

Minute of the Water Industry Investment Group

Held in Moray House, Stirling on 1 July 2026

Attendance

Organisation	Attendee
WICS	David Satti (chair)
WICS	Colin McNaughton
WICS	Jo Anne Graham
WICS	Leo Tymianski
Scottish Water	Aileen Mackenzie
Scottish Water	Rob Mustard
Scottish Water	Wendy Kimpton
Scottish Water	Karen Dee (Item 8 only)
Consumer Scotland	Gail Walker
DWQR	Andrew Kennedy
SEPA	Ross Haggart
Scottish Government	Darren Knox
Scottish Government	Paul Boyle
Apologies: Alex Plant (SW), Shane Taylor, James Simpson (SG), Jo Blewett (SG), Rosemary Greenhill (SG), Kirsty-Louise Campbell (SEPA), David Reynolds (DWQR), Tom Hall (WICS), Sharon Forrester (SEPA), Rachel Harding-Hill (SEPA)	

Items and Actions

1. Welcome and introductions

David Satti opened the meeting, welcoming the attendees and re-capping that WICS are now in place as Chair of the group.

2. Minutes and previous actions

Darren Knox outlined that SG worked with action holders to close all open action ahead of transition of chairing to WICS. SG confirmed all legacy actions have been closed.

3. Updated terms of reference

In April, Stakeholders received a letter confirming the change of chair of WIIG and a draft revised Terms of Reference (ToR) from the Scottish Government in April. Scottish Government revised ToR contained only minor alterations, pertaining to the creation of a public-facing performance dashboard along with the transfer of Chair functions and associated administrative requirements.

WICS proposed several further slight alterations to the Terms of Reference to set expectations of members and enhance role definition.

The group was asked to approve the updated ToR.

The members broadly supported the changes but refinement of several areas was requested by stakeholders including recognition of future changes in SRC27.

The group agreed to postpone approving the updated Terms of Reference until after the revisions are complete.

Action IG28-01: WICS to revise the ToR to address the comments, referencing that ToR will likely change in SRC27.

4. Performance against the Committed List

Scottish Water presented the Progress Report on Performance Against the Committed List for Quarter 4 2025-26. It highlighted that progress over the last 6 months of the year the programme was proactively slowed and supply chain capacity was sufficient. All metrics remained in their target range and that there remained some challenges with SR15 completion.

Group Discussed:

- Communicating programme benefits more effectively to the public.
- Supply-chain risks and cost pressures arising from international events.
- Improving clarity of IPOD portfolio reporting and RAG ratings.
- Development of Rockcliffe solution and revised costs. Clarity on delivery timescales will be provided at Gate 90.

Action IG28-02: Scottish Water SW to confirm the date the Rockcliffe G90 is expected

Action IG28-03: Scottish Water will look into improving the presentation of IPOD Portfolio and Sub-portfolio breakdown.

5. Progress of interventions to meet needs on the Development List and transfers to the Committed List

Scottish Water presented the Progress of Interventions to Meet the Needs on the Development List for Quarter 4 2025-26. Balancing of the programme had been carried out in the final year of SRC21 alongside alignment of the SRC27 forecast.

Group Discussed:

- Welcoming the progression of Seafeld WwTW Odour through SW board. With general discussion around need for good dialogue with communities given the nature and management of odour issues at WwTW.

- Glenlatterach achieving the next investment Gate with queries raised regarding the presented cost versus the forecasts in SRC27 Final Business Plan.

Action IG28-04: Scottish Water will check and confirm the reasons for difference in costs of Glenlatterach compared to Business Plan.

6. Updates from JDGs

Scottish Water provided updates from Joint Development Groups (JDGs) it held with stakeholders

- Consumer Scotland-SW JDG; focused on updates on customers, engagement on capital projects, communication to stakeholders; transformation programme. CS workplan on affordability, consumer framework adoption, consumer engagement and collaboration between government and stakeholders.
- DWQR-SW JDG: focused on significant risks management and discussing research on lead sampling. DWQR noted that it is pleased with the progress. DWQR said that the review of disinfection strategies in March 2027 may highlight some new significant risks.
- WICS-SW JDG; focused on delivery plan tables expectations and WI IG improvements including reporting.
- SEPA-SW JDG; focused on improving urban waters updates which will be covered in item 8.

