

# WATRS

## Water Redress Scheme

### ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /0833

Date of Decision: 10 August 2018

#### Complaint

The customer submits that in 2008 he informed the company that his flatmate had left the property they had been living in, and requested that his flatmate be removed from the account. In 2014, he also left that property and moved into a new house. He informed the company so that its records could be updated. On 2 February 2018, it came to his attention that his old flatmate was listed on the account for his new house, which his old flatmate had never had any connection with. The company failed to update the account as per his requests. He has never received any explanation from the company for its failure to update his account. The compensation offered by the company is insufficient given the seriousness of the problems he has encountered. The company has refused to enter into any meaningful negotiations about the compensation amount. The company also sent him a cheque for £100.00 without discussing it or asking if he was happy with that amount. The customer requests £1,000.00 compensation.

#### Defence

The company submits that it has accepted from the outset that it missed opportunities to remove the information from the account sooner and it has apologised for its error. It offered the customer £25.00 compensation and a cheque was sent on 19 February 2018. Although the cheque was cashed on 22 February 2018, the customer remained unhappy with the amount of compensation and continued to make contact. It sent the customer an additional cheque for £100.00 compensation on 23 March 2018. This was cashed on 28 March 2018. The £125.00 compensation paid was reasonable and fully commensurate with the mistake made and for any inconvenience caused. However, in view of the customer's complaint that it sent him the cheque for £100.00 without contacting him to discuss it, it has offered to pay an additional £50.00. Although the customer has rejected this, this offer is still open.

#### Findings

The company admits that it missed opportunities to update the customer's account. The company has provided an explanation as to how and why the customer's old flat mate's details were erroneously moved to the customer's new property in 2014. However, no evidence has been provided to show that company provided an explanation of its failure to update the account in 2008 and 2011. The £125.00 paid to the customer for the company's failure to

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update the account is fair and reasonable in the circumstances. However, the company should pay the customer a further sum of £25.00 for its failure to provide an explanation. In respect of the customer's complaints that the company refused to enter into any meaningful negotiations about the compensation amount and that the company also sent him a cheque for £100.00 without discussing it, offers to settle are a business decision for the company alone to determine and falls outside the scope of WATRS. It is outside my remit to determine whether or not a company should have made any offers to settle a matter and how much any offers should have been. However, how a company communicates an offer is an aspect of customer service. Any offers made should be clearly communicated as such. The company accepts, and I find, that the company failed in its obligations to the customer in this regard. The customer had the opportunity to reject the company's offer both before and after the cheque was received. The impact of this failing on the customer was therefore minimal. The £50.00 offered by the company is more than sufficient to address this failing, and is fair and reasonable in the circumstances.

#### Outcome

The company needs to take the following further action:

I direct that the company pay the customer further compensation in the sum of £75.00.

The customer must reply by 10 September 2018 to accept or reject this decision.

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# ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /0833

Date of Decision: 10 August 2018

## Party Details

Customer: [ ]

Company: [ ].

## Case Outline

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

- In 2008, he informed the company that his flatmate had left the property they had been living in, and requested that his flatmate be removed from the account. In 2014, he also left that property and moved into a new house. He informed the company so that its records could be updated. On 2 February 2018, it came to his attention that his old flatmate was listed on the account for his new house, which his old flatmate had never had any connection with.
- The company failed to update the account as per his requests. He has never received any explanation from the company for its failure to update his account. The account has now been updated but it was him not the company who made the change.
- This was a significant data protection risk. His old flatmate could have accessed the account at any time over the last ten years. In addition, credit reference agencies use joint account holder details from utility companies to assess credit worthiness. This could have had an impact on his credit rating without his knowledge.
- The compensation offered by the company is insufficient given the seriousness of the problems he has encountered. The company has refused to enter into any meaningful negotiations about the compensation amount. The company sent him a cheque for £100.00 without discussing it or asking if he was happy with that amount. He has spent time contacting the company and the Consumer Council for Water (CCW) trying to get the matter resolved.
- The customer requests £1,000.00 compensation for inconvenience and frustration. This is calculated as £100.00 per year for ten years.

