

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet 14 May 2009
AUTHOR/S: Executive Director / Corporate Manager, Affordable Homes

CONSIDERATION OF THE INTRODUCTION OF WATER AND SERVICE CHARGE ON COUNCIL-MANAGED TRAVELLERS SITES

Purpose

1. To seek the approval of Cabinet to introduce a water and service charge for the District Council-managed Traveller Sites.
2. This is a key decision because it raises new issues of policy and it was first published in the May 2009 Forward Plan.

Background

3. The Council currently manages two County Council-owned Traveller Sites, receiving a fee from the County Council for doing so. The fee is calculated by taking the sum of the total annual income and expenditure; the Council then receives 8% of this total as its fee. Any profit or deficit at the end of the financial year is returned to the County Council.
4. Residents are not currently paying a specific charge for the water they use on the two sites, New Farm, Whaddon and Blackwell, Milton. The water rates for the sites are paid through the sites' accounts. The costs for the last three years are shown in the table below. Water costs for the Blackwell Site have been lower in recent years, partly due to occupancy voids.

| | Expenditure | | |
|----------------------|------------------|------------------|------------------|
| | Year 2007/08 | Year 2006/07 | Year 2005/06 |
| New Farm, Whaddon | *£3,712.96 | *£3,453.92 | £3,212.95 |
| Blackwell, Milton | £2,884.65 | £2,238.09 | £1,900.88 |
| Total Charged | £6,597.61 | £5,692.01 | £5,113.83 |
| Administration (15%) | £989.65 | £853.80 | £767.07 |
| Total | £7,587.26 | £6,545.81 | £5,880.90 |

* Figures based on best estimates as actual figures not available due to water leak. Cambridge Water unable to supply exact usage for this period. Includes effluent discharge costs.

5. Site rents are currently as follows:

| | Site Rent per Week |
|-------------------|---|
| New Farm, Whaddon | £43.00 (small plots x 12) £64.50 (large plots x 2) |
| Blackwell, Milton | £57.50 |

There was no site rent increase during the financial year 2008/09. Site rents are comparable to those of East Cambridgeshire, which charges £50 and £58 per week respectively for the sites it manages.

Considerations

6. Water, like electricity, is a service utility that is not eligible for Housing Benefit. Individuals on the site already pay for electricity on pitches through card meters. If residents wish to use gas, they supply their own bottles.
7. East Cambridgeshire and Fenland District Council already raise a water and service charge, collected by their Travellers' Officers from site residents. Both authorities annually review their charges and, for some sites, include a charge for additional rubbish clearance. These authorities currently charge between £4 and £5 per week.
8. The introduction of a water and service charge would bring these two sites in line with others in the County. There would be significant advantages in following the same system in South Cambs, as this would enable us to consider including other services in the charge, should this prove necessary.
9. For the sites managed by South Cambridgeshire District Council, a charge of £4.87 per pitch per week including an administration charge of 15% would generate (at full occupancy):

| | No. of Charges per Week | Income per Year |
|---------------------|-------------------------|-----------------|
| New Farm, Whaddon | 15 | £3,798.60 |
| Blackwell, Milton | 15 | £3,798.60 |
| Total Yearly Income | | £7587.25 |

Options

10. The Council may retain the current situation, and not introduce a water and service charge. Continuing costs would be met as part of the site budget that is paid for through rent, which is met by housing benefit for some travellers. As utilities are ineligible for housing benefit, this is not considered a viable option.
11. To introduce a weekly water charge per pitch on both of the sites that is phased in over 2 years.
12. To introduce a weekly charge of £4.87 as from 1st April 2009 – this option is recommended.

Implications

| | |
|---------------|--|
| 13. Financial | As set out in paragraphs 4 and 9 above. |
| Legal | The license agreements will be amended to reflect the new charges. There are no clauses in the license to prevent this. |
| Staffing | The charge would be collected by the Travellers' Site Officers, on a weekly basis, as is the case with the rent. As all residents will be required to pay, there will be a small increase in workload, however this would be the case if residents' circumstances changed, requiring them to pay rent. |

| | |
|---------------------|--|
| Risk Management | There is a risk of non-payment by residents, particularly those in receipt of full housing benefit. Full face-to-face consultation will take place to minimise this risk. The responsibility of collecting the charges and recovering debts will be the responsibility of Housing Services. Former debt collection will be set as a sundry debt. As rent is currently collected on-site, the risk in terms of cash handling and lone working is not increased. |
| Equal Opportunities | Charging for water rates will ensure that the cost of water and the collection of it be borne by the site residents, as for others in the district. |

Consultations

14. The County Traveller Liaison Officer has responded in favour of the introduction of a water charge. The Staffing Portfolio Holder who is also the lead Member for Travellers considered this report at his meeting on 1 May 2009.

Effect on Strategic Aims

15. **Commitment to being a listening council, providing first class services accessible to all.**
The introduction of water charges on these sites brings the service in line with that of the settled community thus ensuring transparency and equity.
- Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.**
None specific.
- Commitment to making South Cambridgeshire a place in which residents can feel proud to live.**
Providing an equitable service will promote community cohesion and social inclusion which promotes more harmonious communities in which residents can feel proud to live.
- Commitment to assisting provision for local jobs for all.**
None specific.
- Commitment to providing a voice for rural life.**
None specific.

Recommendations

16. That the introduction of a charge £4.87 per pitch per week for water across the Council managed Travellers Sites at Blackwell, Milton and New Farm, Whaddon be approved, subject to a review being undertaken in 6 months.

Background Papers: the following background papers were used in the preparation of this report: None

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