What do consumers think about Scottish Water's Final Business Plan?

What is the Strategic Review of Charges 2027-33 (SRC27) process?

- SRC27 is a statutory process that sets **the maximum amount Scottish Water can charge consumers** for water supply and wastewater services in a regulated 6-year period.
- As part of this process, the **Water Industry Commission for Scotland (WICS) will review Scottish Water's Business Plan** and issue a Final Determination on whether it is **affordable** and offers **value for money**. In commissioning the current review, Scottish Ministers **required that the Final Determination must 'command consumers' support'[i].**

Why deliberative research?

- In deliberative research, participants are given expert information and time to discuss an issue. By deliberating together, they reach informed conclusions that might differ from their initial views[ii].
- Consumer Scotland has commissioned deliberative research to understand consumer views on the Business Plan and proposed charges over the next 6-year period.

The Process

- This summary presents findings from the third and final phase of the SRC27 longitudinal deliberative research. Phase 3 engaged household and non-household customers and **tested consumer support for Scottish Water's Final Business Plan** (including proposed outcomes, charge increases, and changes since Draft Business Plan). Informed by this research, WICS published its Draft Determination on 30th June 2026.
- All fieldwork for this research is now complete. Separate summary reports for phase 1 and phase 2 are available on Consumer Scotland's website. An overarching report which sets out the findings and themes across the full deliberative process is also available in the same collection[iii].

Key findings

1. Participants were broadly positive about the Final Business Plan and were pleased with the extent to which their feedback on the Draft Business Plan had been taken into account by Scottish Water. They felt that Scottish Water had listened to customer feedback and welcomed the transparency they had shown about the decisions informing the Final Business Plan and the charges.

2. In keeping with the findings from phase two, participants were broadly positive about the investments and the outcomes set out in the Final Business Plan. Having heard detail about

the main changes that had been made to the investment areas – e.g. the increased focus on drinking water quality, maintaining rather than improving performance on repeat supply interruptions, postponing 16 complex UIDs, and less investment in some carbon reduction measures - participants largely understood the need for these types of trade-offs to keep customer charges as low as possible.

3. The reduction in proposed charge increases to CPI+3.3% (from the CPI+4% proposed in the Draft Business Plan) was broadly welcomed, and there was a sense that customers' affordability concerns had been listened to by Scottish Water. On balance, participants felt that the charge increase of CPI+3.3% was a reasonable compromise given the current economic climate and the rising costs of daily bills. Participants appreciated the level of information that Scottish Water had presented on the reasoning behind the charge.

4. However, there were concerns that delaying some investment now might lead to charges increasing in the future. Among those who were more in favour the CPI+4% and CPI+5% charge increases, there was a view that Scottish Water should invest more in the areas that need investment to avoid higher charges impacting participants in future billing periods. Some participants said they would have liked to have seen Scottish Water go further by achieving more outcomes in SRC27 rather than delaying to future periods.

5. Taking everything into consideration, the Final Business Plan was described by participants as balanced, sensible and acceptable. Their support for the Final Business Plan was based on: a view that Scottish Water's investments were well-aligned with customer priorities, a perception that the CPI+3.3% charge increase was more affordable than the previously proposed CPI+4%, support for the deliberative research process, and an assumption that the outcomes in the Final Business Plan would be met and that WICS would hold Scottish Water to account.

6. Some concerns did remain and prevented some participants from saying that they fully supported the plan. These included: the perceived risks associated with postponing certain investments, uncertainty about the impact of inflation on customer charges and the cumulative impact of rising household and business bills, and the need for more reassurance that Scottish Water had explored all possible cost savings and income streams.

7. When asked about what they would like WICS to consider in its determinations, participants stressed two main roles: carrying out a thorough review of the investments and outcomes in the business plan to ensure Scottish Water is being as efficient as possible, that it has set realistic targets, that the ambition and outcomes are achievable, and that there is sufficient detail underpinning the plan that demonstrates how the outcomes will be achieved. They will then look to WICS to hold Scottish Water to account for the delivery of these investments and outcomes.

Next steps

- Following WICS' publication of its Draft Determination on 30th June 2026, the Draft Determination of Charges consultation will close on 1st September 2026. The Final Principles of Charging and Final Ministerial Objectives will be published by the Scottish Government in October 2026. WICS will also publish their Final Determination in October 2026.

[i] Scottish Government, 2024
[ii] Burchardt, 2013
[iii] Consumer research on water charges | Consumer Scotland