

**Scottish Government water
and waste water charges**

Guidance notes

Charitable Exemption Scheme

business stream

A SCOTTISH WATER COMPANY



What is the charitable exemption scheme?

The charitable exemption scheme was introduced by the Scottish Government to assist charities and Community Amateur Sports Clubs (CASCs) with the payment of water and waste water charges. All eligible charities and CASCs must apply annually to be considered for the scheme. For further information on the Scottish Government exemption scheme please visit gov.scot/policies/water.

What is Business Stream's role in this process?

As your water and waste water services provider, Business Stream will support you through the application process. Once you have submitted your application online, we will forward your completed application to Scottish Water who will make the final decision on whether you're eligible for exemption.

Please note, there are specific criteria that must be met in order to be eligible for exemption. Because the scheme is a Scottish Government policy, detailed in legislation, Scottish Water can't be flexible in their application assessment.

Who is eligible for the exemption scheme?

All organisations must be either:

- an Office of the Scottish Charity Regulator (OSCR) registered charity/SCIO or,
- registered with HMRC as a Community Amateur Sports Club (CASC).

What is the eligibility criteria?

To be eligible for exemption:

- charities (and CASCs) with an annual income up to and including £200,000 may be exempt from charges
- charities (and CASCs) with an annual income between £200,000 and £300,000 may pay a reduced charge of 50% off wholesale charges

Before applying, all charities (and CASCs) should check that they:

- meet the eligibility criteria
- make an application annually and be aware that the deadline date is the 31 March
- ensure its accounts are up to date and submitted to OSCR on time

Are there exceptions?

There are a number of exceptions to the scheme. OSCR registered charities and CASCs will not be eligible for the scheme if:

- the organisation holds a permanent licence to sell alcohol on the premises
- the premises is used for the purposes of retail i.e. generating income - selling new or second hand merchandise either directly, or over a distance via mail order. This includes charity shops and other types of premises
- the organisation charges for accommodation. This includes any part of the premises available for short or long term rental, or a holiday let which is available to the general public
- the premises operates a cafe that is open to the public and operated on a regular basis to generate income. This does not include canteens that have been provided by a charity to support its own volunteers
- the organisation is a Local Authority or an Arm's Length External Organisation (ALEO)

How do I apply?

As a Business Stream customer all you have to do is:

- visit business-stream.co.uk/exemption-scheme
- apply online by the 31 March each year

Please be aware that this is an online application process only.

You will need the following information to complete the application:

- your supply address
your billing address postcode
- your customer reference number and 12-digit supply point ID (SPID). You'll find these printed on the top right-hand corner of your bill, which can be also be viewed on our customer portal, My Business Stream
- your Scottish Charity Regulator (OSCR) number or Scottish Charity (SCIO) number

For OSCR registered charities, the relevant supporting accounts must be up to date with OSCR.

CASC registered charities

For CASCs you must be registered on HMRC. Evidence of CASC status can take the form of a relevant reference number, which will be confirmed via the CASC register (this is held by HMRC, you may be asked to supply your confirmation of CASC registration letter).

Accounts for the relevant financial year will need to be submitted. If your organisation is not required to keep audited accounts, a summary of income and expenditure must be provided. You must also include an extract from the organisation's constitution, which identifies the financial records you're required to keep, signed by the office bearer with financial responsibility within the organisation.

This information will only be used for assessing eligibility for the scheme, will be handled in confidence and will not be disclosed to other parties. These should be attached to the online application.

Please note, Scottish Water will reject your application if it's incomplete.

If you are successful in your application, we'll make sure you're set up on our online portal, My Business Stream, where you can:

- view your ebills
- pay your bills
- submit meter readings
- manage your site details

If you do not know your My Business Stream log in details, please get in touch with us at business-stream.co.uk/contact-us and one of our friendly advisers will be happy to help.

Frequently asked questions

What is my organisations gross annual income?

