

Case 201300283: Business Stream

Summary of Investigation

Category

Water Billing and Charging: Incorrect billing

Overview

The complainant, who is a chartered surveyor (Mr C), raised a number of complaints against Business Stream on behalf of his client, Forestry Commission Scotland (FCS). He alleged that a secondary water meter had been installed on FCS's private water supply pipe and that water had been charged for twice. He also complained about the way in which his subsequent complaint was handled.

Specific complaints and conclusions

The complaints which have been investigated are that Business Stream:

- (a) unreasonably installed a secondary water meter on FCS's water supply (*upheld*); and
- (b) failed to handle Mr C's complaint appropriately (*upheld*).

Redress and recommendations

The Ombudsman recommends that Business Stream:

- | | <i>Completion date</i> |
|--|------------------------|
| (i) make a full and sincere apology to Mr C (and his client) for their failures in this matter; | 20 January 2014 |
| (ii) reimburse FCS's fees (subject to proper invoices being presented) for the work Mr C did for them after 12 July 2012 (until November 16) when it was known that there was a second meter attached to their water pipe; | 20 January 2014 |
| (iii) formally apologise to Mr C for the delay in dealing with his complaint and for the confusion and inconvenience caused; and | 20 January 2014 |
| (iv) conduct an independent audit of the complaints process and how it is being applied. | 19 June 2014 |

Business Stream have accepted the recommendations and will act on them accordingly.

Main Investigation Report

Introduction

1. Mr C said that a number of years ago, with permission, Forestry Commission Scotland (FCS) installed a water pipe to connect with Scottish Water's main supply. He explained that the pipe remained within FCS ownership although Business Stream charged for the water it supplied. However, Mr C said, without the permission of FCS, a meter had been attached to the supply pipe for premises (the Property) at location K. This was despite the fact that a private arrangement for water already existed between FCS and the owner of the property concerned.

2. On 21 May 2012, Mr C emailed Business Stream with his concerns and he attached copies of the Property's recent invoices from them. A reply was received from Business Stream's Public Sector Team (the Public Sector Team) on 24 May 2012, saying that the matter was being investigated and that Scottish Water had been asked to look into the question of the meter.

3. As Mr C heard nothing further, he wrote again to the Public Sector Team on 20 September 2012, saying that he was disappointed that the matter was taking so long to resolve. However, this received a response from Business Stream declining to correspond with Mr C on grounds of data protection. On 1 October 2012, Mr C replied saying that he was now making a formal complaint. He repeated his concerns and asked why no satisfactory action had been taken on the matters he had raised in May 2012.

4. A further message was sent by Customer Relations on 11 October 2012, repeating that they were unable to discuss the Property's account without authority but that with regard to the water supply being shared, they had asked Scottish Water to investigate and that a response from them would take about 30 days. The next day Mr C wrote, saying that Business Stream's understanding of the facts was incorrect and he expressed his exasperation that things were taking so long, particularly in view of the fact that he had first raised his concerns in May 2012. In reply, Customer Relations said that the matter was under investigation and a response would be sent to the Property's account holder. Mr C immediately replied emphasising that his concerns were about FCS and on 31 October 2012 he was told that the Supply Point Identification Number (SPID) for the Property had been removed and the account closed.

Subsequently, the owner of the Property was credited for the money she had paid.

5. Mr C was aggrieved and frustrated because he felt that Business Stream failed to engage with him properly about the complaint and took too long to determine it. He said that despite the damage and cost caused to his client and their property, they failed to apologise.

6. The complaints from Mr C which I have investigated are that Business Stream:

- (a) unreasonably installed a secondary water meter on FCS's water supply; and
- (b) failed to handle Mr C's complaint appropriately.

Investigation

7. As part of this investigation all the information provided by Mr C and by Business Stream (including all the complaints correspondence, relevant notes from Business Stream's computerised records and relevant invoices) has been given careful consideration. Enquiries were made of Business Stream and the information obtained then has also been taken into account.

8. While this report does not include every detail investigated, I am satisfied that no matter of significance has been overlooked. Mr C and Business Stream were given an opportunity to comment on a draft of this report.

(a) Business Stream unreasonably installed a secondary water meter on FCS's water supply

9. Mr C said he wrote to Business Stream on 21 May 2012 telling them that he was acting on behalf of FCS and that sometime previously, with Scottish Water's consent, FCS had installed a new water pipe running from location A to location B, where it connected them to Scottish Water's main and where FCS had a water meter. Mr C said that he had been asked to investigate whether payments were being invoiced correctly because, although FCS were being charged by Business Stream for all the water running through the pipe, the owner of the Property which was adjacent to the new water pipe had also been billed by Business Stream for water. He said it appeared to FCS that water was being charged for twice, as FCS had a private arrangement with the owner of the Property to supply water. Copies of the Property owner's water bills were enclosed and Business Stream were asked to investigate.

