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Introduction to Scottish Environment LINK

Scottish Environment LINK is the forum for Scotland's voluntary environment community, with over 40 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society.

Its member bodies represent a wide community of environmental interest, sharing the common goal of contributing to a more sustainable society. LINK provides a forum for these organisations, enabling informed debate, assisting co-operation within the voluntary sector, and acting as a strong voice for the environment. Acting at local, national and international levels, LINK aims to ensure that the environmental community participates in the development of policy and legislation affecting Scotland.

LINK works mainly through groups of members working together on topics of mutual interest, exploring the issues and developing advocacy to promote sustainable development, respecting environmental limits. This consultation response was written by LINK's Freshwater Group.

Response

Our Strategic Ambitions

Our Long-Term Strategy sets out our plans over the next 25 years to ensure Scotland's water and waste water services continue to be sustainable, resilient and affordable for generations to come. At Scottish Water, we have three strategic ambitions that underpin the Long-Term Strategy.

Service Excellence

Adapting to climate change, managing our ageing assets and meeting customers' evolving expectations.

Beyond Net Zero Emissions

Showing leadership in mitigating climate change through our operations, investment and land management activities so that we achieve net zero by 2040 and go beyond this.

Great Value and Financial Sustainability

Customers will receive great value, now and in the future, and we will be financially sustainable as a company.

These ambitions require us to find and deliver solutions that always balance service, climate and cost for the benefit of customers, communities and the environment.

1. Do you understand our Strategic Ambitions?



Yes

Our Challenges

There are a variety of challenges we are facing in Scotland as individuals and organisations. We have identified three major challenges that will impact our ability to achieve our Long-Term Strategy.

The Climate Crisis

The climate crisis is bringing extreme weather, record-breaking heatwaves, droughts, storms and floods that put increasing pressure on our water and waste water systems. The climate threat is accelerating which means we must go further and faster in adapting and replacing the assets that will serve Scotland.

Population Change

Scotland's overall population continues to grow, and there is a shift in population from west to east. The number of households has also increased, as more people are now living alone or in smaller family units. This has resulted in many local authorities across the central belt of Scotland declaring housing emergencies in 2024. As well as our responsibility to ensure the smooth and swift connection of new homes, these changes also put pressure on our existing network's ability to cope with the additional demand.

Ageing Assets

As responsible asset owners and managers we continue to invest in our assets, some of which have been in use for over 100 years. They have served Scotland well but many are coming to a point where they need to be upgraded or replaced, and were designed for the type of weather and customer demand of the past so need to be adapted.

To ensure compliance with stricter legislation we have also introduced, over recent years, additional monitoring and control systems, and more digital assets that require more frequent replacement.

- 1. Do you understand the challenges Scottish Water will be focussing on over the next 25 years?**

Yes

- 2. To what extent do you agree with the challenges Scottish Water will be focusing on over the next 25 years?**

Agree

We agree with the challenges outlined and would like to further emphasise the importance of integrating nature-based solutions and better land management practices to mitigate the impact of these challenges.

The urgency to adapt to climate change is undeniable. Extreme weather events such as intense rainfall and floods are expected to become more frequent, which will further challenge Scotland's



aging water infrastructure. Implementing natural flood management systems, such as floodplain restoration and wetland creation, could play a key role in reducing the strain on existing infrastructure while providing broader environmental benefits. This aligns with the ambition in the Scottish Biodiversity Strategy (SBS) which advocates for the integration of biodiversity conservation in climate adaptation strategies. This should be a core component of Scottish Water's strategy to manage the increasing climate risks.

Scotland's growing population, particularly in urban areas, will place increased pressure on both water supply and wastewater systems. To address this, we strongly advocate for the promotion of Sustainable Urban Drainage Systems (SUDS) and water conservation strategies that will reduce the pressure on both water resources and wastewater treatment. Incorporating SUDS into urban planning can help manage surface water runoff effectively. These measures will be crucial in maintaining an adequate service as demand continues to grow.

Many of Scotland's water and wastewater systems were built more than a century ago and require substantial upgrades. While Scottish Water is focused on the replacement of these assets, the incorporation of green infrastructure, such as wetlands and riparian corridors, should be prioritised (as highlighted by the SBS). These green solutions can help reduce pollution, manage flood risks, and enhance biodiversity, which are all essential for maintaining Scotland's water systems in the face of climate change.

