

**SCOTTISH
PUBLIC
SERVICES
OMBUDSMAN**



People Centred | Improvement Focused

The Scottish Public Services Ombudsman Act 2002

Investigation Report

UNDER SECTION 15(1)(a)

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Case ref: 201908445, Water Plus Select Ltd

Sector: Water

Subject: Billing and charging / Incorrect billing

Summary

C complained about the water provider for their business, Water Plus. Their complaints fell into three main categories - that Water Plus had failed to accurately bill them for water; that Water Plus had failed to reasonably communicate with them; and that Water Plus had failed to reasonably handle their subsequent complaints about these matters.

On investigation, we faced significant difficulties accessing Water Plus's records, with Water Plus either being unable or unwilling to provide us with the information we requested. However, the evidence we received from the complainant was sufficient for us to reach clear conclusions that failings had occurred in a number of areas. In particular, there was significant confusion and mishandling within Water Plus's billing system and it was not possible to conclude that this was fit for purpose for Scottish Customers.

We also found that Water Plus were using a number of third party organisations to provide aspects of their service to customers, but were unable to clearly explain the structure of the relationship with these third parties and this had introduced considerable additional confusion into the process.

Lastly, we considered it clear that Water Plus had failed to fully investigate all of the issues C had raised and their record-keeping of their complaints investigation was incomplete.

On the basis of these points, we upheld all of C's complaints.

Redress and Recommendations

What we are asking Water Plus to do for C:

Complaint number	What we found	What the organisation should do	What we need to see
(a)	Water Plus failed to bill C reasonably or accurately for their water services.	Apologise to C for failing to bill C reasonably or accurately. The apology should meet the standards set out in the SPSO guidelines on apology available at www.spsso.org.uk/information-leaflets	A copy of, or evidence of the apology. By: One month from the date of the final report
(b)	Water Plus failed to handle C's complaints reasonably.	Apologise to C for failing to handle their complaints reasonably. The apology should meet the standards set out in the SPSO guidelines on apology available at www.spsso.org.uk/information-leaflets	A copy of, or evidence of the apology. By: One month from the date of the final report.

We are asking Water Plus to improve the way they do things:

Complaint number	What we found	Outcome needed	What we need to see
(a)	It was not possible to be confident that Water Plus had a billing system that was fit for purpose for Scottish customers	Water Plus should arrange for an independent audit of its billing processes for the Scottish Market, including a review of the integration of their Scottish billing system into the wider Water Plus billing system.	A copy of the audit findings, which should evidence sufficient depth to reflect the overall Scottish customer base and any actions taken, or to be taken in this respect. By: within six months of the date of the final report.
(a)	Water Plus failed to explain the nature of their relationship with their partner organisations, or whether delays in payments being processed had been fully investigated.	Water Plus should be able to provide anyone with a clear explanation of their organisational structure and should publish details on their website, setting out clearly what operations are performed by partner organisations.	A clear explanation of Water Plus's structure and relationships with partner organisations. By: within three months of the date of the final report.

We are asking Water Plus to improve their complaints handling:

Complaint number	What we found	Outcome needed	What we need to see
(b)	Water Plus failed to investigate fully all the issues raised by C's complaint and the complaint file appears to be incomplete.	Water plus should have a complaints handling process that is fit for purpose.	<p>Evidence that an audit or assessment has been made of current complaints handling systems and an action plan implemented to address any findings, including appropriate training for all staff involved.</p> <p>By: Within six months of the date of the final report.</p>

Who we are

The Scottish Public Services Ombudsman (SPSO) investigates complaints about organisations providing public services in Scotland. We are the final stage for handling complaints about the National Health Service, councils, housing associations, prisons, the Scottish Government and its agencies and departments, the Scottish Parliamentary Corporate Body, water and sewerage providers, colleges and universities and most Scottish public authorities. We normally consider complaints only after they have been through the complaints procedure of the organisation concerned. Our service is independent, impartial and free. We aim not only to provide justice for the individual, but also to share the learning from our work in order to improve the delivery of public services in Scotland.

