

## Reasonable Cost Contributions: Non-dwellings

for 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025

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 2024-25 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	320	451	645	771
20	50	1,124	1,575	2,249	2,700
50	100	2,409	3,373	4,817	5,782
100	200	4,817	6,741	9,634	11,558
200	300	8,025	11,238	16,055	19,263
300	400	11,238	15,730	22,476	26,968
400	500	14,446	20,228	28,897	34,673
500	750	20,068	28,093	40,130	48,160
750	1000	28,093	39,331	56,185	67,423
1000	1250	36,117	50,563	72,235	86,686
1250	1500	44,142	61,801	88,290	105,949

Waste water (sewerage):

Employee (fte) Lower Range	Employee (fte) Upper Range*	Toilets only (£)	Toilets & Showers (£)	Toilets & Canteen (£)	Toilets & Canteen & Showers (£)
0	20	354	499	714	853
20	50	1,244	1,743	2,488	2,987
50	100	2,665	3,732	5,330	6,397
100	200	5,330	7,458	10,660	12,788
200	300	8,879	12,434	17,764	21,313
300	400	12,434	17,404	24,868	29,838
400	500	15,983	22,380	31,973	38,363
500	750	22,203	31,082	44,400	53,285
750	1000	31,082	43,516	62,164	74,598
1000	1250	39,961	55,944	79,922	95,911
1250	1500	48,840	68,378	97,686	117,224

\*Upper Employee Range is..." up to and including".

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, alongside the calculation for 2024-25 using water usage of 1m<sup>3</sup>.

Water:

$$\text{Amount} = \frac{U_{cw} \times V_{dom}}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^6 \right] \quad \text{£5.71} = \frac{\text{£1.0711} \times 1}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^6 \right]$$

where—

“U<sub>cw</sub>” 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;

“V<sub>dom</sub>” 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); and

“r” is the rate of return.

Waste water:

$$\text{Amount} = \frac{U_{cs} \times V_{dom} \times 0.95}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^6 \right] \quad \text{£6.31} = \frac{\text{£1.2475} \times 1 \times 0.95}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^6 \right]$$

where—

“U<sub>cs</sub>” 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;

“V<sub>dom</sub>” 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); and

“r” is the rate of return.

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 2024-25 calculation.

$$U_{cw} = \frac{C_{aw} + C_{vw}}{V_w} \qquad \pounds 1.0711 = \frac{\pounds 15,745,470 + \pounds 104,316,171}{112,089,438 \text{ m}^3}$$

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 2024-25 calculation.

$$U_{cs} = \frac{C_{as} + C_{vs}}{V_s} \qquad \pounds 1.2475 = \frac{\pounds 8,580,934 + \pounds 51,841,897}{48,435,590 \text{ m}^3}$$

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 <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**.