

SPSO decision report

Case: 201204561, Business Stream
Sector: water
Subject: debt recovery / payment fees
Outcome: some upheld, recommendations

Summary

Mrs C, who owns a holiday cottage, complained after Business Stream contacted her by phone about an outstanding bill for the premises. At the time she was not aware that she was obliged to pay Business Stream, as she believed she paid through her council tax for the water at the cottage. After Mrs C's MSP wrote to Business Stream on her behalf, it was established that the account had been set up with the wrong start date, and Mrs C was issued with a corrected invoice. She was then sent an invoice showing that the balance on her account had been cleared, which led her to close her account with Business Stream, and transfer to another water company. She was then sent a further invoice showing a large outstanding balance. She complained to the chief executive, who offered her a goodwill payment.

Mrs C was still unhappy and complained to us that Business Stream had unreasonably pursued her for the amount due and that they had not dealt with her in a professional way.

Our investigation found that Business Stream is legally the default supplier. This applies in all cases, including those where a business does not realise it is liable for water charges, or is operating under the belief that water charges are paid to the local authority. Mrs C had acted in good faith, but unfortunately had received inaccurate advice about water charges from her local authority, so we did not uphold this complaint. We also found, however, that the goodwill payment had not been processed. Although Business Stream did do this after we became involved, they did not apologise to Mrs C for the failure, they repeatedly issued invoices without any explanatory correspondence, and the order in which these were issued was confusing. We also found that Business Stream failed to acknowledge or apologise for the time and trouble they had caused Mrs C, and so we upheld her complaint about the way in which they dealt with her.

Recommendations

We recommended that Business Stream:

- apologise for the failings identified in our investigation;
- make a time and trouble payment; and
- ensure that, when corrections are made to customer accounts, invoices are issued with explanatory correspondence.