 144 of the WIA makes all occupiers responsible for the payment of the bills, and all occupants are jointly and severally responsible while living at the address, irrespective of whether they have a tenancy agreement or not. If its services are being used by individuals, all the individuals must pay for the water services they are using.
- Due to the information it now has, it is seeking advice as to whether amendments will need to be made on all the accounts for the property back to 2017, and whether any occupiers names

should be added and the accounts rebilled. It will correspond separately with the occupiers outside of the WATRS Scheme about this in the future.

- It believes that the property is being used as an unlicensed house of multiple occupation (HMO), and it acknowledges the customer's comments about paying water charges to a person who is purporting to be a landlord. However, it has not received any contact from this person, and no payments are being passed on.
- The customer should take legal advice to establish what rights of occupancy the customer has living in an unlicensed HMO, and also with regard to paying money for water bills to a person who is not paying the bills.
- It suggests that the customer writes to the landlord to advise him that he must make contact by emailing XXX@XXX.co.uk to advise of the dates he has been collecting monies for the water bills from various occupiers so it can put the bills in his name. However, if he fails to do this, then regrettably the customer will have no other option but to engage a solicitor to assist her.
- It is very sorry that this situation is causing the customer so much stress, but the law and its policies are clear and the landlord must make contact in writing to accept the charges. Therefore, for now, it disputes liability to remove the customer's name from the account for the period in which the debt was accrued, or any negative credit marks for her credit file, because she is living in the property using the service it provides, and it has verification of her occupancy from the searches it undertook using information freely available in the public domain. It is a private matter between all the occupiers of the property to decide how to pay the balance owing.
- If the landlord confirms responsibility for the period the customer has lived in the property, it will ask the Credit Reference Team to remove the negative markers on the customer's credit file if possible.

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 reviewed the evidence provided by the parties, I accept that the company has to comply with the Water Industry Act 1991 at all times, and under section 144 of the Act all occupiers of a property are jointly and severally responsible for paying the water bills while living at the address, irrespective of whether they have a tenancy agreement or not.
2. This means that even though the customer does not have a tenancy agreement and does not consider herself to be a tenant, the company is entitled to bill her for the entire debt as long as she lived in the property for the period in which the debt was accrued.
3. In an email to CCW from the customer's representative, dated 16 November 2022, the customer's representative confirmed that the customer moved into the property on 22 May 2020 and still lives in the property; therefore, I accept that the customer lived in the property between 1 January 2021 and 9 September 2021, the period to which the debt relates. Therefore, I find that the company was entitled to find out who lived in the property during the relevant period, and put the account in the customer's name. It therefore follows that the company was also entitled to bill the customer, and report the customer's failure to pay the bill to credit reference agencies.
4. I acknowledge the customer's representative's comments about the company only needing to change the name on the account for the relevant period to the landlord's name, and that the account was previously in the landlord's name but his name was taken off the account due to a computer error. However, despite this, the evidence shows on the balance of probabilities that the company does not have reliable confirmation about who is the landlord and whether they receive money to pay the bills, but, in any event, as outlined above, the company was entitled to bill the customer under the Water Industry Act 1991.
5. I understand that the customer will be extremely disappointed by my decision, and that this situation must be extremely stressful for the customer, but on the evidence provided I cannot

find that the company has failed to provide its service to the standard reasonably expected by the average person by billing the customer for this period and reporting a default to the credit reference agencies. Therefore, the customer's claim cannot succeed and I make no direction to the company in this regard.

6. For completeness, I add that if the person who has received payments for the water bills from the tenants of the property does not contact the company to take responsibility for the debt, like the company, I would also suggest that the customer seeks independent legal advice.
7. Following the preliminary decision, the customer made some further comments and said that she is being bullied and harassed by a debt collection agency working on behalf of the company, she cannot understand why the company will not write to the landlord of the property or put the bill in his name, she does not understand why the company stopped billing the landlord in the first place, she does not understand why the bill is in her sole name when there were other occupiers in the property during the billing period, and she does not understand why the company has not sent a representative to the property to discuss the matter face to face.
8. The company has responded to these comments by reiterating that under the Water Industry Act 1991, the occupiers of the property are responsible for the water service charges unless a third party comes forward to accept those charges, and the owner/landlord of a rental property must arrange for the water company to be given information about the occupiers. If the landlord fails to provide this information and the occupier fails to pay the bill, the occupiers' liability for the charges becomes shared jointly and severally with the landlord. This means that a water company can seek payment from any of the tenants/occupiers, the landlord, or both the occupiers/tenants and the landlord. However, as the occupier the customer says is the landlord has not confirmed he is the landlord, it can only add his name as an occupier to the current bills.
9. As most of the issues raised by the customer were addressed in my preliminary decision, and the company has provided a further explanation of the legal position for the customer, which I accept is correct, I find no need to consider these issues further and my decision remains unchanged. However, I must add that while I fully accept that it must be very stressful and upsetting for the customer to be contacted by the debt collection agency about this debt, a water company is entitled to refer its customers' debts to debt collection agencies, and I am unable to direct the company to visit the customer's property to discuss this matter.

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 27 April 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.

K S Wilks

Katharine Wilks

Adjudicator