

SPSO decision report

Case: 201104291, Business Stream Ltd
Sector: Scottish Government and devolved administration
Subject: incorrect billing
Outcome: some upheld, recommendations

Summary

Following a leak in 2010, Mr C discovered that his business premises shared a water meter with a neighbouring property. His business had been charged for the water supply to both businesses for several years without his knowledge. Once the situation was brought to Business Stream's attention, they offered Mr C a credit amount. He complained, however, that the amount was not adequate and that he should receive a refund of 50 percent of the water charges over an eight year period. Mr C raised further concerns about Business Stream's handling of his complaint and the fact that he was charged recovery fees and pursued for outstanding payments when his account was supposed to be on hold while his complaint was investigated.

Our investigation found that, generally, it is the property owner's responsibility to familiarise themselves with the pipe and water meter infrastructure supplying their premises. However, the evidence submitted to us showed that Mr C had specifically asked in 2006 whether his meter was serving two properties. Scottish Water inspected the meter and advised that it only served his property and we considered it reasonable for Mr C to accept this advice at face value. We did not find it appropriate for Mr C to be affected financially by Scottish Water's inaccurate information.

Although the meter was serving two properties, we did not consider that it was necessarily the case that both businesses would use the same amount of water. As such, we did not consider a 50 percent refund of all water charges to be appropriate. Mr C's meter was split in 2010 and accurate readings were available to assess his typical daily usage. When calculating the credit offered to Mr C, Business Stream applied the recalculated typical daily usage back to the date his account was created. We found this to be an appropriate gesture.

We did, however, find that Business Stream inappropriately continued to issue reminder invoices and late-payment fees to Mr C when his account should have been suspended. We were also critical of them for initially misunderstanding Mr C's complaint, and contributing to a delay in the matter being resolved.

Recommendations

We recommended that Business Stream Ltd:

- pay Mr C £40, in line with their service standards, for the delay to his complaint being resolved and the failure to issue a final response; and
- apologise to Mr C for the issues highlighted in our investigation.