Group Discussed:

- The temporary solution on Lower Largo Beach which Scottish Water has committed to deliver during this bathing season. Scottish Water confirmed the solution is expected to be delivered before the bathing season closes with delays relating to negotiations with a third party landowner. SEPA noted that it is in discussions with Scottish Water about the implications of the project timescales and the risk of de-designation of the bathing water but recognised that Scottish Water is progressing with all due haste.

7. Output delivery update

Scottish Water presented the update on Delivery Outputs, noting reporting was introduced during the SRC21 period rather than included from the start. SRC27 reporting will be improved as it will be available from the start of the period using lesson learned from SRC21.

Group Discussed:

- Stakeholders welcomed the move in the right direction of reporting outputs and focusing on what SW is delivering with improvements for SRC27.
- Forecasts were queried as some imply significant over-delivery, while others are far behind. SW were asked about any concerns regarding the 31 output categories which are below 50%. SW to confirm whether any of the output categories are of concern to the SW leadership team.
- Progress was queried in water quality Unsatisfactory Intermittent Discharges (UIDs) which have a baseline of 14 but a forecast of 4. Scottish Water clarified that of the original 14, 8 were

reclassified as aesthetics. It further clarified aesthetics refers to debris which does not have a significant environmental impact.

- SW stated that the new operating model was in place with separate Water and Wastewater directorates. Ownership was now clearer and investment planning was more consistent. A review of management approaches was underway to align with this change.

Action IG28-05: Scottish Water to confirm whether any of the 31 output categories are of concern to the SW leadership team.

8. Improving Urban Waters

Scottish Water provided an update on the Improving Urban Waters area. They confirmed 97 UIDs will be delivered by December 2027 with 150 UIDs being addressed in SRC27 and in subsequent investment periods to 2050.

Discussions Included:

- How the routemap requirement for approval from IPPG should be discharged given the changed ToR of the group. The Chair noted that WIIG is not a decision making group for items such as this routemap and that Scottish Water should agree with its respective quality regulators the investment requirements.
- Ongoing engagement between SEPA and SW, with concerns about the number of UIDs being delivered. The expectation was that 108 UIDs would be delivered under SRC21 to meet River Basin Management Plans and Ministerial objectives, and a further 150 will be delivered in SRC27. SW explained this was not their understanding, but the parties agreed to conclude discussion by 1st Sept.
- Lessons learned from the Improving Urban Waters Routemap (IUWR) will be fed into the SRC27 programme. SW noted challenges in this programme, such as the requirement to shut off major routes.
- Scottish Water agreed that in some cases, expensive solutions to UIDs could be avoided with behavioural changes from the public.

Action IG28-06: clarify the governance for the route-map if WIIG is not approving it.

Action IG28-07: Scottish Water and SEPA will work on agreeing the number of UIDs delivered by the end of 2027 by 1 September 2026.

9. SRC27 WIIG Development

WICS proposed changes to the group including:

- Refinement of existing and development of new reporting to simplify and make it more transparent, including enhancement of the existing metric (IPOD) to cover investment planning.
- Development of a customer facing dashboard.

- Enhancement and formalisation of a high-level Change process.
- A new structure involving a standing working group and a time-limited task and finish groups to support SRC27 reporting and customer-facing engagement to support the above.

Discussions covered:

- Consumer Scotland noted a significant turnover in leadership since Ethical Business Regulation (EBR) was introduced and asked whether there were plans to refresh it. WICS said that it plans to do so once the SRC27 determination is completed.
- CS noted that the aggregate changes as a result of a new change process needs to be easy for the public to understand and the impacts on consumers clear.
- Scottish Water said that there will be a lot of changes, so the process needs to be set at the right level. On updating IPOD, SW expressed concern that it may not be possible to retrofit it for earlier stages of investment.
- Stakeholders broadly supported the approach, and the development task will be taken forward jointly through working group and task and finish groups.

10. AOB

WICS confirmed that the next two meetings will be held in its Stirling office and that new invites to reflect that will be issued soon.

WICS said it set up a MS Teams channel to allow sharing of the papers for the future meetings which will replace Objective Connect. The invites to join the channel will be issued soon.

Next meeting: 16 September 2026, Moray House, Stirling.