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



**Comhairle Contae  
Dhún na nGall**  
Donegal County Council

# Terms and Conditions for

## Subsidy towards the Operational Costs of Group Water Schemes

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## GENERAL

This document sets out the revised Terms and Conditions applicable to the payment of a subsidy (referred to in this document as “the subsidy scheme” or “the subsidy”) towards the operational costs of group water schemes supplying water for domestic use.

**Please read these Terms and Conditions fully and carefully before completing the subsidy application forms. For a group water scheme to avail of the subsidy their application and their use of the funding provided must fully meet these terms and conditions.**

An integral part of maintaining and improving the quality and reliability of rural water supplies is the annual subsidy, payable by local authorities, towards the operational and management costs of group water schemes supplying water for domestic use. The aim of the subsidy is to ensure the principles of equity of treatment and equivalent financial support equally between households on public water supplies (Irish Water) and those in group water schemes.

For subsidy purposes, a group water scheme is defined as:

*“A scheme providing a private supply of water to two or more houses by means of a common or shared source of supply and distribution system”*

Houses with individual connections to a common source of supply using separate abstraction and distribution systems do not constitute a group water scheme for the purposes of the subsidy.

A property supplied with water by a group water scheme is eligible to be included for subsidy purposes as a domestic connection only if it is used as a normal place of residence. For the purposes of the subsidy scheme normal place of residence:

- includes long-term rentals,

- does not include properties otherwise solely operated on a commercial basis (e.g. holiday homes, self-catering properties, caravan sites etc.),
- does not include domestic connections where the property is unoccupied on a long-term basis.

Each applicant scheme is required, for the purposes of the subsidy, to verify eligibility of all of their domestic connections by recording this on the list of members (see Appendix 1, Part 4). Local authorities will carry out spot checks on the submitted list to further verify this eligibility (see below on spot checks generally).

The subsidy payment to a group water scheme must be used solely for the benefit of its domestic members. No part of the subsidy payment may be used to cross subsidise non-domestic members.

## ADMINISTRATION OF SUBSIDY SCHEME

The subsidy scheme is administered by local authorities. All matters relating to the day-to-day operation of the subsidy scheme, including applications and payments, are a matter for the relevant local authority.

Any enquiries about the subsidy should be addressed to the relevant local authority's Rural Water Programme Liaison Officer.

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. These spot checks, which may be at short notice, are to ensure that the Terms and Conditions of the subsidy scheme are being applied in a fully compliant manner and in the interests of equity to all participants in the subsidy scheme. Spot checks typically will consist of the local authority verifying, on a random basis, aspects of subsidy applications eg, but not limited to: membership lists, sample domestic invoices as well as various other supporting items listed as required for subsidy purposes under these Terms and Conditions.

A local authority may withhold, reduce or recover all or part of a subsidy if they consider that these Terms and Conditions are not being met in full.

In processing applications under the subsidy scheme, it is recognised that some applicants may be dissatisfied with the local authority's decision. The authority will give every applicant scheme an appeal mechanism, which will allow the scheme to have the decision in its case reviewed by a local authority official who did not deal with their original application.

The following procedure shall apply to each appeal:

- Applicant schemes are invited to submit a **written appeal** on any decision notified to them by the local authority on their application. This must be submitted within three weeks of the date of the decision and must state the reasons for the appeal.
- The appeal will be considered by the local authority and adjudicated upon within four weeks of receipt.
- A decision on an appeal will be notified in writing to each applicant within two weeks of the decision being made.

## IMPLEMENTATION DATE

The terms and conditions of the subsidy set out in this Memorandum apply from 1<sup>st</sup> January 2018.

## WATER CONSERVATION AND UNACCOUNTED FOR WATER

Group water schemes must actively - and on a continuous basis - carry out water conservation on its own network. This should also include curbing of wastage of water by members and generating greater member awareness of water conservation.

Unaccounted for water (UFW) is the difference between "net production" (the volume of water delivered into a scheme's network) and "consumption" (the volume of water that can be accounted for by legitimate consumption, whether metered or not). High

levels of UFW will substantially increase the cost of producing water and of managing a group water scheme. This, in turn, gives rise to affordability problems and may jeopardise the long-term sustainability of the water supply source lake, groundwater etc.

The subsidy is intended to ensure that a well-managed group water scheme, with optimal levels of UFW, is financially viable. Pro-active implementation of water conservation measures is, therefore, a general condition of eligibility. This includes:

- Pro-active leak detection and repair.
- Bulk meter installation and monitoring.
- Water audits.
- Metering of individual connections.
- Usage based billing.
- Member Communications.
- Telemetric monitoring of bulk meters.
- Mains refurbishment and replacement.
- Valve replacements and installations.

In order that the subsidy, along with other income, will allow a group water scheme to provide and maintain an economic service for its membership, there must be a strong focus on pro-actively identifying and reducing water leakage and wastage.

