

CABINET REPORT

07.03.2017

Cabinet member: Cllr Dafydd Meurig

Subject: Water supplies for smallholdings

Contact officer: Dafydd Gibbard – Senior Manager Corporate Property

Decission required

Carry out the work to upgrade the private water supplies in smallholdings at a cost of up to £400,000 and decide on which funding solution should be used, from the two available, when agreeing the Council's new Asset Management Plan.

Local member's comments

Not a local mater

Background

1. Of the 42 smallholdings owned by the council 16 are located in remote areas several miles from public water supplies. These 16 holdings therefore receive their water from natural water sources or by collecting water from the surrounding land.
2. Obviously natural drinking water supplies must be safe and meet specific standards. The Private Water Supply Regulations 2009 set out the required hygiene standards.
3. In accordance with the requirements following the introduction of the Regulations in 2009 the first cycle of hygiene tests were undertaken which resulted in the Council investing in ultraviolet (UV) purification systems for all these holdings.
4. The Regulations set out the requirement to test the standard of the water every five years and therefore the second cycle of inspections have now been completed. Although the UV systems still work effectively it now appears that

the water sources themselves are in poor condition and the UV systems cannot purify the water to an acceptable standard. The underground tanks which hold the water have also reached the end of their serviceable life in several locations.

5. As it is not possible to connect these holdings to public water supplies (because of their location) there is no option other than to renew the natural water sources. We will not know the precise cost of rectifying the situation until we have investigated all possible water sources for each separate holding. There are several options and we need to assess the cost implications of each one in order to establish which offers best value in each location. However, initial estimates by our experts suggests that the total cost of upgrading all of the systems could be up to £400,000

Funding the work

6. The property service does not have a budget for this type of unforeseeable work. The Regulations were not in existence when the Council set its Asset Management Plan in 2008 and because these systems are underground it is not possible to see their condition without undertaking a specific detailed investigation
7. The council will therefore have to give consideration to 2 options for funding this work. It is possible to prioritise the use of the Council's own capital resources and accept that this matter is of a higher priority than other calls on our capital budget. Another option is to identify opportunities to raise capital from within the smallholding estate itself
8. Further work will be required to assess all of the capital requirements in our new Asset Management Plan before we can give full consideration to these options and therefore it is premature to try to come to a logical conclusion, although the need to undertake the work is obvious. It is possible that the final solution will be a combination of both possible funding options

Statutory Officer's comments

Chief Executive:

“Obviously this work needs to be undertaken and funding options have been identified. Further work is obviously required before deciding on the precise funding source but that will happen over the coming months.”

Monitoring officer:

The circumstances which have led to this report are clear together with the possible consequences which means that we can not delay before dealing with the problem. The risks associated with not moving ahead are fairly obvious in the report. I will provide any further necessary advice in the meeting.

Head of Finance:

I am convinced that there is no option other than to spend in order to assess and complete the work to ensure a safe water supply. Usually, I would insist that a funding source is specifically identified to fund the expenditure before moving ahead but under these special circumstances I agree that the expenditure may be underwritten, for now, from the two options identified in the report. Remember, part nine of my report on the 2017/18 budget to Cabinets on the 14th of February noted that a full review of the Assets Strategy was already taking place, with the intention of formulating a new capital program, with additions as a result of the review. There will be a need to decide if, or how much, income should be created from the smallholdings estate when agreeing the Asset Strategy in the summer.