



# National Federation of Group Water Schemes

Society Limited

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## NFGWS General Advice Note No. 2

### For GWS Boards and Management during the COVID-19 outbreak

The purpose of this advice note is to provide further advice and guidance to group water scheme boards and Management during the COVID-19 crisis on:

- Operational management; and
- Financial management.

Every GWS must be prepared and managed appropriately during this crisis to ensure as issues arise, they are resolved promptly and in a coherent manner to avoid further difficulties. NFGWS Development officers continue to be available to GWSs to assist during this difficult time.

### GWS Operational Management

#### Contingency planning

As already advised in NFGWS Advice note 1<sup>1</sup>, GWSs should now be implementing their contingency planning arrangements. NFGWS development officers will continue to liaise with GWS on a weekly basis to track progress in this regard. In terms of basic contingencies, the most critical is operations to ensure the continuity of an uninterrupted supply of safe treated water to households, some of which may find themselves in self-isolation with reduced opportunity to otherwise obtain a water supply for drinking and hygiene needs during the COVID-19 outbreak. Persons responsible for managing GWS operations (volunteers or employees) should take the following steps at a minimum, if they have not already done so:

1. Request contingency plans/arrangements from treatment plant operators:
  - a. Contingency plans are available from all main DBO contractors. If you have not yet received a copy, please contact your contractor or your NFGWS development officer.
  - b. Contingency arrangements are also available from other treatment providers & operators (non-DBO) and the NFGWS is continuing to liaise with known service providers. GWSs are advised to contact their own service providers.
2. Irish Water (IW) have published their COVID-19 arrangements which are available here; <https://www.water.ie/news/irish-water-statement-on/>. The NFGWS are in consultation with IW specifically in relation to publicly sourced GWSs and further information will be made available shortly.
3. Request contingency plans or arrangements from suppliers:
  - a. For the GWS sector the most important chemical essential to the supply of safe treated water is chlorine (mostly used in the form of Sodium Hypochlorite). Every GWS using this chemical should speak to their supplier to ensure that they have access to stocks over the

<sup>1</sup> Copy available at <https://nfgws.ie/wp-content/uploads/2020/03/NFGWS-Advice-Note-on-Covid-19-and-GWSs-10-03-2020.pdf>

- short, medium and long term. Chlorine stored on site should be kept for no longer than 3 months, or in accordance with manufacturers guidelines.
- b. Should the COVID-19 outbreak escalate further, GWS will need to ensure that businesses where chemicals are normally purchased (e.g. local merchants etc.) are remaining open, otherwise alternative suppliers need to be organised. In the unlikely event that supply chains are affected in the medium to long term, the NFGWS is in discussions with IW and LAs to put emergency arrangements in place.
  - c. Identify other essential stocks and spares e.g. UV bulbs, fittings, leak repair clamps etc. Have some essential parts in reserve and similar to above, speak to suppliers to ensure that supply chains will remain open and arrangements are in place in the event of an emergency.
4. Document/record all essential operational information. Should the person responsible for managing or performing GWS operations (volunteers or employees) become ill or be required to self-isolate, GWSs need to have systems in place and others briefed so that essential tasks can continue to be completed to ensure supply is maintained.
- a. Record all essential contact information:
    - i. All contractors & suppliers
    - ii. Local Authority
    - iii. NFGWS
    - iv. Engineer & consultants
    - v. Emergency contacts
    - vi. Accountant & banking details
  - b. Record all essential access information:
    - i. Computer access
    - ii. SCADA & telemetry systems
    - iii. Billing systems, databases, group text or email access<sup>2</sup>
  - c. Make sure others are briefed on site access and keys are available to locked sites etc. Operators or personnel on standby should be brought to site and tasks demonstrated where possible. Technology using Apps to share files, provide remote access to desktops and PCs etc. should also be considered. Record or document essential tasks now and use technology where possible including phones to video record tasks such as:
    - i. Essential operational tasks associated with water treatment etc.
    - ii. Quality Assurance implementation such as chlorine residual monitoring and recording and updating QA logs.
5. Persons responsible for managing GWS operations (volunteers or employees) required to self-isolate should continue to make themselves available to the scheme via phone and video call and may be able to perform tasks from their home. GWSs should identify now functions that can be completed remotely and those requiring access to sites and with or without others.
6. Government messaging and posters should be erected in the workplace. Additional personal protective equipment should be sourced to protect people having to work on site such as gloves, masks, in addition to hand washing or hand sanitisation facilities. Where emergency works are required, identify (as best as possible) how contractors, employees and others can maintain social distancing.
7. Speak to neighbouring schemes and put emergency arrangements in place now should schemes need to share expertise, resources or equipment. If you do not have contact details for your neighbouring schemes, please contact your NFGWS development officer.
8. Should personnel be redeployed or hired during this period, every effort must be made to ensure that proper Health and Safety standards are adhered to in accordance with GWS Health and Safety statements. Similarly, GWSs should ensure that they have adequate insurance cover for any new or additional employees or volunteers.

