



Circular L(DPI)01-2020

21 September 2020.

To each:

- Chief Executive Officer,
- Director of Services (Responsible for Developer Provided Water Services Infrastructure).

Re: Approval of projects (residential estates) under the Developer Provided Water Services Infrastructure under the Multi-annual Developer Provided Water Services Infrastructure Resolution Programme 2019-2021

Circular L1(DPI)01-2019 (24 July 2019) sought bids from local authorities for funding under the Developer Provided Water Services Infrastructure Resolution Programme 2019-2021. A total number of 19 local authorities with Developer Provided Water Services Infrastructure in residential estates in their areas made applications for funding.

An Expert Panel was put in place by the Department to support the bids evaluation process and make recommendations on the suitability of project estates for funding based on the objective criteria set out in the Framework document for the multi-annual programme issued to local authorities when requesting bid proposals. In addition to providing an expert perspective, the Expert Panel brings independence, openness and transparency to the bids evaluation process which is done on a national basis. The Expert Panel's membership includes Departmental, stakeholder and independent representation.

The Minister, in considering the recommendations of the Expert Panel, has accepted these in full and the purpose of this Circular is to inform local authorities of these decisions which in the case of the approvals and projects requiring further information are included in the attached appendices:





- Appendix A - Bids recommended by the Expert Panel for funding under the multi-annual programme, and
- Appendix B – Bids requiring further examination by local authorities to enable the Expert Panel to consider them for funding under the multi-annual programme.

A copy of the Expert Panel report on the bids evaluation process is being circulated with this circular. It should be read carefully by all authorities noting all content but in particular the sections on:

- General background information on DPI,
- Avoidance in future of current DPI type issues,
- Conclusions and Recommendations.

The Panel, noting the poor quality and lack of application of the Framework document which provided comprehensive guidance on the multi-annual programme, caused considerable additional work for the Panel in examining all of the bids to provide commentary on each of the unsuccessful bids – some of which were poorly prepared. This commentary will provide local authorities with guidance on the formation of future bids under the next funding cycle of the multi-annual programme.

Bids requiring further examination by local authorities to enable the Expert Panel to consider them for funding under the multi-annual programme.

The Panel identified a number of bids, as listed at Appendix B, with potential for resolution, on a collective basis, the DPI at the locations. However, locations require considerable further comprehensive examination by local authorities to enable the Panel to consider them for funding under the multi-annual programme.

The three local authorities concerned should immediately set about reviewing further the options for the locations/estates listed that require further information. The study should be based on the detailed guidance provided by the Expert Panel in their report for each location.



The study should be done in consultation with Irish Water. The study, which is considered to be within the scope of the local authority to prepare, should be completed within three months of this circular and submitted to the Department for its referral to the Panel for their further consideration of ways of achieving sustainable and cost effective resolution of the DPI at this location. The local authority should engage with the Department on the study before it is commenced. The Department will be in contact with the three authorities in the coming days.

Potential for further bids under the current programme funding cycle

In May this year Irish Water circulated¹ local authorities with a register of ***‘Settlements with Waste Water Discharge Authorisations - Wastewater Treatment Capacity’***.

The register, which is intended to assist planning authorities in carrying out their function, will also be of assistance to authorities in deciding on the potential of further Category 1 type wastewater DPI estates (estates could connect to their network) for sustainable resolution of their DPI.

The Expert Panel, using the database of DPI estates compiled in Q3/Q4 2019 in conjunction with the register, conducted a desk study to examine the potential for the resolution of further Category 1 type wastewater DPI estates. Based on this examination the Panel noted that it appears to be possible for nearly 30 Category 1 type wastewater DPI estates across at least seven local authorities, which were not included in the bids, to have their DPI resolved by their connection to the public (Irish Water) system. Just over 700 homes are involved or potentially 7% of homes that are dependent on DPI for their water services.

