



Consumer Futures Unit



**Information:**

**New businesses and the  
non-domestic water market**

# STARTING A NEW BUSINESS? HAVE YOU THOUGHT ABOUT WATER AND SEWERAGE CHARGES?

## What type of charges could your business be liable for?

Scottish Water supplies water and sewerage services to households and business premises across Scotland. Retailers (also known as Licensed Providers) will bill and collect charges from customers, and pass the wholesale part of the charge to Scottish Water.

If you are starting a new business, based in non-household premises, and are considered by Scottish Water to be receiving its services, you will be liable to pay for these services through a Licensed

Provider. You will also be responsible for contacting a Licensed Provider to confirm your premises have these services. In some cases your landlord may pay water and sewerage charges on your behalf, but you should check that all charges have been paid as the responsibility for paying charges lies with you as the occupier.

Businesses may be liable for non-household roads and property drainage charges even if they do not have a water supply, for example owners of a car park which drains to a public sewer.

**“BUSINESSES MAY BE LIABLE FOR NON-HOUSEHOLD  
ROADS AND PROPERTY DRAINAGE CHARGES  
EVEN IF THEY DO NOT HAVE A WATER SUPPLY”**



## When do I have to pay charges?

Charges apply from the date you occupy or take ownership of the non-household premises, including, for example, a shop, an office or room in a house used for business (provided the room has been classed as a business by the local Assessor).

## Do I have to pay charges if I have a home-based business?

All properties are rated by the local Assessor depending on their usage:

- ▶ If the property is rated just as domestic, then water and sewerage charges are paid together with Council Tax. Water and sewerage charges will be billed alongside Council Tax.
- ▶ If the assessor rates the property as having domestic and non-domestic parts:
  - the domestic part will be billed at the same time as Council Tax.
  - the non-domestic part may be eligible for business water, sewerage and drainage charges, depending upon the services it has.
  - The business part of the property will need to register with a Licensed Provider for services.



## Are discounts and exemptions available for businesses – and in particular for small businesses?

Only registered charities and Community Amateur Sports Clubs are eligible for the Scottish Government exemption scheme, and not small businesses. In order to qualify, these organisations must apply for an exemption, and will have to meet a number of conditions relating to the nature of their activities and to their income if they are to obtain an exemption. Further information is available from the Scottish Government; ([www.gov.scot/Topics/BusinessIndustry/waterindustryscot/watercharges/exemptionscheme](http://www.gov.scot/Topics/BusinessIndustry/waterindustryscot/watercharges/exemptionscheme)), or from your Licensed Provider.

# ALREADY IN RECEIPT OF WATER AND SEWERAGE SERVICES?

If you take occupancy of a property as a tenant that is already connected to services, then your landlord should already have a Licensed Provider.

The landlord will be required to inform that Licensed Provider of the change of occupancy, provide your details and the date upon which the change of occupancy took place. You, as occupier, will become responsible for paying the bill. However, it is your decision whether to remain with this Licensed Provider, or to select a new one.

You should also be aware that if your business occupies business premises, and your landlord is liable for water and sewerage charges but does not pay for these charges you could still be liable.

If you become a new owner/ landlord, then you will be required to select a Licensed Provider. It is likely that the Licensed Provider of

the previous landlord will contact you following confirmation of the sale of the property.

If you do not contact a Licensed Provider, but continue to benefit from services, then a Deemed Contract will apply. This means that once a Licensed Provider is allocated to you, you will be required to pay charges at the Default Charge from the date upon which you became responsible for that property.

Further information about deemed contracts can be found in a leaflet produced by the Water Industry Commission for Scotland and by Citizens Advice Scotland's Consumer Futures Unit; [www.watercommission.co.uk/UserFiles/Documents/WICS\\_DeemedContract\\_WEB\\_1.pdf](http://www.watercommission.co.uk/UserFiles/Documents/WICS_DeemedContract_WEB_1.pdf)

## Are you thinking of switching provider?

There has been competition in the non-domestic water market in Scotland since 1 April 2008, and businesses may switch Licensed Providers to seek better deals.

Further information about Licensed Providers, and about how to switch to a new Licensed Provider, can be found on the Water Industry Commission for Scotland's *Scotland on Tap* website; [www.scotlandontap.gov.uk](http://www.scotlandontap.gov.uk)

## NOT HAPPY WITH YOUR SERVICE?



If you have concerns with any aspect of the service or charging you are receiving from your Licensed Provider you should, in the first instance, ask for a copy of their complaints procedure, and try and resolve the issues with the Licensed Provider. If necessary you should go through the Licensed Provider's formal complaints procedure.

If, however, you remain unhappy with the outcome of the Licensed Provider's formal complaints procedure, you should refer to the Licensed Provider's complaints procedure, which will confirm which body will be able to review your complaint. This is likely to be the Scottish Public Services Ombudsman.

# FURTHER INFORMATION

- ▶ **Business Gateway:**  
[www.bgateway.com](http://www.bgateway.com)
- ▶ **Consumer Futures Unit:**  
[www.cas.org.uk](http://www.cas.org.uk)
- ▶ **Federation of Small Businesses:**  
[www.fsb.org.uk/standing-up-for-you/national-offices/scotland](http://www.fsb.org.uk/standing-up-for-you/national-offices/scotland)
- ▶ **Scottish Government:**  
[www.gov.scot/Topics/Business-Industry/waterindustryscot](http://www.gov.scot/Topics/Business-Industry/waterindustryscot)
- ▶ **Scottish Public Services Ombudsman:**  
[www.spsso.org.uk](http://www.spsso.org.uk)
- ▶ **Water Industry Commission for Scotland:**  
[www.watercommission.co.uk](http://www.watercommission.co.uk)

The Consumer Futures Unit seeks to put consumers at the heart of policy and regulation in the regulated industries of energy, post and water. Part of Citizens Advice Scotland, it gathers, develops and acts on evidence, advocating and empowering to improve consumer outcomes. It develops practical policy solutions that lead to consumers being informed, engaged and protected.



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