

SPSO decision report

Case: 201205165, Business Stream
Sector: water
Subject: charging method / calculation
Outcome: upheld, recommendations

Summary

Mr C's business moved into their current premises in 2005, and Business Stream created a water account for them in December of that year. In 2013, Mr C noticed that his water bills had suddenly increased. He was advised to check for a leak, but none was found. Eventually, it was discovered that his premises' pipework was shared with a number of residential properties, and Business Stream's policies required that his premises be treated as 'dual use premises'. This meant that Mr C could not install a second water meter to separate his water usage from that used by the residential properties. Although Mr C did not own or manage any of the residential properties, he would be billed for the water for all the properties and would have to sub-charge the residential properties for their share of the water charges. As they were already paying for water through their council tax, it would be up to Mr C to arrange for them to cancel the water charges from their council tax and to have any amounts paid refunded to him.

We found that, historically, Mr C's premises had been part of a larger property attached to the residential properties with a shared address and rateable value. However, at the time of Mr C's water account being created, the properties had been split and the assessor had given Mr C's property its own rateable value. As such, we did not consider that his property fitted the 'dual use premises' model. We noted that Business Stream's policies did not address circumstances such as Mr C's and there was no mechanism for customers in his position to have their water meters relocated or a secondary meter fitted. We considered it unfair that the result of this was that the customer was required to make complex arrangements with unrelated residential property owners to charge for water that was already being paid for through council tax. We upheld his complaint, as we found that Business Stream and Scottish Water did not do enough to find a common sense solution to the situation to ensure that Mr C's business was charged fairly for its water consumption.

Recommendations

We recommended that Business Stream:

- and Scottish Water jointly reconsider Mr C's case to ensure that his business's billing arrangements reflect that his premises are no longer 'dual use';
- and Scottish Water reconsider their policies to allow for situations similar to Mr C's; and
- consider backdating the revised billing arrangements for Mr C's business to December 2005.