

## ANGUS COUNCIL

## POLICY &amp; RESOURCES COMMITTEE – 8 OCTOBER 2019

## WATER ANNUAL REPORT 2018/19

**1. INTRODUCTION**

This report presents the end of year status of the water consumption and water and drainage expenditure for the Council non-housing properties for 2018/19. Compared to the 2017/18 outcome it shows a 4,084 cubic meter reduction in water consumption and an increase of £33,498 on the water and drainage expenditure for 2018/19.

**2. BACKGROUND**

- 2.1 The Corporate Services Committee at its meeting of 28 April 2011 approved Report No: 312/11, UPDATE OF MARKET PROCUREMENT OF WATER SERVICES. This introduced new contractual and corporate management arrangements for the provision of water and drainage services.
- 2.2 Directorates and services have provision within their budgets for water and drainage costs. However responsibility for the overall management of these budgets and the provision of budget monitoring information rests with the Director of Infrastructure.
- 2.3 The Infrastructure – Assets team manage the water and drainage contract for all non-housing properties within Angus Council and maintains an overview, in conjunction with Finance, of the rate of expenditure on the associated budgets.

**3. CURRENT POSITION****Water Consumption**

- 3.1 The water consumption status, as at 31 March 2019 is detailed in Table 1 and **Appendix 1**, these figures reflect only the consumption made against presented invoices.

<b>Table 1</b>	Budget Consumption m <sup>3</sup>	Metered Consumption m <sup>3</sup>	Difference m <sup>3</sup>	Percentage Consumption to Budget
2016/17	210,785	188,743	-22,042	90%
2017/18	210,046	163,626	-46,420	78%
<b>2018/19</b>	<b>194,699</b>	<b>159,542</b>	<b>-35,157</b>	<b>82%</b>
Change between years 2017/18 and 2018/19	<b>-15347</b>	<b>-4,084</b>	<b>-2.5%</b>	

See **Appendix 1** for the directorate breakdown of Table 1

- 3.2 The performance by individual directorates, as detailed in **Appendix 1**, notes have been added where there are significant differences between the budgeted and the metered consumption.
- 3.3 A graph showing the overall progress made towards achieving the Council's water consumption target is detailed in **Appendix 3**. The graph shows that the water consumption has decreased and we have met our 2020 reduction target.
- 3.4 Carbon emissions associated with water consumption and waste water are reported in the statutory Public Bodies Climate Change Duties report. A graph showing the carbon emissions is detailed in **Appendix 4**.

New water consumption reduction and carbon emissions reduction targets in line with the Climate Change (Scotland) Order 2015 are to be decided.

### **Expenditure on Water and Drainage**

- 3.5 The expenditure status, as at 31 March 2019 is detailed in Table 2 and **Appendix 2**; these figures reflect only the payments made against presented invoices.

<b>Table 2</b>	Budget Volume	Total Spend	Difference £	<b>Percentage Spend to Budget</b>
2016/17	£807,000	£758,708	£48,292	94%
2017/18	£821,000	£720,994	£100,006	88%
<b>2018/19</b>	<b>£826,000</b>	<b>£754,492</b>	<b>£71,508</b>	<b>91%</b>
Change between years 2017/18 and 2018/19		<b>£33,498</b>	<b>4.6%</b>	

See **Appendix 2** for a directorate breakdown of Table 2.

- 3.6 Table 2 shows a £33,498 increase in expenditure for 2018/19 compared with the previous financial year, but there is an underspend of £71,508 when compared to the Budget allowance for 2018/19.
- 3.7 The performance by individual directorates, is detailed in **Appendix 2**, notes have been added where there are significant differences between the budget volume and total spend figures.
- 3.8 Despite a 2.5% decrease in consumption the expenditure has risen by £33,498, compared to 2017/18. This is due the increase in Ratable Values for some Council properties. The Ratable Value of a property is used to calculate property and roads drainage charges on the bills.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 Table 2 and **Appendix 2** shows an underspend against the budget of £71,508 for 2018/19. This underspend has been progressed on a managed basis and absorbed within the cash limited budgets available to Council directorates.

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List of Appendices:

- Appendix 1 2018/19 Water Consumption Status
- Appendix 2 2018/19 Water Expenditure Status
- Appendix 3 Overall Water Consumption Graph
- Appendix 4 Overall Water & Waste Water Carbon Emissions Graph

