



Reasonable Cost Contributions: Non-dwellings

for 1st April 2022 to 31st March 2023

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 2022-23 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	285	403	576	688
20	50	1,004	1,407	2,009	2,411
50	100	2,151	3,013	4,303	5,164
100	200	4,303	6,021	8,605	10,323
200	300	7,168	10,038	14,340	17,205
300	400	10,038	14,050	20,076	24,088
400	500	12,903	18,067	25,811	30,970
500	750	17,924	25,092	35,843	43,016
750	1000	25,092	35,130	50,184	60,222
1000	1250	32,260	45,162	64,519	77,427
1250	1500	39,427	55,200	78,860	94,633

Waste water (sewerage):

Employee (fte) Lower Range	Employee (fte) Upper Range*	Toilets only (£)	Toilets & Showers (£)	Toilets & Canteen (£)	Toilets & Canteen & Showers (£)
0	20	323	456	652	778
20	50	1,136	1,591	2,272	2,727
50	100	2,433	3,408	4,867	5,841
100	200	4,867	6,810	9,733	11,676
200	300	8,107	11,354	16,220	19,461
300	400	11,354	15,891	22,707	27,245
400	500	14,594	20,435	29,194	35,029
500	750	20,274	28,381	40,542	48,655
750	1000	28,381	39,734	56,762	68,115
1000	1250	36,488	51,082	72,976	87,576
1250	1500	44,595	62,436	89,196	107,037



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 2022-23 using water usage of 1m³.

Water:

$$Amount = \frac{U_{cw} \times V_{dom}}{r} \left[1 - \left(\frac{1}{1+r} \right)^6 \right] \quad \pounds 5.10 = \frac{\pounds 0.9567 \times 1}{3.50\%} \left[1 - \left(\frac{1}{1+3.50\%} \right)^6 \right]$$

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:

$$Amount = \frac{U_{cs} \times V_{dom} \times 0.95}{r} \left[1 - \left(\frac{1}{1+r} \right)^6 \right] \quad \pounds 5.77 = \frac{\pounds 1.1391 \times 1 \times 0.95}{3.50\%} \left[1 - \left(\frac{1}{1+3.50\%} \right)^6 \right]$$

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 2022-23 calculation.

$$U_{cw} = \frac{C_{aw} + C_{vw}}{V_w} \quad \text{£}0.9567 = \frac{\text{£}13,693,820 + \text{£}81,998,252}{100,021,319 \text{ m}^3}$$

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 2022-23 calculation.

$$U_{cs} = \frac{C_{as} + C_{vs}}{V_s} \quad \text{£}1.1391 = \frac{\text{£}7,459,710 + \text{£}39,053,215}{40,833,926 \text{ m}^3}$$

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