

WATRS

Water Redress Scheme

ADJUDICATOR'S DECISION SUMMARY

Adjudication Reference: WAT/ /1350

Date of Decision: 24 April 2019

Complaint

The customer submits the company failed to set up his direct debit correctly, resulting in a missed payment that negatively affected his credit score. This impacted his finances and caused distress and inconvenience. He claims compensation in the sum of £1000.00.

Defence

The company denies liability. It accepts it failed to collect a payment from the customer. However, it resolved this by removing the negative credit entry and providing a £30.00 credit as a goodwill gesture. It asserts the customer's claim is excessive and unsubstantiated.

Findings

The company failed to provide its services to the standard to be reasonably expected. However, the customer has not justified his claim for compensation.

Outcome

The company does not need to take any further action.

The customer must reply by 23 May 2019 to accept or reject this decision.

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Date of Decision: 24 April 2019

Party Details

Customers: []

Company: []

Case Outline

The customer's complaint is that:

- In November 2015 he set up a direct debit with the company.
- He understood this would cover the payment due at the time of £62.70 and also future payments. However, the company did not take the first payment of £62.70.
- He was unaware this payment remained due until September 2018 when his credit card was declined and his credit limit reduced.
- He was put to time and trouble investigating what had happened and he was unable to use his credit card until the issue was resolved.
- The company has accepted its error and paid him £30.00 as a goodwill gesture; however, he claims compensation in the sum of £1000.00.
- In comments on the company's defence the customer reiterates his claim.

The company's response is that:

- On 12 November 2015 it sent the customer a bill in the sum of £62.70.
- On 22 November 2015 the customer set up a direct debit online. Due to an error the direct debit was set up to collect future payments but not the outstanding payment of £62.70.

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- Each bill it issued to the customer showed the amount of £62.70 remained outstanding from 26 November 2015. Each bill also stated that billing information would be shared with credit reference agencies. It also tried contacting the customer twice about the overdue payment to no avail.
- The customer contacted it on 1 October 2018. On 5 October 2018 it took action to remove the late payment marker from the customer's credit file. It also credited the customer's account with £30.00 as a goodwill gesture. It later provided a further credit of £62.70.
- The customer's claim of £1000.00 is excessive and unsubstantiated. It is the customer's responsibility to check his bills and ensure his account is in order.
- It accepts a system error resulted in the £62.70 not being collected. It rectified this by removing the late payment marker. It is not responsible for any other losses.

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.

How was this decision reached?

1. The company accepts a system error meant it failed to collect a payment owed by the customer in November 2015. I therefore find the company failed to provide its services to the standard to be reasonably expected.
2. Once the customer brought this error to the company's attention I note it acted quickly to remove the late payment marker from the customer's credit file. It also provided a credit of £30.00 as a

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goodwill gesture. After further correspondence, the company provided an additional credit of £62.70.

3. The customer asserts this is insufficient compensation for the distress and inconvenience he suffered. I must therefore consider whether any further compensation is due.
4. I am mindful that a customer should take reasonable steps to mitigate any losses suffered. Although the customer understood he had set up a direct debit for all payments, I find it is clear on subsequent bills that a payment of £62.70 remained outstanding from November 2015. I consider it would have been reasonable for the customer to query this with the company and, had he done so, I am satisfied he would have avoided the problems he experienced in 2018. Bearing this in mind and, noting the company quickly rectified the problem when brought to its attention, I find it neither fair nor reasonable to hold the company responsible for the distress the customer suffered. Consequently, I find the customer's claim for compensation is unable to succeed.

Outcome

The company does not need to take any further action.

What happens next?

- This adjudication decision is final and cannot be appealed or amended.
- The customer must reply by 23 May 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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Justine Mensa-Bonsu, LLB (Hons), PGDL (BVC)

Adjudicator

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