The Rural Water Programme, which is administered by local authorities, provides funding for major water conservation-focused capital works, such as a programme of mains refurbishment and replacement, valve and meter installation. Schemes considering a programme of such works should contact the Rural Water Liaison Officer of their local authority for information. Minor, water conservation-focused improvements, such as valve and meter installation, may be undertaken under the subsidy scheme (subject to the overall subsidy maximum – see at Section A1).

## SUBSIDY TYPES

Group water scheme type, operational arrangements and size each determine an aspect of subsidy eligibility.

The **type** determinant (Subsidy A) is:

- private group water scheme (i.e. supplying water to its members from its own source and water treatment plant), or
- public group water scheme (i.e. supplying water provided by Irish Water to its members).

The **operational** determinant (Subsidy B) only applies to private group water schemes that is:

- part of a '*bona fide*' long-term Operational and Maintenance (O&M) contract [e.g. as part of a *bone fide* approved Design Build Operate (DBO) project], and
- is self-managed by a member of the scheme, by a GWS Employee or a contractor engaged by the scheme.

The **size** determinant (Subsidy C) also only applies to private group water schemes:

- Schemes under 100 houses.

The subsidy is divided into three parts that are structured to take account of the differing costs associated with type, operational arrangements and size as follows:

- **Subsidy A:** This subsidy, with two funding thresholds, is payable towards the general operational and management costs of all types of group water schemes. Detailed requirements are set out in Part A of these Terms and Conditions.

- **Subsidy B:** This subsidy is payable (in addition to Subsidy A) towards O&M costs associated with “*bona fide*” DBO contracts for group water schemes. Detailed requirements are set out in Part B of these Terms and Conditions.
- **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. The incentive is limited to three years from formal initiation of the process by a scheme to progress into a more sustainable entity. Detailed requirements are set out in Part C of these Terms and Conditions.



# PART A - SUBSIDY A TOWARDS THE GENERAL OPERATIONAL AND MANAGEMENT COSTS OF ALL GROUP WATER SCHEMES

## A1: GENERAL AND SUBSIDY RATES

Subsidy A, available to all group water schemes, is provided at two rates up to a maximum ceiling, depending on whether the scheme is a privately-sourced group water scheme or a publicly-sourced group water scheme.

The Subsidy A rate per house paid to a scheme will not exceed:

- Privately-sourced group water scheme: **€231.00.**
- Publicly-sourced group water scheme: **€115.00.**

Eligibility for the subsidy is subject to compliance with all requirements set out below.

## A2: GENERAL TERMS AND CONDITIONS OF ELIGIBILITY

A group water scheme may qualify for Subsidy A only if it:

1. is providing a supply of water for domestic purposes that, in the opinion of the local authority is satisfactory (ie meets with the quality standards of the Drinking Water Regulations<sup>1</sup>),
2. is properly constituted in a way that recognises the group water scheme members as the owners of the scheme:
  - in the case of medium sized and larger schemes (typically regulated schemes under the Drinking Water Regulations) this must be through a

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<sup>1</sup> The European Union (Drinking Water) Regulations, 2014 (S.I. No. 122 of 2014) see at: <http://www.irishstatutebook.ie/eli/2014/si/122/made/en/print> and the European Union (Drinking Water) (Amendment) Regulations 2017 (S.I. No. 464/2017) see at: <http://www.irishstatutebook.ie/eli/2017/si/464/made/en/print>

legal structure of either a Co-operative or Company Limited by Guarantee in which members are equal shareholders,

- in the case of smaller schemes (typically exempted schemes under the Drinking Water Regulations) this may be as a Trusteeship, Co-operative or Company Limited by Guarantee,
3. conducts its affairs properly in accordance with its Constitution/Rules and relevant legal requirements,
  4. has adopted the Charter of Rights and Responsibilities for members of group water schemes<sup>2</sup> developed by the National Rural Water Services Committee,
  5. has, in the case of private group water schemes, agreed to implement a quality assurance system which, at a minimum, meets the standard of the Hazard Analysis Critical Control Points (HACCP) based Quality Assurance System (QAS)<sup>3</sup> developed by the National Federation of Group Water Schemes and approved by the National Rural Water Services Committee, or an appropriate system approved by the National Standards Authority of Ireland (NSAI)<sup>4</sup>, or equivalent,
  6. is actively engaged in implementing requisite measures to conserve water and to reduce UFW as set out under Water Conservation and Unaccounted for Water above,
  7. has, in the case of private group water schemes, completed (or is in the process of completing), as a first phase of implementing source protection planning, a ground water Zone of Contribution/ surface water preliminary catchment report,
  8. is charging domestic members for excessive usage only, based on metered usage or otherwise. There can be no flat rate or standing charge regime in place for domestic consumers,

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<sup>2</sup> Latest version available on the National Federation of Group Water Schemes website at the following link: <http://www.nfgws.ie/Publications>

<sup>3</sup> For more information on HACCP based QAS see the National Federation of Group Water Schemes website at the following link: <http://www.nfgws.ie/Quality-drinking-water/Quality-Assurance-System>

<sup>4</sup> For more information on quality assurance systems approved by the NSAI their website at the following link: <https://www.nsai.ie/>

9. is providing a threshold of 160m<sup>3</sup> per domestic connection per annum, under which no water charges apply and over which excessive usage charges may apply,
10. is fully applying usage-based charges to non-domestic consumers so that they are not cross-subsidised by the domestic customer sector of the scheme.

