

WATRS

Water Redress Scheme

ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT/X465

Date of Final Decision: 11 May 2023

Party Details

Customer: XX

Company: XX

Complaint

The customer submits the company did not contact him or bill him for three years and has acted unfairly in seeking to recover charges prior to its contact. He seeks that the company recalculate its bills to the effect it only applies charges from December 2021.

Response

The company accepts it delayed setting up the customer's account and it paid him a £50.00 goodwill gesture for this. However, it is entitled to charge for services supplied backdated to June 2020.

Findings

The evidence shows the company did not provide its services to the standard to be reasonably expected as it delayed setting up the customer's account.

Outcome

The company should pay the customer compensation in the sum of £250.00 for distress and inconvenience.

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

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Case Outline

The customer's complaint is that:

- He did not receive any bills for water services for three years. The company then issued a bill applying backdated charges.
- He believes the company should only apply charges from December 2021, when he first received a bill.
- The company has provided poor customer service; failing to return his call, delaying in reply and not accepting the payment plan he offered.
- He is unhappy he had no choice of retailer.
- He seeks that the company recalculate his bills to the effect that charges only apply from December 2021.
- In comments on the company's response the customer says:
 - He was not told to choose a water supplier; the wholesaler sent correspondence to an old address.
 - He contacted the company upon the first bill and was promised a call back that was not made. He seeks that call recordings are retrieved as evidence.
 - He first received a bill in December 2021 not October 2021.
 - The payment plan offered was unreasonable, requesting large payments over a short period.
 - Recovery action was taken despite the account having been put on hold.
 - The company issued disconnection letters.
- In comments on a preliminary decision the customer says:
 - It is by pure chance that the first bill he received was in December given the inaccurate address and it is this date that should be used for back dating and;

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- He asks that the standing order instruction stays in place as he is very worried the company will demand his account is brought up to date or will come up with a payment plan which is not realistic again.

The company's response is that:

- It was allocated the customer as he did not choose a retailer.
- The wholesaler, **XX**, gave it the customer's property and billing information.
- Due to an administrative error, it did not set up the customer's account in a timely manner.
- It first billed the customer on 27/10/21 and backdated the charges to 01/05/20.
- Upon the customer's complaint, it corrected the opening date of the account to 01/06/20 and backdated charges accordingly. It also applied £50.00 to the account as a gesture of goodwill, and in view of the delay in setting up the account.
- The customer has benefited from not paying for water services used from 24/08/2018 (supply effectuation date) to 31/05/2020.
- It was unaware that the address was wrong until the customer contacted it.
- On 25/07/2022 it met with the wholesaler to discuss the customer's concerns about the address and the lack of opportunity to choose a retailer. The wholesaler explained its actions.
- It offered the customer a payment plan on 18/02/22; however, the customer has continued to dispute the bill.
- It applied recovery costs of £450.00 to the account as per its enforceable terms and conditions.
- However as a further gesture of goodwill, it has since removed recovery costs and made a GSS payment of £30.00.
- The current outstanding balance is £1,772.92.
- In comments on a preliminary decision the company disputes it should pay compensation of £250.00 as this fails to take into account:
 - It suspended and removed all late payment fees and recovery action during the process to the sum of £450.00.
 - It back dated the bills outside of the market codes, despite it paying out the wholesale charges from market opening for water used.
 - It acknowledged service failings and paid a goodwill gesture of £50.00 for the late onboarding and a further £30.00 paid for a delayed response in line with the Guaranteed Services Scheme.

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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. I have considered the customer's complaint as detailed on his WATRS application form and summarised above. In accordance with WATRS rule 5.4.3 I must disregard any new complaints raised in the customer's comments on the company's response. Therefore I have not commented on such.
2. In order to make a decision in this matter I must clearly distinguish between actions taken by the wholesaler and the duty owed by the retailer (the company) to its customers. Since the water market in England opened up to retailers in April 2017, all non-household customers have been moved to a wholesale/retail split service. As a result, a non-household customer now only has a relationship with the retailer. In turn, an adjudicator operating under the Water Redress Scheme may only make findings related to those things for which the retailer, as the party to the case, has responsibility, and not those things for which the wholesaler has responsibility.

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3. The company has provided a copy of correspondence sent from the wholesaler to the customer which supports its position that the wholesaler was responsible for: moving the customer to the retail market, giving the customer opportunity to choose a retailer and, giving the company the customer's details. I am therefore satisfied any dispute over these matters is between the customer and the wholesaler. It is not within my remit to comment on such.
4. The company accepts it delayed setting up the customer's account from 2018 to 2021. This is evidence it failed to provide its services to the standard to be reasonably expected.
5. I acknowledge the customer did not receive any bills from the company until December 2021 as they were addressed incorrectly. However, I consider the company relied on the customer information provided by the wholesaler in good faith. Therefore, I do not find this evidence it failed to provide its services to the standard to be reasonably expected.
6. The company was entitled to seek payment for services provided to the customer in accordance with its terms. Although the customer is unhappy with the choice of retailer and service, this does not negate his obligation to pay his bills. That the company has sought payment and taken recovery action is not evidence it failed to provide its services to the standard to be reasonably expected.
7. There is a lack of evidence that the company failed to return a call and nothing to suggest it would have a call recording available. Further, I consider one oversight would not amount to a significant shortfall. That the company took some weeks to respond to the customer's complaint does not demonstrate undue delay and it was up to the company whether to accept the payment plan offered by the customer. I do not consider these matters evidence the company failed to provide its customer services to the standard to be reasonably expected.
8. As I have found a shortfall by the company at paragraph 4, I will consider whether the customer's claim is justified or whether another remedy is appropriate.
9. While I accept the customer was unaware he received services from the company and unaware of the exact charges accruing prior to December 2021, it does not follow the charges are not correct and due. The customer was aware he was in receipt of water

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services and that those services would carry a charge. And the company is entitled to recover charges for services provided. I therefore consider the customer has not justified his entitlement to a recalculation of his bills.

10. However, because the company delayed setting up the customer's account he received an unexpected bill of a significant sum, causing distress. The customer has also outlined his difficulty in meeting the payment plan put forward by the company. I therefore accept on balance it will cause the customer difficulty and further distress in having to clear this sum. Taking these points into account I consider the company should pay the customer compensation for the distress and inconvenience arising due to its failing. Given the length of delay in setting up the customer's account and the impact on the customer, while noting the company has already made a goodwill payment of £50.00, I consider a tier 2 payment under the WATRS compensation guide is warranted. I therefore direct the company should pay the customer compensation in the sum of £250.00 for distress and inconvenience. The company may choose to apply this as a credit to the customer's account.

11. I have considered the company's comments on my preliminary decision but my findings remain the same. I was aware of payments already made by the company at the time of my preliminary decision but considered they had no bearing on my decision. This is because I saw nothing to suggest the company decided on backdating, made a £30.00 GSS payment or, waived recovery charges by way of compensation for distress and inconvenience. Therefore, these payments are not relevant to my assessment of compensation for distress and inconvenience.

12. I have also considered the customer's comments, but my decision remains the same; that the customer did not receive bills does not mean he should received services free of charge. As to the customer's standing order arrangements, it is not within my remit to comment on these. I can only direct a remedy to address losses arising from the failings identified in this decision.

Outcome

The company should pay the customer compensation in the sum of £250.00.

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What happens next?

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



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

Adjudicator

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