

SLIGO COUNTY COUNCIL

GROUP WATER SUPPLY SCHEMES - GENERAL INFORMATION

1. The information contained in this explanatory memorandum relates to a group of two or more householders getting together to provide themselves with a water supply where no such supply (or a seriously deficient supply) already exists.
2. The piping of water from a single source by a group of neighbours to their homes and associated farms offers many advantages and economies:-

A grant of 85% of the approved unit cost subject to a maximum unit cost of €7,618.42 per house is given by the local authorities.

It must be stressed however, that in order to qualify for a domestic grant, on completion of the scheme, certification should be provided on the GW80 form (Certification of connection by the trustees/officers/directors of those members who have been provided with a domestic connection at the curtilage of their property.. A guide to the tax related requirements from March, 1988 for payment of group water and sewerage scheme grants is given in Appendix 1.

3. The grants available generally ensure that contributions are kept at a reasonable level and in some cases, may include a small element of voluntary labour. Tests carried out before work goes ahead establish the reliability of the source from a health and yield viewpoint. The plans and design of each scheme are examined by the technical staff of the local authority to ensure that the highest standard of construction and performance is reached, and local authority staff are available to advise groups, during progress of the work, on any difficulties that may arise.

4. HOW TO GO ABOUT IT

Group schemes may be carried out, subject to the approval of the Local Authority -

- (a) in areas where the local authority do not propose to carry out a public scheme
- (b) in areas which can be served by extensions of existing local authority watermains
- (c) in areas where the local authority intend at a later stage to provide a public water supply. In such cases schemes should be so designed as to be capable of being integrated with the public scheme in due course.

If you and your neighbours are interested in a scheme you should proceed as follows:-

- (1) The starting point is the selection of a committee comprising not more than 6 people and headed by an energetic group organiser who will conduct all necessary business with the group and the County Council.

- (2) The Organiser should write in the first instance to the Miss Kathleen McTiernan, Liaison Officer, Water Services Section, Sligo County Council, St. Anne's Place, Sligo.

5. FINANCING

The balance of the cost of a scheme net of local authority grants is met by participants by way of cash contribution and/or voluntary labour and must be at least 15% of the cost of the scheme.

It is important to arrange money matters at the outset. The organiser will want working capital to meet the expense involved in the preliminary stages of investigation and he/she would be well advised to collect a sum of money from each participant when it is decided to go ahead with the scheme. It is suggested that a practical way to apportion the individual cash contributions from participants would be (a) on a valuation basis or (b) at a flat rate per house - due regard being made to the varying financial circumstances of the members of the group, and to the extent to which their voluntary labour will be made available in each case.

Money will be required as work progresses to meet the cost of materials and wages. Materials may possibly be obtained in the credit of the group as a whole, and it may also be possible to arrange temporary overdraft accommodation with a Bank. Your local authority has power to make payable advances to assist the provision of private water supplies.

6. ORGANISATION

In organising a group water supply, the first hurdle is to find a suitable source. When a possible source is located, it must be subjected to quantity and quality tests to make sure that it will produce a satisfactory supply of potable water which will be adequate to meet the domestic and agricultural requirements of all the participants. The larger the number of participants involved consistent with the amount of water available at source, the more economical will be the scheme. The grant is based on the cost per house, which is generally obtained by dividing the all-in cost by the number of houses in the scheme. The aim of the group should be to secure, at the outset, 100% connections from the householders in the area to be served by the group scheme. In this way, the cost of the scheme will be kept at a minimum.

When the source has been tested and approved, the group collect an initial contribution from each house so that an engineer may be engaged to prepare a design for the scheme. The design must be approved by the local authority. This procedure ensures that designs are in line with the local authority's own water supply proposals for the area. In some instances, changes have to be made in the designs so that schemes can be integrated at a later stage with regional developments in - or planned for - in the area.

On the basis of the approved design, quotations must be sought and selected for the work and the costs of the scheme estimated. At this stage, the collection of the necessary cash contributions to be made by the participants must be completed by the group organiser before the appropriate grants may be allocated. The group must open an account in a local Bank in the names of the Trustees appointed by the members, lodging the cash collections to start the account. Subsequently, all State grants are paid direct into this account.

7. CONSTRUCTION

When the Department's certificate indicating the total amount of the Council grant is issued to the group, work can then start provided the group have obtained the necessary road-opening licence from the County Council, and the necessary insurances have been taken out.

The Branch Bank nominated by the group is informed by the Council of the number and amount of the grants being allocated. Grants are paid in instalments when materials are delivered on the site and pro-rata with the rate of progress on the scheme. The bank account is, therefore, the working fund from which the group makes payments to cover the cost of design, purchase of materials, etc.

The final grants will be paid when the local authority's engineer confirms that a water supply is installed in each house and the scheme is working satisfactorily.

8. MAINTENANCE OF COMPLETED SCHEMES

The local authority tries to arrange matters so that groups generally have a credit balance on hands when schemes are completed.

Expenditure on repairs and replacements, E.S.B. bills, etc., would ordinarily come out of this account. In most cases participants pay an agreed amount annually into the account for this purpose. A maintenance subsidy towards the domestic element of the operation and maintenance of group water schemes is available from local authorities and details of this are available from the local authority.

It is advisable for groups to adopt rules for the maintenance and operation of their schemes as soon as possible after work has commenced - so as to prevent wastage, misuses of water, etc. Outline rules (Form G.W.31) can be obtained, on request from the local authority.

**Outline Guide to Tax Related Requirements From 1st March, 1988 for Payment of Group Water and Sewerage
Scheme Grants**

Section A

Re: The Contractor

For grant applications received on or after 1st March, 1988 it is necessary that a current C2 certificate or a tax clearance certificate from the Revenue Commissioners be submitted to the Department in respect of a group's contractor(s) engaged to perform the construction work. The position in relation to such certificates should accordingly be confirmed prior to tender/contractor stage of the work. Where a contractor is not engaged and the group undertake the work themselves, a tax clearance certificate will be required for each of the individual group members.

Section B

Re: The Group

Where Grants up to €12,698 apply

In the case of all relevant sewerage schemes, and group water schemes (in non-disadvantaged areas), it will be necessary for the trustees to insert on the application form the group scheme's tax district and reference number (this information may be obtained from the local inspector of taxes), and to state on the form whether to the best of their knowledge, the group scheme's tax affairs are in order.

Where Grants Exceeding €12,698 apply

Where grants for group water schemes other than schemes in disadvantaged areas exceed \$12,698, and for all relevant group sewerage schemes, it will be necessary for a current tax clearance certificate from the Revenue Commissioners to be provided in respect of the group scheme.

NOTE

- (1) The question of whether grant payments might exceed €12,698 will be advised to the group prior to the allocation of grants.
- (2) Where grants exceed €12,698 a form T.C.1 will be provided by the Department for issue by the group to the Revenue Commissioners to obtain the necessary tax clearance certificate.
- (3) Grants will not be allocated by the local authority until the above matters have received attention.

