
REPORT TO:	Housing and Community Services Committee	AGENDA ITEM:
DATE OF MEETING:	8th June 2004	CATEGORY:
REPORT FROM:	Director of Community Services and The Chief Executive	OPEN
MEMBERS' CONTACT POINT:	Bob Ledger (ext 5775) David Soanes (ext 5714)	DOC:
SUBJECT:	Charging for Drainage connections	REF:
WARD(S) AFFECTED:	All	TERMS OF REFERENCE: HCS01

1. Recommendation and purpose of report

1.1 To approve the proposal that a charge should be made where developers/builders wish to connect into Council owned drainage systems.

2. Background

- 2.1 Tenants pay to operate the mainstream housing business through their rent on a pooling system rather than paying for services at the point of delivery.
- 2.2 The Housing Service provides services to tenants and the wider public primarily utilising the income pooled into the Housing Revenue Account (HRA).
- 2.3 The Housing Service deals with tens of thousands enquires and requests for service each year and inevitably some of these are being funded by tenants through the pooled income when it may be more appropriate to make separate specific charges.
- 2.4 The Housing Revenue Account is projected to have medium term funding problems and any additional income would help, albeit in a relatively small way, to offset those problems.
- 2.5 It is proposed that requests to connect into Council owned drainage systems are subject to specific charging at the point of delivery.

3. Develop / builder connections into SDDC owned foul drainage systems

3.1 In building new property private developers have to make appropriate arrangements to connect into mains services and supplies. In the case of connecting into the mains foul drainage systems most new development in this District would be linked directly into the Severn Trent network. In the case of one-off private new build projects Severn Trent currently charge the housebuilder £3,000 per connection.

- 3.2 In a number of instances around the District the Council owns, vested in the Housing Account, the immediate drainage system where it was laid at the same time as an estate or group of properties being built. Where there is a one-off new build project adjacent to such systems the developer / builder applies to the Housing Service to connect into our system. To date we have made no charge for such connections.
- 3.3 There is therefore scope to introduce a charge for such connections that would not only cover our administration costs in relation to preparing the appropriate documentation in formalising the connections but would also assist in providing future maintenance to the system and reflect the true value of the connection.
- 3.4 Rather than have a flat rate fee connection charge it is proposed that each request be considered and valued by the Council's Economic Development Manager dependent on the size, type and number of properties requesting to connect into the system.
- 3.5 Some of the requests made for easements in the future may come from charitable and/or community projects and it may be that a request is made to waive or reduce the charge on those grounds. One of the three requests currently in hand is from such a project. It is proposed that if the Council wishes to consider such a concession then that must be funded from the Council's general fund i.e. the charge be funded from general resources and not tenant income through the HRA.

4. **Financial Implications**

- 4.1 There are currently 3 requests pending for mains drainage connections and assuming that all three progress to completion the income likely to be generated this financial year, by using the Severn Trent charge as a guide, is likely to be in the order of £9,000.

5. **Corporate Implications**

- 5.1 None.

6. **Community Implications**

- 6.1 This is a more equitable and fairer way of paying for this service as the resultant income can be pooled to provide mainstream Housing services.