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<sup>2</sup> GDPR protocols must be adhered to

## GWS Financial Management

### Annual General Meetings & Audited Accounts

As outlined in the NFGWS Advice Note 1, all non-essential meetings should be put on hold including Annual General Meetings. Many schemes were in the process of planning their AGM with some having already sent out notices to members. It has always been best practice that annual audited accounts are presented to GWS members at the AGM for adoption, following which, returns are made to the Registry of Friendly Societies/Companies Office. In addition, a condition of the annual Operational Subsidy, required an AGM to be held at which the Annual Audited accounts have been approved by the members. Given the recent COVID-19 outbreak the following clarifications and temporary agreements have been put in place.

### GWS Co-operatives

Group Water Schemes constituted as Co-operative Societies will be familiar with the 30<sup>th</sup> April deadline for annual returns to the Registry of Friendly Societies (ROFS). The registrar is currently reviewing this deadline and it is expected that it will be extended given the current situation. The ROFS has assured the NFGWS that they will be as flexible as possible regarding deadlines for annual returns during 2020, however GWSs are advised to continue to make returns as normal. The Irish Co-operative Organisation Society Limited (ICOS) have clarified the requirements for filing returns as follows:

- A Society is not legally obliged to have their accounts approved by an AGM prior to submitting them in the annual return<sup>3</sup>. Therefore, Societies can submit the Annual Return on or before the Registry's deadline once accounts have been approved by the Societies Board.
- For 2020, GWSs are advised to:
  1. Get the audited accounts prepared as soon as possible.
  2. Seek approval from board members (individually or collectively)<sup>4</sup>.
  3. Submit annual return to the RFS.

Accounts can be approved by the members at a later date, as long as the AGM falls within the same financial year the Annual Return was submitted to the Registry. While there is an element of risk at making annual returns in advance of having them presented and adopted by the members, Societies can mitigate this risk by ensuring the accounts are distributed and communicated effectively to members prior to and at the AGM itself.

### GWS Companies

Group Water Schemes constituted as Companies Limited by Guarantee or Companies Limited by shareholding are also required to submit annual returns before their Annual Return Date (ARD). However, in advance of filing returns the financial statements and reports must be laid before all members at the AGM. Each company has an ARD allocated to it which can be checked using the Company Search facility at:

<https://search.cro.ie/company/CompanySearch.aspx>.

Annual returns must be filed with the CRO within 28 days of the ARD. The CRO have just announced that all annual returns due to be filed by any Company now and up to 30th June 2020 will be deemed to have been filed on time if all elements of the annual return are completed and filed by that date. The situation will be kept under review and the date of 30th of June may be extended further depending on the situation as it develops. Further information available at: <https://www.cro.ie/About-CRO/Latest-News/ArtMID/1567/ArticleID/1407/Update-Regarding-Filing-of-Annual-Returns>.

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<sup>3</sup> This is instead considered best practice and is a condition of the operational subsidy.

<sup>4</sup> ICOS is currently preparing advice for Co-operatives in this regard as it may not be possible (or advisable) to hold board meetings at present. GWSs are advised to have audited accounts approved by the Board of Directives (or at a minimum the Officers of the Board) in person or electronically before processing returns.