Documentary evidence of compliance with the conditions listed above may be requested, on a spot check basis, by the local authority to enable evaluation of the subsidy application.

In the context of item 1 above, each exempted private group scheme (ie a scheme that is not monitored under the Drinking Water Regulations) must, have their water supply tested annually. A copy of the certificate of water testing results will be required by the local authority to substantiate a subsidy application. As the full range of parameters that need to be tested for can vary depending on location in the country the list will be provided by the local authority. The sampling and testing must be carried out by an independent accredited laboratory<sup>5</sup>.

Also in the context of Item 1 where water supplied by a private group water scheme:

- is not considered by the local authority to be satisfactory in terms of quality or quantity under the Drinking Water Regulations, and
- the group water scheme has been required or advised by the local authority to prepare a remedial action programme

The scheme may, subject to the other conditions listed above, still be eligible for a subsidy payment. This is conditional on the scheme undertaking in writing to prepare and implement, within an agreed time period, a remedial action programme that is approved by the Supervisory Authority. The objective of any such remedial action programme is to bring the water supply into compliance with the requirements of the Drinking Water Regulations at the earliest possible date.

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<sup>5</sup> For some further guidance see at: <http://www.epa.ie/water/dw/hhinfo/testtreat/>

In the context of Items 8 and 9 above, documentary evidence will be required by the local authority to substantiate a subsidy application (e.g. a copy of a random sample of a domestic invoice as was issued to the member showing that there is no standing charge being applied and showing also the domestic threshold below which, no water charge applies for the relevant claim period).

If a universally (individual connections) metered group water scheme is of the opinion that it may not be in a position, for financial reasons, to set a threshold of 160m<sup>3</sup> per domestic member per annum over which excessive usage charges may apply, the Board of Management of the scheme must first seek the approval of the wider scheme membership. Any proposal by a scheme to reduce the 160m<sup>3</sup> threshold per domestic member connection per annum must be done at a Special General Meeting (SGM) of the scheme called for that purpose. A standing or flat charge for domestic customers will not be permitted in any circumstances.

Any motion under the rules of the scheme for approval of a reduction to the domestic allocation threshold of 160m<sup>3</sup> per domestic member per annum over which excessive usage charges may apply must be circulated in writing to all scheme members in advance of the SGM in accordance with the rules of the scheme as an Advance Notice. The decisions of the membership of the scheme at the SGM must be recorded in the minutes of the meeting. A copy of the minutes of the SGM will be required by the local authority to substantiate a subsidy application.

Universal metering is - in the interests of water conservation, equity, fairness and operational cost savings - the ultimate goal of the group water sector. Most, but not all, group water schemes are currently universally metered.

As part of adopting any proposal to apply excessive usage charges to its domestic members, a group water scheme must, in the absence of universal metering, put in place a system of monitoring usage by traditional methods. This will include using, for example, district water meters, visual observation (of leaks) and listening techniques. The scheme must also adopt an opt-in policy in relation to individual domestic metering. This is to enable domestic members who are being required to

pay on an unmeasured (unmetered) excessive usage basis, to have the right at any time to request in writing that the scheme install a meter, at the scheme's own cost, and be charged based on a measured excessive usage basis.

**Under no circumstances will a scheme that is either universally metered or not be paid the annual subsidy if its excessive usage charge is set at less than 115m<sup>3</sup> per domestic member per annum or is using a standing or flat charge for domestic customers and has not been able to demonstrate an absolute financial need to apply excessive usage charging to its domestic members.**

In some instances, group water schemes provide water to, or receive water from, other entities (Irish Water or other group water schemes). For a scheme to qualify for the annual subsidy, any associate payments or charges for water provided or received must be dealt with in a structured, equitable and fair way.

Where water is supplied by a group water scheme to other entities as outlined above, any charge levied for the water supplied must reflect the State subvention already being provided to the scheme towards the cost of supplying this water. In no circumstances should a scheme be generating a profit from supplying water where the State has already subsidised the cost of producing this water.

**The costs incurred by a scheme for water supplied in arrangements as outlined above is not eligible expenditure for subsidy purposes.**

Public group water schemes receiving water from the public (Irish Water) supply are deemed as a class of Non-Domestic Customer of Irish Water. Irish Water will maintain tariffs (which incorporate a domestic allowance) in accordance with the structures and arrangements applicable prior to 1st January 2014 until an enduring tariff framework is in place.

