



Reasonable Cost Contributions: Non-dwellings

for 1st April 2023 to 31st March 2024

To support household, commercial and industrial development in Scotland, Scottish Water has a duty to extend its network, provided the costs of doing that are reasonable. The regime requires Scottish Water to meet all the costs of providing additional capacity to meet the needs of households and the domestic needs of business and industry at Part 4 assets - sources and treatment works and water treatment works. The Reasonable Cost Regulations prescribe the maximum contribution that Scottish Water should make towards the costs of providing new or enhancing existing water mains or sewers for household, commercial and industrial developments.

The 2023-24 maximum reasonable cost contributions Scottish Water will provide for non-dwellings are;

Water:

Employee (fte) Lower Range	Employee (fte) Upper Range*	Toilets only (£)	Toilets & Showers (£)	Toilets & Canteen (£)	Toilets & Canteen & Showers (£)
0	20	297	419	599	716
20	50	1,045	1,464	2,090	2,509
50	100	2,238	3,135	4,476	5,373
100	200	4,476	6,264	8,953	10,740
200	300	7,457	10,443	14,920	17,900
300	400	10,443	14,617	20,886	25,061
400	500	13,424	18,797	26,853	32,221
500	750	18,648	26,105	37,291	44,754
750	1000	26,105	36,549	52,211	62,654
1000	1250	33,563	46,987	67,125	80,555
1250	1500	41,020	57,430	82,045	98,455

Waste water (sewerage):

Employee (fte) Lower Range	Employee (fte) Upper Range*	Toilets only (£)	Toilets & Showers (£)	Toilets & Canteen (£)	Toilets & Canteen & Showers (£)
0	20	329	465	665	794
20	50	1,159	1,623	2,317	2,782
50	100	2,482	3,476	4,964	5,958
100	200	4,964	6,946	9,928	11,911
200	300	8,270	11,581	16,545	19,851
300	400	11,581	16,210	23,162	27,791
400	500	14,887	20,845	29,779	35,732
500	750	20,680	28,950	41,355	49,630
750	1000	28,950	40,531	57,900	69,482
1000	1250	37,220	52,107	74,440	89,333
1250	1500	45,490	63,688	90,985	109,184



These values are calculated using the formulas and water usage set out in the Provision of Water and Sewerage Services (Reasonable Cost) (Scotland) Regulations 2015. The formulas for non-dwellings are shown below, along-side the calculation for 2023-24 using water usage of 1m³.

Water:

$$\text{Amount} = \frac{U_{cw} \times V_{dom}}{r} \left[1 - \left(\frac{1}{1+r} \right)^6 \right] \quad \text{£5.30} = \frac{£0.9954 \times 1}{3.50\%} \left[1 - \left(\frac{1}{1+3.50\%} \right)^6 \right]$$

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 set out in Appendix 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).

Waste water:

$$\text{Amount} = \frac{U_{cs} \times V_{dom} \times 0.95}{r} \left[1 - \left(\frac{1}{1+r} \right)^6 \right] \quad \text{£5.88} = \frac{£1.1619 \times 1 \times 0.95}{3.50\%} \left[1 - \left(\frac{1}{1+3.50\%} \right)^6 \right]$$

where—

“U_{cs}” is the predicted average amount that waste water services providers are to be charged by Scottish Water per cubic metre of sewage disposed of during the connection year, calculated using the formula set out in Appendix 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 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).

The water usage set out in the Provision of Water and Sewerage Services (Reasonable Cost) (Scotland) Regulations 2015 is included in Appendix 2.



Appendix 1 – Ucw & Ucs

The following is the formula for the variable “Ucw” described above and the 2023-24 calculation.

$$U_{cw} = \frac{C_{aw} + C_{vw}}{V_w} \quad \text{£0.9954} = \frac{\text{£14,422,660} + \text{£91,379,029}}{106,294,900 \text{ m}^3}$$

where—

“Caw” 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;

“Cvw” 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

“Vw” 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).

The following is the formula for the variable “Ucs” described above and the 2023-24 calculation.

$$U_{cs} = \frac{C_{as} + C_{vs}}{V_s} \quad \text{£1.1619} = \frac{\text{£7,837,649} + \text{£44,568,008}}{45,102,640 \text{ m}^3}$$

where—

“Cas” is the total of the meter-based annual (standing) charges that Scottish Water would have demanded from waste water services providers for or in connection with the provision of waste water 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;

“Cvs” is the total of the volumetric (non-standing) charges that Scottish Water would have demanded from waste water services providers for or in connection with the provision of waste water 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

“Vs” 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 waste water services providers under section 6(3)(b) of the 2005 Act).



Appendix 2 – Water Usage

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	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:			
	A toilet but no shower or canteen	A toilet and a shower but no canteen	A toilet and a canteen but no shower	A toilet, a shower and a canteen
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 - 1000	4,922	6,891	9,844	11,813
1001 - 1250	6,328	8,859	12,656	15,188
1251 - 1500	7,734 ⁽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
-------	-------	-------	-------

For more information about Scottish Water and our services please call our Customer Helpline on **0800 0778 778**.