

## Reasonable Cost Contributions: Non-dwellings

for 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021

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 2020-21 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	261	369	528	630
20	50	920	1,289	1,840	2,209
50	100	1,971	2,760	3,941	4,730
100	200	3,941	5,515	7,882	9,456
200	300	6,565	9,194	13,135	15,760
300	400	9,194	12,869	18,389	22,063
400	500	11,819	16,549	23,642	28,367
500	750	16,418	22,983	32,831	39,401
750	1000	22,983	32,178	45,967	55,161
1000	1250	29,549	41,367	59,097	70,921
1250	1500	36,114	50,562	72,233	86,680

Waste water (sewerage):

Employee (fte) Lower Range	Employee (fte) Upper Range*	Toilets only (£)	Toilets & Showers (£)	Toilets & Canteen (£)	Toilets & Canteen & Showers (£)
0	20	287	405	579	692
20	50	1,010	1,415	2,021	2,426
50	100	2,164	3,031	4,328	5,195
100	200	4,328	6,056	8,657	10,385
200	300	7,210	10,098	14,426	17,308
300	400	10,098	14,134	20,195	24,231
400	500	12,980	18,175	25,964	31,154
500	750	18,031	25,241	36,057	43,272
750	1000	25,241	35,339	50,483	60,580
1000	1250	32,452	45,431	64,903	77,888
1250	1500	39,662	55,529	79,329	95,196



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 2018-19 using water usage of 1m<sup>3</sup>.

Water:

$$Amount = \frac{s \times dom}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^6 \right] \quad £4.67 = \frac{£0.8763 \times 1}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^6 \right]$$

where—

“Ucw” 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

“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 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:

$$Amount = \frac{s \times dom \times 0.95}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^6 \right] \quad £5.13 = \frac{£1.013 \times 1 \times 0.95}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^6 \right]$$

where—

“Ucs” 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

“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).

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 2020-21 calculation.

$$= \frac{Ca + Cv}{s} \quad \quad \quad £0.8763 = \frac{£12,810,742 + £90,677,036}{118,093,620m^3}$$

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 2020-21 calculation.

$$s = \frac{Cas + Cvs}{s} \quad \quad \quad £1.0131 = \frac{£7,040,229 + £46,745,179}{53,091,715m^3}$$

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).



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## 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 <sup>(1)</sup> 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 <sup>(2)</sup>	10,828 <sup>(2)</sup>	15,469 <sup>(2)</sup>	18,563 <sup>(2)</sup>

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