### A3: ELIGIBILITY OF EXPENDITURE

To be eligible for subsidy purposes, where expenditure incurred by a group water scheme relates to:

- **water supplied for both domestic and non-domestic uses:** the expenditure will be apportioned in accordance with the provisions of A5 below,
- **the supply of goods and services by contractors:** such contractors must be registered for VAT and provide evidence of tax clearance as issued by the Revenue Commissioners,
- **the payment of a wage or salary to a person;** such person must be properly registered for tax purposes and the group water scheme must be a registered employer operating the PAYE/PRSI system.

### A4: QUALIFYING EXPENDITURE

A subsidy may only be claimed for non-capital expenditure necessarily incurred by a group water scheme for the operational costs of supplying domestic water to the members of the group during the financial year to which the subsidy application relates. Non-eligible expenditure includes depreciation of assets, major capital works and costs associated the provision of water to Irish Water or other schemes. Eligible expenditure may include costs relating to:

- maintenance and repair of buildings, equipment and fittings associated with the abstraction (including source protection), treatment, storage and distribution of water;
- electricity/energy;
- materials used in the treatment/disinfection of water;
- wages/salaries and associated costs of full or part-time managers, administrators, operatives or maintenance personnel;
- insurance (including public liability, employer's liability, PRSI, property/assets);
- administrative and audit costs;

- monitoring of water quality;
- costs associated with the implementation of a Quality Assurance System (see A2.5 above);
- non-capital costs associated with the implementation of water conservation and demand management measures;
- preparation of a water improvement plan;
- relevant training of personnel in the management and operation of water supply systems, quality assurance, leak detection and control, distribution network management and maintenance, Health and Safety, etc.;
- affiliation fees for membership of the National Federation of Group Water Schemes;
- costs associated with the operation of the Performance Management System (PMS) for schemes in “bona fide” O&M contracts, viz.:
  - Retention of Employer’s Representative,
  - Independent compliance auditor.
- reasonable source protection measures (e.g. fencing around source);
- emergency capital works (e.g. replacement of faulty infrastructure such as valves and fittings);
- necessary professional and legal costs;
- bank charges.

## A5: APPORTIONMENT OF EXPENDITURE

Water produced for domestic use is required to comply with the mandatory minimum quality standards of the Drinking Water Regulations. Accordingly expenditure incurred by group water schemes for the following items will be allowed in full (subject to the maxima set out under A1 above) when calculating the cost of supplying water to domestic members:

- operational monitoring of water quality;
- charges for compliance monitoring, levied by local authority on schemes in the context of the Drinking Water Regulations;

- treatment and disinfection consumables;
- implementation of a Quality Assurance System (see A2.5 above);
- relevant training of personnel on programmes necessary to ensure compliance with the Drinking Water Regulations;
- maintenance of source protection measures;
- affiliation fees for membership of the National Federation of Group Water Schemes.
- costs associated with the implementation of the Performance Management System;
- cost of retaining an Employer’s Representative when needed under the operational phase of a “bona fide” O&M contract;
- Independent compliance Audit in relation to the performance of a “bona fide” O&M Contract.

All other eligible costs can be recouped at a rate of 85%. If a scheme can demonstrate a higher domestic membership/usage, it may be entitled to a higher rate.

## A6: APPLICATION FOR SUBSIDY

**Application Form:** The same Application Form should be used to apply for Subsidy A, B and C. The additional information required for Subsidy B and C need not be supplied where a group water scheme is only applying for Subsidy A.

**Annual Subsidy Claim:** Applications for payment of the Annual Subsidy should be submitted by group water schemes on Form WS1 Sub by 30 June of the year following the year to which the subsidy claim relates.

**Advance Subsidy Claim:** To assist the financial management of group water schemes, an Advance Subsidy Payment may be claimed each year. The standard advance payment will not exceed 70% of the full Annual Subsidy paid to the group in respect of the previous year.



First and subsequent Advance Subsidy Payments will only be available where Annual Subsidy for the previous year has been claimed and paid. Applications for Advance Subsidy Payments should be made by completing the relevant portion of Form WS1 Sub and submitting it by 30 June of the year to which the claim relates.

Should an advance payment exceed the final amount of the Annual Subsidy properly due to the group water scheme, the excess will be recovered from subsequent claim(s).

## A7: APPLICATION REQUIREMENTS

An application for Annual Subsidy must be accompanied by a full Statement of Audited accounts, providing details of actual costs incurred and income obtained by the group in supplying water to its members. Schemes are required to retain all documentation associated with the accounts, in accordance with corporate requirements. Accounts must be audited by a person who is entitled to audit the accounts of a corporate body. The Statement of Accounts should be signed by the Auditors and the relevant Officers of the scheme, clearly showing that they have been:

- certified as being consistent with the group scheme's annual income and expenditure and incorporating the Auditor's opinion that the accounts represent a 'true and fair' reflection of the scheme's financial affairs;
- adopted by the group scheme membership at its AGM;
- be completed on the basis of a calendar year from the 1<sup>st</sup> January – 31<sup>st</sup> December.

