

## RESPONDENT INFORMATION

To help us make the most of your response, please tell us about yourself and how you want us to use the information you provide. There are some questions marked \* and these must be answered by all respondents, unless you are directed past this question.

* I am responding as:		<input type="checkbox"/> An individual
		<input checked="" type="checkbox"/> An organisation/group
Name of Organisation (if appropriate)	<i>Scottish Water</i>	
Forename	<i>Neil</i>	
Surname	<i>Hemings</i>	
Address	<i>Castle House Castle Drive Dunfermline</i>	
Postcode	<i>KY11 8GG</i>	
Telephone		
Email		
Do you consider yourself or your organisation as from or representing?		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a rural area	an urban area	an area with both urban and rural parts
		<input checked="" type="checkbox"/> don't know / not applicable
Would you be happy to be approached by the Commission for further discussion about your submission?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>If you are responding as an individual:</b>		
* Do you agree to your response being made available to the public on the Commission's web site?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
* If you have agreed to your response being made available to the public, please tell us if we may also make your name and address available. (Please select one option only)		
<input checked="" type="checkbox"/>	Yes, make my response, name and address all available	
<input type="checkbox"/>	Yes, make my response available, but not my name and address	
<input type="checkbox"/>	Yes, make my response and name available, but not my address	
<i>If you are responding as an individual we would be grateful if you could provide some additional information at the end of this form. This is absolutely optional but will help us get an overall picture of the information we receive.</i>		
<b>If you are responding as a group or organisation:</b>		
* The name and address of your organisation will be made public on the Commission's web site. Are you content for your response to also be made available?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Which of the following best describes your organisation? (Please select one option only)		
<input type="checkbox"/>	Community Group	<input type="checkbox"/> A business
<input type="checkbox"/>	Local Authority	<input type="checkbox"/> A government department or agency
<input checked="" type="checkbox"/>	Other public sector organisation	<input type="checkbox"/> A social enterprise
<input type="checkbox"/>	Third Sector organisation	<input type="checkbox"/> Other (please specify)
<input type="checkbox"/>	Professional body	
Short description of the main purpose of your organisation:		
<i>Scottish Water is the provider of water and wastewater services throughout Scotland.</i>		

## Tell us what you think

We have not provided a long list of questions, but we do want to hear what you have to say about some themes. Please respond to as few or as many as you wish. If you would prefer to send us other information, please feel free to do so. However, it would be helpful to keep your response to no more than eight pages.

*If you are able to, please provide evidence or examples in support of what you say. This will help us explore your ideas further.*

### 1. SCOTLAND'S CURRENT SYSTEM OF COUNCIL TAX

**To what extent does the current system of council tax deliver a fair and effective system of local taxation in Scotland? Are there any features of the current system that you wish to see retained or changed?**

*You may wish to illustrate your answer with examples from your own experience.*

1. *As well as being the basis for local taxation, Council Tax is also the basis for collecting water and wastewater charges from the vast majority (over 97%) of households in Scotland. At £815m, income from water and wastewater charges is around 29% of the total value of circa £2.8bn that is due for Council Tax and water charges billed by local authorities under the shared service arrangement.*
2. *The billing and collection of water and wastewater charges are undertaken by the local authorities on behalf of Scottish Water. In total Scottish Water pays local authorities £18.25m per annum for this service.*
3. *The use of the Council Tax bandings, supplemented by the application of Council Tax Reductions and many of the other Council Tax deductions and exemptions to water and wastewater charges, creates a regime that recognises variations in the ability of householders to pay water and wastewater charges and automatically provides support with no additional bureaucracy.*
4. *In Scotland, almost 50% of homes receive some form of reduction in their water or wastewater charges, worth £139m per year, equivalent to a 15% premium built into the charge level. This level of support is understood to be far greater than provided in the water industry elsewhere in Great Britain.*
5. *In January 2015, Consumer Futures Scotland reported that there is broad support from customers for the use of Council Tax as the basis of water and wastewater charges.*
6. *Any revisions to the Council Tax regime would need to retain the benefits that the current system offers to household water and wastewater customers.*
7. *Alternatives to Council Tax would need to consider the impact on water and wastewater charges of creating and operating a separate bureaucracy in terms of service provision and additional cost.*
8. *Alternatives to Council Tax would also need to consider the time that the water industry would need to develop alternative charging arrangements that meet the expectations of Scottish Ministers and to implement a system capable of billing water and wastewater charges to 2.5m households.*
9. *If water and wastewater charges are moved away from Council Tax and alternative utility charging arrangements are introduced, evidence from other utilities suggests that customers are likely to expect Government to support vulnerable customers rather than provide support through utility charges.*
10. *Finally, while the focus of the Commission is primarily on the arrangements for local taxation, assessments of alternatives or refined regimes must take account of the implications for Scotland's public sector water industry and the water and wastewater charges paid by the citizens of Scotland.*

## 2. REFORM OF LOCAL TAXATION

**Are there alternatives to the current system of council tax that you think would help to reform local taxation in Scotland? What are the main features of these, and why do you think they would deliver improvement?**

*Do you have any examples of why this is the case?*

*Scottish Water does not wish to make a comment in relation to alternative methods that could be used as the basis of local taxation in Scotland.*

## 3. LOCAL PRIORITIES

**How well do you think that communities' local priorities are accounted for in the way that local taxation operates at the moment? If there is room for improvement, how should things change?**

*Do you have any ideas or examples about how this could improve people's lives?*

*Scottish Water does not wish to make a comment in relation to this question.*

#### 4. FURTHER INFORMATION

**We would like to keep the conversation going. Please tell us about any events, networks or other ways in which we could help achieve this.**

*As £815m income from water and wastewater services, around 29% of the total value due for Council Tax and water charges is billed by Local Authorities, Scottish Water considers it essential that we are part of the ongoing conversation on local tax reform.*

*We ask the Commission to consider how best Scottish Water might be involved.*

**Thank you for your submission. If you have any queries about the Call for Evidence please contact us at:**

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