

SPSO decision report

Case: 201300100, Business Stream
Sector: water
Subject: charging method / calculation
Outcome: some upheld, recommendations

Summary

Mr C's business occupied premises in a large office building. His office did not have its own water supply, but had access to the building's communal water facilities. In January 2013, Business Stream contacted Mr C and told him that he was liable for drainage charges accrued over five years. Mr C did not feel that his business should be liable for these charges, as his occupancy was agreed under a license with the property owner rather than a tenancy agreement. He said his office was not directly connected to a water supply and the terms of his license placed full responsibility for the building's fixtures and fittings on the licensor. Mr C also raised concerns about Business Stream's handling of his complaints.

Mr C had questioned whether his premises were 'eligible premises' as defined by the Water Services etc (Scotland) Act 2005. This defines premises that are eligible for water and drainage charges as those that are (or are to be) connected to the public water and sewerage systems. Although it is not for us to interpret this legislation, we investigated whether Business Stream gave proper consideration to relevant factors when reaching their decision. We found that they were obliged to set up their charges in accordance with the market code (which sets out the duties of participants in the water market, and provides technical specifications). Business Stream's treatment of Mr C's premises as an 'eligible premises' was in line with the code, which in turn was based on the legislation.

Mr C felt that all water and drainage charges for his premises should be charged to the property owner (licensor) rather than him, given his status as a licensee. Again, it was not for us to determine what status Mr C's license gave him, or what difference this might make in terms of who should be liable for charges. However, we were satisfied that Business Stream made appropriate enquiries to establish who should be charged, and reached a reasonable conclusion based on the information provided to them.

We were critical that Business Stream did not clearly explain to Mr C the reasoning behind their decision to charge his business for drainage, but we found that they responded to all of his correspondence in good time.

Recommendations

We recommended that Business Stream:

- take steps to improve the level of detail in their customer correspondence so that full explanations are given as to the reasoning behind their decisions; and
- apologise to Mr C for their failure to properly explain the reasoning behind charging him for drainage.