

## **Concessions for surface water drainage charges**

A few years ago the idea of charging non-residential customers separately for disposing of surface water emerged in response to environmental concerns about the rise of flash flooding etc. Surface water, refers to the water, snow etc which falls on hard surfaces of the property so includes roofs, car parks etc. Someone has to pay for it to be safely drained. So those who own massive factories pay much more than those who work out of a very small building. The Consumer Council for Water's view was that there should be a common system for charging all clients whatever their status – whether they were for-profit or charitable and that any alternative would be illegal anyway.

In the past community owned and controlled properties had paid little or no surface water drainage charges because they were formerly linked to the rating system which generally allowed them exemptions. So voluntary and community properties were about to face massive additional charges. As a consequence there emerged a highly effective campaign – “Stop the Rain Tax,” led by the Scout Association, Community Matters and Action with Communities in Rural England (ACRE). The Government realised that it would have to step in and legislation was passed to enable water companies to offer concessions to eligible properties like scout huts, buildings for religious worship, village halls, sports clubs etc. But the Government made it clear that each water company was obliged to design its own concessionary scheme.

By the time the water companies were empowered to make these differential charges it was too late to introduce them for this year 2010-11. So an interim arrangement was made for 12 months ending March 2012 offering all eligible properties the concession to pay at the lowest band (the Government had made it plain that all properties, however worthy, had to pay something). In the North East, Northumbrian Water currently sets this Band 1 at £109.30 per year. Naturally those of us involved in trying to manage community buildings assumed this concession was going to be extended in the years to come – but this is not necessarily the case.

The Government guidelines insisted water companies consult with their customers to see whether they are happy with paying a bit more to allow eligible properties, owned by community organisations, to pay less. They term this a “cross-subsidy” and are interviewing 1100 people throughout the North East to discover their attitude. In addition, they are inviting others to express their views via the website. The link was previously circulated by Adrian. In case you missed it and want to take a look, the link is:

<http://www.nwl.co.uk/Concessionsforcommunitygroupsb.aspx>

Depending on the outcome of this survey, the interim concession may, or may not, continue after the end of March 2012. If for example, customers agreed to pay an extra circa £1.00 a year - according to Northumbrian Water that would cover the cost of the concession but would be just an extra 2p/week per customer - it would save the community sector an estimated £2 million.

The main criteria for the interim concession are ;

1. **All** profits are invested back into the organisation
2. The organisation is open to the whole community
3. The organisation does not receive **all** its funding from local government
4. The organisation is non-political
5. The property has a metered water supply
6. The property is connected for surface water drainage

If you meet these criteria – you will be in Band 1 – regardless of the surface area of the property

For your information, the first 4 bands (out of 15) are as follows;

- Band 1 up to 350sq m £109.30
- Band 2 up to 750sq m £339.20
- Band 3 up to 1500sq m £700.90
- Band 4 up to 2500sq m £1248.00

The majority of halls are likely to be in Band 1 (less than 350sq ft) – though, due to the briefings we have circulated, we are finding out that some of the halls have been incorrectly banded. Northumbria Water (NW) will now put them onto the correct band – which will be an instant ‘saving’, that I understand NW will backdate to April. I am currently gathering the information about these halls and will calculate the savings to the sector at some point.

There is still value in halls/buildings that are already in Band 1 applying for the concession. Though it will not save you anything at the moment – it may help in the future, if the situation changes. NW need to be aware which properties should be receiving the concession. Any halls currently not on Band 1 will not be receiving the concession – so of course, they should apply. Those halls that have no surface water draining into public sewers should expect no charge. These are halls with their own soak-aways, septic tanks etc.

I suspect that the majority of halls are metered – but if not, and they wish to have one installed, they would be charged as they are classed by NW as ‘Commercial properties’. I was unable to get a price for this as it depends on how much work would be required at the individual property. However, NW then came back to me to say that if they had sufficient halls in reasonable proximity of each other, they might be prepared to undertake this free of charge, as it would make it financially viable. This will need further exploration but I suspect that we might find it difficult to identify groups of neighbouring un-metered halls.

I will continue to keep Adrian informed of the situation.

Louise Currie  
Community Initiatives Officer  
Email address [louisecurrie@ca-north.org.uk](mailto:louisecurrie@ca-north.org.uk)