

# PUBLIC SERVICES REFORM (SCOTLAND) ACT 2010 DISCLOSURES

Disclosures for the financial year 2021-22



**Scottish  
Water**

Trusted to serve Scotland

## Introduction

The **Public Services Reform (Scotland) Act 2010** requires public bodies to publish information on certain expenditure and activities. Under this Act, we have a duty to publish the following information:

- Details of any expenditure incurred on public relations, overseas travel, hospitality and entertainment, and external consultancy.
- The number of individuals (if any) who received remuneration in excess of £150,000.
- Payments with a value in excess of £25,000. This includes all payments in excess of this figure but excludes payments to employees.
- A statement of the steps taken during the year to promote and increase sustainable growth.
- A statement of the steps taken during the year to improve efficiency, economy and effectiveness.

Information relating to Scottish Water is shown below for the financial year ended **31st March 2022**.

## Expenditure Details for the Period April 2021 to March 2022

Type of Expenditure	£
Public Relations	£206,179
Overseas Travel:	
- In connection to Scottish Water business	£142
- Hospitality & Entertainment	£10,292
External Consultancy	£4,661,305

Remuneration – Members and Employees	
No Of Members or Employees receiving Remuneration in Excess of £150,000	14

### Payments with a value in excess of £25,000

Scottish Water publishes a report of payments with a value over £25,000 on annual basis. Please [click here](#) for the report covering transactions from April 2021 to March 2022.

### Statement of the steps taken during the year to promote and increase sustainable growth

Using Scotland’s natural resources, our assets and the skills of our people, Scottish Water is committed to improving our services for customers and communities while protecting and enhancing the environment of Scotland.

Over the past year progress has been made in delivering planned Net Zero activities. We have also developed a deeper understanding of operational emissions, measures to reduce them, cost intelligence and the actions needed to accelerate sustainable growth. We have updated our ambitious pathway to achieve Net Zero operational emissions by 2030, ten years ahead of the original commitment in our routemap. This reflects an increased potential for on-site new renewable generation - our forecast has grown from 90GWh to 120GWh, delivered by 2030. We are also working with our partners to increase the number of windfarms hosted on our land.

A total of 45GWh of renewable electricity on-site was generated this year. In addition to the renewable energy we have generated, our PFI partners have generated a further 32GWh from biogases produced by their waste water treatment processes.

We continue to install solar photovoltaic (PV) equipment across our sites, delivered by Scottish Water Horizons. Across all our PV schemes we generated 7.8GWh – an increase of 23.8% from the previous year.

The 2021/22 financial year has been a successful transition year with regards to our investment programme. Our total planned investment in the year was £623 million. On a like-for-like basis with 2020/21 – investment, including responsive repair and refurbishment expenditure was £799 million, an increase of £188 million (30.7%). Most of the investment has been in the refurbishment and replacement of existing assets to continue to deliver a high level of service to our customers. This has included new or improved treatment works and networks to support quality enhancement or growth, flooding prevention and maintenance of our existing assets to ensure continued levels of service.

2021/22 was also a record year for investment in new waste water capacity to support new development across Scotland. £30 million of investment was delivered in the year, an increase of 7%. x%

Our strategic plan, Our Future Together, set out our long-term strategic ambitions and, to achieve these, we will fundamentally transform our organisation. Our 'Plan for Transformation' was published in November 2021 setting out our approach, taking account of learning from other leading organisations in the UK and beyond and listening to our employees and sector stakeholders. Our transformation aims to deliver a fit-for-the-future organisation which is adaptive, efficient, technologically advanced, customer focused, collaborative and proactive. Our planning also factors in the expectations of customers and communities, the need for adaption to climate change and technological progress.

*[The statements above are based on commentary from the Annual Report & Accounts for 2021/22]*

## **Statement of the steps taken during the year to improve efficiency, economy and effectiveness in the exercise of SW's functions**

2021/22 was the first of our new regulatory period in which we aim to increase our investment levels significantly. Often in the first year of a new regulatory investment period, regulated utilities struggle to maintain investment levels as they put new delivery partners in place. So I am delighted that we achieved strong investment performance in the year. Our level of investment increased by £160 million from the previous year and was ahead of plan, enabled by extensive work to transform our approach to investment planning and delivery. [Extract from CE's statement]

Electricity is our largest source of emissions and in line with the emissions reduction hierarchy outlined in our routemap we are looking to reduce the amount that we consume. In the last

year we completed energy efficiency projects which will save 7GWh annually - an increase in delivery since 2020/21 when we delivered 1GWh. The focus has been on improving efficiency of waste water aeration. Two major projects were completed which saw aeration systems replaced at Daldowie in Glasgow and East Kilbride's Phillipshill WWTWs. Daldowie is one of our largest sites, and the project enabled 4.2GWh benefit, nearly 1% of our electricity use. Our forward purchasing strategy via Power Purchase Agreements and purchasing wholesale electricity in advance gave us an estimated saving of £3.7 million in 2021/22. We plan to continue to take measures to manage our electricity costs.

In 2021/22 our fleet drove 18.5 million miles on business. Policies to transition lease car and commercial fleet to electric vehicles (EV) were introduced. These support Scottish Government targets to phase out the sale of new petrol and diesel cars and light commercial vehicles by 2025 and all new petrol and diesel commercial vehicles by 2030.

Using triage processes alongside a new video tool called SightCall, we can diagnose and resolve some customer issues remotely and quicker than ever before. The new software has been adopted through the 'Scottish Water Intelligent Field Transformation' project - also known as SWIFT. The Remote Diagnosis project has made savings, achieved through triaging and diagnosing over 3,700 cases remotely and preventing over 1,200 site visits. That's a 33% reduction in the number of physical visits which has reduced our carbon emissions too - in direct support of our strategic ambition to go beyond Net Zero emissions by 2040.

We have started to transform the way we replace, repair, and refurbish assets where the value of the required work is less than £500,000. In a major advancement, we are now streamlining this investment by reducing waiting times for work to be carried out from months, or many weeks, to just days and cutting costs. We introduced a Non-Complex Service Delivery (NCSD) app and portal to enable our people to raise, manage and deliver non-complex needs. This means work and replacement parts can be ordered and approved automatically without the need to go through a lengthy sign-off process.

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Transforming Our Future Delivery is a programme of change aimed at improving the effectiveness and efficiency of capital project delivery. It has included initiatives to get to site in half the time, improve collaborative working and decision-making and enable our people and partners to be more productive through digital and technology solutions.

*[The statements above are based on commentary from the Annual Report & Accounts for 2021/22]*