
DIRECTIONS

WATER INDUSTRY

The Scottish Water (Objectives: 2021 to 2027) Directions 2020

Made - - - - *4th December 2020*
Coming into force - - *1st April 2021*

The Scottish Ministers give the following Directions to Scottish Water in exercise of the powers conferred by sections 56 and 56A of the Water Industry (Scotland) Act 2002(a).

In accordance with section 56(4) of that Act, the Scottish Ministers have consulted Scottish Water.

In accordance with section 56A(4) of that Act, the Scottish Ministers have consulted every water services provider and sewerage services provider and Citizens Advice Scotland.

Citation and Commencement

1. These Directions may be cited as the Scottish Water (Objectives: 2021 to 2027) Directions 2020 and come into force on 1 April 2021.

Interpretation

2.—(1) In these Directions—

- (a) “the 2002 Act” means the Water Industry (Scotland) Act 2002,
- (b) “the 2021-27 period” means the period beginning with 1 April 2021 and ending with 31 March 2027 specified under section 29B(2) of the 2002 Act(b),
- (c) “climate change targets” means the commitment by Scottish Water to:
 - (i) increase the renewable electricity generated or hosted on its land and assets to 300% of its annual usage by 2030, and
 - (ii) achieve net zero emissions by 2040,
- (d) “the Drinking Water Quality Regulator for Scotland” means a person appointed under section 7(1) of the 2002 Act,
- (e) “the previous period” means the period beginning with 1 April 2015 and ending with 31 March 2021,
- (f) “RBMP objectives” are the objectives set by SEPA for the purposes of a river basin management plan pursuant to section 9 of the Water Environment and Water Services (Scotland) Act 2003(c),
- (g) “river basin management plan” means such a plan approved by the Scottish Ministers under section 13 of the Water Environment and Water Services (Scotland) Act 2003 (including that section as applied by section 14(4)),

(a) 2002 asp 3. Section 56A was inserted by section 22 of the Water Services etc. (Scotland) Act 2005 (asp 3) (the “2005 Act”), and amended by section 130(6) of the Public Services Reform (Scotland) Act 2010.

(b) Section 29B was inserted by section 21 of the 2005 Act.

(c) 2003 asp 3.

- (h) “SEPA” means the Scottish Environment Protection Agency, and
- (i) “the Water Industry Commission for Scotland” means the body established by section 1(1) of the 2002 Act^(a).

Objectives as to the standard of services

3. In respect of the 2021-27 period, Scottish Water must (except to the extent that it would be inconsistent with the exercise of its functions) fulfil each objective (as to standard of service) set out in the Schedule.

Revocations

4. The following Directions are revoked—
- (a) the Scottish Water (Objectives: 2015 to 2021) Directions 2014, and
 - (b) the Scottish Water (Security) (Scotland) Directions 2017.



BOB IRVINE

A member of the staff of the Scottish Ministers

St Andrew’s House
Edinburgh
4th December 2020

(a) Section 1(1) was amended by section 1 of the Water Services etc. (Scotland) Act 2005 (asp 3).

Long term water sector vision

1.—(1) Scottish Water must lead work with partners (such as stakeholders, its supply chain, academia and consultants) and engagement with customers and communities, in order to make progress towards the realisation of the long term vision of the water industry(**a**).

(2) In doing so, Scottish Water must apply the place principle adopted by the Scottish Government and the Convention of Scottish Local Authorities(**b**), by taking an integrated, collaborative and participative approach to decisions about a place's services and assets, in order to maximise the impact of resources and to achieve better outcomes for people and communities.

Standards of service

2. Scottish Water must—

- (a) maintain or improve current levels of service over the long term,
- (b) engage with stakeholders and customers to establish appropriate standards of services for the 2021-27 period and beyond,
- (c) report annually on its performance against the standards established under sub-paragraph (b), and
- (d) review, from time to time, its performance assessment criteria to ensure they remain fit for purpose.

Asset maintenance

3.—(1) Scottish Water must prepare an evidence-based strategy to inform the long term asset replacement needs of the industry.

(2) The strategy must—

- (a) set out a programme to be undertaken by Scottish Water to understand the condition of assets, in particular those of a critical nature for maintaining service delivery,
- (b) be subject to consultation with, and have the broad support of, the Drinking Water Quality Regulator for Scotland, SEPA and the Water Industry Commission for Scotland,
- (c) ensure that asset maintenance is fully integrated with other areas of Scottish Water's investment programme.

Supporting Sustainable Economic Growth

4.—(1) Scottish Water must identify and provide new strategic capacity that will meet the demand of all new housing development and the domestic requirements of commercial and industrial development for the 2021-27 period.