The role of the SPSO is set out in the Scottish Public Services Ombudsman Act 2002, and this report is published in terms of section 15(1) of the Act. The Act says that, generally, reports of investigations should not name or identify individuals, so in the report the complainant is referred to as C.

Introduction

1. C complained to my office about a failure by Water Plus to provide accurate bills, allow them to close their account or handle their complaints reasonably. The complaints from C I have investigated are that:

- (a) Water Plus unreasonably failed to bill C accurately (*upheld*);
- (b) Water Plus failed to communicate with C reasonably (*upheld*); and
- (c) Water Plus failed to handle C's complaint reasonably (*upheld*).

Investigation

2. In order to investigate C's complaint, my complaints reviewer made a number of enquiries of Water Plus on my behalf. Water Plus were unable or unwilling to provide the SPSO with the information requested. This added significantly to the timescale for the investigation.

3. Water Plus appeared to be unaware of their obligations as a Licensed Provider of water in Scotland, and the information that was provided was incomplete. It was clear from a comparison of the evidence submitted by both parties that C's records were more complete than Water Plus's for several periods covered by the investigation.

4. Although I have the legislative power to compel organisations to provide evidence, I decided not to apply these powers in this case, but proceed to issue a public report. This was because the public interest of reporting on Water Plus's failings would have been diminished by continuing to pursue provision of information that I had little confidence *could* be provided.

5. My decision is predicated on the approach that where Water Plus have failed to answer SPSO's enquiries, it is because they either do not hold the information, or are unable to provide it. I also have sufficient information from C, to enable me to make supportable findings.

6. In this case, in addition to the public interest considerations, I have decided to issue a public report on C's complaint because of the extent of the failings in customer service by Water Plus and concerns that significant issues raised by C's complaint have not been identified, or addressed.

7. This report includes the information that is required for me to explain the reasons for my decision on this case. Please note, I have not included every detail of

the information considered. My complaints reviewer and I reviewed all of the information provided during the course of the investigation. C and Water Plus were given an opportunity to comment on a draft of this report.

8. I am publishing this report alongside another report on case 201903280, also about Water Plus, which highlights significant failings of a similar nature in dealing with a customer unrelated to C.

Background

9. In February 2018, C received a quote from Water Plus for three properties of £867.34 a year for all three properties, on a two year 'tracker' contract. This included agreed costs of the contract; a wholesale charge of £669.40 and an annual fee of £197.94, giving an annual total of £867.34.

10. The switch to Water Plus took over five months. C provided emails showing that the switch should have been concluded in April 2018. However, by June 2018 C had still not had any confirmation that the account had been switched.

11. In June 2018, C emailed the sales person to ask why their switch had not taken place. From the internal correspondence that was supplied, Water Plus staff appeared to be unclear who was responsible or what to do. C was told on 22 June 2018 that the sales person might have left Water Plus. In fact they had not, but they had been on annual leave. C asked Water Plus for the details of the complaints team, but these were not provided and their case was not recorded as a complaint.

12. By 25 June 2018 C had voiced their dissatisfaction with Water Plus on social media. The internal correspondence shows some Water Plus staff wanted the case treated as a priority complaint. The main driver for this appearing to be the presence of the complaints on social media, rather than a focus on C and the issues about which they were complaining. No action was taken on C's complaint.

13. In July 2018, C was sent three bills, which were inaccurate. C contacted Water Plus on 1 August 2018 and was told that new bills would be issued. C did not receive any revised bills, and although they contacted Water Plus twice more in 2018 via the company's online complaints form, they received no substantive response. C provided the SPSO with automated responses from Water Plus, showing they had made contact using the web form.

14. Water Plus did not activate C's direct debit in 2018 and had not charged C any money for their water at this point. C said they were uncomfortable with the situation, because they did not wish to owe Water Plus money, or be suddenly presented with a large bill.

