

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0736

Date of Decision: 13 April 2018

Complaint

The customer submits that significant water service charges were accrued on their property account because the account details were never updated from the previous owner. Therefore, the customer did not receive any invoices and did not pay any water service charges. The customer indicates that the company's predecessor, RST Water (and to some extent, the company) are to blame for this issue and therefore they are claiming an apology and a service charge reduction of approximately £6000.00.

Defence

The company accepts that it initially provided incorrect advice to the customer when the issue of updating the account details was finally brought to its attention. However, the company does not accept that it is responsible for the customer's dealings with its predecessor/wholesaler, RST Water. It has however chased RST Water on the customer's behalf and explained its position. The company has offered the customer £250.00 in recognition of the oversight on its part. This was declined.

Findings

I am satisfied that a failure to provide the company's services to the standard to be reasonably expected has been established (the company initially provided incorrect advice relating to how the customer's account details should be updated). I am therefore satisfied that the company should provide the customer with an apology and compensation in the sum of £250.00. However, I find that the company adequately chased the wholesaler, RST Water on the customer's behalf and sufficiently explained its position. Accordingly, I find no further breaches by the company to warrant any additional redress.

Outcome

The company shall provide an apology and compensation in the sum of £250.00.

The customer must reply by 14 May 2018 to accept or reject this decision.

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- The first mention of the issue at the heart of this complaint was from the accounts department of The [] Limited (who previously owned the property) on 2 March 2016 when it advised that the property had been sold. However, it stated it did not know when this occurred and provided no further details.
- On 9 November 2016, The [] Limited advised that the property was sold on 15 December 2015 and that they would get the new owner to update the account details. However, as no further contact was received, the account details remained unchanged.
- On 22 March 2017, the accounts department from The [] Limited advised that it had rejected the most recent bill as the property had been sold in 2015. Evidence of the property being sold was again requested.
- The accounts department from The [] Limited then provided the current property manager's contact details so that the evidence could be requested from them. Up to this stage, no evidence of the property being sold had been provided.
- On 6 July 2017, the company submits that it was contacted by [] Utilities on behalf of the customer; it requested the latest invoice and for the account to be transferred to a new name. The company requested a letter of authority and proof that a name change was required. These were provided on 18 July 2017 and the account update was completed on 18 August 2017.
- [] Utilities proposed that the customer should not have to pay the balance due to an administrative error (the account being in the wrong name). However, the company has explained that because the customer had used the water services being invoiced, the charges were correctly payable.
- Furthermore, the company explained that it was the customer's own responsibility to ensure that the account details were correctly updated so that invoices could be sent to the correct place.
- A new account was created in the name of the customer from 11 December 2015 and an up-to-date invoice was produced for all water service charges to date.
- The company offered to place the account on hold for six weeks to stop any debt collection activity and to give the customer time to arrange payment of the outstanding balance or to set up an affordable payment plan.
- The company accepts that it had initially incorrectly advised that a change of tenancy was not required but only a change of name. The company therefore offered the customer £250.00 as a gesture of goodwill for initially informing them that a change of tenancy was not needed. This was declined.

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- The company submits that it is sorry that the customer is displeased. However, it submits that it requested supporting evidence to show that ownership of the property had changed on numerous occasions. Without this information no amendments could be made on the account.
- The required information was only provided in July 2017, more than 18 months after the sale took place.
- The company submits that the customer is correctly liable for the charges on the account.

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.

If the evidence provided by the parties does not prove both of these issues, the company will not be directed to do anything.

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 customer's claim is that significant water service charges were accrued on their property account because the account details were never updated from the previous owner. Therefore, the customer did not receive any invoices and did not pay any water service charges. The customer indicates that the company's predecessor, RST Water (and to some extent, the company) are to blame for this issue and therefore they are claiming an apology and a service charge reduction of approximately £6000.00.
2. At this juncture, I find it prudent to remind the parties that adjudication is an evidence-based process and it is for the customer to show that the company has failed to provide its services to the standard that would reasonably be expected of it.

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3. I must also draw attention to section 5.4.3 of the scheme rules where it expressly states that any new evidence or matters introduced in the customer's comments must be disregarded. I will proceed accordingly.
4. I draw attention to the fact that since April 2017, following a change in the water industry, non-household customers only have a contractual relationship with the retailer (in this case []), and customers are unable to bring claims against the wholesaler. I note that the majority of the customer's complaints are against the wholesaler (RST Water) and these relate to its service provision before [] took over the account. I must highlight the fact that [] (the company defending this claim) is not the same as RST Water and is not directly liable for any failures on the part of RST Water.
5. Accordingly, under the present circumstances, I am unable to directly examine the customer's complaints about the customer service provided by RST Water. However, I am able to examine whether [] provided its own services to the standard to be reasonably expected by the average person. In particular, under the present circumstances, I am able to examine whether [] sufficiently pursued the matter with RST Water (the wholesaler) in relation to the customer's complaints.
6. Following careful review of all the submissions and documents provided by the respective parties, overall, I am not satisfied that the company has failed to provide its services to the standard to be reasonable expected by the average person (with the exception of one specific oversight that I will discuss below).
7. Specifically, I find that the company's defence submissions provide a detailed account of the customer service interactions between the customer and RST Water (the wholesaler) and also between the customer and the company. I note this shows that the evidence/documentation required to update the details on the property account were not provided for quite some time and therefore the account remained unchanged until they were. Furthermore, I acknowledge that the company has confirmed that it was the customer's own responsibility to ensure that the correct details were on its property account and to provide the necessary evidence/documentation to update this. Accordingly, based on the evidence provided, I am satisfied that the company has sufficiently chased the wholesaler in relation to this issue and appropriately outlined its position to the customer.

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8. Turning now to the company's own direct service interactions with the customer; I acknowledge that the company accepts that when the account update issue was brought to its attention, it initially incorrectly advised the customer that a change of tenancy was not needed but only a change of account name. I note that the company accepts that this was an error on its part and it has offered the customer its apologies and £250.00 in light of this issue. Accordingly, I am satisfied that the company failed to provide its service to the standard to be reasonably expected in this instance. Taking into account the nature and extent of the company's error in this regard, I am satisfied that compensation in the sum of £250.00 was reasonable. As such, under the circumstances, I find it fair and reasonable to direct that the company provides the customer with an apology and compensation in the sum of £250.00 for this oversight.
9. With the exception of the failure as detailed above, I find that the overall content of the responses provided by the company to the customer was adequately comprehensive. Specifically, I note that the company detailed and explained the events leading up to this issue, explained the steps required to update the account, executed the account update once the required documentation was provided and suggested a payment plan in order to clear the arrears on the account.
10. Therefore, in light of all of the above, upon review of all the evidence provided by the parties at the time of adjudication, I find that a failure to provide the company's service to the standard to be reasonably expected has been established (as detailed above) and I therefore find it fair and reasonable to direct that the company provides the customer with an apology and compensation in the sum of £250.00. Based on the evidence provided, I find no further compensation is warranted under the circumstances.

Outcome

The company shall provide the customer with an apology and compensation in the sum of £250.00.

What happens next?

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- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 14 May 2018 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.



E. Higashi LLB (Hons), PGDip (LPC), MCI Arb.

Adjudicator

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