Their non-inclusion in the bids appears to be a lost opportunity by the local authorities concerned to resolve the DPI in these locations under the current multi-annual

¹ Irish Water letter dated 28th and 29th April to Directors of Services Planning Services.



programme. While there may be other impediments for some of these locations it would be a matter for the local authority to lead on resolving them.

The Panel has developed a focus approach – see at Appendix C (Appendix D in their report) - as a basis for local authorities to establish the potential for, and extent of, further Category 1 type wastewater DPI estates. When completed and returned to the Department it will enable consideration to be given to the potential for further funding under the current multi-annual programme.

Accordingly, all local authorities are asked to examine the potential for further Category 1 type wastewater DPI estates for resolution through funding by following the focus approach at Appendix C. The return should be made to the Department by email to DPWSI@housing.gov.ie before **COB on 12 October 2020** (three week from this circular).

The format of the return (in an Excel spreadsheet file) by local authorities should be as follows:

Estate Name	Estate Location	Number of Houses	Group (Focus 1 or Focus 2)	Estate Category (1A, 1B, A1 or A2)	Comments useful information

Study on Optimum Solutions

The Department also wishes to use the opportunity of this circular to update local authorities to an important study by Irish Water on DPI estates. As recommended by the National Taking in Charge Initiative Report, Irish Water in helping to inform policy is carrying out a further study on behalf of the Department to better inform the policy solutions and costs to definitively resolve the issues associated with DPI over time. Through the study Irish Water assisted by local authorities will where needed, determine more detailed costings on site specific solutions for use in future planning of the DPI programmes.



Such closer costing examinations will inform appropriate options for resolution of DPI to achieve the best solution for their operation and maintenance in perpetuity, including having regard to the dispersed spatial distribution of many of these housing estates in smaller rural settlements, townlands and associated hinterlands.

The current position is that Irish Water has selected a consulting engineer to undertake the study. Commencement of the study has been delayed due to the restrictions in place in response to Covid-19. However, it is expected that the study will be completed before the middle of 2021 in time to contribute to informing the Department when developing the scope of the next funding cycle of the multi-annual programme. The aim of which is to progressively facilitate the resolution over time of DPI estates, in a sustainable manner and to support the taking-in-charge of these estates in collaboration with local authorities and Irish Water.

Local authorities are requested to provide every assistance to Irish Water and their consultants undertaking this study.

Progress, reporting and payments

Projects (estates) approved for funding – as listed at Appendix A - should now be advanced and delivered to completion as quickly as possible.

All approvals are conditional on the local authority having a valid taking-in-charge request in their possession for the estate before any work is commenced (it was noted that local authorities did not have a valid taking-in-charge request for some estates). The normal pre-connection process with Irish Water must also be completed in all cases.

The Department will require local authorities to submit progress and completion reports on all projects being funded. This, which will be done on a quarterly basis, is being done in order to evaluate the effectiveness of the project estates in meeting the overall objectives and delivery of the multi-annual programme and for the ongoing need to review



its financing and operation. A template for reporting will be issued to the relevant authorities separately.

A final progress report, indicating that the DPI estate has been taken-in-charge, will be required before the final payment is released. Accordingly, local authorities will be able to recoup payment in two stages as follows:

- **Stage 1:** Local authorities can apply to the Department for their first payment when 75% of the approved funding is expended,
- **Stage 2 (Final Payment):** Local authorities can apply to the Department for their final payment when 100% of the approved funding is expended ie the work is completed and the estate is taken-in-charge.

Administration of the payment process will be similar to that operated under the Rural Water Programme, however, the programmes will be operated separately. A payments claim form will be issued to the local authorities concerned separately.

Enquires

Any enquiries on this circular may be directed to Kara McNulty at +353 (0) 96 24460 or by email DPWSI@housing.gov.ie or the undersigned.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'L. Varley', is written over a horizontal line.

Luke Varley,
Assistant Principal Officer,
Rural Water Unit.

Attached:

- Multi-Annual Developer Provided Water Services Infrastructure Resolution Programme 2019-2021. Report No 1 of the Expert Panel – Evaluation of bids received under the multi-annual programme.