15. On 15 July 2019, C emailed Water Plus using the email address they had for the connections team. C received a response on 17 July 2019, saying the Billing department would be in contact. C did not receive any further contact and emailed the Billing department on 27 July 2019. I note that C's contacts with Water Plus were directed to staff in England, as Water Plus's staff in Scotland worked solely in sales and were unable to access Water Plus's systems. This was significant and internal correspondence indicated that Water Plus staff mentioning that they were unfamiliar with, or had not been trained to deal with, the Scottish market.

16. C then received bills on three occasions in August 2019. C believed all of these bills were inaccurate. C called Water Plus and was told the matter would be resolved. In September 2019 C wrote to Water Plus setting out a chronology of events to that point and noting that they were receiving final reminders and threats of debt collection agency action, despite being in dispute with Water Plus.

17. On 18 September 2019 Water Plus responded to C by email. They said that C's bills were accurate, although they accepted they had not billed C up to this point. I note Water Plus were continuing to contact C by telephone, although C had requested all communication to be in writing. Water Plus also refused to take the complaint at stage 2 of their process, despite a request from C that they do so.

18. Water Plus told C that they owed £1,781.94, but no explanation was given for the discrepancy between this and the sum on C's contract with Water Plus. C was told that the account had been placed on hold for two weeks, but that after this, unless it was paid, collection activity would resume.

19. C challenged this response, providing Water Plus with evidence of the original contract. C also provided evidence that they had been attempting to complain for a considerable period of time; they said it was incorrect to state Water Plus had not had the opportunity to respond to the complaint.

20. C repeatedly asked Water Plus to confirm that their complaint was being dealt with at stage 2, and that their accounts would be placed on hold while the matter was investigated. Although the contacts were acknowledged, their specific concerns were not answered.

21. Water Plus responded again on 11 November 2019. This response said :

The difference in the retail fees to the market fees which are being charged to yourself are one pence difference. This has been calculated by the contracts department and all accounts are now being billed correctly.

What happens next?

Moving forward, we have two options for yourself, first one is we can add the one pence difference to the accounts. The second options we have is we can make the change to the retail and market fees on your accounts and then we can rebill accordingly to give you correct and accurate bills. Depending which option, you would like, we can action accordingly and quickly too.

22. C asked Water Plus to confirm that the amount that was outstanding was the sum set out in C's original contract, with an increase of three pence. Water Plus did this in writing on 15 November 2019.

23. C asked Water Plus for accurate bills on 16 November 2019 and again on 1 December 2019. Water Plus responded by email on 4 December 2019. They apologised to C for the inconvenience and stress they had suffered. They said the service C had received was inadequate, and that Water Plus would provide feedback to the departments involved.

24. The response went on to say there had been a three pence discrepancy at the start of the contract, but the 2 year tracker contract would track the rateable value. Additionally Water Plus said their contract team had confirmed that usage at the properties had increased. Water Plus offered C £40 as a goodwill gesture.

25. I note C called Water Plus and asked to discuss the case with a manager. They were told they would be called back, but this did not happen. On 9 December 2019, C received three new bills, all of which referred to estimated usage, rather than rateable value, and were for a different amount to that agreed in C's 2018 contract. C informed Water Plus of this error the same day.

26. In January 2020, C continued to contact Water Plus to try and resolve the issues. C either did not receive responses to these contacts or was told that the Contract department would not speak to members of the public. C was told at this point that the issues were due to a change in the IT system used by Water Plus to generate their bills.

27. In February 2020, C contacted the Citizens Advice Bureau (CAB). The CAB wrote to Water Plus on 5 February 2020. The CAB letter noted that C had been incorrectly billed from the outset on the basis of metered charges and that C had been unable to resolve the matter despite repeated contact with Water Plus. The letter asked for Water Plus to honour the original agreement.

28. Although the letter was sent with a signed mandate from C, Water Plus's acknowledgement said they could not progress the complaint without C's agreement. There is no record that Water Plus ever responded to the CAB's letter or attempted to clarify the consent position.

29. On 1 May 2020, Water Plus wrote to C, informing them that their contract would shortly end and asking them to confirm what action they wanted to take. C wrote back saying they did not wish to renew their contract, and asked Water Plus to confirm what action they needed to take. Water Plus did not respond to this.