## 2018/19 Water Consumption Status

Directorate	Budget Consumption m <sup>3</sup>	Metered Consumption m <sup>3</sup>	Percentage Consumption to Budget
People Directorate	94,979	82,648	87%
Integrated Joint Board	14,658	13,105	89%
Place Directorate	59,103	40,863	69%
Chief Executive	2,588	3,080	119%
Other Services	11	17	155%
Facilities Management	9181	7566	82%
<b>Sub Totals</b>	<b>180,520</b>	<b>147,279</b>	<b>82%</b>
Common Good	6	0	0%
Place Directorate - Housing	14,173	12,263	87%
<b>Sub Totals</b>	<b>14,179</b>	<b>12,263</b>	<b>86%</b>
<b>Totals</b>	<b>194,699</b>	<b>159,542</b>	<b>82%</b>

a  
b

## Notes:

- a) Due to a change in legislation which removes the exemption of water, sewerage and drainage charges to vacant non-household properties from 1<sup>st</sup> April 2017, a number of vacant business premises were brought back into billing. Gaining access to the units is problematic and many vacant units ended the year on estimated meter reads, causing Economic Development to exceed their budget. The Office in John Street Montrose, also ended the year on an estimated read due to access issues.
- b) The War Memorial at Maule Street, Monifieth exceeded its budget, to be investigated.

## 2018/19 Water Expenditure Status

	Budget Volume (£)	Total Spend (£)	Percentage Spend to Budget
Centralised Water Management	£30,000	£29,924	100%
CWEF Repayments	£3,388	£338	10%
People Directorate	£371,921	£397,564	107%
Integrated Joint Board	£47,397	£47,032	99%
Place Directorate	£246,881	£175,489	71%
Chief Executive	£15,841	£18,324	116%
Other Services	£833	£1,134	136%
Facilities Management	£69,392	£49,363	71%
<b>Sub Totals</b>	<b>£785,653</b>	<b>£719,168</b>	<b>92%</b>
Common Good	£0	£1,299	-
Place Directorate - Housing	£39,000	£34,025	87%
<b>Sub Totals</b>	<b>£39,000</b>	<b>£35,324</b>	<b>91%</b>
<b>Totals</b>	<b>£824,653</b>	<b>£754,492</b>	<b>91%</b>

a

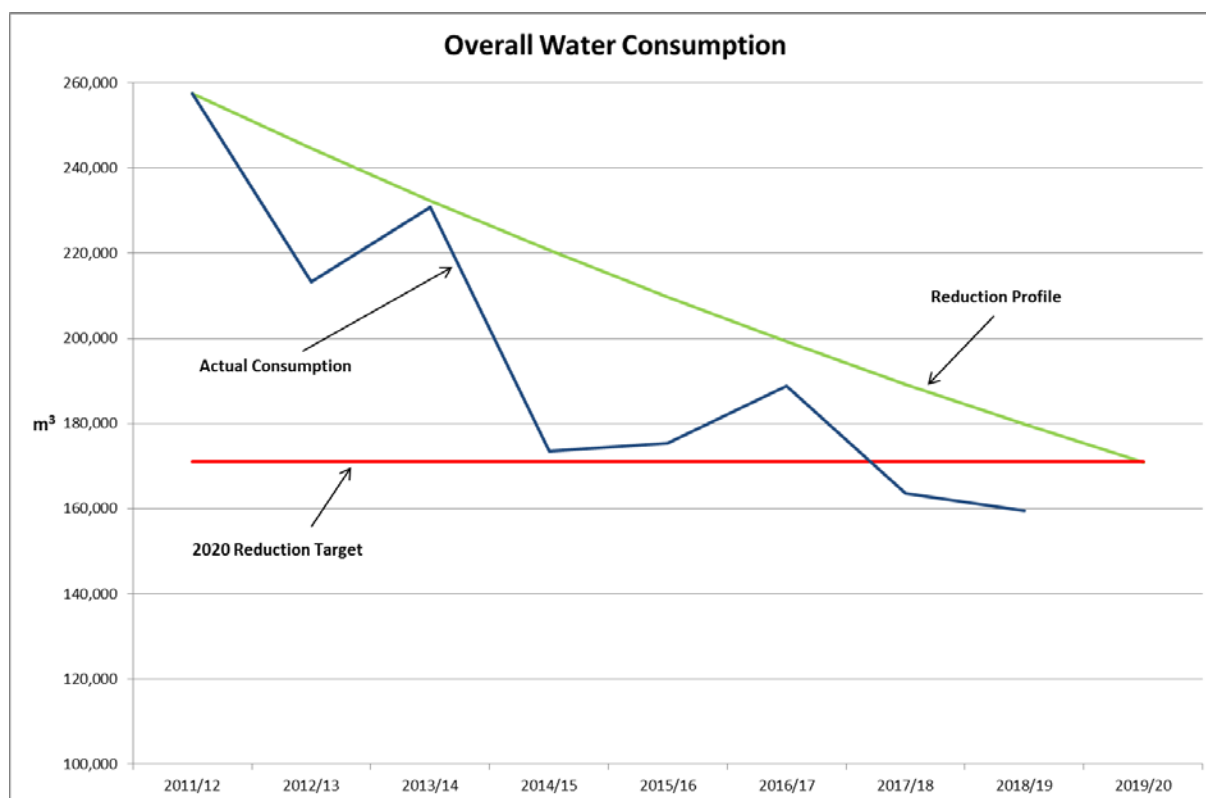
b

c

## Notes:

- a) The People Directorate were within their consumption budget (87%), but have exceed their expenditure. This is due the increase in Rateable Values.
- b) Due to a change in legislation which removes the exemption of water, sewerage and drainage charges to vacant non-household properties from 1<sup>st</sup> April 2017, a number of vacant business premises were brought back into billing. Gaining access to the units is problematic and many vacant units ended the year on estimated meter reads, causing Economic Development to exceed their budget. The Office in John Street Montrose, also ended the year on an estimated read due to access issues.
- c) The War Memorial at Maule Street, Monifieth exceeded its budget, to be investigated.