10. The Public Sector Team replied to Mr C on 24 May 2012 confirming that they were investigating and saying that they would involve Scottish Water to verify what the FCS water meter was serving. Mr C was advised that Scottish Water were expected to visit the site within two weeks, after which the Public Sector Team would get back to him. Mr C did not hear further and, accordingly, sent a reminder on 26 June 2012. On 5 July 2012 the Public Sector Team responded saying that Scottish Water had visited the site a number of times but had been unable to gain access to the Property involved. They said that as soon as the job was completed they would make contact with FCS's agents.

11. On 17 August 2012, Mr C wrote to the Public Sector Team again asking for an update. He enclosed a plan detailing the location of FCS's pipe and also identified the location of the Property which was also being charged for water (from the supply for which FCS paid). Mr C said there was, therefore, an element of double charging.

12. Mr C emailed the Public Sector Team on 20 September 2012. He attached various invoices with which the owner of the Property had provided him and he referred to a telephone conversation of 30 August 2012 (see paragraph 18), when he said he had been told that there was another meter fixed to the water pipe. He said that now that Business Stream had acknowledged this, he would be grateful if matters could be resolved. Amongst other things, he expressed his disappointment that although he first raised the issue in May 2012, it was continuing. He said this was unsatisfactory and wished his email to be forwarded to the Customer Services (*sic*) for them to respond.

13. Business Stream emailed Mr C on 25 September 2012. They said that due to Data Protection legislation they were unable to respond to him about bills for the Property without a letter of authority. Mr C replied on 1 October 2012. He emphasised that the matter concerned a formal complaint and that the Property had been charged for water that belonged to his client. His client's water pipe had also been damaged. He asked when it was intended to resolve the matter which had first been raised in May 2012. He wanted an explanation for the delay.

14. In the absence of a reply, Mr C wrote again on 10 October 2012. Customer Relations responded on 11 October 2012. They reiterated that they

were unable to discuss the Property's account with him without authority and said that they had asked Scottish Water to investigate the situation regarding the shared water supply. Mr C was advised that this would take about 30 days. Mr C immediately wrote back telling Customer Relations that their understanding of the facts was incorrect and that the water supply was not shared; he repeated that a connection had been made to his clients water pipe without permission and that he was not happy that a further 30 days was required to resolve a problem that was first reported in May 2012.

15. On 15 October 2012, Customer Relations once more told Mr C that the matter was under investigation and that the outcome would be reported to the Property owner and that they would need her authority to correspond with him. Mr C quickly replied expressing his frustration and emphasising that, for the avoidance of doubt, the matter concerned FCS and the damage caused to their property. Customer Relations replied saying they were not in a position to respond until Scottish Water reverted back to them and that they had another 20 days to reply. Mr C replied saying that as his complaint had first been made in May 2012 why had it not then be replied to within the timescales Business Stream were now stating.

16. Customer Relations confirmed on 31 October 2012 that the meter with the numbered Identification (SPID) (see paragraph 4) had been removed and that the account had been closed. This was followed by confirmation on 16 November 2012 that a refund had been authorised to the Property's account. The message ended, 'I trust this meets with your satisfaction and would like to apologise for the delay in processing'.

17. Mr C said that he was not satisfied at all. He was of the view that the situation had taken far too long to be concluded and that he was left totally frustrated, feeling that Business Stream could not care less about his complaint. He said they never apologised for the inconvenience, damage and expense (by way of his fee) caused to his client and that even when they accepted that a mistake had occurred they 'did everything in their own time, without telling anyone ...'

(a) Conclusion

18. During the investigation information was obtained from Business Stream which confirmed that on 11 November 2011 a meter had been installed and that, after that, the Property owner had been charged on metered charges.

They said they had no details regarding the installation of the meter or whether permission had been sought. In connection with this, Business Stream's internal computerised records noted that there had been an emailed exchange with Mr C on 30 August 2012. This stated amongst other things that there had been a 'Failure detail' and that although the case was 'completed for the enquiry and passed to the relationship manager with details, the customer was not informed'. It was noted that Mr C had now been advised of the outcome of Scottish Water's enquiries and that actions would be taken 'to sort out the account for his enquiry'. With regard to this, other documentation provided during the course of the investigation showed that Scottish Water had made a site visit on 12 July 2012 and confirmed that there were two meters present on the water pipe; one appeared to have a SPID (which would be removed) and the other was referred to as 'not being connected to Scottish Water pipework'. This information was not given to Mr C until 30 August 2012.

19. It would appear, therefore, that Business Stream were charging on a meter fixed to FCS pipework from November 2011 and that this was confirmed to them in July 2012. However, Mr C was not told about this until the end of August 2012. At that time, he was told that action would be taken to sort out the account but it was not until mid-November 2012 that matters were finally resolved. In the meantime, despite information given to them in July 2012, Business Stream again asked Scottish Water to investigate the situation in October 2012.

20. Despite the specific nature of the complaint, Business Stream did not confirm or deny to this office (or to Mr C, see paragraph 18) that an unauthorised meter had been attached to FCS's pipework. Business Stream responded to the effect that Scottish Water had confirmed to them that 'the second meter was not connected to their (ie, Scottish Water's) pipework'. They made no reference to the meter with SPID, which was eventually removed, and in relation to which money was reimbursed to the Property owner for associated invoices which had been paid. They told my complaints reviewer that they had 'no details regarding the installation of this meter and whether permission was sought'. Notwithstanding, it would appear that they had billed (and continued to bill) the owner of the Property for water recorded by this meter, despite the fact that they were already charging FCS for the water provided to them through their own water pipe and despite the fact that Mr C brought this matter to their attention in May 2012.