30. On 13 May 2020, C was given the direct contact details for a manager in Water Plus's complaints department. C wrote to them setting out a summary of their concerns, and emphasising they were happy to pay, assuming they were provided with accurate invoices. C received no response, and on 21 May 2020, C wrote to Water Plus's Chief Executive.

31. C was then contacted by Water Plus's complaints team, and assured the matter was being investigated. C received a further complaint response on 15 June 2020. This gave three new figures for the outstanding balance on each account. The total being asked for by Water Plus for the two year period was £2,217.94.

32. C wrote again to Water Plus noting this discrepancy against the contracted figure of £1,734.68. C also noted two properties with the same rateable value were being charged different amounts.

33. On 17 June 2020, Water Plus wrote to C, saying that the sums were correct. They were based on the live rateable value, which had been introduced in April 2018. Water Plus said this meant there had been a three year transition from the previous rateable values, starting in April 2018. They said they could update the value of C's property, but C would have to provide them with proof.

34. C responded to this, noting this explanation did not explain the deviation from the agreed amount in their contract. It also did not address their query over the different charges being levied for two properties with identical rateable values. C also asked Water Plus to confirm their contract would end and they would be able to switch Licensed Provider. C did not receive a response from Water Plus to this query.

(a) Water Plus unreasonably failed to bill C accurately

Concerns raised by C

35. C raised the following issues:

- i. C's water rate was solely based on rateable value. The properties were not metered. It was therefore impossible for usage to have increased as suggested by Water Plus.
- ii. The bills C had received in December 2019 were £2,000 for each property. The original contract C had entered into with Water Plus had been for £867.34 for all three properties.
- iii. C had never been issued with accurate invoices, setting out the charges for each account. Water Plus had repeatedly provided different figures, without explanation.

Water Plus's first response to the SPSO

36. Water Plus's response was as follows:

- i. They did not understand what the issues were with C's accounts. They suggested that C had not become a Water Plus customer for all the accounts at the same time, and that the issues might lie with their previous provider.
- ii. They could not comment on the set up of the contract agreement, because the member of staff involved had left Water Plus.
- iii. Their records showed that the contract had been discussed on 5 March 2018, but the contract had not been sent to C. The contract had been renegotiated in May 2018.
- iv. The accounts had been transferred in July 2018, when there were slots available in the market. The accounts were not set up correctly, which meant they could not generate invoices. C had contacted Water Plus on 10 August 2018 to settle the charges with their previous retailer, but had not contacted Water Plus again until July 2019.
- v. Water Plus said they accepted that communication had been poor, and that they had not issued C with accurate bills for their accounts.
- vi. Water Plus accepted C's bills could not be based on water usage. The employee who told them this was no longer at Water Plus.
- vii. Water Plus asked the SPSO to forward C their revised calculations for the three accounts.
- viii. Water Plus refused to provide evidence that they had provided feedback or training to their staff in light of the failings in their billing process.

- ix. Water Plus refused to provide details of its debt recovery procedures. It could not explain why C's account had only been placed on hold for two weeks at a time, although there was a facility for managers to extend this. They told us the debt recovery process was automated, and would proceed automatically, even if an account was in dispute, unless the account was manually placed on hold every two weeks. They said that because this did not always happen in C's case, the debt collection process resumed for a period of time.
- x. Water Plus refused to provide any internal correspondence about C's case or account, or their internal procedures. They cited variously, GDPR concerns, commercial confidentiality and their staff's right to privacy.

37. At this point, Water Plus were reminded of the Ombudsman's statutory powers in relation to obtaining evidence required to assist an investigation. It is concerning that Water Plus were unaware of their responsibilities as a Licensed Provider operating in the Scottish Market to comply with requests for information. The apparent lack of information also raises questions about how Water Plus were able to investigate, consider and respond to C's concerns.

38. Water Plus did then provide the SPSO with further information. This was in the form of redacted email correspondence. Although Water Plus were informed that the information should be provided in an unredacted format, they did not comply with this request.

