

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S FINAL DECISION SUMMARY

Adjudication Reference: WAT-X652

Date of Final Decision: 7 September 2023

#### Party Details

**Customer:** The Customer

**Company:** The company

#### Complaint

The customer claims that the company did not consider his circumstances and that his wife had passed away in 2018 when pursuing him for a debt, which led to a County Court action, inconvenience, and distress. The customer wants the company to apologise, remove the County Court Judgement and pay compensation of £2,500.00 for the inconvenience and distress.

#### Response

The company says several bills and reminders were sent to the customer and his wife concerning the County Court action. As the customer failed to keep his account updated regarding payment, it was entitled to begin its recovery process according to its policy in its Charges Scheme, including County Court action. However, the County Court action was struck out due to the company not filing a required document, so no County Court Judgement exists. The outstanding balance on the customer's account was written off, a credit of £20.00 was applied to the account, and a further offer of £200.00 was made as a goodwill gesture to recognise his personal circumstances. The company has not made any other offers of settlement.

#### Findings

I am satisfied that the evidence does not prove the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning taking the customer's circumstances into account when pursuing him for a debt, nor does the evidence prove the company failed to provide services to the standard to be reasonably expected when investigating these issues. Furthermore, I am satisfied there have been no failings concerning customer service for which the customer has not already been adequately compensated.

#### Outcome

The company does not need to take any further action.

The customer has until 5 October 2023 to accept or reject this decision.

# ADJUDICATOR'S FINAL DECISION

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Date of Final Decision: 7 September 2023

## Case Outline

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

- The company did not consider his circumstances and that his wife had passed away in 2018 when pursuing him for a debt, which led to a County Court action, inconvenience, and distress.
- The customer wants the company to apologise, remove the County Court Judgement and pay compensation of £2,500.00 for the inconvenience and distress.

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

- Several bills and reminders were sent to the customer and his wife concerning the County Court action.
- As the customer failed to keep his account updated regarding payment, it was entitled to begin its recovery process according to its policy in its Charges Scheme, including County Court action.
- However, the County Court action was struck out due to the company not filing a required document, so no County Court Judgement exists.
- The outstanding balance on the customer's account was written off, a credit of £20.00 was applied, and a further offer of £200.00 was made as a goodwill gesture to recognise his personal circumstances.
- The company has not made any other offers of settlement.

## 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 another disadvantage as a result of a failure 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.

## How was this decision reached?

1. The dispute centres on whether the company did not consider the customer's circumstances when pursuing him for a debt.
2. The company must meet the standards in OFWAT's Charges Scheme Rules and the Water Industry Act 1991.
3. Under Section 142 to 143 of the Water Industry Act 1991, the company is permitted to charge for water and wastewater services provided and make a Charges Scheme, which essentially fixes charges to be paid for services provided. However, as made clear in WATRS Rule 3.5, "*any matters over which OFWAT has powers to determine an outcome*" cannot be considered by WATRS. Furthermore, WATRS Rule 3.4.1 states, "*WATRS may reject all or part of an application to the Scheme where it considers that a customer should be referred to a more appropriate forum for the resolution of the dispute*". The question of whether a company has adhered to Sections 142 to 143 of the Water Industry Act 1991 is a matter for OFWAT to determine, and therefore, I will make no findings on this matter in this decision.
4. The company also has certain obligations regarding its customer services as set out in OFWAT's Guaranteed Standards Scheme and the company's own Guarantee Standards of Service scheme (GSS).
5. On 24 March 2022, the company issued a County Court claim against the customer and his late wife for an outstanding balance of £1,270.56. I understand that within the form submitted to the Court by the customer, he advised that his wife had passed away in July 2018. The company says that prior to receipt of this form, it had no knowledge that the customer's wife had passed away.
6. On 13 December 2022, the Court advised the company that the claim had been struck out in August 2022 due to not receiving the company's directions questionnaire. The company made the decision not to incur the additional costs of making an application to the Court to challenge this strike out, and the customer's outstanding balance was written off.
7. On 4 March 2023, the customer contacted the company asking for compensation and saying that he had previously made the company aware of his wife's passing numerous times before the Court action, and it still did not consider his circumstances. Furthermore, his wife continued to be named in correspondence sent out by the company.

8. On 7 March 2023, the company acknowledged this error and apologised to the customer. I understand that a gesture of £20.00 was also credited to the account by way of an apology.
9. The evidence shows that the customer was unhappy with the company's response and advised that he would be willing to accept £5,000 compensation, failing which he would issue Court Proceedings against the Company. I understand that the company responded advising the customer that before receipt of the Court form, it had no knowledge that the customer's wife had passed away. However, it accepted that it failed to update the account to reflect the customer's circumstances, and it was not until 7 March 2023 that the account name was updated and the customer's wife removed.
10. On 28 March 2023, the customer contacted CCWater as he believed that the company did not consider his circumstances when pursuing him for debt and should pay further compensation. During the discussion with CCWater, I understand that the company offered a further £200.00 to recognise his personal circumstances and that it failed to remove his wife from the account. However, the customer remained unhappy with the outcome as he believed further compensation should have been offered, and on 11 August 2023, he commenced the WATRS adjudication process.
11. The customer says that the company did not consider his circumstances when pursuing him for a debt. Section 143 of the Water Industry Act 1991 allows the company to set a Charges Scheme. Where a bill has not been paid, in line with the company's Charges Scheme, a debt recovery process is in place for all of its customers. In compliance with OFWAT's guidelines on collecting debt, if no payment plan is in place with the company or full payment has not been received, the company is entitled to report any late payment to the credit reference agencies and pass the debt on to a debt collection agency.
12. The evidence shows that no correspondence was returned to the property advising that the details were incorrect or that the customer's wife had passed in 2018. The evidence shows that no payment was made. Furthermore, reviewing the evidence, I note that there is no evidence to suggest that the company was aware of the customer's wife passing before the Court form in March 2022. Accordingly, I believe the company was entitled to report any late payment to the credit reference agencies and proceed with County Court action with the customer's wife's name on the account.

13. Considering the above, I find that it has not been proven that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning taking the customer's circumstances into account when pursuing a debt.
14. The company has certain obligations in respect of its customer services. I understand that the company acknowledged that it failed to update the account to reflect the customer's circumstances until 7 March 2023 and apologised, together with a payment of £20.00. I understand that later, an offer of £200.00 was made to the customer, which was refused. After carefully reviewing all the correspondence provided in evidence, I am satisfied the company's apology and payment of £20.00 was fair and reasonable in the circumstances to cover the complaint and any distress or inconvenience to the customer.
15. The customer has made comments on the preliminary decision and having carefully considered each aspect of the customer's comments, I find that they do not change my findings, which remain unaltered from the preliminary decision.
16. Considering the above, I find the customer has not proven the company failed to provide its services to the customer to the standard to be reasonably expected by the average person concerning taking the customer's circumstances into account when pursuing him for a debt, nor has the customer proved the company failed to provide services to the standard to be reasonably expected when investigating these issues. Furthermore, I am satisfied there have been no failings concerning customer service for which the customer has not already been adequately compensated.

#### **Outcome**

The company does not need to take any further action.



**Mark Ledger FCI Arb  
Adjudicator**