(2) Scottish Water must:

- (a) work with the industrial sector to facilitate the provision of capacity that will meet the non-domestic needs of new and expanding industry,
- (b) work with stakeholders to influence strategic development in areas where there is already capacity, and to consider all possible measures to release capacity in existing assets before requiring enhancement of water and wastewater infrastructure,

(a) <https://www.scottishwater.co.uk/en/About-Us/News-and-Views/101019-The-Vision#:~:text=An%20ambitious%20new%20Vision%20for%20the%20water%20sector.at%20the%20heart%20of%20Scottish%20Water%E2%80%99s%20future%20strategy.>

(b) <https://www.gov.scot/publications/place-principle-introduction/>

- (c) work with the Scottish Government to support the Scottish Government’s objective of ensuring reliable and sustainable rural waste and water services.

(3) Scottish Water must ensure that such strategic capacity is delivered in support of committed investment so as to minimise the likelihood of redundant capacity.

Circular Economy

5.—(1) Scottish Water must have regard to the Scottish Government’s circular economy strategy (as may be amended or replaced from time to time)(a) in its provision of water and wastewater services.

- (2) In particular, Scottish Water must assess the potential for resource recovery from sewerage.

Drinking Water

6.—(1) Scottish Water must comply with its drinking water quality duties, and prepare plans to address failures and the risk of failures to comply with drinking water quality standards.

(2) Scottish Water must review and update its existing plans to address the resilience of supplies, and take steps to secure further improvements to resilience.

(3) Scottish Water must prepare investment plans to remove the contact of potable water with lead pipes in its networks.

(4) Such investment plans must:

- (a) be informed by the studies and pilots undertaken during the previous period,
- (b) ensure Scottish Water supplies water which complies with the lead standards in the Public Water Supplies (Scotland) Regulations 2014)(b)(as amended or replaced from time to time),
- (c) be prepared in consultation with the Scottish Government, the Drinking Water Quality Regulator for Scotland and other stakeholders.

(5) Scottish Water must collaborate with the Scottish Government, the Drinking Water Quality Regulator for Scotland and other stakeholders to take steps towards a lead-free Scotland.

Environment

7.—(1) Scottish Water must improve the current level of compliance with its environmental licences by preparing and implementing investment plans that address the risks of impacts on the environment from its assets.

(2) Scottish Water must prepare and implement delivery plans throughout the 2021-27 period which set out how improvements to its water and sewerage infrastructure are expected to contribute effectively to the RBMP objectives.

(3) Scottish Water must provide regular updates on the progress it has made towards delivering its obligations in respect of river basin management plans.

(4) Scottish Water must prepare drainage and wastewater management plans, to gain a better understanding of the performance of the sewer networks and to limit the amount of plastics reaching the water environment through the sewer network.

(5) Scottish Water must support SEPA’s work with the manufacturing sector, the Scottish Government, customers and stakeholders to control at source plastics and priority substances.

(a) <https://www.gov.scot/publications/making-things-last-circular-economy-strategy-scotland/>

(b) S.S.I. 2014/364, as amended by S.S.I. 2015/346, S.S.I. 2017/281 and S.S.I. 2017/321.

Flooding and surface water management

8.—(1) Scottish Water must identify and pursue opportunities to work with stakeholders, and respond to opportunities proposed by stakeholders, to transform how rainwater and sewerage are managed in new and existing communities

(2) In particular, Scottish Water, in collaboration with other parties as appropriate, must adopt and encourage a catchment management approach to sustainable storm water management wherever practical, to reduce and prevent the impacts of sewer and surface water flooding, reduce pollution from sewer overflows, enable growth, increase resilience and create natural spaces for customers and communities to enjoy.

(3) Scottish Water must take account of relevant recommendations of the Infrastructure Commission for Scotland.

Security and resilience

9.—(1) Scottish Water must prepare and implement plans—

- (a) to maintain and improve the security of its network and systems, to protect them from malicious attack, and
- (b) subject to appropriate prioritisation, to maintain and improve the resilience of its network and systems to ensure continuity of service.

(2) Such plans must be prepared in line with advice from the Scottish Government's security advisers, and be informed by industry best practice.

Climate change, adaption and mitigation

10.—(1) Scottish Water must—

- (a) identify the impacts of climate change on its assets,
- (b) prepare and implement plans for adaption measures necessary to protect its services,
- (c) make substantive progress in the 2021-27 period towards the climate change targets, and ensure it is on an appropriate trajectory to meet or exceed those targets.

(2) Scottish Water must work with customers and the wider industry to support measures that reduce water use in homes and businesses and help ensure that only appropriate items are flushed down the toilet or put down the sink.

Private finance initiative funded projects

11.—(1) Scottish Water must prepare and implement plans to manage its private finance initiative contracts which end in the 2021-27 period, to secure best value for money for the future operation of the relevant facilities.

(2) Scottish Water must prepare such plans for its private finance initiative contracts which end after 2027.