39. Additionally, Water Plus failed to respond to a number of our questions about their organisational structure. In relation to the internal correspondence, reference was made to 'recurring issues with 3rd party companies'. This appeared to be about issues between 'Huntswood' who were involved in handling complaints and the Water Plus sales team. Water Plus were asked to explain the relationship between these two parts of their organisation, but did not do so.

40. There were also references to Water Plus's Scottish employees, including managers of Water Plus being uncertain what to do when they received a complaint. Staff appeared to have little confidence in the complaints process. Water Plus failed to answer any questions about the relationship between their Scottish team and the rest of the organisation, or why staff would have such a negative view of their internal procedures.

41. Additionally Water Plus failed to respond to questions about the relationships between the contract, sales, billing and complaints teams.

42. My investigation was hampered by a general lack of responsiveness from Water Plus, as well as the departure without notice or warning of staff who dealt with complaints. As explained in paragraph 4 above, I decided to proceed to issue this public report.

Relevant policies, procedures, legislation, etc.

43. Central Market Agency, *Market Code*.

44. Central Market Agency, *Operational Code* (hosted by Scottish Water).

45. *Water Plus Customer Service* standards, Water Plus, website [water-plus-our-promise-to-you.pdf](#)

46. *Reducing complaints and delays in the market for customers* : Water Plus, press release, December 2018

(a) Decision

47. C complained that Water Plus had failed to provide accurate bills. It is a matter of fact that Water Plus failed in this regard. Water Plus initially failed to bill C at all. It is not clear when or if this would have been noticed, had C not pursued the matter.

48. When Water Plus did respond to C, they repeatedly issued inaccurate bills, which failed to correspond to the contract C had signed with them. The reasons given to C for these failures lacked credibility, in particular by claiming that water usage had increased, despite the properties not having water meters.

49. For Water Plus to have been charging C for metered water, they would have needed to submit either actual or estimated meter readings to the Central Market Agency, as set out in the Market Code. It is a matter of fact that C had never had a meter, and that their contract was for charges based on rateable value. It should not have been possible, therefore, if Water Plus were acting in accordance with the Market and Operational Codes, for them to have issued C with bills based on meter usage, or for their staff to have told C their water usage had increased.

50. This should have been immediately apparent to Water Plus, yet no explanation has ever been provided for this error, beyond attributing it to a member of staff who had left their organisation. This raises the concern that Water Plus had not investigated, or identified why inaccurate bills were being issued. This is particularly concerning as this error occurred after C had attempted to raise the matter as a

complaint. It also calls into question how Water Plus could ensure continuity of service for customers trying to challenge their bills.

51. It is also concerning that the internal correspondence that was provided strongly suggests staff had no confidence in their organisation's processes. In some cases, staff appeared to be unaware of what they are required to do.

52. C's case is characterised by a lack of action on the part of Water Plus to resolve the case. When attempts were made to resolve the case, responses were inadequate and only served to further complicate matters.

53. Water Plus have not fully explained how C's situation arose, why they took so long to address it, or why they were unaware that they were not billing C for the water they were using. This appears to be partly down to being unable to, but I note also their refusal to answer questions about the structure of their organisation and their inaccurate claim that they were legally restricted in the information they could provide.

54. In my view, the severity of the failings and the persistent and prolonged inability of Water Plus to provide C with accurate bills, is strongly indicative of systemic problems of sufficient significance to call into question their customer service in the Scottish market and the adequacy of a fit-for-purpose complaints process, which they are required to have.

55. I uphold this complaint.

(b) Water Plus failed to communicate with C reasonably

56. C complained that the standard of Water Plus's communication had fallen consistently below a reasonable standard. I would summarise the points C raised as follows:

- i. Water Plus had failed to respond to contact from C repeatedly.
- ii. C had requested that all communication be in writing, but Water Plus had ignored this and persisted in contacting C by telephone.
- iii. C had contacted the CAB, who had written to Water Plus on 5 February 2020, setting out the complaint. Neither C, nor the CAB had ever received a response.
- iv. C had emailed the Chief Executive of Water Plus, and although this had resulted in an acknowledgement, it had not resulted in meaningful action to resolve C's

complaint. C had then written twice more to the Chief Executive, without receiving a response.