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

- It agrees that it made an error by not removing the customer's old flat mate's details earlier. It has accepted from the outset that it held the customer's old flat mate's personal data beyond a date and a purpose for which it was required and it also accepts that it had missed opportunities to remove the information from the account sooner.
- It acknowledges that it did not update its records on 16 July 2008 when the customer contacted it. It also had a second opportunity to update its records when the customer made contact again on 23 September 2011, which was missed. Following contact from the customer again on 13 February 2014 advising that he was moving to a new address, as the customer retained the same account number, all the original account details were transferred automatically, including the customer's old flat mate's details.
- On 30 August 2014 the customer registered for its online My Account self-service facility. It upgraded this facility in November 2017, which meant that customers could now view the names associated with their account and add and remove them.
- On 2 February 2018, its records show that the customer used this service to remove his old flat mate as an associated customer from his account. He then contacted it to make a complaint about this.
- It has apologised for its error and any upset caused from the outset. It offered the customer £25.00 compensation and a cheque was sent on 19 February 2018. Although the cheque was cashed on 22 February 2018, the customer remained unhappy with the amount of compensation and continued to make contact.
- Under its Customer Commitment Scheme, it will usually provide compensation of £25.00 for a mistake or where it has provided a service that is below its normal standard of care. This was the sum offered. After a full review of what had happened and as the customer remained unhappy with the level of compensation given, to fully resolve this matter, it sent him an additional cheque for £100.00 compensation on 23 March 2018. This was cashed on 28 March 2018.
- CCW then then made contact on 10 April 2018, to explain again that the customer remained unhappy with the level of compensation and that the customer was also unhappy that it had written to him instead of calling him before issuing the £100.00 cheque.
- The customer requested £1000.00 compensation but offered a discount of 30%, advising that he would settle his complaint for £700.00 (this offer has now been withdrawn). However, it

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explained that he would have to substantiate his claim with its legal department and provide any evidence to show any losses and/or information about how this has impacted him.

- Although it retained information about the customer's old flat mate for longer than was necessary, this information was kept safe throughout and did not have any effect on the customer. The £125.00 compensation paid was reasonable and fully commensurate with the mistake made and for any inconvenience caused. However, as it did not call the customer before sending the cheque for £100.00, it offered to pay an additional £50.00. Although the customer has rejected this, this offer is still open.
- Associated customers can be added to an account for various reasons. However, only details of the main account holder are shared with credit reference agencies. Credit reference agencies would not be aware of any association between the customer and his old flatmate, and having him as an associated customer would have no impact on the customer or his credit rating.

### 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.

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## How was this decision reached?

### ***Data Protection***

1. I note both parties' submissions about data protection and the Data Protection Act. The customer submits that the company's inaction was a significant data protection risk and his old flatmate could have accessed the account at any time over the last ten years. However, I must remind the parties that the matters which can be adjudicated under WATRS are set out in Section 3.3 of the WATRS Rules. Data protection issues do not fall within the scope of WATRS. WATRS is not the appropriate forum for issues concerning the Data Protection Act. It is therefore not within my remit to consider the customer's complaint in this respect.

### ***Failure to update account***

2. The company admits that it missed opportunities to remove the customer's old flat mate's details from the account from 2008. I find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person in this regard.
3. I note the company's apologies to the customer. The company has provided an explanation as to how and why the customer's old flat mate's details were moved to his new property in 2014. However, no evidence has been provided to show that company provided an explanation of its failings in 2008 and 2011, or stated that it was unable to provide an explanation. I find that it would have been fair and reasonable to do so. I therefore accept the customer's submission that this was a poor level of service, and find that the company failed to provide its services to the customer to the standard to be reasonably expected in this regard.

