

Cabinet Secretary for Net Zero and Just Transition

Màiri McAllan MSP

T: 0300 244 4000

E: [scottish.ministers@gov.scot](mailto:scottish.ministers@gov.scot)

Edward Mountain MSP

Convener

Net Zero, Energy and Transport Committee

By email: [netzero.committee@Parliament.Scot](mailto:netzero.committee@Parliament.Scot)

---

5 April 2023

Dear Convenor,

**The Water and Sewerage Services to Dwellings (Collection of Unmetered Charges by Local Authority) (Scotland) Order 2023 (SSI 2023/052)**

Thank you for your letter of 22 March (by email) confirming that the Committee made no recommendations in relation to the above named instrument at its meeting on 21 March 2023. You also asked for information about the total collected annually by local authorities in respect of Scottish Water's water and sewerage services to ascertain whether there is a difference in the amount levied by local authorities for these services and the financial settlement reached with Scottish Water.

The Committee may be referring to any difference in actual water charges collected by the councils account by account (i.e. on a so-called 'line-by-line' basis) and the total value paid to Scottish Water under the Billing Order which is calculated with reference to the so-called 'ABCD' formula set out in the Order. In the course of the discussions between COSLA and Scottish Water chaired by Scottish Government that led up to the preparation of the 2023 Order the challenge of accurately ascertaining the line-by-line value across all 32 authorities on a consistent basis was recognised. However, a detailed analysis of the cashflows and collection rates within the current arrangements is in the scope of the planned mid-point checkpoint review of the Order's operation, and is expected to provide more clarity. I have asked my officials to ensure that the Committee is kept fully informed of the outcomes of that review in due course, as appropriate.

For your awareness, as at the end of February 2023 (at time of writing the most recently available complete data) Local Authorities have billed £992m for water and sewerage services provided to unmeasured household customers during 2022/23 and have collected £935m. The collected value will continue to rise beyond the end of the financial year as the Local Authorities continue to recover outstanding unpaid charges.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

St Andrew's House, Regent Road, Edinburgh EH1 3DG  
[www.gov.scot](http://www.gov.scot)

There will be no difference between the total fee paid by Scottish Water to the Local Authorities for this service in 2022/23 and the values specified in the Schedule of the Water and Sewerage Services to Dwellings (Collection of Unmetered Charges by Local Authority) (Scotland) Order 2020.

Yours sincerely,

**MAIRI MCALLAN**

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

St Andrew's House, Regent Road, Edinburgh EH1 3DG  
[www.gov.scot](http://www.gov.scot)