

## SPSO decision report

**Case:** 201200127, Business Stream  
**Sector:** water  
**Subject:** leakage  
**Outcome:** upheld, recommendations

### Summary

Business Stream issued a large water bill to Ms C in 2011. Her bills were normally around one-tenth of the amount for which she was billed, so she queried the amount with Business Stream. They advised her to look for a leak on her premises, which she did, but no leak was found. Ms C's plumber later found a leak on pipework outside her business premises.

Ms C felt that she was unfairly being held liable for the charges associated with the leak. She complained that she did not use the water that had caused her meter readings to run high and felt that she should not have to check and maintain Business Stream's equipment. She acknowledged that Business Stream had applied a credit to her account, but did not consider that this went far enough to reduce the amount owed.

We found that the leak was located on pipework for which Scottish Water were responsible. Their leakage allowance policy says that, under such circumstances, the customer should receive a credit equal to 100 percent of the difference between their average daily usage before the leak and their average daily usage during the period of the leak. The allowance is only paid over a period of six months, which they say should be ample time to detect and repair a leak.

The leakage allowance was applied to Ms C's account for the six months before the leak was identified and repaired. Business Stream also acknowledged that they failed to read her meter over a twelve month period, and offered a further credit of 50 percent of her water charges in light of this.

Our investigation found that, had Ms C's meter been read in line with Business Stream's normal procedures, the leak would have been identified and the leakage allowance would have covered the entire period of the leak. We agreed that Ms C was being unfairly financially penalised by Business Stream's failure to carry out their routine meter read and upheld her complaint.

### Recommendations

We recommended that Business Stream:

- review Ms C's case with a view to applying an extended leakage allowance to reflect the impact of their failure to read her meter.