

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1300

Date of Decision: 20 March 2019

Complaint

The customer states that, due to the company, a debt built up regarding his water bills. He states that he was not aware that the direct debit had ceased. He states that he believes that the company should cancel the outstanding amount as he paid £800.00 during arbitration with the Consumer Council for Water ("CCW") on the basis that the remaining debt would be waived. He states that this did not happen.

The customer seeks details regarding the setting up of his direct debits, for the company to expedite his move to another company if required, provide Freedom of Information request details, make an apology, accept the CCW's recommendations and pay compensation of £720.00.

Defence

The company states that it has carried out its duties adequately. It states that the customer must bear some responsibility for checking his payments are properly made. It states that the customer's expectations were raised in the CCW negotiations, but that it does not agree that it should waive the outstanding debt. The company states that £75.00 has already been paid into the customer's account. It does not accept that it refused to communicate further with the customer.

No offer of settlement has been made.

Findings

The customer has not established that the company failed to reach the standard to be reasonably expected. The company has acted in accordance with its legal obligations with regard to the billing and the complaints process.

Outcome

The company does not need to take any further action.

The customer must reply by 17 April 2019 to accept or reject this decision.

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The company's response is that:

- The customer's account had been set up with a direct debit lasting 12 months. This ran from June 2015 to May 2016.
- The company states that the customer is responsible for making sure his payments are up to date.
- The company states that there are two accounts. One of which is receiving payments and another, which is in arrears. It states that these are for different services.
- It states it received a complaint on the 8th May 2017 from the customer regarding the arrears letter.
- It states that the customer wanted to set up a direct debit but that following this he could not be contacted.
- It details that a goodwill offer of £75.00 was made but was refused by the customer.
- The company states that it did not hear from the customer again until December 2017.
- It states that no payments have been made since May 2016.
- It states that it is not obliged to abide by the CCW's recommendations and that the CCW had raised the customer's expectations.
- The company states it has made a payment of £75.00 and that nothing further is offered and it is unwilling to waive the outstanding amount.

The customer's comments in reply to the defence:

- He has tried to set up the direct debit that had been in place for 28 years.
- He paid the £800.00 in good faith on the advice of the CCW and the company has refused to waive the remainder.
- He feels he will be put on a punitive tariff and that the company will try to prevent him from moving.
- He does not believe that his is an isolated incident.

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.

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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 find it important to remind the parties that adjudication is an evidence based process and it is for the customer to show that the company has not provided its services to the standard that would reasonably be expected of it.
2. For clarity, I shall examine the following. In April 2017 the water market opened up to retailers. All non-domestic customers were moved to a wholesaler/retailer split at that time. As such, the customer's water accounts were moved to the company.
3. This application concerns billing. The customer states that he believed he was paying his bills by direct debit and that the actions of the company confirmed him in this understanding. He states that he was surprised to receive the arrears notice in May 2017 and at that point complained to the company. The company states that there had been no payments to the relevant account since May 2016 and that the customer is responsible for checking his payment details.
4. I note that the customer had not made any payments on the disputed account since May 2016 until he paid half of the arrears, amounting to £800.00, during the CCW process. The customer states that he tried to set up a direct debit to proceed with payments. I take into account that there was a lengthy gap of time in between the customer's first complaint in May 2017 and the later communications made by the customer. The company states that there was no further contact from the customer until December 2017. The customer does not challenge this in reply, although he does reassert that he tried to set up a direct debit. On the evidence I am not

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persuaded that the customer was actively pursuing the reinstatement of the direct debit, although I do accept that he asked for this to be set up during the first complaint in May 2017. I am cognizant that the customer would have to participate in setting up the direct debit and that there was a process to be followed. I take into account that it is not likely that the company could have set up a direct debit without such participation. I do not find that the company was at fault in not setting up the direct debit in the circumstances where the customer dropped contact for such a length of time.

5. I note that the company has explained that there are two accounts, one for clean water and waste water and the other for surface water and highways drainage. The second account receives regular payments and is not subject to arrears. This application concerns the first account. The customer states that he was confused by the operation of these two accounts. It is not clear from the evidence presented that the accounts system was properly explained to the customer. However, I do accept that the customer had always had two accounts. This is stated by the company and is supported by the fact that one account is still being paid and the other had a separate direct debit that ceased in 2016, before the company took over. Therefore, I do not find that the company was at fault in this regard as it was taking over a situation that pre-existed its involvement.
6. I note that the company has paid an amount of £75.00 as a goodwill payment to the customer. I also acknowledge that the customer does not find this a sufficient amount.
7. The customer states that the company refused to go ahead with the recommendation from CCW after he himself had paid £800.00, which was half the outstanding debt. The company states that it was only contacted regarding a request to waive half the outstanding bill after the customer had paid off £800.00. The company submits evidence to this effect at Evidence 5 in its defence. I note that the CCW's role is to try and reach some compromise between the parties, failing which the matter may be pursued by the customer through WATRS. There would be no obligation in the company to follow a recommendation made by the CCW. I am not persuaded that the CCW intended to give the impression to the customer that there was an agreement being reached. Further, I would add here, for clarity, that rule 3.5 of the WATRS rules prevents me from considering any complaint against CCW. However, the customer clearly received the impression that if he paid £800.00 the company would be persuaded to waive the rest of the charges. The company does not take this view and, while it is very unfortunate that the customer

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seems to have thought otherwise, there is no evidence before me that this was due to any action of the company or that any fault lies with it for the misunderstanding.

8. I note that it does not form part of the customer's case that he did not use the facilities of the company or that the bills are not correctly made up. The case rests solely on the actions of the company in its billing after it took over the account.
9. I take into account that the customer received a letter telling him that he did not have to do anything after the company took over his account from the third party during the migration of business accounts. However, I do not accept that this would include the natural expectation of a service provider to receive payments. I consider that the company taking over the account did not have any bearing on the cessation of the direct debit, that is, as the direct debit was only set up for 12 months it would have stopped in any case and would have needed to be reinstated. I am not persuaded that there was no onus on the customer to check that he was paying the appropriate amounts, especially as the time period after the direct debit stopped was 2016.
10. The customer has not directed me to any guidance or legislation upon which he seeks to rely for his claim regarding the actions of the company in relation to billing. I have looked carefully at the guidance and the legislation. I can find no support on the evidence, in guidance or in legislation, for the customer's case that the company has failed in its actions regarding his billing.
11. I anticipate that the customer will be disappointed at this outcome, especially as he had had his expectations set on the agreement that he thought had been struck when he paid the sum of £800.00 to the company. However, I must make a judgement according to the evidence and the legal obligations of the company and in this regard I cannot find that it has failed in its service.
12. It follows that I do not find that the company failed to provide its services to the customer to the standard to be reasonably expected by the average person.

Outcome

The company does not need to take any further action.

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What happens next?

- This adjudication decision is final and cannot be appealed or amended.
 - The customer must reply by 17 April 2019 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.
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A handwritten signature in cursive script, reading "J J Higgins". The signature is written in black ink on a light green rectangular background.

J J Higgins Barrister, ACI Arb.

Adjudicator

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