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G.W.3

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, *using a shared water distribution system and / or water treatment system, supplied from a common source*, 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 offers many advantages and economies:-

New Group Water Schemes - Grants

A grant of 85% of the cost subject to a limit of €6,475.66 per domestic connection, whichever is the lower, is available from the County Council. (this figure may be higher if you are living in a CLAR (Ceantair Laga Ard-Riachtanais) designated area).

Upgrading / Refurbishing an existing group water supply - Grants

A grant of 85% of the approved cost subject to a limit of €6,475.66 per domestic connection, whichever is the lower, is available from the City & County Council. (this

figure may be higher if you are living in CLAR (Ceantair Laga Ard-Riachtanais) designated area).

Water Treatment/ Filtration / Disinfection Grants

- Where an existing Group Water Scheme is dependent on a quality deficient private source and where there is no alternative public supply available, essential water filtration and disinfection equipment will be grant aided at up to 100% of the cost.
- All associated civil works including water abstraction, sumps, pumping plants, buildings, access roads etc, will be grant aided at up to 85% of cost subject to a limit of €6,475.66 per domestic connection, whichever is the lower
- It is a condition of the 100% grant for essential filtration and disinfection equipment, that the Group enter into an operational contract, ideally for a minimum of 10 years with the supplier/manufacturer/contractor for the operation and maintenance of the new plants.
- Where an operational contract is not in place, the filtration/ disinfection equipment and associated upgrading works may be grant aided at up to 85% of cost subject to a limit of €6,475.66 per domestic connection, whichever is the lower

Grants are payable in respect of domestic connections only, supplying houses and other permanent dwellings. Connections serving caravans, temporary dwellings, derelict houses and sites are not eligible for grant assistance.

It must be stressed however, that in order to qualify for a domestic grant, the applicant must, on completion of the scheme, have **a sink and tap installed inside his/her house** and it must be connected to the group water supply. It will be necessary for the group's Officers/Directors (or Trustees) to certify that all the members are connected to the group scheme's distribution mains on a completed GW 80A form, prior to final grants being paid. A guide to the tax related

requirements 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. 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 Limerick City & County Council to ensure that the proposed works are in accordance with the Rural Water Strategic Plan and that the highest standard of construction and performance is reached. The Group Scheme Engineer is available to advise groups, during progress of 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 City & County Council -

- (a) in areas where the Council do not propose to carry out a public scheme
- (b) in areas which can be served by extensions of existing Council water mains
- (c) in areas where the Council intends 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 City & County Council.
- (2) The **Organiser** should write in the first instance to **Limerick City & County Council, Water Services Section**, giving notice of the intention to formulate a group water supply scheme.
- (3) Survey Sheets should be completed showing
 - All potential connections, both domestic and non-domestic
 - Proposed source (including details of water quality and safe yield if a private source)

(Survey sheet available from Rural Water Section, Water Services)

5. **FINANCING**

The balance of the cost of a scheme net of Council grants is met by participants by way of a cash contribution 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.

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.

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 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 City & County Council's technical staff. This procedure ensures that designs are in line with the Council's own water supply proposals for the area. In some instances, changes may have to be made in the designs so that schemes can be integrated at a later stage with regional developments in - or planned for - 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 Officers/Directors (or Trustees) appointed by the members, lodging the cash collections to start the account. Subsequently, all Council grants are paid direct into this account. Each member of the scheme must sign a GW 41 (confirmation of members on a scheme) form in this regard.

7. **CONSTRUCTION**

When the Council's grant approval letter indicating the total amount of the State grant is issued to the group, work can then start **provided** the group have obtained the necessary road-opening licence from the City & County Council, and also have the necessary Public Liability Insurance taken out. The chosen contractor must also satisfy the County Council that he has adequate Public Liability, Employer's and Motor Insurance cover in place. The contractor must also submit to the City & County Council a current C2 Certificate or a tax clearance certificate from the Revenue Commissioners and a Health & Safety Plan for the project. The Council reminds the group that it is their duty under the Health & Safety Construction Regulations to appoint a Project Supervisor Design Stage and Project Supervisor Construction Stage in respect of any construction project. The importance of complying fully with the Health & Safety Regulations cannot be emphasised enough.

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 Council's Group Scheme Engineer confirms that a water supply is installed in each house and the scheme is working satisfactorily.

8. MAINTENANCE OF COMPLETED SCHEMES

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 City & County Council.

A subsidy towards the operational costs of group schemes for domestic connections is also available and details can be obtained on request.

Based on experience with group water supply schemes, Limerick City & County Council would recommend that group's consider organising themselves as a co-operative society and advice on the formation of co-operatives for the group water scheme sector is available from the National Federation of Group Water Schemes.

Further information on the National Federation of Group Water Schemes can be obtained from: www.nfgws.ie

Appendix 1

Guide to Tax requirements for payment of group water (and sewerage scheme) grants.

Section A

Re: The Contractor

For grant applications received on or after the 1st March 1998, it is necessary that a current C2 certificate or a tax clearance certificate from the Revenue Commissioners must be submitted to the Council in respect of a group's **contractor(s)** engaged to perform the **construction work**. The position in relation to such certificates should 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 €6,500 apply

In the case of all relevant sewerage schemes, and group water schemes, 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 €6,500.00 apply (Section 1095 of the Taxes Consolidation Act, 1997)

Where grants for group water schemes exceed €10,000.00, 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**.

Under Section 1095 Taxes Consolidation Act, 1997 payment of State/Public Authority grants, subsidies and similar type payments, by Government Departments and public authorities, of a value of €6,500 or more, within any 12 months period, including for example, industrial and farm development grants is subject to the person holding a current general Tax Clearance Certificate.

More information on Tax Clearance requirements is available on www.revenue.ie

NOTE

- ❑ The question of whether grant payments might exceed €6,500.00 will be advised to the group prior to the allocation of grants.
- ❑ Where grants exceed €10,000.00 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.
- ❑ Grants will not be allocated by the Water Services Department until the above matters have received attention.

If you are considering forming a group scheme or if you have any query in relation to an existing group water scheme please contact the Rural Water Liaison Officer, Water Services Department, Limerick City & County Council for information on the current rate of grants available under the Rural Water Programme.

This document will be revised as necessary to reflect any changes implemented by the Department of the Environment, Community and Local Government.