



The Scottish Parliament
Pàrlamaid na h-Alba

Net Zero, Energy and Transport Committee

Gillian Martin MSP
Cabinet Secretary for Climate Action and Energy
Scottish Government

15 December 2025

Dear Cabinet Secretary,

Public Services Reform (Scottish Water) Order 2026

At its meeting on 28 October, the Net Zero, Energy, and Transport Committee considered its approach to scrutinising the Public Services Reform (Scottish Water) Order 2026, which follows a super-affirmative procedure for parliamentary scrutiny. As you know, the draft Order would amend the Water Industry (Scotland) Act 2002 to change the composition of the Board of Scottish Water, reducing the minimum number of executive members required on the Board from three to two.

The Committee agreed at that meeting to seek the views of the Water Industry Commission for Scotland, Consumer Scotland and relevant trade unions (Unite the Union, Unison Scotland and GMB Scotland) on the draft Order. In particular, the Committee sought views on the rationale for reducing executive membership of the Board and on any potential implications for governance, accountability and workforce engagement.

At its subsequent meeting on 9 December, the Committee agreed to draw the responses received to your attention. These responses are attached as an annexe to this letter.

The Committee also agreed to take no further action at this stage, pending the laying of the instrument. Once laid, the Committee will consider the Order in the usual way under the affirmative procedure.

Yours sincerely,

Edward Mountain MSP

Convener

Net Zero, Energy and Transport Committee

Contact: Net Zero, Energy and Transport Committee, The Scottish Parliament, Edinburgh, EH99 1SP. Email netzero@parliament.scot. We welcome calls through Relay UK and in BSL through Contact Scotland BSL.

Annexe – Responses to the Committee on The Public Services Reform (Scottish Water) Order 2026

Response from Consumer Scotland, 26 November 2025

Dear Mr Mountain

Thank you for your letter dated 7 November seeking Consumer Scotland's views on changes to paragraph 2 of schedule 3 to the Water Industry (Scotland) Act 2002.

Consumer Scotland is the statutory body for consumers in Scotland. Established by the Consumer Scotland Act 2020 we are accountable to the Scottish Parliament. The Act provides a definition of consumers which includes individual consumers and small businesses that purchase, use or receive products or services.

Our purpose is to improve outcomes for current and future consumers, and our strategic objectives are:

- to enhance understanding and awareness of consumer issues by strengthening the evidence base
- to serve the needs and aspirations of current and future consumers by inspiring and influencing the public, private and third sectors
- to enable the active participation of consumers in a fairer economy by improving access to information and support.

In principle we support the proposal to reduce the number of Scottish Water executive Board members from three to two, on the basis that this should enhance effective scrutiny and accountability.

We note that the current Chief Operating Officer, who is retiring after being a Board member for many years, has extensive experience of leading customer services. It is important that Scottish Water's Board continues to have the expertise to focus on achieving positive consumer outcomes, and actively consider its responsibilities with regards to the Consumer Duty on public bodies.

Consumer Scotland works closely with Scottish Water, and we will continue to encourage and support the development of measures that deliver for consumers.

Please do not hesitate to contact us if you require any further information or clarification.

Yours sincerely

Sam Ghibaldan

Response from WICS, 27 November 2025

Dear Convenor

Thank you for your letter of 7 November seeking the Commission's views on the proposed changes to Scottish Water's Board composition.

The Commission Board considered this matter at its meeting on 6 November. We recognise that decisions on board composition and size are for Scottish Water's Board and the Scottish Government, and therefore do not intend to comment on the substance of the proposal.

However, our Chair has written to Scottish Water seeking assurances that the areas previously covered by the Chief Operating Officer role, including staffing, workforce engagement and health and safety, will continue to receive appropriate visibility and oversight at Board level.

We have also noted the reference to financial savings arising from this change and look forward to understanding the overall costs and savings of the revised leadership structure once it is fully implemented.

We would welcome the opportunity to engage further on matters relevant to the Committee's scrutiny and oversight of the water industry. We have today published our assessment of [Scottish Water's performance in 2024–25](#) and would be pleased to discuss its findings, or any related matters, with the Committee at a suitable opportunity.

Yours sincerely,

David Satti
Chief Executive

Joint response from Unite the Union, UNISON Scotland and GMB Union officials representing the workforce at Scottish Water, 3 December 2025

Dear Mr Mountain, MSP

We write as the trade union officials representing the workforce at Scottish Water in response to the consultation being conducted by the Scottish Parliament's Net Zero, Energy & Transport Committee regarding their scrutiny of the Public Services Reform (Scottish Water) Order 2026 and, in particular, the proposal to amend paragraph 2 of schedule 3 of the Water Industry (Scotland) Act 2022, setting out requirements for the composition of the Board of Scottish Water.

In our view, the consideration of changes to the composition of the board presents an opportunity to consider allocating seats on the Scottish Water Board to each of the three trade unions representing the workforce at Scottish Water.

Such a move would, we believe, be in line with the Scottish Government's Fair Work and Fair Work First principles to expand "workers voice" in decision making forums and discussions potentially affecting the workforce.

It is also our belief that it would reduce the potential (as experienced in efforts to resolve recent industrial disputes at Scottish Water) for confusion regarding the nature of discussions at the Scottish Water Board affecting the jobs, wages and terms and conditions of the workforce at Scottish Water – and, therefore, would be potentially conducive to ensuring improved industrial relations moving forward.

We note from your recent communication regarding the committee's scrutiny of the proposal regarding the future composition of the Scottish Water Board that one of the considerations relates to cost. Therefore, in suggesting that places on the Scottish Water Board should be reserved for trade union representatives, we wish to make it clear that such representatives would not expect and would not accept remuneration for performing their role as board members.

Yours sincerely

Sam Ritchie
Unite the Union
Regional Officer

Rae Montgomery-Cahill
Unison Scotland
Regional Organiser

Claire Greer
GMB Scotland
Regional Organiser