



Water Industry (Scotland) Act 2002

2002 asp 3

PART 3

SCOTTISH WATER

Finances

41 Duties and powers relating to finance

- (1) Scottish Water must exercise its functions so as to secure that, taking one year with another, its income is not less than sufficient to meet its expenditure.
- (2) The Scottish Ministers may by order direct Scottish Water to exercise its functions, during any period specified in the order, with a view to securing that it achieves in respect of that period a rate of return on the value of its average net assets (as for the time being defined for the purposes of this section by the Scottish Ministers) which is not less than the rate specified in the order as the rate of return which the Scottish Ministers consider it is reasonable for Scottish Water to achieve.
- (3) Without prejudice to subsection (1), the Scottish Ministers may, after consulting Scottish Water, determine that Scottish Water is (in addition to or in place of a duty imposed by virtue of subsection (2)) subject to a specified duty of a financial nature; and different determinations may be so made in relation to different functions of Scottish Water.
- (4) A determination under subsection (3) may—
 - (a) relate to a period beginning before the date on which it is made,
 - (b) contain incidental or supplemental provisions,
 - (c) be varied by a subsequent determination under that subsection.
- (5) A determination under subsection (3) must be made by order where—
 - (a) the duty specified in it is in place of a duty imposed by virtue of subsection (2),
or
 - (b) it varies a previous determination made by order.
- (6) Scottish Water must secure that its charges make a proper contribution to its duties, as respect financial matters, under this Act, taking into account—

Changes to legislation: *There are currently no known outstanding effects for the Water Industry (Scotland) Act 2002, Section 41. (See end of Document for details)*

- (a) its present circumstances and future prospects, and
- (b) any duty imposed on it by virtue of subsection (2) or (3).

Changes to legislation:

There are currently no known outstanding effects for the Water Industry (Scotland) Act 2002, Section 41.