- v. Water Plus had written to C about renewing their water contract on 1 May 2020. C had responded on 4 May 2020, saying that they did not want to renew their contract, and asking how they could ensure their account was closed. C never received confirmation that their account would be closed.
- vi. C then emailed two named individuals at Water Plus on 14 August 2020, both of whom had been involved in C's complaint. C asked if they still had a contract with Water Plus. C never received a response to these emails.
- vii. C had been in correspondence with Water Plus about how they could close their accounts from 2018 until May 2021. During this period, even once Water Plus had accepted they had made errors, and had said they would close C's account, they had failed to contact C and continued to fail to respond to C's correspondence.

Water Plus's position

57. As noted earlier in this report, Water Plus's responses to my complaints reviewer were limited. They said they did accept the communication with C had been poor and that they were very sorry for this. They also accepted they had not provided C with the correct complaints procedure, signposting C to the complaints process for their English customers rather than to the SPSO.

58. Water Plus said they automatically sent a renewal letter to C, asking if they wished to renew their contract. Water Plus accepted that C had informed them immediately they did not want to renew. They said this had been acknowledged by their sales manager. C had then contacted the sales manager complaining about the service issues C had been experiencing.

59. Water Plus said that C had been told the sales manager could not deal with this and that the matter would be referred to the complaints manager. C had emailed the service manager on 14 August 2020, again complaining about service issues related to their invoices. C had also been complaining that despite contact with the Chief Executive, their issues were not being resolved.

60. In relation to their billing disputes, Water Plus said the sales manager was not able to deal with this, and their department could not respond to C's disputes, or advise customers on billing disputes. Water Plus said they had been very clear on their official contact details and C had received multiple emails from their complaints department. These had all confirmed at the bottom what the details for the

complaints team were. Water Plus told us they would not acknowledge or respond to emails sent directly to employees, unless this was pre-arranged.

61. They said there were multiple reasons for this. They told us that Water Plus do not provide “dedicated micro-management of accounts”. They said that queries had to be sent to the right account for the nature of the query. And finally, they told us that personal inboxes were not visible to other employees.

62. Water Plus said C's correspondence had not been responded to, because it was not being sent to the correct email address. Water Plus would not respond to, or acknowledge correspondence that was not provided via the official channels. Water Plus said they did not accept therefore there had been a service failure, but the correct implementation of company policy.

63. Water Plus said that C had continued to be contacted about payment on their account, because the debt collection process was triggered once 14 days had passed without payment. A reminder letter would be sent out and that a late payment fee would be charged if payment was not made within seven days. After a further seven days, the account would be referred to a debt collection agency. A debt collection agency fee would be added at this point. The collection agency would then attempt to contact the customer. This could include site visits, verbal contact or written correspondence.

64. If payment could not be agreed, then the case would be returned to Water Plus. They would proceed in one of two ways. They would disconnect the site, until payment in full was received. If disconnection was not possible, then the case would be referred to Water Plus's legal department and a legal case would be opened.

65. Water Plus said although the process was automated, they could intervene to ensure it was progressing correctly. C's account had entered the debt collection process due to the automatic triggers, but was stopped on each occasion '*at some point along the process*'. The account had been recalled, and C had not been charged late fees, or referred for disconnection.

66. Water Plus said that holds were placed on accounts to stop the debt collection process.

(b) Decision

67. Water Plus's position is that although some of their communication with C was poor, the fault, certainly from May 2020 onwards, lay with C for sending emails to the wrong email addresses, and that C should have known that Water Plus would not respond to these.

68. The evidence provided, supports the view that Water Plus's communication with C repeatedly fell below a reasonable standard. It is extremely surprising, therefore, that they claimed in response to this investigation that the fault lay in large part with C. It is clear from the evidence that C began to email individual members of Water Plus staff, because they had lost all confidence that emailing the generic complaint address would result in meaningful action (or even anything more than an automated response). Water Plus's response ignores the fact that by May 2020, C had been attempting to resolve their issues for two years.