### ***Negotiations / Offers to settle after the complaint was raised***

4. I note the customer's submissions that the company refused to enter into any meaningful negotiations about the compensation amount. However, I can see that the company made a number of offers to the customer. In any event, any negotiations or offers to settle are a business decision for the company alone to determine and falls outside the scope of WATRS. It is outside my remit to adjudicate on whether or not a company should have made offers to settle a matter and how much a company should offer.

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5. However, notwithstanding the above, I am satisfied that I can consider the company's conduct in relation to the offers in terms of how these were communicated as this is an aspect of customer service. I find that any offer that is made to a customer should be clearly communicated as such. The customer states that the company sent him a cheque for £100.00 without discussing it or asking if he was happy with that amount. The company accepts, and I find, that it would have been fair and reasonable for the company to do so. I therefore find that the company failed to provide its services to the customer to the standard to be reasonably expected in this regard. However, I am mindful that a copy of the company's 22 March 2018 letter has been submitted in evidence. In its letter, the agent for the company states that *"I will send you a cheque for £100.00 within the next 10 working days."* I also note the £100.00 was sent by cheque and not applied to the customer's account for example as a credit. The customer therefore had the opportunity to reject the company's offer both before and after the cheque was received, and the impact on the customer was therefore minimal. I will take this into account in my findings for redress below.

### **Redress**

6. The customer requests compensation in the sum of £1,000.00. In light of my findings above that the company failed to provide its services to the customer to the standard to be reasonably expected by failing to update the account and by failing to provide an explanation, I find that the customer is entitled to a measure of compensation for the stress and inconvenience suffered as a result. However, I find that the sum claimed by the customer is disproportionate to the failings shown and the detriment suffered. I accept the company's submissions that the customer has not provided any evidence to show that he has suffered any loss, or any evidence to show that the company's failings have impacted him. As set out above, I remind the parties that the customer must show that he has either suffered some financial loss or other disadvantage as a result of a failing by the company. The customer has not provided any evidence such as a credit report from credit reference agencies showing that his old flat mate is or was ever listed as being an associate on his credit file, and that this affected his credit worthiness. There is also no evidence to show that the issue is still ongoing. The company has submitted correspondence from the customer dated 2 February 2018 to support its submissions that the customer removed his old flat mate as an associated customer from his account before he raised a complaint with the company.

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7. The customer has already received £125.00 compensation from the company. I note that the evidence shows that this £125.00 was offered to the customer for the company's failure to update the account. However, I am mindful that the customer has not been compensated for the company's failure to provide an explanation.
8. Having carefully considered the evidence, bearing in mind that the evidence available in this adjudication does not show that the customer was impacted by the company's failings, I am satisfied that the £125.00 represents a fair and reasonable remedial sum in respect of the company's failure to update the account. In respect of the company's failure to provide an explanation, I consider a further sum of £25.00 to be a fair and reasonable level of compensation in the circumstances. The customer has not provided any evidence to justify a higher sum of compensation for the failings shown failure. I therefore direct that the company pay the customer further compensation in the sum of £25.00.
9. In respect of the customer's complaint that the company sent him a cheque for £100.00 without discussing it or asking if he was happy with that amount, the company offered the customer £50.00 for this failing. As discussed above, the customer had the opportunity to reject the company's offer both before and after the cheque was received. The impact of this failing on the customer was therefore minimal and I find that the £50.00 offered by the company is more than sufficient to address this failing, and is fair and reasonable in the circumstances. I therefore direct that the company pay the customer £50.00.
10. In view of all of the above, I direct that the company pay the customer further compensation in the sum of £75.00.

#### **Outcome**

The company needs to take the following further action(s):

I direct that the company pay the customer further compensation in the sum of £75.00.

#### **What happens next?**

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- This adjudication decision is final and cannot be appealed or amended.
  - The customer must reply by 10 September 2018 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.
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**U Obi LLB (Hons) MCI Arb**  
**Adjudicator**

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