For smaller schemes (e.g. schemes below the drinking water monitoring threshold commonly called 'exempted' schemes), a statement of accounts together with supporting documentation (e.g. paid invoices) may otherwise be acceptable to the local authority, having regard to the nature and amount of the expenditure likely to be involved.

The following Expenditure items (where relevant and applicable) shall be separately identified in the accounts:

- charges for compliance monitoring levied by the local authority in accordance with the Drinking Water Regulations;
- costs incurred on operational monitoring of water quality;
- cost of treatment and disinfection consumables (which are not related to a DBO contract);
- fixed and volumetric charges (separately identified) levied under the terms of the DBO/O&M contract;
- costs associated with the implementation of a Quality Assurance System;
- cost of relevant training of personnel on programmes necessary to ensure compliance with statutory drinking water standards;
- costs associated with the maintenance of source protection measures;
- affiliation fees for membership of the National Federation of Group Water Schemes;
- costs associated with the implementation of the Performance Management System;
- cost of retaining an Employer's Representative when needed under the operational phase of a "bona fide" O&M contract;
- Independent compliance Audit in relation to the performance of a "bona fide" O&M Contract;
- costs associated with the supply of water to the group water scheme by Irish Water or by another group water scheme and similarly for supply of water by the group water scheme to Irish Water or another group water scheme (each instance to be separately identified).

The eligibility of applications for Annual and Advance Subsidies will be determined by the local authority in accordance with these Terms and Conditions. However, a local authority can seek any further information, documentation or other evidence it may reasonably require to enable it to determine the application (see A2 above).

Following examination of the application, the local authority will inform the group water scheme of the amount of subsidy payable, if any. Any Advance Subsidy payment already received by the group for the year in question, or any overpayment from a previous year, will be deducted and the remaining amount due will be paid into the group's bank account.

**Audited accounts should be accepted by the Local Authority as evidence of expenditure. However, a local authority may, generally on an exceptional basis, seek any further information, documentation or other evidence it may reasonably require, to enable it to determine the application. It is in the interests of group water schemes to ensure that the material provided in the accounts is clear and unambiguous.**

## PART B –

# SUBSIDY B TOWARDS THE COSTS OF “BONA FIDE” OPERATIONAL & MAINTENANCE (O&M) AND DESIGN BUILD OPERATE (DBO) CONTRACTS

### B1: GENERAL

Subsidy B is payable to group water schemes towards the costs of providing water for domestic use under a “bona fide” O&M contract [e.g. as part of a DBO project]. See B4.1 below.

### B2: SUBSIDY AMOUNT

The amount of subsidy payable will be as determined by the local authority in accordance with these Terms and Conditions. The subsidy covers:

- the **Fixed Charge** (including VAT and indexation) of the DBO project, and
- the **Volumetric Charge** (including VAT & indexation) of the DBO project .

### B3: APPORTIONMENT OF EXPENDITURE

The apportionment of costs between domestic and non-domestic consumers for subsidy purposes will be determined as follows:

- 100% of the Fixed Charge element,
- 85% of the Volumetric Charge, up to the maximum design throughput of the water treatment plant. If a scheme can demonstrate a higher domestic membership/usage, may be entitled to a higher rate

## B4: GENERAL TERMS AND CONDITIONS OF ELIGIBILITY

To qualify for Subsidy B a group water scheme must comply fully with the general terms and conditions set out in A2 above (ie for Subsidy A). In addition, the group must:

1. be contractually bound to a *bona fide* O&M contract that has been procured in strict accordance with the Guidance Document for the Procurement of Small Water Services Schemes, Part A – Rural Water Module (Design, Build & Operate Contracts);
2. be constituted as a Co-Operative or Limited Company (see A2.2 above);
3. maintain a separate dedicated bank account to which all payments under Subsidy B will be lodged and from which all O&M payments to the contractor will be made;
4. have arrangements in place for payments to the O&M contractor.

Documentary evidence of compliance with the requirements at 1 to 4 above, may be requested by the local authority, on a spot check basis, in conjunction with the subsidy application.

Where expenditure incurred relates to the supply of goods and services by contractors, such contractors must be registered for VAT and provide evidence of tax clearance issued by the Revenue Commissioners.

## B5: APPLICATION FOR SUBSIDY

**Annual Subsidy Claim:** Applications for payment of the Annual Subsidy B should be submitted by group water schemes on Form WS1 Sub by 30 June each year following the year to which the subsidy claim relates.

**Advance Subsidy Claim:** To assist the financial management of group water schemes, advances on Subsidy B may be claimed for payment on a quarterly basis in March, June, September and December. The maximum quarterly advance

payment will be 25% of the subsidy paid in the previous year for the Fixed and Volumetric Charges.

