

POLICY NOTE

THE WATER AND SEWERAGE SERVICES TO DWELLINGS (COLLECTION OF UNMETERED CHARGES BY LOCAL AUTHORITY) (SCOTLAND) AMENDMENT ORDER 2017 (“THE ORDER”)

SSI 2017/

The Order was made in exercise of the powers conferred on the Scottish Ministers by section 37 of the Water Industry (Scotland) Act 2002 (“the Act”). The Order is subject to negative procedure.

Policy Objectives

Section 29A of the Act requires Scottish Water to make a charges scheme which fixes the charges payable for water and sewerage services provided by it in the exercise of its core functions. Section 37 of the Act separately empowers the Scottish Ministers to determine, by order, that for specified services provided by Scottish Water to dwellings in the area of a local authority, the authority (not Scottish Water) is to collect the charges payable.

The Water and Sewerage Services to Dwellings (Collection of Unmetered Charges by Local Authority) (Scotland) Order 2014 (“the 2014 Order”) makes each local authority responsible for the collection of the charges payable for water services and sewerage services which are provided by Scottish Water to dwellings within each financial year from 1st April 2014 to 31st March 2018. It also requires each authority to make payments to Scottish Water so as to account for this.

The Order amends the 2014 Order, so that the provisions of the 2014 Order apply for an additional two years from 1 April 2018 to 31 March 2020.

Consultation

The Order was prepared in consultation with the Convention of Scottish Local Authorities (COSLA) and Scottish Water. COSLA (representing local authorities) and Scottish Water are content with the Order, it was agreed that this was the most advantageous way forward.

The negotiations also concluded that at COSLA’s request during the 2 year extension period the Scottish Government would carry out a formal review of collection options to inform the next order. This review will get underway later this year (2017).

Impact Assessments

As there is no impact on business or the third sector, and no impact on the environment or on environmental issues, no Business and Regulatory Impact Assessment or Strategic Environmental Assessment is required.

Financial Effects

The 2014 Order fixed the amount to be deducted (for the cost of collection) from the sum each local authority must pay to Scottish Water as regards services provided in each of the financial years to which the 2014 Order applies. These amounts also take account of the cost of collecting charges for dwellings for which there is no council tax liability. The total amount deducted for the cost of collection in relation to services provided in each financial year was fixed at £18.25 million. This is seen by COSLA and Scottish Water to be a reasonable settlement in terms of recovering the cost of collecting charges for services.

The Order does not change the amount to be deducted, so the total amount will be fixed at £18.25 million for each financial year until 31 March 2020.

Scottish Government
Energy and Climate Change Directorate

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