

Scottish Water Plans Greater Investment While Working to Achieve Strategic Ambitions

Mark Coates, International Director of Public Policy and Advocacy, Bentley Systems
Mark Dickson, Scottish Water's Director of Capital Investment

After Scottish Water's liaison meeting with British Water, we caught up with Mark Dickson, Scottish Water's director of capital investment, to find out his organisation's plans.

Scottish Water maintains more than 30,000 miles of clean water pipes, supplying 5 million customers and over 2 million households. It has 33,300 miles of sewer pipes that collect more than 1 billion litres of wastewater every day from Scottish homes.

The publicly owned supplier has more than 2,000 water and wastewater treatment works, and its underground pipe network stretches across nearly 100,000 kilometres—more than twice the circumference of the world.

These assets are complex and diverse, but many of them were built more than 50 years ago. Additionally, some of the statutory body's water mains and sewers are well over 100 years old.

Scottish Water has made managing the risk of these assets a key driver to improving its service over the past few years.

It also has three primary strategic ambitions to achieve before 2027: service excellence, great value and financial sustainability, and going beyond net-zero emission.

To achieve these ambitions, upgrade ageing assets, and prepare for one of the biggest issues facing all water companies—climate change, the organisation plans to increase investment by up to 20% to 30% over the next five years.



In its strategic plan “A sustainable future together,” Scottish Water sets out how it plans to deliver service excellence, including taking a systems-based approach to transform its operations.

It will work in partnership to protect source waters and proposes to remove lead from the public water network by 2045.

The organisation wants to guarantee that there is always enough water available by reducing leakage, improving operational efficiency, and encouraging customers to use water wisely.

To ensure great value and financial sustainability, the strategic plan shows the supplier’s commitment to keeping customer prices as low and stable as possible over the long term. It will limit investment to that which can be delivered efficiently and effectively.

The supplier has conducted a detailed review of the way it currently manages assets and has been working with industry experts to create a 10-year plan to improve the way it does this. With better information, it expects to make better investment decisions.

The Scottish government has an ambitious plan to reach net-zero emissions for all greenhouse gases by 2045.

Scottish Water has already reduced its operational carbon footprint by 41% since 2006. But it wants to go further and beat the Scottish government’s target, achieving net-zero emissions by 2040.

The organisation recognises the scale of the challenge; however, it has set out a range of measures in its strategic plan to accomplish its beyond net-zero emissions goal.

These measures include increasing its own and hosted renewable energy generation from 200% to 300% of its electricity usage by 2030, further investing in energy efficiency and partnering with its supply chain to support low-carbon construction.

Another area of its business that Scottish Water has been working on is improving its GBP 865 million procurement system.

While the feedback from its supply chain is generally positive, the company wants to speed up its procurement process from an average of eight months to six. The body hopes that these changes will make the process attractive and engaging for firms.

Scottish Water also wants to achieve greater efficiency through its supply chain, a goal set out in its annual procurement and supply chain strategy for 2022-2023.

It also wants to work with tenderers on detailing costs that would build up in the lifetime of a framework, which they already must do as part of the process of bidding for a contract.

For the past year, Scottish Water has focused on supply chain ethics and looking extremely carefully into where raw materials and products are coming from.

It has a strong “risk-mapping approach” that can drill down into up to four layers of a supply chain to find out where materials and products come from.

The organisation has changed suppliers where it does not feel that ethical standards are being met and is looking for partners—like-minded bodies in the industry to help it end unethical supply chains. Conducting its business ethically is important to Scottish Water, and it requires that its suppliers to do the same.

Scottish Water has set the bar high. It has ambitions to deliver excellence while acting responsibly and ethically—at a time when it faces significant challenges. As with all water companies, it has to serve a growing population and operate in a challenging economic climate. However, Scottish Water is determined to innovate and improve activities to continue providing a quality service to customers—and to do all this in a fully open and transparent manner.

