



## Reasonable Cost Contributions: 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 dwellings are;

Water:	£1,669.82
Waste water (sewerage):	£1,938.71

These values are calculated using the formulas set out in the Provision of Water and Sewerage Services (Reasonable Cost) (Scotland) Regulations 2015. The formulas for dwellings are shown below along-side the calculation for 2020-21.

### Water:

$$Amount = \frac{C_w \times N_w}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^{12} \right] \quad \text{£1,669.82} = \frac{\text{£172.80} \times 1}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^{12} \right]$$

where—

“C<sub>w</sub>” is the figure which is the average of—

- (a) the current charge (fixed as an annual charge) for or in connection with a supply of water to an unmetered dwelling in band B (£161.28); and
- (b) the current charge (fixed as an annual charge) for or in connection with a supply of water to an unmetered dwelling in band C (£184.32); and

“N<sub>w</sub>” is the number of dwellings in the building (or, as the case may be, the part of it) which is to be connected to the pipes at the point or points in question.

### Waste water:

$$Amount = \frac{C_s \times N_s}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^{12} \right] \quad \text{£1,938.71} = \frac{\text{£200.63} \times 1}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^{12} \right]$$

where—

“C<sub>s</sub>” is the figure which is the average of—

- (a) the current charge (fixed as an annual charge) for or in connection with the provision of waste water to, or the disposal of sewage from, an unmetered dwelling in band B (£187.25); and
- (b) the current charge (fixed as an annual charge) for or in connection with the provision of waste water to, or the disposal of sewage from, an unmetered dwelling in band C (£214.00); and

“N<sub>s</sub>” is the number of dwellings in the premises (or, as the case may be, the part of them served by the drains or private sewers (of the owner) which are to be connected to the public sewers at the point or points in question.

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