- Appendix A - Bids recommended by the Expert Panel for funding under the multi-annual programme,
- Appendix B – Bids requiring further examination by local authorities to enable the Expert Panel to consider them for funding under the multi-annual programme.
- Appendix C – Framework for establishing the potential for, and extent of, further DPI estates for consideration by the Department for funding under the current multi-annual programme.



Appendix A - Bids recommended for funding under the Multi-Annual Programme				
County	Estate Name	Location	Estimated Cost (€)	Approved Funding (€)
Cork	Ard Carrig	Skibbereen	43,665	32,749
Cork	The Hawthorns	Skibbereen	49,569	37,177
Cork	Cois Na hAbhainn	Clonakilty	26,138	19,603
Cork	Castlewoods	Old Chapel Bandon	130,000	55,000
Donegal	Dromore Park	Killygordon	509,880	382,410
Donegal	Beechwood Park	Convoy	16,500	12,375
Donegal	Stone Park	Glenties	10,500	7,875
Donegal	Doonan Court	Donegal Town	61,000	45,750
Donegal	St. Judes Court & Hazelwood Drive	Lifford	325,476	244,107
Galway	Cluain na Cathrach	Athenry	220,063	165,047
Galway	Lorro Gate	Athenry	325,063	243,797
Kerry	Birch Hill	Killarney	205,479	154,109
Kerry	Old Killarney Village	Killarney	329,972	247,479
Kildare	The Paddocks	Ballitore	125,314	93,986
Kildare	Lios an Ri	Clogharinka	158,988	119,241
Laois	Killenard Lodge	Killenard	65,516	49,137
Waterford	The Cloisters	Ardmore	442,800	168,000
Waterford	Newtown Park	Tramore	350,000	150,000
Westmeath	Killucan Manor	Rathwire	127,933	95,950
Wexford	Kyle Close	Oulart	107,153	80,365
Wexford	Gleann na gCaor	Monageer	302,878	227,159
Wexford	Mountain View	Ballindaggin	208,016	156,012
Wexford	Cois Cuan	Arthurstown	152,475	114,356
Wicklow	Garden Village	Kilpedder	422,300	316,725
Wicklow	Rath Luain	Dunlavin	184,300	138,225
			4,900,976	3,356,634



Appendix B – Bids recommended for further examination to enable the Expert Panel to consider them for funding under the multi-annual programme.	
Local authority	Project/Estate
Carlow	The Grannary and Killerig Lodges (Grange)
Clare	Castlebank (Ardnacrusha)
Cork	Gleann Alainn, Cluain Na Croise, Cul Na Greine and Lissagroom Meadows (Crossbarry)
Cork	Rooskagh Valley (Shanagarry)



Appendix C – Framework for establishing the potential for, and extent of, further DPI estates for consideration by the Department for funding under the current multi-annual programme.

Background

The new multi-annual funding programme was introduced to progressively facilitate the resolution in a sustainable manner the DPI element of water services in housing estates to support the taking-in-charge of the estate. The focus of the first programme is to resolve DPI estates by their connection to Irish Water where it is viable to do so.

The funding approvals now made under the multi-annual programme arising from the first bids process will be a good start to progressively resolve in a sustainable way the DPI in over 500 estates that are dependent on this type of infrastructure for the provision of their water services.

The first bids process has revealed that there is potential for the current multi-annual programme to facilitate the resolution in a sustainable manner the DPI element of water services in housing estates to support the taking-in-charge of further estates that were not included by local authorities in their bids. This refers to Category 1A and 1B type wastewater DPI estates and possibly Category A1 and A2 type drinking water DPI estates² that were not included in the first bids submissions.

Approach for local authorities to further progress the resolution of the DPI estates

In May this year, Irish Water circulated³ to local authorities a register of wastewater treatment capacity in settlements with Waste Water Discharge Authorisations. The register of wastewater treatment capacities will be of assistance to local authorities in deciding on the potential of further Category 1A and 1B type wastewater DPI estates for sustainable resolution of their DPI by connection of the estate water services network to the Irish Water network and the decommission of their DPI.