Monitoring and transparency must be at the core of the strategy. In the past, it has been challenging to access key environmental data, such as sewer spills, and even then, only a fraction of incidents have been reported publicly. To foster public trust and drive accountability, we strongly believe that the strategy should outline clear mechanisms for reporting on the impact of operations on the environment, including regular updates on sewage discharges and water quality monitoring.

Recent efforts have seen an increase in the monitoring of Combined Sewer Overflows (CSOs) from 7% to 32%. While this is a significant and welcome step forward, we aim for 100% monitoring coverage to match the approach taken in England and Wales, where detailed, publicly accessible data is available. Installing monitoring on all CSOs would ensure that pollution risks are quickly and efficiently identified, allowing for prompt action and effective mitigation plans.

While calculations have been made of the anticipated increase in sewage discharged from CSOs in the future, it would also be beneficial to set targets for the reduction of these discharges. For example, in England, the Storm Overflow Discharge Reduction Plan sets clear targets for how spills will be reduced over the next 25 years, with an ultimate goal of limiting CSO spills to no more than 10 per year—or fewer where they are causing ecological harm or affecting protected areas like bathing waters. We would like to see similar targets in Scotland.

Transparency should be improved by ensuring that all stakeholders have access to comprehensive and up-to-date data. This could include real-time data on water quality and detailed reporting on flood management.

Our Long-Term Outcomes



To respond to these challenges and the changing world we operate in, we are setting three outcomes in our Long-Term Strategy, which we will prioritise over the next 25 years. These outcomes are the critical areas where more work is required, and we will measure and report our progress against them.

Our outcomes focus on how we will support Scotland's water, environment, housing and economic growth, customers and communities. We have three outcomes:

- Scotland's tap water remains a source of national pride.
- The quality of our rivers and seas has improved, and our communities are protected from flooding, through collaboration with others
- Scottish Water has played a key role in enabling Scotland's sustainable economic and housing growth.

1. To what extent do you agree with the outcomes Scottish Water has identified?

Agree

We support the three long-term outcomes identified, with a few additions:

Scotland's tap water remains a source of national pride: This should be linked more explicitly to the health of freshwater ecosystems. The strategy should highlight maintaining both the quality and ecological integrity of freshwater habitats, as this is critical for ensuring high-quality tap water. By emphasising ecosystem health alongside water quality, Scottish Water can better align with the SBS and integrate ecosystem-based management into its operations.

The quality of our rivers and seas has improved, and our communities are protected from flooding, through collaboration with others: This could be more ambitious by incorporating stronger commitments to biodiversity restoration and pollution reduction. The current language of improving water quality and protecting communities from flooding is a good start, but more emphasis is needed on reducing pollutants at the source, particularly sewage (including the persistent chemicals and microplastics it contains) and agricultural and road runoff.

Scottish Water has played a key role in enabling Scotland's sustainable economic and housing growth: This outcome fails to consider how economic growth can be decoupled from environmental degradation. Integrating green infrastructure into urban planning is a key way forward, but this needs to be more explicitly stated in the strategy.

Our Long-Term Steps

We have set out four steps to help deliver these outcomes. Our approach is to deliver as much progress on the first three steps as we can, so that we can limit the scale of requirements for the fourth.



STEP ONE: We will collaborate and lead partnerships with public, private and third sector organisations and with customers and communities, undertaking activities such as contributing to a natural environment that is resilient to climate change and supports water resources, quality and helps us drain catchments sustainably.

STEP TWO: We will transform and drive efficiency in the way we work through innovation and technology.

STEP THREE: We will reduce demand on our services and assets, by reducing demand for tap water and managing rain water on the surface. A major part of this solution will be reducing the volume of water we take from the environment whilst supporting customers and communities to only use the water you need.

AND THEN, having realised as much benefit as we can from steps one to three –

STEP FOUR: We will seek the funding we need to deliver investments to maintain the services we all rely on.

Without major changes to how we currently operate the water and waste water system in Scotland, and given the projections of the impacts of climate change, we are currently forecasting that the funding needed to deliver sustainable services over the next 25 years could be approximately double what it is today. This means that our directional, best estimate is that we could invest around £50 billion in your water and waste water services over the next 25 years. Planning for this period is inherently uncertain and there are both opportunities and risks ahead. Using the first three steps of this strategy, we will relentlessly seek out and embrace opportunities that can reduce the forecast level of funding that would otherwise be required.