Third and subsequent advance Subsidy B payments will only be available where the Annual Subsidy (A, B and C if applicable) for the previous year has been claimed and paid. Application for advance Subsidy B payments should be made by completing the relevant portion of Form WS1 Sub and submitting it to the local authority as early as possible.

Should an advance payment exceed the final amount of the Annual Subsidy properly due to the group water scheme, the excess will be recovered from subsequent claim(s).

## **B6: APPLICATION REQUIREMENTS**

The eligibility of applications for Annual and Advance Subsidies will be determined by the local authority in accordance with these Terms and Conditions. However, a local authority may seek any further information, documentation or other evidence it may reasonably require, to enable it to determine the application.

Following examination of the application, the local authority will inform the group water scheme of the amount of subsidy payable, if any. Any Advance Subsidy payment already received by the group in respect of the year in question, or any overpayment from a previous year, will be deducted and the remaining amount due will be paid into the group's bank account.

## PART C –

# SUBSIDY C A SUPPLEMENTARY SUBSIDY AVAILABLE IN ADDITION TO SUBSIDY A TO INCENTIVISE SMALL PRIVATE GROUP WATER SCHEMES OF LESS THAN 100 HOUSES TO PROGRESS INTO A MORE SUSTAINABLE ENTITY.

### C1: GENERAL AND SUBSIDY AMOUNT

Subsidy C is payable to private group water schemes, of less than 100 houses, for a three-year period, that agree to advance to and progress an amalgamation and/or rationalisation strategy involving their merger into a new entity.

The objective of Subsidy C is to incentivise these small private group water schemes to move through amalgamation and/or rationalisation to what will be, in the long-term, a more sustainable (through economies of scale) existence. Subsidy C is intended to fund expenditure items set out in A4 and in addition, expenditure associated with progressing an amalgamation and/or rationalisation strategy (e.g. cessation and registration of entities, administration, management, legal, accountancy, etc.).

The amount of Subsidy C payable will be as determined by the local authority in accordance with these Terms and Conditions. The subsidy will provide up to €50 per house in addition to Subsidy A, subject to a maximum ceiling of €281 (Subsidy A of €231 plus Subsidy C of €50).

### C2: GENERAL TERMS AND CONDITIONS OF ELIGIBILITY

To qualify for Subsidy C, a group water scheme must comply with the general terms and conditions set out in A2. In addition, the scheme must:

1. Formally agree in writing to take part in and progress amalgamation and/or rationalisation in accordance with the local authority approved strategy.
2. The approved strategy for the group water scheme will set targets to be met over the three-year period, including timeframes to advance the following;
  - a) Establishment of a project steering committee, with proportional representation from each participating scheme including representatives from the local authority and the NFGWS, to progress the targets and timeframes identified,
  - b) Appointment, where relevant, of an engineer to develop a detailed report outlining any necessary enabling capital works that might be required to facilitate the amalgamation/rationalisation project, including budget estimates etc. and to oversee its implementation,
  - c) Finalise and agree equitable financial contributions (if any) required from each participating scheme,
  - d) Secure approval of the wider membership by way of Special General Meetings to progress the project and establish and register the proposed new rationalised entity,
  - e) Subject to the approval of the membership, the new entity will then apply to local authority for approval of any appropriate grant aid towards identified capital works.

All of the above must be completed within the three-year timeframe, to commence from the date of formal local authority approval.

Documentary evidence of compliance with the requirements set out above will be required by the local authority in conjunction with the subsidy application.

### **C3: APPLICATION FOR SUBSIDY**

A claim for Subsidy C should be made on the WS1 form.



**APPENDIX 1**

**SUBSIDY TOWARDS THE  
OPERATIONAL COSTS OF A  
GROUP WATER SCHEME**

**APPLICATION TO  
DONEGAL COUNTY COUNCIL  
FOR  
SUBSIDY PAYMENT  
(ANNUAL & ADVANCE)  
SUBSIDY A, B & C**

**NOTE:**

This application form should be used to apply for Subsidy A, B and C Annual and Advance subsidy payments. It should be submitted;

- In the case of **Annual Subsidy A & C claims** – by the **30th June** following the year to which the claim relates.
- In the case of **Advance Subsidy A & C claims** – by the **30th June** of the year to which the claim relates.
- In the case of **Annual Subsidy B claims** – by the **30th June** following the year to which the claim relates.
- In the case of **Advance Quarterly payment of Subsidy B**, as early as possible in the year to which the claim relates.

The additional information required for Subsidy B need not be supplied where a group water scheme is only applying for Subsidy A.

**A local authority may seek any further information, documentation or other evidence it may reasonably require to enable it to determine the application.**

**EXPLANATORY NOTES:**

Please read the Terms and Conditions for payment of subsidies before you complete this form.

Parts 1 & 2 together with the Declaration (Part 6) must be completed in all cases. In addition, parts 3, 4 & 5 must be completed in respect of all **Annual** Subsidy Claims.

