



The Scottish Parliament
Pàrlamaid na h-Alba

TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

AGENDA

18th Meeting, 2009 (Session 3)

Tuesday 8 September 2009

The Committee will meet at 2.00 pm in Committee Room 6.

1. **Decision on taking business in private:** The Committee will decide whether to take items 4 and 5 in private.
2. **Scottish Water Annual report and accounts 2008-09:** The Committee will take evidence from—

Ronnie Mercer, Chairman, Richard Ackroyd, Chief Executive, Geoff Aitkenhead, Asset Management Director, Douglas Millican, Finance and Regulation Director, and Mark Powles, Managing Director, Business Stream, Scottish Water.

3. **Draft Budget Scrutiny 2010-11 - witness expenses:** The Committee will be invited to delegate to the Convener responsibility for arranging for the SPCB to pay, under Rule 12.4.3, any expenses of witnesses in the consideration of the Scottish Government's Draft Budget 2010-11.
4. **Work programme:** The Committee will consider its work programme.
5. **Draft Budget Scrutiny 2010-11:** The Committee will consider its approach to the scrutiny of the Scottish Government's Draft Budget 2010-11.

Steve Farrell
Clerk to the Transport, Infrastructure and Climate Change Committee
Room T3.40
The Scottish Parliament
Edinburgh
Tel: 0131 348 5211
Email: steve.farrell@scottish.parliament.uk

The papers for this meeting are as follows—

Agenda item 2

[Scottish Water's Annual Report and Accounts for 2008/2009](#)

[Annual Report by the Drinking Water Quality Regulator](#)

Private paper

TIC/S3/09/18/1 (P)

Written submission from Scottish Water

[TIC/S3/09/18/2](#)

Agenda item 4

Private paper

TIC/S3/09/18/3 (P)

Agenda item 5

Paper by the Clerk

TIC/S3/09/18/4 (P)

**Scottish Water Annual Report 2008-09
Chairman's Summary for the Transport, Infrastructure and Climate
Change Committee Meeting of 8 September 2009**

2008-09 Headlines

In June our annual report for 2008-09 was presented to the Scottish Parliament.

We outperformed on almost every target, ensuring that the rapid progress in improving the water industry and the service we provide to customers continues.

The headlines are:

Investment

- In 2008-09 we invested £687 million to improve our asset base – the biggest investment per household in the UK, delivering the customer benefits determined by Scottish Ministers and our regulators.

Service

- We beat our target on improving customer service – by 13 per cent. Since 2006 our customer service has improved by 53% as measured by industry standards.

Charges

- We kept customer charges steady and lower than seven of the companies south of the border. On average each Scottish household pays £324 a year for water and waste water services, the equivalent of less than £1 a day.

Leakage

- We beat our leakage target, reducing leakage by a 122 million litres a day.

2008-09 Summary

The continued and sustained efficiency of the business means that customer charges have remained steady as we strive to provide one of the best value for money water and waste water services in the UK.

This annual report marks the third year of the four year regulatory period 2006-2010. The 4000 projects in this £2.45 billion investment programme are delivering real benefits to communities across Scotland and supporting more than 5000 construction jobs across the country.

In 2008-09 some of the highlights of our investment include:

- improving the water pressure to 2900 homes;
- removing the risk of internal flooding to 180 properties;
- 100% of all written complaints answered within 10 days;
- improvement in answering calls within 20 seconds to 97.41%.
- water quality remains at an all time high at 99.81% compliance with stringent regulatory standards.

In the last year we saw the Royal Opening of the new water treatment works at Milngavie which provides 700,000 people in the Greater Glasgow area with clearer, fresher tap water. It also marked the start of construction of a new water treatment works at Glencorse, near Edinburgh, that will provide much of the drinking water for a growing Edinburgh when it is completed in early 2011.

We continue to service new development across Scotland by addressing water and waste water capacity to allow further growth.

Looking to the Future

Scottish Water's performance in 2008-09 is further evidence of our commitment to delivering a value for money package for our customers.

This progress is what we all expect from a business which our regulator described as the fastest improving water company in the UK. We are not complacent, however, particularly in light of the current economic conditions and are acutely aware of our contribution to the economic well being of Scotland.

Ronnie Mercer
Chairman
Scottish Water
1 September 2009