



**An Roinn Tithíochta,
Pleanála agus Rialtais Áitiúil**
Department of Housing,
Planning and Local Government

8 August 2018

Circular L 2/18

**To: Directors of Services (Water Services)
Rural Water Programme Liaison Officers**

**Subsidy towards the Operational Costs of Group Water Schemes Providing
Water for Domestic Use**

I refer to the Department's Circular of 19 December 2017 which outlined revised maximum subsidies payable towards the operational costs of group water schemes providing water for domestic use with effect from 1 January 2018.

The Circular stated that the Department's Explanatory Memorandum – the Terms and Conditions - on '*Subsidy Towards the Operational Costs of Group Water Schemes*' was being revised in consultation with the NFGWS and that a further Circular in the matter would issue following completion of that revision.

Following consultation with the NFGWS, a revised Terms and Conditions (previously call the Explanatory Memorandum), is now attached. Local authorities should ensure that the Terms and Conditions are complied with in full.

The principal changes are as follows:

- Incorporation of the increased subsidy amounts for Subsidy A (Subsidy B amounts are unchanged),
- Incorporation of the new Subsidy C. This is a supplementary subsidy available in addition to Subsidy A to incentivise small privately sourced group water schemes, of less than 100 houses, to progress into more sustainable entities ensuring that their domestic users receive a quality compliant water supply on a consistent long-term basis,
- Introduction of a prohibition on schemes charging domestic customers, coupled with an excessive use provision, and that use of flat rate or standing charges of domestic customers is prohibited,
- Introduction of an appeal mechanism for applicant schemes to query a local authority's decision on a subsidy payment,
- Greater focus on the importance of water conservation with pro-active implementation of water conservation measures becoming a general condition of eligibility. Minor, water conservation focused improvements, such as valve and meter installation, may be undertaken under the subsidy scheme (subject to the overall subsidy maximum),
- Requirement that, as part of their day-to-day operation of the subsidy scheme, local authorities will carry out a number of spot checks on applicant group water schemes,
- There is now a specific condition for schemes providing water to other entities to ensure that their charges reflect the subsidy,
- Incorporation generally throughout the document of clarifications on the terms and conditions for the subsidy.

Please arrange for a copy of the Terms and Conditions to be supplied to all group water schemes in your functional area.

As these changes apply from 1 January, 2018, local authorities can proceed with the usual arrangements for recoupment from the Department of subsidies due up to the end of 2017 by submitting claims on the existing Form WS/15. **However, all claims for the revised rates of subsidies should be submitted on the attached new Form WS3/18 and its Schedule.**

Authorities should ensure, in the case of Subsidy A, that any advance subsidies paid for 2018 do not exceed 70% of the new subsidy amounts or 70% of the full Annual Subsidy paid to the group in respect of 2017, whichever is the lesser.

Your enquiries on the above should be directed to Kara McNulty at kara.mcnulty@housing.gov.ie.



Luke Varley,
Assistant Principal Officer
Water Services Section
Email: luke.varley@housing.gov.ie
Tel: 096 24367

Encls: Terms and Conditions for Subsidy towards the Operational Costs of Group Water Schemes (Version: August 2018).

Recoupment Claim for Subsidies paid to Group Water Schemes

Local Authority: _____

Period from _____ to _____

Notes:

- This form must be completed by a local authority in order to recoup, from the Department of the Environment, Community and Local Government, the subsidies paid by the authority to Group Water Schemes in accordance with the Terms and Conditions for Subsidy towards the Operational Costs of Group Water Schemes, dated August 2018
- The form must be accompanied by a completed Form WS3/18 Schedule and an Agresso (or equivalent) Printout which shows, in respect of the payments being recouped; -
 - 1) The amount paid by the Local Authority;
 - 2) The Payee
 - 3) Date Paid;
 - 4) Transaction Number.

I hereby certify

- that the subsidy payments set out in the attached schedule(s) have been made by this authority, in accordance with Circular L2/18 and the **Terms and Conditions for Subsidy towards the Operational Costs of Group Water Schemes** dated August 2018 to each Group Water Scheme named in the attached Form WS3/18 Schedule
- that none of the subsidy payments set out in the attached schedule have been previously claimed from the Department.
- that any Fixed Charge amount in excess of the €220 maximum subsidy specified in B2 of the Terms and Conditions, included in this claim, is due solely to increases in indexation costs as set out in the relevant DBO contract document.

I hereby claim recoupment of € _____, being the total of such subsidy payments made by this authority to the Group Water Schemes named in the attached Form WS3/18 Schedule in accordance with the Circular and Terms and Conditions referred to above.

a) Signed _____ Date _____

b) Signed _____ Date _____
 Director of Services

NOTE:

- Use this form when claiming the revised subsidies notified to local authorities in Circular L9/17 of 19 December 2017 ie for subsidies due from 1 January 2018 onwards .
- The previous Form WS3/15 should be used to recoup subsidies paid to schemes due to them for prior to 31 December 2017.

Recoupment Claim for Subsidies paid to Group Water Schemes in respect of:

Advance Claim 20____ **OR** End of Year (Final) Claim 20____

Period from _____ to _____ Local Authority _____

Group Scheme Name	Scheme Type (i.e. IW, P/DBO or P/NDBO) (see Note 1 below)	Number of Domestic Connections on scheme	Subsidy A; Subsidy Amount Paid In period that this Claim relates to (where applicable) See Note 2 below €	Subsidy B; Subsidy Amount Paid in period that this Claim relates to (where applicable) See Note 2 below €	Amount Applicable to Fixed Charge Element of Subsidy B Claim (See Note 3 below) €	Amount Applicable to Volumetric Charge Element of Subsidy B Claim (See Note 3 below) €	Subsidy C; Subsidy Amount Paid In period that this Claim relates to (where applicable) See Note 2 below €	Total Subsidy Paid in this period €

a) Signed _____ Date _____

b) Signed _____ Date _____
Director of Services

NOTES:

1. Show in this column whether the water supply comes from an **Irish Water** Supply source (**IW**); from a “*Bona Fide*” **DBO Contract Private Source (P/DBO)** or from a **Private non DBO** source (**P/NDBO**)
2. Amounts paid to the groups under Subsidy A, B and C in accordance with the Terms and Conditions for the scheme.
3. The amounts paid to groups under Subsidy B should be broken down between fixed charge and volumetric charge elements.