

SPSO decision report

Case: 201605481, Business Stream
Sector: water
Subject: communication / consultation
Outcome: upheld, recommendations

Summary

Miss C, a utilities consultant, complained about Business Stream on behalf of her clients, a trust. Miss C told us that she had recently requested that the trust's water accounts be transferred to another supplier. She said that Business Stream had initially blocked this request, as the trust had entered a contract with them until 2018.

Miss C then contacted Business Stream to ask about the contract and any exit fees and was told that there was no record of a contract, so no fees would apply. She then reapplied for the transfer and the accounts were moved to another supplier.

Business Stream contacted the trust shortly afterwards, once again confirming that a contract had been in place and requesting payment for exit fees incurred as a result of breaking the contract. Miss C then submitted a complaint about the miscommunication, requesting that the fees were written off. Business Stream accepted that they had failed in their communication and apologised. However, they refused to write off the fees as they had supplied the trust with copies of the contract before the accounts were transferred.

On investigation, we found that Business Stream had incorrectly told Miss C that there was no contract in place on more than one occasion. The reason given to Miss C for this was that staff in the customer service team were not able to access a copy of the contract, as this was stored on a part of the system reserved for account managers.

We found that all staff should still have been able to confirm the existence of the contract by referencing discounts showing on any of the trust's invoices. Despite this, we also considered that Business Stream should have done more to ensure that their systems made clear to staff when a contract was in place. For these reasons, we upheld the complaint.

However, we confirmed that Business Stream had provided the trust with copies of the contract before the contract began, and after Miss C first requested that the accounts be transferred. The contract clearly explained its term and the fees that would apply if the customer exited before this period had expired. We therefore considered that it was reasonable for Business Stream to expect the trust to pay the fees.

Recommendations

We recommended that Business Stream:

- alter their systems or procedures to ensure that the existence of any contract is clearly indicated in a way that is immediately obvious to all staff.