As a publicly owned organisation, customer charges currently make up about 90% of the total funding we have available to invest in maintaining and improving services each year. The only other source of funding we currently have is borrowing from the Scottish Government. Under the current funding model, the cost of future investment will therefore be met through annual charges.

We will seek customer support for our approach and for the level of investment we propose, and our independent economic regulator will determine what the right level of funding will be. Our forecast of funding will be established and refreshed every regulatory period (currently set at every six years) as we learn more about the impact of climate change on our services and can assess how far working ever more collaboratively, driving technology and innovation, and reducing demand has taken us towards delivery of our outcomes.

1. To what extent do you agree with the steps Scottish Water has identified?

Agree



Step One: We agree that collaboration is key. Public, private, and third-sector collaboration is essential in developing and implementing sustainable water management practices. We encourage Scottish Water to partner more explicitly with environmental organisations, land managers, and local communities to implement nature-based solutions for climate adaptation, such as wetland restoration and sustainable flood management practices.

Step Two: We fully support the need for technological innovation. However, innovation should not only focus on traditional technological advancements but also on integrating green infrastructure into water management solutions. While technological innovation is essential, it is also important to prioritise nature-based solutions, such as wetland restoration, riparian corridors, and sustainable flood management. There needs to be a stronger commitment to integrating green infrastructure into technological innovation, rather than treating them as separate entities. Additionally, while Scottish Water has made progress, the current strategy does not provide a detailed roadmap for how it will incorporate these solutions in a practical, scalable manner across Scotland.

Step Three: We suggest that Scottish Water works more closely with local authorities to promote SUDS and encourage water conservation practices in households and businesses. These measures can reduce surface water runoff, prevent pollution, and reduce the overall demand on water treatment systems. The strategy implies that demand management will be addressed through technological solutions and consumer behavior change, but it doesn't provide a concrete action plan or targets to engage communities, businesses, and local governments in achieving these goals. More detail on how to educate and incentivise water-saving practices at a community level would help make the strategy more tangible. Moreover, promoting SUDS is essential, but the strategy falls short in explaining how these systems will be integrated into urban planning or incentivised within existing regulatory frameworks.

Step Four: There is no clear plan for securing this funding, especially considering the larger role that nature-based solutions could play in reducing costs in the long term. While Scottish Water acknowledges the need to seek additional funding, the strategy seems overly reliant on customer charges and borrowing from the Scottish Government, which may not be sufficient given the scale of the challenges posed by climate change. A more diverse and forward-thinking funding model should be explored, one that prioritises green infrastructure investments and integrates the long-term economic benefits these projects bring, such as reduced flood risk, improved water quality, and enhanced biodiversity.

2. If you are responding on behalf of an organisation, do you understand your role in helping us achieve these steps?

Yes

While we understand the outlined steps, there are several areas where the current strategy could benefit from more clarity and integration of environmental and community-focused actions.

While collaboration is emphasised, the strategy lacks clear guidance on how partnerships with environmental organisations, communities, and land managers will be practically integrated into Scottish Water's operations. For example, while Scottish Water mentions working with others, the