69. Combine this with the defensive approach Water Plus have taken with the SPSO, and it is difficult not to conclude that communication is poor. The fact that a company policy was used to justify the failure to respond to C's complaints and communications, despite the fact they were clearly sent due to the frustration of not receiving any meaningful response through the normal channels, merely emphasises this. Although Water Plus said it was 'clear' that they would not respond to emails sent directly to individual members of staff, there was no evidence that any member of staff explained this to C. It seems unreasonable to me that a customer should be expected to understand communication routes if those had (apparently) never been made clear.

70. Water Plus's explanation of their debt collection approach and their communication with C about it was also surprising. Again Water Plus did not appear to question the reasonableness of pursuing payment from C, when they themselves were consistently unable to issue accurate bills.

71. Even once Water Plus had accepted that C had received an unacceptable level of customer service and communication, they continued to fail to respond to contact from C, and from my complaints reviewer.

72. I uphold this complaint.

(c) Water Plus failed to handle C's complaint reasonably

C's position

73. The chronology of C's attempts to raise a complaint with Water Plus has been set out in the Background section of this report. I will not, therefore, repeat it in detail. In summary, C complained that:

- i. They had repeatedly tried to raise a complaint with Water Plus without success.
- ii. When Water Plus did investigate C's concerns, they were unable to resolve the problems with C's accounts.

- iii. The explanations that Water Plus originally provided for the problems on C's accounts were clearly wrong, despite Water Plus claiming to have investigated the matter.
- iv. Water Plus, once they had accepted C's position, were still unable to issue accurate bills, or deliver the outcomes they had promised. C was required to repeatedly chase Water Plus, both directly and through enquiries made by this office before Water Plus delivered their proposed resolution.
- v. Even once Water Plus had agreed that C's account should be closed, they had, in 2020, activated the direct debit mandates set up in 2018 without warning or explanation.

Water Plus's position

74. Water Plus's position has in part been set out already, both in the Background section and under complaints (a) and (b). In summary their position was as follows:

- i. They could not explain the initial errors in setting up C's account.
- ii. They could not explain the incorrect bills and solutions offered initially as those staff members had left the company.
- iii. They accepted that they had handled C's case poorly.
- iv. C had contributed to the difficulties by trying to raise complaints with individual staff members and the sales department.
- v. They would not provide information about the actions they had taken to improve customer service, because this was confidential.
- vi. Water Plus failed to answer questions about the way their complaint handling function operated.

Evidence

75. *Water Plus Customer Service standards*, Water Plus, website [water-plus-our-promise-to-you.pdf](#)

76. *Reducing complaints and delays in the market for customers* : Water Plus, press release, December 2018

(c) Decision

77. Water Plus's own admissions are, in my view, sufficient to warrant upholding this complaint, but to do so in such a simplistic way would miss the multitude of individual shortcomings.

78. C first tried to raise a complaint in 2018. They provided evidence that they had used Water Plus's online contact form; they did not receive a response. It was also clear from Water Plus's internal correspondence that they were aware that C was unhappy with their account and that there was a lack of response from them.

79. Despite this, there was no evidence Water Plus did anything. I note from Water Plus's own website, that they stated in 2018 that they had carried out a major review of their complaints handling function and that it had been independently assessed. They provided no evidence in support of this case of these improvements. As detailed elsewhere in the report, Water Plus staff seemed uncertain what to do with customers from the Scottish water market. Even when some staff requested that the complaint be dealt with as a priority, no action was taken.

80. When C received a response, it was inaccurate. Water Plus have attributed the failings to individual staff errors. This is not supported by the evidence, nor has any evidence been provided to show that Water Plus have embedded any learning from C's case, or taken any action as a result; for example training or ongoing support for their staff.

