

2015 No. 79

WATER SUPPLY

The Provision of Water and Sewerage Services (Reasonable Cost) (Scotland) Regulations 2015

Made - - - - - *24th February 2015*

Laid before the Scottish Parliament *26th February 2015*

Coming into force - - - *1st April 2015*

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The Scottish Ministers make the following Regulations in exercise of the powers conferred by section 1(3C) and (3D) of the Sewerage (Scotland) Act 1968(a) and section 6(2D) and (2E) of the Water (Scotland) Act 1980(b) and all other powers enabling them to do so.

PART 1 INTRODUCTORY

Citation and commencement

1. These Regulations may be cited as the Provision of Water and Sewerage Services (Reasonable Cost) (Scotland) Regulations 2015 and come into force on 1st April 2015.

Interpretation

2.—(1) In these Regulations—

“the 1968 Act” means the Sewerage (Scotland) Act 1968(c);

“the 1980 Act” means the Water (Scotland) Act 1980(d);

“the 2002 Act” means the Water Industry (Scotland) Act 2002(e);

“the 2005 Act” means the Water Services etc. (Scotland) Act 2005(f);

“charge” means a charge fixed under a charges scheme;

“charges scheme” means a charges scheme made under section 29A of the 2002 Act(g);

“connection year” means the year in which the connection is to be made;

“current charge” means the charge for the connection year;

“drain” has the meaning it has in section 59(1) of the 1968 Act;

“dwelling” has the meaning it has in section 27(2) of the 2005 Act;

“previous year” means the year which preceded the connection year;

“private sewer” has the meaning it has in section 59(1) of the 1968 Act;

“public sewer” has the meaning it has in section 59(1) of the 1968 Act(h);

“r”, at each place it occurs in a formula in regulations 3, 4, 6 and 7, means 0.035;

“reference year” means the year which preceded the previous year;

“sewage” has the meaning it has in section 59(1) of the 1968 Act;

“sewerage services provider” is to be construed as it is in section 6(4) of the 2005 Act;

“water services provider” is to be construed as it is in section 6(2) of the 2005 Act; and

“year” means a period of 12 months ending with 31st March.

(a) 1968 c.47. Section 1(3C) and (3D) was inserted by section 29 of the Water Environment and Water Services (Scotland) Act 2003 (asp 3).

(b) 1980 c.45. Section 6(2D) and (2E) was inserted by section 29 of the Water Environment and Water Services (Scotland) Act 2003 (asp 3).

(c) Section 1 was relevantly amended by the Local Government etc. (Scotland) Act 1994 (c.39), Schedule 13, paragraph 75(2)(b); the Water Industry (Scotland) Act 2002 (asp 3), schedule 5, paragraphs 2, 3 and 5; and the Water Environment and Water Services (Scotland) Act 2003 (asp 3), section 29(2) and schedule 3, paragraph 2.

(d) Section 6 was relevantly amended by the Water Industry (Scotland) Act 2002 (asp 3), schedule 6, paragraphs 2 and 3; and the Water Environment and Water Services (Scotland) Act 2003 (asp 3), section 29(6) and (7).

(e) 2002 asp 3.

(f) 2005 asp 3.

(g) Section 29A was inserted by section 21(1) of the Water Services etc. (Scotland) Act 2005 (asp 3).

(h) The definition of “public sewer” was amended by the Water Industry (Scotland) Act 2002, schedule 5, paragraph 41(b).

(2) In these Regulations, a reference to a dwelling in band B or band C is to be construed in the same way as a dwelling listed in valuation band B or, as the case may be, in valuation band C is to be construed in accordance with section 74(5) of the Local Government Finance Act 1992(a).

PART 2

WATER SERVICES: REASONABLE COST

Dwellings

3. For the purposes of section 6 of the 1980 Act, in determining what is a reasonable cost to take pipes affording a supply of wholesome water, where this is required for domestic purposes, to such point or points as will enable a building (or a part of it), which consists only of one or more dwellings, to be connected to the pipes (at a reasonable cost), the cost of taking the pipes (affording the supply) to the point or points is a reasonable cost only if the cost to Scottish Water does not exceed the amount determined by the formula—

$$\text{Amount} = \frac{C_w \times N_w}{r} \left[1 - \left(\frac{1}{1+r} \right)^{12} \right]$$

where—

“ C_w ” is the figure which is the average of—

- (a) the current charge (fixed as an annual charge) for or in connection with a supply of water to an unmetered dwelling in band B; and
- (b) the current charge (fixed as an annual charge) for or in connection with a supply of water to an unmetered dwelling in band C; and

“ N_w ” is the number of dwellings in the building (or, as the case may be, the part of it) which is to be connected to the pipes at the point or points in question.

