

## SPSO decision report

**Case:** 201202871, Business Stream  
**Sector:** water  
**Subject:** charging method / calculation  
**Outcome:** upheld, recommendations

### Summary

Ms C owns a property, which is sub-divided into eight units that she rents out individually to small businesses. Each unit has access to a shared kitchen and bathroom, the only sources of water in the building. To take advantage of a government small business bonus relief scheme, each unit has been assessed separately by the Scottish Assessor, giving each its own rateable value. Ms C has an account with Business Stream to pay for water used at the property. She complained that each business renting her units was being charged individually for water services at a disproportionately high rate, despite there only being a single water supply. She asked for a water meter to be installed so that she could be charged for the single supply and divide the costs between her tenants, but this was refused.

Due to the way that the property is divided, Scottish Water advised that a bulk meter would be required to measure the amount of water used. They said that they no longer install bulk meters. Instead, volumetric water charges were estimated for each unit based on their rateable values. As each unit had its own rateable value and no water meter, Business Stream's policy required that full fixed charges for waste water and drainage were applied to each unit. This meant that around £2,000 of fixed charges would be applied annually for the property, rather than around £275 had a meter been installed.

We upheld Ms C's complaint. Although we were satisfied that Business Stream had charged the units for water in line with their policy, we found that Scottish Water were, in fact, able to install bulk meters in certain circumstances and this had not been adequately explored. We also found Business Stream's customer service to have been poor when investigating Ms C's complaints.

### Recommendations

We recommended that Business Stream:

- and Scottish Water jointly consider installing a bulk meter at the property;
- consider discounting the units' water accounts to show only one set of fixed charges for the water supply from the date of Scottish Water's refusal to install a bulk meter; and
- apologise to Ms C for the poor service that she received when attempting to change her billing arrangements.