

SPSO decision report

Case: 201204511, Business Stream
Sector: water
Subject: charging method / calculation
Outcome: upheld, recommendations

Summary

Mr C complained that in March 2012 his business unexpectedly received water bills for more than £2,000. He had understood that the business's water usage was paid for through his service contract with the landlord. However, Business Stream confirmed that in March 2011 his premises had been identified as a gap site (a site that has never been billed for water). Mr C applied for reassessment of his business's water charges so that they would be estimated based on the number of staff and facilities in the building, rather than its rateable value. His bills then reduced significantly, but he complained that Business Stream refused to backdate the reassessed rate. He felt that this should be done, saying that Business Stream's failure to contact him between March 2011 and March 2012 prevented him from applying for reassessment earlier.

We found that there had been a delay of around seven months before Mr C's premises were confirmed as a gap site. At that stage, Scottish Water should have issued a letter to advise the occupant that a water account should be set up with a licensed provider so that water services could be paid for. Although we were told that a letter was sent to the premises, we were provided with no clear evidence of this. We noted that the building had multiple occupants and that the letter may not have reached Mr C's business.

There was also a significant delay between Business Stream being made aware of the gap site and their taking action to start charging for water services. Mr C, however, also had a responsibility to advise a licensed provider that his business was in the premises and to commence paying for water services, but had made no such contact. Although we concluded that Mr C and Business Stream had a shared responsibility to make arrangements to set up a water account, we recognised that Mr C had clearly been prevented from applying for reassessment because of Business Stream's delay. During our investigation, Business Stream accepted this and offered Mr C an ex-gratia credit to his account, which we considered to be reasonable.

Recommendations

We recommended that Business Stream:

- apologise to Mr C for the delay in setting up his account and notifying him of the water charges accrued by his business.