

*These notes relate to the Water Industry (Scotland) Act
2002 (asp 3) which received Royal Assent on 1 March 2002*

WATER INDUSTRY (SCOTLAND) ACT 2002

EXPLANATORY NOTES

THE ACT

Part 3 – Scottish Water

Section 43 – Guarantees

110. This section, based on section 85 of the 1994 Act, gives the Scottish Ministers power to guarantee, on whatever terms and conditions they wish, borrowings by Scottish Water and its subsidiaries (subsection (1)). The Scottish Ministers must inform the Scottish Parliament immediately after they issue a guarantee (subsection (2)). Scottish Water must reimburse the Scottish Ministers on terms to be determined by them whenever they are required to honour a guarantee (subsection (3)).
111. Subsection (4) applies the Companies Act definition of “subsidiary”.