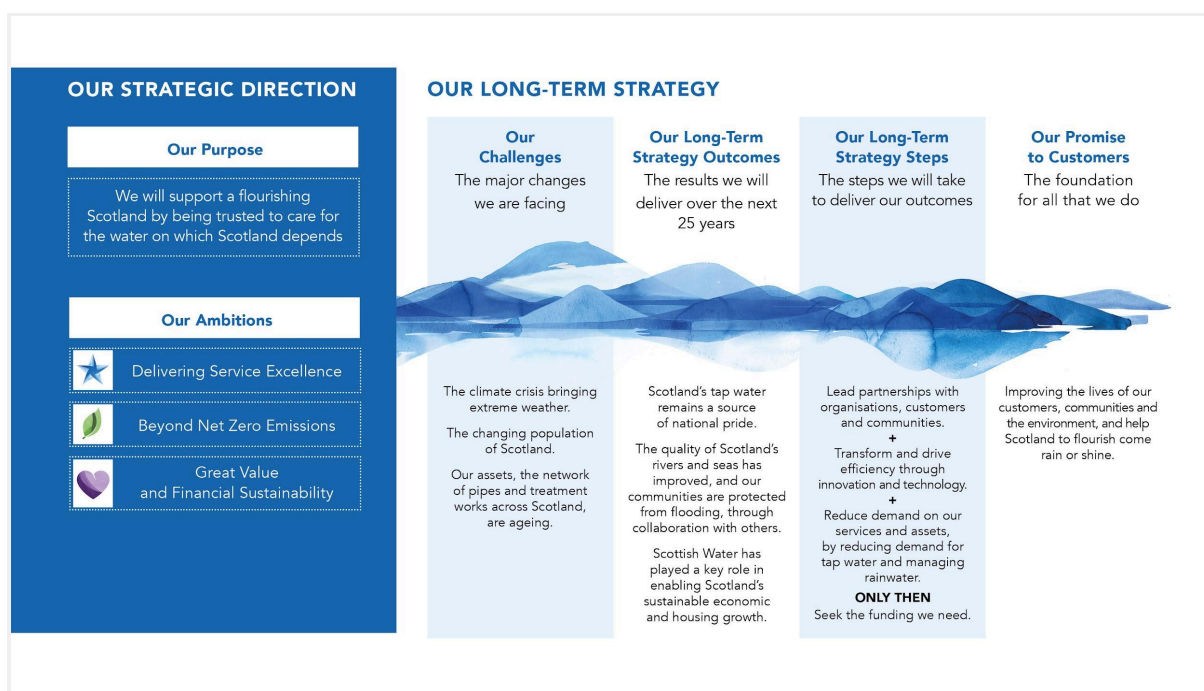
specifics of these partnerships and the mechanisms through which they will influence decisions are unclear. Scottish Water must provide more transparency in its partnerships to ensure that these collaborations are structured in a way that enables meaningful input into decision-making.

Supporting a Flourishing Scotland

To enable success now and for the future, we have made sure that our work over the next 25 years – what we have set out in this Long-Term Strategy – supports a flourishing Scotland in all aspects: for our customers, partnerships, natural environment, people, assets and work.

Collaboration is key to facing our three major challenges and achieving our outcomes. That means working with stakeholders, other industries, and also our customers – the people of Scotland. We will take the steps we need to deliver our outcomes, and all the while keep our promise to improve the lives of customers, communities and the environment, and help Scotland to flourish come rain or shine.

Our Long-Term Strategy on a Page:



[Accessible Version of Our Long-Term Strategy on a Page Infographic](#)

1. Do you feel our Long-Term Strategy is easy to understand?

Yes

2. Overall, are you supportive of our Long-Term Strategy?

Yes



3. Please provide further detail to support your answers to Question 1 and 2 and any other feedback you wish to share:

While the strategy is clear in its overarching goals and ambitions, we believe that including more detailed information about the integration of freshwater and coastal biodiversity and ecosystem health into the strategy would make it even more comprehensive and accessible to a wider audience. This would ensure that all stakeholders, including those who are deeply concerned with environmental issues, understand the broader ecological context and the critical importance of maintaining healthy water ecosystems. The strategy could have done more to highlight areas where Scottish Water could proactively work with other stakeholders to identify where upstream mitigation measures could help to reduce the burdens of treating pollutants in wastewater and drinking water.

Scottish Water's improvements should aim not only to protect and improve freshwater quality but also to enhance coastal water quality. This can be achieved both directly, through reducing the frequency of outfalls discharging into the sea and indirectly, since improving freshwater quality will benefit coastal waters into which most of Scotland's freshwater ultimately flows. Ensuring healthier freshwater ecosystems will therefore have far-reaching benefits for the coastal environment, contributing to cleaner seas and supporting the broader health of Scotland's marine ecosystems.

The Scottish Biodiversity Strategy provides a comprehensive framework for safeguarding Scotland's biodiversity, which should be integrated into Scottish Water's Long-Term Strategy. By doing so, Scottish Water can ensure the health of freshwater and coastal ecosystems, which is essential for the quality of water services and Scotland's broader environmental health.

This response was compiled on behalf of LINK Freshwater Group and is supported by:

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