

# A GUIDE TO DEEMED CONTRACTS

Have you been receiving water or sewerage services and haven't been billed?

Has your business recently moved into a new premises?

Have you received notice from a new company informing you that they are now supplying you with water or sewerage services?

**If you are receiving water or sewerage services in these, or similar, circumstances you may be supplied under a "Deemed Contract". For more information please see overleaf.**

For full details on Deemed Contracts please visit [www.watercommission.co.uk/view\\_Deemed\\_Contracts.aspx](http://www.watercommission.co.uk/view_Deemed_Contracts.aspx)

## What is a Deemed Contract and when does it apply?

In the Scottish retail market, a Deemed Contract applies in the interim when a customer is using water or sewerage services but has not agreed a contract with an active retailer (Licensed Provider). When this is the case, a retailer is automatically allocated to a customer. Under a Deemed Contract, a customer cannot be charged more than the default maximum tariff and must be given at least the default minimum level of service<sup>i</sup>. When a customer is supplied under a Deemed Contract, its retailer will notify it of the particular charges which will be applied.

A Deemed Contract may apply if:

- you have started receiving water or sewerage services but have not yet chosen a retailer including where Scottish Water has written to you requesting that you choose a retailer, but you have not responded within 15 working days;
- your retailer has stopped operating within the Scottish market and you are re-allocated to another retailer; or
- you have recently moved into a new premises.

The only parties in the Deemed Contract are you and the retailer that has been given responsibility for collecting your charges.

## What will a Deemed Contract contain?

The terms and conditions that will apply during the period of your Deemed Contract with the allocated retailer (the Deemed Contract Term) are set out in the published scheme which can be found on the Water Commission's website<sup>ii</sup>.

It will also set out the charges and default service levels you can expect during the period of the Deemed Contract.

The Deemed Contract will clearly state how you can be billed and the minimum frequency of billing.

## What will I be charged for under a Deemed Contract?

In some circumstances, you will be charged for any period during which you received services but were not billed for them. Charges will be based on the default tariff, set by the Water Industry Commission for Scotland. The retailer will notify you of the charges you must pay and your invoice will clearly state that the contract with the supplier is governed by the Deemed Contract.

You will then be invoiced for current water and sewerage charges you use, as for any other utility bill.

## What are my rights and obligations while under a Deemed Contract?

You are responsible for paying the retailer any outstanding charges for the services you have used. If you want to challenge the services you have been billed for then **you must contact your retailer immediately** to discuss this.

Your retailer is responsible for complying with all of its statutory and regulatory obligations.

## How do I move on from a Deemed Contract?

You can always contact your allocated retailer to positively agree a new contract, this may give you access to a better deal or additional services such as flexible payment options or help with saving water to reduce your bills.

You also have the right to switch supplier if you do not want to stay with your allocated retailer. However, you may have to pay any outstanding charges before you are free to do so.

<sup>i</sup> Details of the default tariff and the default standards are available at [www.watercommission.co.uk/view\\_Default\\_bills\\_and\\_service.aspx](http://www.watercommission.co.uk/view_Default_bills_and_service.aspx)

<sup>ii</sup> See page [www.watercommission.co.uk/view\\_Deemed\\_Contracts.aspx](http://www.watercommission.co.uk/view_Deemed_Contracts.aspx).

Please visit  
[www.scotlandontap.gov.uk](http://www.scotlandontap.gov.uk)

for more information about retailers in the Scottish market  
(Licensed Providers) and how to switch.