Gross annual income is the total annual income, received for the relevant financial year, being used to support the application (OSCR for charities, or HMRC for CASCs) prior to the deduction of any expenditure for the premises. This will include all income, donations and grants received. Please note that you cannot make any deductions for donations made by your organisation to charities or money paid to parent bodies.

What set of accounts should I use in my application?

Accounts for the most recent financial year up until 30 June should be used for the following April's exemption year. Thereafter, the consecutive year's accounts should be applied. The table below shows the relevant support periods.

Financial year end	Exemption period	Financial year end	Exemption period
31 July 2023	1 April 2025 to 31 March 2026 Applications must be submitted by 31 March 2026	31 July 2024	1 April 2026 to 31 March 2027 Applications must be submitted by 31 March 2027
31 August 2023		31 August 2024	
30 September 2023		30 September 2024	
31 October 2023		31 October 2024	
30 November 2023		30 November 2024	
31 December 2023		31 December 2024	
31 January 2024		31 January 2025	
28 February 2024		28 February 2025	
31 March 2024		31 March 2025	
30 April 2024		30 April 2025	
31 May 2024		31 May 2025	
30 June 2024		30 June 2025	

When should I apply?

It is recommended that you apply as soon as your accounts are available for the next year's schedule. This helps ensure that any issues with your application are resolved before any bills are issued. If you are able to apply prior to 31 March for the following years' scheme, it can also mean you avoid receiving a charge for water and waste water charges, which may then need to be refunded if you are successful in your application.

You can apply during the current financial year as well as applying for the following year, but please remember that the deadline is 31 March of the year that you are applying for.

When will I find out the outcome of my application?

Scottish Water will aim to:

- let Business Stream know if any information is missing within six weeks
- process your application within eight weeks

If we require further information, we will contact you. Please note that there is a 28-day window for providing additional information. If we haven't received the requested information, your application may be delayed or rejected. If you still want to progress, a new application will be required.

If any requests for additional information are not received by the 30 April (one month after the application deadline), Scottish Water will reject the application and water and waste water charges will become due for that financial year.

What do I do if my application has been unsuccessful?

If you think Scottish Water has made a mistake, please respond to your outcome email, ensuring the case reference is included in the subject header and explain which of the reasons given is factually wrong and why.

What if I disagree with the eligibility criteria?

Because the exemption scheme is a Scottish Government policy, any comments or objections to the way relief is implemented is best directed to your MSP. Unfortunately, while Business Stream can submit comments to the Scottish Government, we're unable to change the scheme without legislative amendments.

I've applied before and been unsuccessful. Should I try re-applying?

If you have applied in the past and been unsuccessful but think you may now meet the eligibility criteria, please reapply.

My organisation is not a charity or CASC – can it still qualify for exemption?

If an organisation is not a charity or CASC, but thinks that they could qualify and then benefit from the support offered by the scheme, they should contact their local Third Sector Interface (TSI) for advice on how to become a charity or CASC. Contact details are available at gov.scot/policies/third-party.

Further information about becoming a charity is also available from the Office of the Scottish Charity Regulator at oscr.org.uk/becoming-a-charity.

What happens if we no longer have OSCR/CASC status?

When a charity no longer has charitable status or CASC loses its status it will be removed from the exemption scheme from that date.

What happens if my organisation does not have accounts?

New charities or CASCs which don't yet have accounts for the relevant financial year will need to make a declaration of expected income, along with a copy of their budget or business plan. Support will be provided from the 1 April or the date on which the charitable or CASC status is awarded if it is after April.

If the organisation is not required to keep audited accounts, a summary of income and expenditure should be provided. An extract from the organisation's constitution should also be included, which identifies the financial records they are required to keep. These should be signed by the office bearer with financial responsibility within the organisation.

Will the eligibility criteria change during the life of the scheme?

The eligibility criteria are Scottish Government policies and are unlikely to change in the near future. Any review to the scheme will be available to view on the Scottish Government website.

What if our contact details have changed?

Please inform us of any changes to contact information, billing address, telephone number, e-mail address etc. While the responsibility is with individual organisations to apply each year, we'll send reminders to you annually so it is important that we have up to date contact details.

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