Non-dwellings

4. For the purposes of section 6 of the 1980 Act, in determining what is a reasonable cost to take pipes affording a supply of wholesome water, where this is required for domestic purposes, to such point or points as will enable a building (or a part of it), which does not contain any dwellings, to be connected to the pipes (at a reasonable cost), the cost of taking the pipes (affording the supply) to the point or points is a reasonable cost only if the cost to Scottish Water does not exceed the amount determined by the formula—

$$\text{Amount} = \frac{U_{cw} \times V_{dom}}{r} \left[1 - \left(\frac{1}{1+r} \right)^6 \right]$$

where—

“ U_{cw} ” is the predicted average amount that water services providers are to be charged by Scottish Water per cubic metre of water supplied during the connection year, calculated using the formula in paragraph 1 of Schedule 1; and

“ V_{dom} ” is the relevant figure (expressed in cubic metres per annum) in the table in Schedule 2 which corresponds to the maximum number of persons to be employed at the building (or, as the case may be, the part of it) in question at any point in the connection year and to whether that building (or that part of it) has a toilet, shower or canteen (or a combination of these).

(a) 1992 c.14.

Calculating cost

5.—(1) In regulations 3 and 4, “the cost to Scottish Water” is the total of—

- (a) the costs which would be incurred by Scottish Water in taking pipes to the point or points referred to in regulation 3 or, as the case may be, regulation 4; and
- (b) the costs which would be reasonably and necessarily incurred by Scottish Water to ensure that the pipes afford a supply of wholesome water sufficient for the domestic purposes of all owners and occupiers of the building (or the part of it) to be connected to the pipes.

(2) In calculating the cost to Scottish Water for the purposes of regulations 3 and 4 the amount of any charge payable under a charges scheme must be left out of account.

(3) In paragraph (1)(b), “owner” and “occupier” are to be construed in accordance with the meanings given to those terms in section 109(1) of the 1980 Act.

PART 3

SEWERAGE SERVICES: REASONABLE COST

Dwellings

6. For the purposes of section 1 of the 1968 Act, in determining what is a reasonable cost to take public sewers to such point or points as will enable the owner of premises (or a part of them), which consists only of one or more dwellings and which is to be served by the public sewers, to connect the owner’s drains or private sewers (at a reasonable cost), the cost of taking the public sewers to the point or points is a reasonable cost only if the cost to Scottish Water does not exceed the amount determined by the formula—

$$\text{Amount} = \frac{Cs \times Ns}{r} \left[1 - \left(\frac{1}{1+r} \right)^{12} \right]$$

where—

“Cs” is the figure which is the average of—

- (a) the current charge (fixed as an annual charge) for or in connection with the provision of sewerage to, or the disposal of sewage from, an unmetered dwelling in band B; and
- (b) the current charge (fixed as an annual charge) for or in connection with the provision of sewerage to, or the disposal of sewage from, an unmetered dwelling in band C; and

“Ns” is the number of dwellings in the premises (or, as the case may be, the part of them) served by the drains or private sewers (of the owner) which are to be connected to the public sewers at the point or points in question.

Non-dwellings

7.—(1) For the purposes of section 1 of the 1968 Act, in determining what is a reasonable cost to take public sewers to such point or points as will enable the owner of premises (or part of them), which does not contain any dwellings and which is to be served by the public sewers, to connect the owner’s drains or private sewers (at a reasonable cost), the cost of taking the public sewers to the point or points is a reasonable cost only if the cost to Scottish Water does not exceed the amount determined by the formula—

$$\text{Amount} = \frac{Ucs \times Vdom \times 0.95}{r} \left[1 - \left(\frac{1}{1+r} \right)^6 \right]$$

where—

“*Ucs*” is the predicted average amount that sewerage services providers are to be charged by Scottish Water per cubic metre of sewage disposed of during the connection year, calculated using the formula in paragraph 2 of Schedule 1; and

“*Vdom*” is the relevant figure (expressed in cubic metres per annum) in the table in Schedule 2 which corresponds to the maximum number of persons to be employed at the premises (or, as the case may be, the part of them) in question at any point in the connection year and to whether that premises (or that part of them) has a toilet, shower or canteen (or a combination of these).

(2) In paragraph (1), if the premises (or the part of them) in question has more than one building (or part of a building), “*Vdom*” is to be construed as the total of the corresponding relevant figures for each building (or, as the case may be, each part of a building) in the table in Schedule 2.

Calculating cost

8.—(1) In regulations 6 and 7, “the cost to Scottish Water” is the total of—

- (a) the costs which would be incurred by Scottish Water in taking public sewers to the point or points referred to in regulation 6 or, as the case may be, regulation 7; and
- (b) the costs which would be reasonably and necessarily incurred by Scottish Water to ensure that domestic sewage, surface water and trade effluent from the premises (or the part of them) to be connected to the public sewers will be effectually drained and dealt with.

(2) In calculating the cost to Scottish Water for the purposes of regulations 6 and 7 the amount of any charge payable under a charges scheme must be left out of account.

(3) In paragraph (1)(b), “domestic sewage”, “surface water” and “trade effluent” are to be construed in accordance with the meaning of those expressions in section 59(1) of the 1968 Act.