² See Tables 2, 3, 5 and 6 in the report of the Expert Panel on the first bids process for details of these categories and their potential for resolution.

³ Irish Water letter dated 28th and 29th April 2020 to all Directors of Services (Planning Services).



It is the policy of Irish Water to facilitate connections to their networks, where spare/headroom capacity exists, in order to maximise the use of existing infrastructure and reduce additional investment costs. It is important to note that the headroom capacities in the register is point in time data which is continuously changing ie in some cases some or all of the stated reserve/headroom capacity may already be used by Irish Water to facilitate new connections.

The register addresses reserve/headroom capacities in the wastewater treatment plants only, it does not address network constraints eg due to network prone to flooding etc.

The remaining drinking water DPI estates, that were not part of the first bids process, are relatively few in number and most are in the areas of two local authorities. Details of their water treatment capacities are being dealt with on a case by case basis to assist local authorities in deciding on the potential of further Category A1 and A2 type drinking water DPI estates for sustainable resolution of their DPI by connection of the estate water services network to the Irish Water network and the decommission of their DPI.

Local authorities should now review their outstanding Category 1A and 1B type wastewater and Category A1 and A2 type drinking water DPI taking account of the above. The following action plan approach is suggested (applies to both wastewater and the small number of drinking water DPI estates):

- **Focus 1** – DPI estates for which local authorities have valid taking-in-charge applications. It should be possible for all or some of these DPI estates to be considered by the authority for resolution within the timeframe of the current multi-annual programme,
- **Focus 2** – DPI estates for which local authorities do not have valid taking-in-charge applications. It should be possible for, with local authority leadership and taking a pro-active approach, to bring a significant number of these DPI estates forward quickly to Focus 1 status allowing them to be considered by the authority for full resolution or at least to the commencement of their resolution within the timeframe of the current multi-annual programme.

In addition, local authorities should commence planning now for the next multi-annual funding cycle for the other outstanding estates in the above categories where



reserve/capacity is not currently available but where Irish Water has plans under their CIP 2020-2024 to upgrade their WwTPs or provide a new plant for the first time in a small number of cases at these locations.

Irish Water generally provide sufficient spare capacity in their plants, which are being upgraded or new for the first time, to accommodate new connections including DPI within their catchment area.

The locations of the plants in the CIP can also be found in the register issued in May last. Therefore, a further element of the action plan for the relevant DPI estates is:

- **Focus 3** – DPI estates for which local authorities do not have valid taking-in-charge applications. It should be possible for, with local authority leadership and taking a pro-active approach, to plan now for bringing, at the appropriate time, a significant amount of the remaining numbers of these DPI estates, ie those not addressed under Focus 1 and 2, forward to Focus 1 status allowing them to be considered by the authority for full speedy resolution under the next multi-annual programme.

The three focus areas, the first two in particular, should be considered by local authorities and acted upon concurrently not consecutively.

Conclusions

Following the above approach will enable the next multi-annual programme to more fully focus on resolving the remaining Category 1 type DPI estates and take a targeted approach to resolving Category 2, 3 and 4 type estates.

The focus on Category 2, 3 and 4 estates under the next multi-annual programme will be informed by the pilot study currently underway by Irish Water to assess the existing infrastructure in a reflective sample by size, category and local authority of DPI estates.

Importantly, reference to the relevant grant of planning conditions attached to these developments will determine whether or not there was any intent to have them taken-in-charge or remain under private third party responsibility. This will determine their eligibility for funding.



Progressively resolving these wastewater DPs, in many cases poorly functioning and poorly maintained giving rise to public health and environmental risks, can eliminate their unsustainable co-existence in wastewater agglomerations alongside public (Irish Water) infrastructure.

The format of the return by local authorities should be as follows:

Estate Name	Estate Location	Number of Houses	Group (Focus 1 or Focus 2)	Estate Category (1A, 1B, A1 or A2)	Comments useful information