**PART 1: GROUP SCHEME DETAILS – TO BE COMPLETED IN ALL CASES**

Local Authority Name: \_\_\_\_\_

Year to which this application relates: \_\_\_\_\_

Group Water Scheme Name: \_\_\_\_\_

STATUS of Group (*Please tick relevant*)

Registered Co-op  Limited Company

Other (please specify) \_\_\_\_\_

Co-op or Company Registered Number: \_\_\_\_\_

Co-op or Company Registered Office: \_\_\_\_\_

Group Scheme Secretary or Manager:

Name: \_\_\_\_\_

Position: \_\_\_\_\_ (*Secretary or Manager*)

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Mobile: \_\_\_\_\_

E-Mail: \_\_\_\_\_

**Applying for -**

- Annual Payment Subsidy A
- Advance Payment Subsidy A
- Annual Payment Subsidy B
- Advance Subsidy B Quarterly Payment
- Annual Payment Subsidy C
- Advance Payment Subsidy C

Date of last Annual General Meeting (enclose a copy of the AGM Notice): \_\_\_\_\_

**GROUP SCHEME BANK ACCOUNT DETAILS - SUBSIDY A PAYMENT**

Bank: \_\_\_\_\_ Branch: \_\_\_\_\_

Address: \_\_\_\_\_

Name on Account: \_\_\_\_\_

BIC NO: \_\_\_\_\_

IBAN NO: \_\_\_\_\_

**GROUP SCHEME BANK ACCOUNT DETAILS - SUBSIDY B PAYMENT**

**(A separate dedicated bank account is required for Subsidy B payments)**

Bank: \_\_\_\_\_ Branch: \_\_\_\_\_

Address: \_\_\_\_\_

Name on Account: \_\_\_\_\_

BIC NO: \_\_\_\_\_

IBAN NO: \_\_\_\_\_

**Are arrangements in place for payments to O&M Contractor?**

Yes  No

**GROUP SCHEME DETAILS (SOURCE AND TREATMENT PROVIDED)**

**SOURCE** of supply: Irish Water  Private **Non** DBO   
Private “Bona Fide” DBO\*

Average daily demand over the past 12 months: \_\_\_\_\_000 gals/m<sup>3</sup>

**Water Treatment Provided:** Yes  No

If YES please specify treatment below; -

- “Bona Fide” DBO/ O&M contract:

Name of DBO Contractor: \_\_\_\_\_

Type of Treatment: \_\_\_\_\_

- Other:

Provide details of Treatment (including name of Contractor, if applicable) below;

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PART 2: QUALITY ASSURANCE, CHARTER OF RIGHTS AND WATER CONSERVATION – TO BE COMPLETED IN ALL CASES**

**QUALITY ASSURANCE (QA) SYSTEM**

Is QA being implemented: Yes  No   
Training: Yes  No

Type of QA System: \_\_\_\_\_

***Confirmation must be available for inspection.***

**CHARTER OF RIGHTS**

Adopted: Yes  No  Date of adoption: \_\_\_\_\_

***Confirmation of adoption must be available for inspection.***

**WATER CONSERVATION MEASURES**

Is the scheme implementing Water Conservation Measures - Yes  No

Please indicate the Water Conservation Measures undertaken (tick below as appropriate);

Proactive Leak Detection & Repair.	<input type="checkbox"/>	Usage Based Billing.	<input type="checkbox"/>	Member Communications	<input type="checkbox"/>
Bulk Meter Installation & Monitoring.	<input type="checkbox"/>	Telemetric Monitoring of Bulk Meters.	<input type="checkbox"/>	Water Audit.	<input type="checkbox"/>
Metering of Individual Connections.	<input type="checkbox"/>	Mains Refurbishment & Replacement.	<input type="checkbox"/>	Valve Replacements & Installations.	<input type="checkbox"/>

Other (please specify):

**FOR ANNUAL SUBSIDY CLAIMS PLEASE GO TO PART 3**

**FOR ADVANCE SUBSIDY CLAIMS PLEASE GO TO PART 6 (DECLARATION)**

**PART 3: GROUP SCHEME DETAILS (CONNECTIONS AND VOLUME SUPPLIED) – TO BE COMPLETED IN RESPECT OF ANNUAL SUBSIDY PAYMENTS**

**NUMBER OF CONNECTIONS TO THE SCHEME (for the year to which the claim relates): COMPLETE FOR BOTH SUBSIDY A & SUBSIDY B.**

*(List of consumers and types of connections must be enclosed with application form – See Part 4)*

Type of Connection	Number
Domestic Only	
Domestic and Land/Business (combined/mixed use connections)	
Land/Business Only	
Other (e.g. Schools etc.)	