PART 4 REVOCATION

Revocation

9. The Provision of Water and Sewerage Services (Reasonable Cost) (Scotland) Regulations 2011(a) are revoked.

KEITH BROWN
A member of the Scottish Government

St Andrew’s House,
Edinburgh
24th February 2015

(a) S.S.I. 2011/119.

SCHEDULE 1

UNIT CHARGES

Regulations 4 and 7

Water services: formula for predicting average unit charge for connection year

1. In regulation 4, the formula referred to in the definition of “*U_{cw}*” is—

$$U_{cw} = \frac{C_{aw} + C_{vw}}{V_w}$$

where—

“*C_{aw}*” is the total of the meter-based annual (standing) charges that Scottish Water would have demanded from water services providers for or in connection with the supply of water to eligible premises (that were charged on a metered basis) in the reference year if those charges had instead been demanded in accordance with the corresponding current charge;

“*C_{vw}*” is the total of the volumetric (non-standing) charges that Scottish Water would have demanded from water services providers for or in connection with the supply of water to eligible premises (that were charged on a metered basis) in the reference year if those charges had instead been demanded in accordance with the corresponding current charge; and

“*V_w*” is the total volume of water (in cubic metres) supplied by Scottish Water to eligible premises (that were charged on a metered basis) in the reference year (pursuant to arrangements made by water services providers under section 6(1)(b) of the 2005 Act).

Sewerage services: formula for predicting average unit charge for connection year

2. In regulation 7, the formula referred to in the definition of “*U_{cs}*” is—

$$U_{cs} = \frac{C_{as} + C_{vs}}{V_s}$$

where—

“*C_{as}*” is the total of the meter-based annual (standing) charges that Scottish Water would have demanded from sewerage services providers for or in connection with the provision of sewerage to, or the disposal of sewage from, eligible premises in the reference year if those charges had instead been demanded in accordance with the corresponding current charge;

“*C_{vs}*” is the total of the volumetric (non-standing) charges that Scottish Water would have demanded from sewerage services providers for or in connection with the provision of sewerage to, or the disposal of sewage from, eligible premises in the reference year if those charges had instead been demanded in accordance with the corresponding current charge; and

“*V_s*” is the total volume of sewage (in cubic metres) disposed of by Scottish Water from eligible premises in the reference year (pursuant to arrangements made by sewerage services providers under section 6(3)(b) of the 2005 Act).

SCHEDULE 2
WATER USAGE

Regulations 4 and 7

<i>Maximum number of persons to be employed at the building (or the part of it) or, as the case may be, the premises (or the part of them) in question at any point in the connection year</i>	<i>Figure⁽¹⁾ for the building (or the part of it) or, as the case may be, the premises (or the part of them) in question with:</i>			
	<i>A toilet but no shower or canteen</i>	<i>A toilet and a shower but no canteen</i>	<i>A toilet and a canteen but no shower</i>	<i>A toilet, a shower and a canteen</i>
0 - 20	56	79	113	135
21 - 50	197	276	394	473
51 - 100	422	591	844	1,013
101 - 200	844	1,181	1,688	2,025
201 - 300	1,406	1,969	2,813	3,375
301 - 400	1,969	2,756	3,938	4,725
401 - 500	2,531	3,544	5,063	6,075
501 - 750	3,516	4,922	7,031	8,438
751 to 1,000	4,922	6,891	9,844	11,813
1,001 - 1,250	6,328	8,859	12,656	15,188
1,251 - 1,500	7,73 ⁽²⁾	10,828 ⁽²⁾	15,469 ⁽²⁾	18,563 ⁽²⁾

⁽¹⁾ The figures given are in cubic metres per annum.

⁽²⁾ If the number of persons exceeds 1,500, the figure is this value plus the amount in the corresponding column below, plus the same amount for every 250 persons in excess of 1,501—

+1,406	+1,969	+2,813	+3,375
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EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision for determining the points to which Scottish Water must take water supply pipes and public sewers so as to enable connections to be made at a reasonable cost.

Part 2 makes provision for determining the reasonable cost of taking pipes affording a supply of water to such point or points as will enable a building (or a part of it) to be connected pursuant to section 6(2) of the Water (Scotland) Act 1980. If taking the pipes to that point or, as the case may be, those points exceeds a reasonable cost, then Scottish Water is not required to do anything pursuant to that section.

Part 3 makes provision for determining the reasonable cost of taking public sewers (“the sewers”) to such point or points as will enable the owner of premises (or a part of them) to connect the owner’s drains or private sewers pursuant to section 1(2)(a) of the Sewerage (Scotland) Act 1968. If taking the public sewers to that point or, as the case may be, those points exceeds a reasonable cost, then Scottish Water is not required to do anything pursuant to that section.

Part 4 revokes the Regulations that previously dealt with these matters.

No business and regulatory impact assessment has been prepared for these Regulations as no significant change is foreseen to the existing financial and administrative impacts upon business, charities or voluntary bodies.

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