21. While it is unclear how the meter became to be attached to FCS's pipe line and on whose instructions, the meter concerned had SPID and Business Stream used it for billing purposes. There is no doubt that two meters were attached to the pipe concerned, only one of which was FCS's and the other likely to be owned by Scottish Water (given the identification number and Business Stream's confirmation on commenting on a draft of this report that meters are installed and owned by Scottish Water). In the circumstances, and given the information available to them, it was insufficient for Business Stream to respond to this office saying that they knew nothing about the installation of the meter or whether permission had been sought to install it when it was clear that a meter had been installed and they had billed on the basis of it.

22. In these circumstances, I uphold the complaint. Business Stream should make a full and sincere apology to Mr C (and his client) for their failures. There has been unnecessary and protracted correspondence and Business Stream dissembled rather than provide Mr C with a clear answer to his concerns. Further, although it was undoubtedly FCS's decision to appoint Mr C to deal with this matter, an apology on its own is an inadequate remedy for the complaint, given that this was essentially a straightforward matter to deal with. Business Stream should also reimburse FCS's fees (subject to proper invoices being presented) for the work Mr C carried out for them after 12 July 2012 (until 16 November 2012), when it was known that there was a second meter attached to their water pipe.

(a) *Recommendations*

23. I recommend that Business Stream:	<i>Completion date</i>
(i) make a full and sincere apology to Mr C (and his client) for their failures in this matter; and	20 January 2014
(ii) reimburse FCS's fees (subject to proper invoices being presented) for the work Mr C did for them after 12 July 2012 (until November 16) when it was known that there was a second meter attached to their water pipe.	20 January 2014

(b) Business Stream failed to handle Mr C's complaint appropriately

24. The events concerning this complaint are the same as those in complaint (a) above. Mr C was aggrieved that it took from May 2012 until November 2012 to resolve his complaint. When my complaints reviewer contacted Business Stream about this, they replied that, 'It is evident that Business Stream failed to

deal with this matter despite Scottish Water confirming in July 2012 that this meter was not connected to Scottish Water pipework. Business Stream would wish to apologise for this lack of action'. They added that they could not explain the reasons for the delay, other than to say that it should have been dealt with once it was established that they should not have been charging the Property owner for water. Business Stream also said that they had taken the matter further and they were using a new system to ensure that 'such work in the future should be allocated to a specific person to deal with timeously and negate the need for work to be passed around a number of different people'.

(b) Conclusion

25. Notwithstanding Business Stream's acceptance that this took too long to deal with, I remain concerned that they failed to understand the nature of the complaint made to them, despite Mr C's repeated efforts to make it clear that his concerns were on behalf of his client, FCS. He supplied invoices for the Property in support of his contention that water paid for by FCS was being paid for twice and that an unauthorised meter had been attached to FCS pipework. Yet this was understood by Business Stream to be that he wished primarily to concern himself with the Property owner's account, even though Mr C clarified the precise nature of his complaint on behalf of FCS and questioned the time being taken to deal with it. Business Stream's response was to say that they could not discuss the matter with him because of Data Protection legislation and advise that they had reverted back to Scottish Water to ask them to investigate the 'shared water supply'. This was despite the fact that it was already known (in July 2012) that a meter had been fixed to FCS's water pipe without their permission and that, throughout, Mr C had maintained that the water provided by the FCS pipe was paid for by them. Mr C was still required to reiterate the nature of his complaint throughout October 2012 and I can readily understand his frustration with the delay and obfuscation. I uphold the complaint.

26. Business Stream should formally apologise to Mr C for the delay in dealing with his complaint and for the confusion and inconvenience caused. While I note that they say new procedures have been put in place which should prevent a similar occurrence, no reference is made to the culture of the staff concerned and their relationship with the public. In this case there was a tendency not to listen to what the complainant was actually saying and to provide a clear and direct response to questions asked. This also applied to their responses to this office with a reliance on the use of internal jargon (see paragraph 18). Business

Stream should, therefore, conduct an independent audit of the complaints process and how it is being applied.

(b) Recommendations

	<i>Completion date</i>
27. I recommend that Business Stream:	
(i) formally apologise to Mr C for the delay in dealing with his complaint and for the confusion and inconvenience caused; and	20 January 2014
(ii) conduct an independent audit of the complaints process and how it is being applied.	19 June 2014

28. Business Stream have accepted the recommendations and will act on them accordingly. The Ombudsman asks that Business Stream notify him when the recommendations have been implemented.

Explanation of abbreviations used

Mr C	tThe complainant
FCS	Forestry Commission Scotland
The Property	a property adjacent to FCS's water pipe line
The Public Sector Team	Business Stream's Public Sector Team
SPID	Supply Point Identification Number