If necessary, a company can extend its own ARD by filing Form B73. Form B73 must be filed electronically (no fee) and may be filed by a company not more than once in every five years. The form can be downloaded from <https://www.cro.ie/Publications/Company-Forms>. Given the announcement of the 30<sup>th</sup> June extension, a B73 is not required at this time, however, the situation should be kept under review. If you are unsure in relation to your company requirements, please contact your accountant or financial advisor.

### **Operational Subsidy**

Schemes will be aware of the terms and conditions of eligibility for operational subsidy, including the requirement for schemes to:

- have accounts adopted by group scheme members at its AGM; and
- to include a copy of the GWS AGM notice with their subsidy claim submission.

Following consultation with the DHPLG the following has been agreed;

- If it is not possible to fulfil either of these conditions due to the COVID-19 outbreak, GWSs can continue to submit their claim as normal to the relevant local authority and operational subsidy payments will be processed. GWSs must submit this outstanding information at a later date once the AGM has been held.
- The deadline for the submission of operational subsidy payments will remain the 30<sup>th</sup> June in 2020. However, should a scheme be unable to submit its claim in advance of this deadline for genuine reasons as a result of the COVID-19 outbreak, claims can be considered after the deadline on a case by case basis.

As always as part of prudent management and so as to ensure good cash flow within schemes, and so as to assist local authorities to quickly process applications for payment, GWSs are encouraged to make their operational subsidy claim to Local Authorities as soon as possible.

### **Multi Annual Rural Water Programme**

Group Water Schemes who have received capital grant allocations under the 2019-2021 multi annual rural water programme are encouraged to progress works where and as quickly as possible. However, given the developing COVID-19 crisis this might be difficult and may result in delays associated with project progression/completion. If schemes are experiencing difficulties, they should communicate this to the Local Authority immediately. Assurances have been given from the DHPLG that projects approved under the programme will continue to be funded.

### **Collection of Water Charges**

As part of prudent management and mitigate against cash flow issues schemes are encouraged to continue their billing arrangements as normal. Schemes may be faced with challenges in collecting water charges from some members impacted by the crisis. GWSs should be mindful of these members, particularly those who may be housebound or unable to work etc. as Schemes are encouraged to offer payment plans/solutions to those affected.

### **Financial support**

As speedy as possible implementation of the actions recommended above on claiming the annual operational subsidy from the local authority and billing arrangements will mitigate against financial difficulties for schemes. However, any scheme in financial difficulty as a result of COVID-19 should contact the NFGWS and their Local Authority as soon as possible. GWSs are advised to continue to seek financial advice from your accountant, financial advisor and bank. All banks have announced that they will offer flexibility to their customers during the outbreak.

Schemes need to ensure debtors are managed properly during this crisis and where difficulties arise payment options with suppliers should be discussed. This is particularly important if it relates directly to services associated with the supply of drinking water e.g. DBO operator. It is vital that drinking water quality or quantity is not compromised due to financial constraints.

The Department of Business, Enterprise and Innovation (DBEI), have announced details on the package of supports put in place for businesses impacted by COVID-19. See link for further details:

<https://dbei.gov.ie/en/News-And-Events/Department-News/2020/March/10032020.html#>

Revenue have announced measures to assist SMEs experiencing cashflow difficulties arising from COVID-19. For further details follow this link:

<https://www.revenue.ie/en/corporate/press-office/press-releases/2020/pr-130320-revenue-announce-measures-to-assist-smes-experiencing-cashflow-difficulties-arising-from-COVID-19.aspx>

### **GWS Employees**

A number of income supports are available from the Department of Employment Affairs and Social Protection for employees during a COVID-19 related absence or temporary lay-off from work. For further details follow this link; <https://www.gov.ie/en/publication/612b90-COVID-19-information-for-employers/>

**Keep up to date with information on the NFGWS website: <https://nfgws.ie/>**

**NFGWS Development staff continue to be available to assist your scheme**

**Monaghan Office – 047 72766**

**Tuam Office – 093 26487**

**Tullamore Office – 057 9328068**

**GWSs should also keep in regular contact with their Local Authority Rural Water  
Liaison Officer**