**DETAILS OF DOMESTIC WATER SUPPLIED BY THE GROUP FOR YEAR ENDED**

**31 December 20\_\_\_\_\_.**

Category	Volume	Units (delete as appropriate)
Total Domestic Water Supplied		m <sup>3</sup>
Average Domestic Use		m <sup>3</sup>
Non-Domestic Use		m <sup>3</sup>
Estimated Unaccounted For Water		m <sup>3</sup>

Based on:

- Metered Usage Reading
- Estimated Usage

**DETAILS OF SUBSIDY CLAIM - TO BE COMPLETED IN RESPECT OF ANNUAL SUBSIDY PAYMENTS**

**APPROVED AND SIGNED AUDITED ACCOUNTS MUST BE ENCLOSED IN ACCORDANCE WITH A7 IN THESE TERMS AND CONDITIONS. WHERE AUDITED ACCOUNTS ARE INCLUDED AS PART OF A CLAIM PLEASE PROCEED TO PART 4.**

**FOR SMALLER SCHEMES WHERE AUDITED ACCOUNTS ARE NOT REQUIRED (E.G. SCHEMES BELOW THE DRINKING WATER MONITORING THRESHOLD), A STATEMENT OF ACCOUNTS TOGETHER WITH SUPPORTING DOCUMENTATION (E.G. PAID INVOICES) WILL BE ACCEPTABLE TO THE LOCAL AUTHORITY, HAVING REGARD TO THE NATURE AND AMOUNT OF THE EXPENDITURE INVOLVED**

No.	Cost Item	Amount
1.	Operational monitoring of water quality	€
2.	Compliance monitoring of water quality	€
3.	All treatment and disinfection consumables (Non DBO)	€
4.	The implementation of a Quality Assurance System	€
5.	Relevant training of personnel in the management and operation of water supply systems	€
6.	Maintenance of Source Protection measures	€
7.	Affiliation fees for NFGWS	€
8.	All other operational costs	



**PART 4: LIST OF GROUP SCHEME MEMBERS, CONNECTION TYPE – TO BE COMPLETED IN RESPECT OF ANNUAL SUBSIDY PAYMENTS**

**Connection Types:**

- **DO :** Domestic Only
- **DL/DB :** Domestic & Land/Domestic & Business
- **L/BO :** Land/Business Only
- **Com :** Commercial
- **Other:** GWSs, LAs, Schools etc.

Name	Address(s)	Eircode(s)	Connection Type (see above)	Normal place of residence (Yes/No)

Additional pages should be included as required.

Where a property such as land is not occupied by the owner, the Eircode of the property being supplied should be quoted.

**PART 5: CHECKLIST OF ITEMS THAT MUST BE SUBMITTED IN RESPECT OF THIS CLAIM – TO BE COMPLETED IN RESPECT OF ANNUAL SUBSIDY PAYMENTS**

Full listing of all scheme members at end of year to which claim relates. Listing should distinguish the type of member – Domestic only; Domestic and Land/Domestic and Business (i.e. combined/mixed use connections); Land/Business only; Commercial/Other.	
Signed and approved Audit Accounts for the year to which the claim relates (for smaller schemes see A7 of the Terms and Conditions).	
Evidence of tax clearance from Revenue	
Copy of Notice of last Annual General Meeting	
Confirmation provided that there is No Standing or Flat Rate charge in respect of Domestic Consumers (e.g. a copy of a domestic member bill)	
Confirmation of adoption of the Charter of Rights and Responsibilities for Members of GWS	
Documentary evidence as necessary in relation to Subsidy C	

**PART 6: DECLARATION OF OFFICERS – TO BE COMPLETED IN ALL CASES**

We the Officers of \_\_\_\_\_ Group Water Scheme apply for the Advance / Annual (delete as appropriate) subsidy payment(s), set out in this application, towards the operational costs of \_\_\_\_\_ Group Water Scheme in respect of the year ended \_\_\_/\_\_\_/20\_\_\_\_\_.

We direct that payment be made to the group's bank account as detailed in Part 1.

We declare that

- The Group Scheme is compliant with the terms and conditions for payment of subsidy as set out in these Terms and Conditions,
- The Information provided is correct to the best of our knowledge and belief and, in our opinion, the scheme's accounts, which show expenditure of €\_\_\_\_\_ give a true and fair view of the operational costs of the scheme for the period in question and the scheme keeps proper books of account,
- We undertake responsibility for accepting the subsidy on behalf of group water scheme members for the purpose of defraying operational costs,
- We are aware that future advance payments of subsidy will be based on information supplied in this application and we will notify the relevant authority of any significant change which might affect entitlement to same,
- In the case of **Annual** Subsidy Claims, the list of members supplied with this application is an up to date listing of all members on the scheme for the year to which this claim relates,
- There is no standing or flat rate charges for domestic consumers.

Signed: \_\_\_\_\_  
Position: Chairperson (Name in Block Capitals)

Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Position: Secretary/Manager (Name in Block Capitals)

Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Position: Treasurer (Name in Block Capitals)

Date: \_\_\_\_\_