

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1216

Date of Decision: 28th March 2019

Complaint

The customer states that the company failed to notice that the direct debit set up to his account had reversed. He states that this caused the account to run into arrears through no fault of his own. He states that he has been caused stress and much inconvenience as it has been difficult to deal with the company over this matter and demand letters were sent to him when the account was supposed to be on hold.

The customer seeks a direction that the company clear the arrears of £90.70 from his account and an apology.

Defence

The company states that it accepts that there was an oversight when the cancellation of the Direct Debit wasn't picked up. It states that it has already made an adequate gesture by clearing half of the debt accrued, an amount of £90.00, as an apology. It states that it believes that the customer must bear some responsibility for monitoring his account.

Findings

The customer has shown that the company has breached its duty of care with regard to the manner in which it pursued the customer for the outstanding amount when the customer had been told the account was on hold.

Outcome

The company needs to take the following further action.

Pay £30.00 compensation to the customer and make an apology.

The customer must reply by 29th April 2019 to accept or reject this decision.

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ADJUDICATOR'S DECISION

Adjudication Reference: WAT/ /216

Date of Decision: 28th March 2019

Party Details

Customer: []. ([] is acting in this matter on behalf of her Father, [].)

Company: [].

Case Outline

The customer's complaint is that:

- He set up a Direct Debit from his account to the company for monthly payments of £15.96.
- The payments were in respect of his property at [] ("the Property").
- The Direct Debit reversed unbeknown to the customer and this meant that the monthly payments were not made.
- The customer only realised this when he received his bill that there was an excess of £180.70 that had built up.
- The customer states that the company should have contacted him earlier regarding the problem.
- He states that this would have prevented the build up of payments that have put him in a disadvantageous position and have caused him stress and inconvenience.
- He states that the company pursued him for the arrears even though the account was on hold.
- He states that he had done all that was required of him as a customer by setting up the Direct Debit.
- He seeks an apology and a direction that the company waive the remaining £90.70 from his account.

The company's response is that:

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- The company states that the Direct Debit payment set up for the customer's account did fail on the 19th June 2017.
- It states that it sent out a bill on the 25th May 2018 that included £180.70 outstanding charges.
- It states that the onus is on the customer to check that his payments are being regularly made.
- It states that its services were used by the customer.
- It states that after receiving a complaint from the customer regarding the bill it issued a credit of £90.00 to the customer's account that cleared half of the outstanding amount.
- It states that this was by way of an apology for not informing the customer that the Direct Debit had been cancelled.
- It states that it believes it has made sufficient recompense in the circumstances and that the customer should bear some of the responsibility.

In his comments in reply to the defence the customer states:

- He was very frustrated when dealing with the company after the problem was noted.
- He received demands for the outstanding payments even though he had been assured that the account was on hold pending an outcome to the complaint.

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?

1. I note that the customer's daughter is acting on his behalf in this matter and has dealt with the company throughout the process of the complaint. I shall be referring to the customer as "he" for clarity in this decision.
2. The customer states that due to the poor customer service of the company he was not made aware that a Direct Debit set up to pay his bills on a monthly basis was cancelled and that there was a debt accruing against his account. The company accepts that the Direct Debit payment did fail but states that it has already cleared half of the accrued debt, an amount of £90.00, and that the customer must bear some responsibility for his bills.
3. The details of the customer's application are not substantially challenged by the company. The company has produced evidence of all the contacts and the details of the customer's case are contained within the Consumer Council for Water's ("CCW") documentation.
4. The central issue to decide is whether or not the action of the company in clearing part of the outstanding charge is sufficient in the circumstances.
5. I note that the customer states that he was caused much inconvenience and stress when he realised that there was a debt accrued against his account in May 2018. I accept that this would be the case and that it would be upsetting for the customer to have to address the issue with the company. This is supported, in my view, by the fact that his daughter has dealt with the matter on his behalf.
6. In considering this case I have to take into account that the company has already paid an amount of £90.00 against the outstanding charges. Although I note the company has accepted some responsibility for the oversight regarding the Direct Debit being cancelled, I cannot ignore that the customer does bear responsibility, at least in equal part, for checking that his accounts are up to date and paid. Whilst I realise that it is not unreasonable to assume that once a Direct Debit is set up a bill will be duly paid, in this case there was a considerable amount of time between the payment being set up in June 2017 and the mistake coming to light in May 2018. I consider that the company is correct to states that the customer does bear some responsibility for his own accounts and payments.

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7. Regarding the customer service received by the customer after the complaint was made. I note that he has produced in evidence letters demanding payment that were issued during the complaints process. I note that in the CCW papers there are emails dated 13th December 2018 that deal with this issue. The customer points out that he is being pursued despite the hold on his account, and that he is concerned for his reputation. From the notes made by the CCW staff it is apparent that the company mistakenly put a hold on the customer's daughter's account and that this was changed when the mistake was realised. I am persuaded that this was an error on the part of the company, and while not malicious, was something that added to the distress of the customer. In this regard I do find that the company failed to provide its services to the standard to be reasonably expected by the average person.
8. The customer states that the process of complaint was difficult and frustrating. I have looked at the contact log supplied by the company and, while I am aware that it is hard for a customer to provide similar details, I am not persuaded that the process was unreasonable or that it amounts to a failure of provision of services to the standard to be reasonably expected by the average person.
9. On balance, I do find that the customer has shown that the company has failed to provide its services to a standard to be reasonably expected by the average person in respect of the pursuance of the outstanding charge when the customer had been assured that the account was on hold.
10. Remedies: The customer seeks an apology. I direct that the company make an apology in relation to the pursuance of the debt during the complaint process.
11. The customer seeks a direction that the outstanding charge of £90.70 be waived. I have not found that the company has failed to act reasonably with regard to the remaining outstanding charge. Therefore, I do not make this direction.
12. As I have found that the company was at fault in pursuing the debt when the account was to be placed on hold and that this would have exacerbated the customer's stress, I direct an amount of £30.00 be paid to the customer to reflect this error. I find that this is an appropriate amount and adequately reflects the circumstances.


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Outcome

The company needs to take the following further actions: Pay compensation of £30.00 to the customer and make an apology.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 29th April 2019 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 J Higgins, Barrister, ACIArb.

Adjudicator

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