

## Reasonable Cost Contributions: Non-dwellings

for 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026

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 2025-26 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	353	498	712	851
20	50	1,242	1,740	2,484	2,982
50	100	2,660	3,726	5,321	6,386
100	200	5,321	7,445	10,641	12,766
200	300	8,863	12,413	17,733	21,276
300	400	12,413	17,374	24,825	29,786
400	500	15,955	22,341	31,917	38,297
500	750	22,165	31,028	44,323	53,193
750	1,000	31,028	43,441	62,056	74,469
1,000	1,250	39,892	55,847	79,783	95,745
1,250	1,500	48,755	68,259	97,516	117,021

Waste water (sewerage):

Employee (fte) Lower Range	Employee (fte) Upper Range*	Toilets only (£)	Toilets & Showers (£)	Toilets & Canteen (£)	Toilets & Canteen & Showers (£)
-	20	388	548	784	936
20	50	1,367	1,915	2,733	3,281
50	100	2,927	4,100	5,855	7,027
100	200	5,855	8,193	11,710	14,047
200	300	9,753	13,659	19,514	23,412
300	400	13,659	19,118	27,318	32,777
400	500	17,558	24,585	35,122	42,142
500	750	24,391	34,144	48,774	58,534
750	1,000	34,144	47,803	68,288	81,947
1,000	1,250	43,897	61,455	87,795	105,359
1,250	1,500	53,651	75,114	107,309	128,772

\*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 2025-26 using water usage of 1 m<sup>3</sup>.

Water:

$$Amount = \frac{U_{cw} \times V_{dom}}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^6 \right] \quad \pounds 6.30 = \frac{\pounds 1.1831 \times 1}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^6 \right]$$

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:

$$Amount = \frac{U_{cs} \times V_{dom} \times 0.95}{r} \left[ 1 - \left( \frac{1}{1+r} \right)^6 \right] \quad \pounds 6.94 = \frac{\pounds 1.3704 \times 1 \times 0.95}{3.50\%} \left[ 1 - \left( \frac{1}{1+3.50\%} \right)^6 \right]$$

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 2025-26 calculation.

$$U_{cw} = \frac{C_{aw} + C_{vw}}{V_w} \qquad \qquad \qquad \pounds 1.1831 = \frac{\pounds 17,383,755 + \pounds 115,349,895}{112,195,683 \text{ m}^3}$$

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 2025-26 calculation.

$$U_{cs} = \frac{C_{as} + C_{vs}}{V_s} \qquad \qquad \qquad \pounds 1.3704 = \frac{\pounds 9,450,719 + \pounds 58,185,959}{49,356,345 \text{ m}^3}$$

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.