## Overall Water Consumption Graph

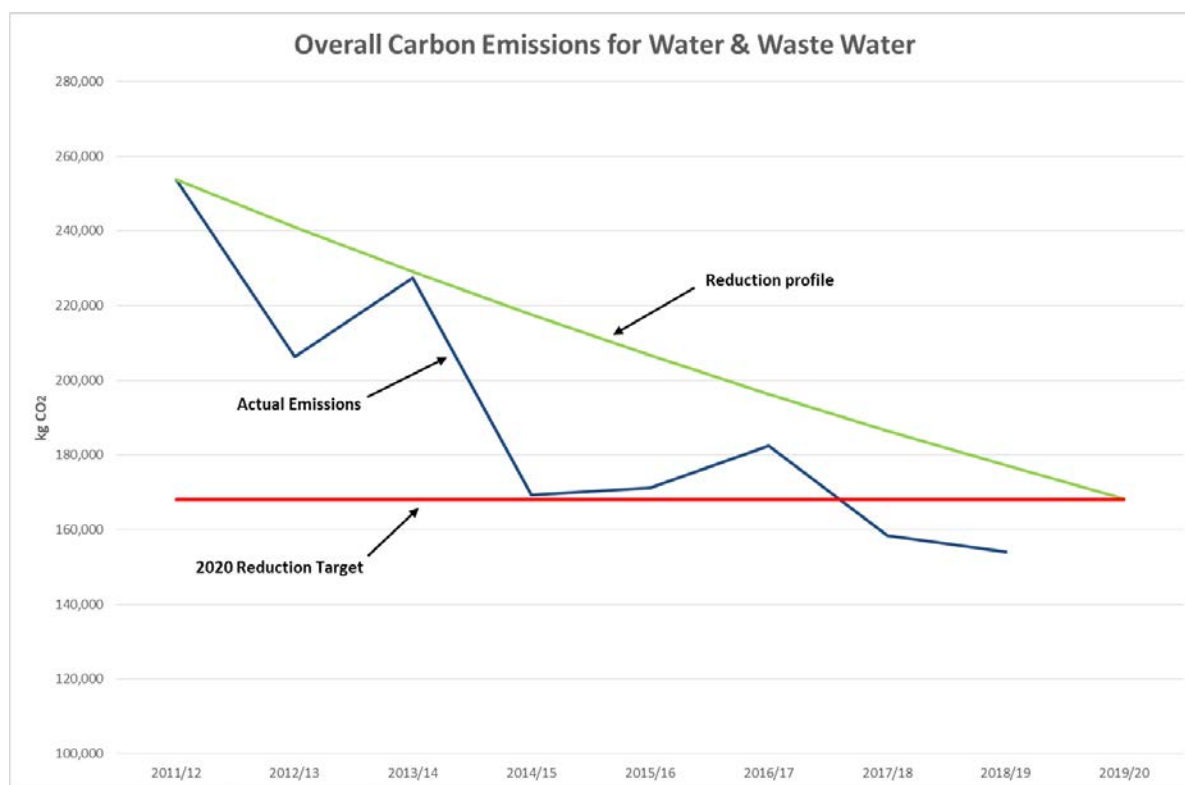


The graph shows that the water consumption has decreased and we have met our 2020 reduction target. Since 2011/12 water consumption has reduced by 97,931 cubic meters, equating to a 38% reduction.

The reductions have been made over the years by rolling out urinal controls, installing percussion taps, installing sub meters and trialing water-less urinals. Water automatic meter reading (AMR) devices have been installed on 125 water meters at large sites or sites which indicate issues with consumption. The Utilities and Services Engineering Team monitor the water use through the AMR devices meaning issues can be identified, investigated and resolved quickly. Without AMR, issues are either discovered through time by water damage, low pressure on site or when yearly manual meter reads are taken.

We currently have a group of problematic sites where water baseloads exist but there are no obvious issue/s on site. These sites need further investigation, but we have no budget to commission more in depth surveys and no budget to then carry out the remedial works. We have made significant reductions over the years and will require ongoing funding to ensure that this is maintained.

## Overall Water &amp; Waste Water Carbon Emissions Graph



The graph shows that the carbon emissions associated with water and waste water have decreased in line with water consumption graph above.

Since no Council targets or profiles currently exist for carbon emissions, it has been based on the consumption target and profile.