81. Additionally, Water Plus continued to fail to respond to C after the SPSO began its investigation and after Water Plus had informed C that they accepted that they had failed to provide C with a reasonable standard of customer service. Water Plus continued to fail to respond to C, and failed to carry out the actions they had agreed. These were only completed after a further and unexplained delay.

82. It is extremely concerning to me that Water Plus have already apparently carried out a significant review of their complaint handling function, which was subject to independent assessment, yet continue to provide such poor complaints handling service levels, or demonstrate how they learn from complaints to address wider service issues. It is even more concerning that they failed to engage properly with my investigation, or answer direct questions about their organisational structure. It is possible, based on the evidence seen that part of the issue lies with the use of third parties working within Water Plus and how those relationships operate.

83. As matters stand, I have no confidence that Water Plus are equipped to deliver an acceptable standard of complaints handling. Although the issues C raised were

eventually resolved, this was largely due to C's persistence and tenacity. This raises a question for me about whether, and how often, other Water Plus customers simply give up.

84. I uphold this complaint.

85. In view of the significance and extent of the failings in this case and **201903280**, the recommendations in this case go beyond individual remedies for C. Although I have made recommendations which aim to address the issues experienced by C, I am also making a recommendation that Water Plus carry out an independent audit of their customer service, complaint handling and billing functions. The recommendations are consistent between the two cases as I am mindful that compliance with them will address my findings in both cases.

Recommendations

Learning from complaints

The Ombudsman expects all organisations to learn from complaints and the findings from this report should be shared throughout the organisation. The learning should be shared with those responsible for the operational delivery of the service as well as the relevant internal and external decision-makers who make up the governance arrangements for the organisation, for example elected members, audit or quality assurance committee or clinical governance team.

What we are asking Water Plus to do for C:

Complaint number	What we found	What the organisation should do	What we need to see
(a)	Water Plus failed to bill C reasonably or accurately for their water services.	Apologise to C for failing to bill C reasonably or accurately. The apology should meet the standards set out in the SPSO guidelines on apology available at www.spsso.org.uk/information-leaflets	A copy of, or evidence of the apology By: One month from the date of the final report
(b)	Water Plus failed to handle C's complaints reasonably.	Apologise to C for failing to handle their complaints reasonably. The apology should meet the standards set out in the SPSO guidelines on apology available at www.spsso.org.uk/information-leaflets	A copy of, or evidence of the apology. By: One month from the date of the final report.

We are asking Water Plus to improve the way they do things:

Complaint number	What we found	Outcome needed	What we need to see
(a)	It was not possible to be confident that Water Plus had a billing system that was fit for purpose for Scottish customers.	Water Plus should arrange for an independent audit of its billing processes for the Scottish Market, including a review of the integration of their Scottish billing system into the wider Water Plus billing system.	A copy of the audit findings, which should evidence sufficient depth to reflect the overall Scottish customer base and any actions taken, or to be taken in this respect. By: within six months of the date of the final report.
(a)	Water Plus failed to explain the nature of their relationship with their partner organisations, or whether delays in payments being processed had been fully investigated.	Water Plus should be able to provide anyone with a clear explanation of their organisational structure and should publish details on their website, setting out clearly what operations are performed by partner organisations.	A clear explanation of Water Plus's structure and relationships with partner organisations. By: within three months of the date of the final report.

We are asking Water Plus to improve their complaints handling:

Complaint number	What we found	Outcome needed	What we need to see
(b)	Water Plus failed to investigate fully all the issues raised by C's complaint and the complaint file appears to be incomplete.	Water plus should have a complaints handling process that is fit for purpose.	<p>Evidence that an audit or assessment has been made of current complaints handling systems and an action plan implemented to address any findings, including appropriate training for all staff involved.</p> <p>By: Within six months of the date of the final report.</p>

Legislation and Guidance Referred to in the report

Annex

Central Market Agency, *Market Code*.

Central Market Agency, *Operational Code (hosted by Scottish Water)*.

Water Plus Customer Service standards, Water Plus, website [water-plus-our-promise-to-you.pdf](#)

Reducing complaints and delays in the market for customers: Water Plus, press release, December 2018