Passage of the Bill

The Water Services etc. (Scotland) Bill [SP Bill 23] was introduced in the Parliament on 11 June 2004. Stage 1 commenced on 16 June with the Environment and Rural Development Committee as the lead committee. The Stage 1 debate took place on 17 November 2004 and the Bill was passed following the Stage 3 parliamentary debate on 9 February 2005.

Purpose and objectives of the Bill

The main elements of the Bill focus on restructuring the economic water regulator in Scotland, introducing a series of provisions relating to competition in the water industry in Scotland, and establishing a statutory basis for remediation of coal mine water pollution.

Provisions of the Bill

The Bill seeks to establish a new corporate body, the Water Industry Commission, comprising 3-5 ordinary members and a Chief Executive to take on the functions of the Water Industry Commissioner. These functions include promoting the best interests of the customers of Scottish Water and customers of any other companies which may be licensed to sell water to non-domestic customers. The Bill will amend and strengthen the role of the Water Customer Consultation Panels.

The Bill will prohibit companies other than Scottish Water from using the public water and sewerage systems (which would be known as “common carriage”). The Bill will prohibit water and sewerage retail competition to the domestic sector, but will allow for such competition in the non-domestic sector, subject to a licensing regime overseen by the new Water Industry Commission. In addition Ministers will have powers under the Bill to issue Codes of Practice on sewerage nuisance. This is particularly to help deal with the problem of sewage odour.

Finally, the Bill will give the Coal Authority powers to prevent or mitigate pollution relating to water from coal mines, and further gives the Authority the
power to access property to deal with such issues, where agreement on access cannot be reached.

Parliamentary consideration
During Parliamentary consideration, the Bill was amended to give new powers and duties to Water Customer Consultation Panels, including a new power for the Convenor of the panels to investigate customer complaints. Another amendment to the Bill gives Scottish Ministers the power to make a code of practice on nuisance caused by odours emanating from sewerage works. The code would contain best practice for tackling sewerage odours and would apply to Scottish Water (or anyone acting on their behalf). Monitoring compliance with the code would be the responsibility of Local Authorities, who would also have powers to ensure compliance where it could be proved that the code had been breached.