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Issued on behalf of the Independent Water Review Panel by Carlton Baxter Communications

Water Review Panel publishes final report

Government challenged to make water service work for NI

THE future success of Northern Ireland's water service rests with our politicians, who must take overarching responsibility for its improvement, according to the Independent Water Review Panel which published its Strand Two report today.

The Panel, established in June this year by the Minister for Regional Development Conor Murphy, to conduct a comprehensive analysis of the direct rule ministers' 2004 proposals on the water and sewerage services, has completed its second and final report and says that it's now over to our politicians to act on its recommendations and ensure as fair and transparent a solution as possible for the people of Northern Ireland.

Panel chair, Professor Paddy Hillyard said, "Political buy-in is urgently needed to deliver a system that is not only effective and efficient, but one which the public

and its elective representatives can trust. This means full and transparent accountability to the people through their Executive and Assembly.

“If the system fails there will be huge financial consequences and ultimately it will be the people of Northern Ireland who suffer.”

Professor Hillyard added; “Some of the changes which we recommend will require legislation but others should be made immediately.”

Key recommendations in the Strand Two report, which deals with management, governance and delivery, include a greater oversight role for Minister of Regional Development, increased local knowledge and experience at board level both within NI Water and the Utility Regulator, and enhanced powers and duties for the Consumer Council.

The Panel also advises that NI Water should be retained until 2013 at which point the Minister should review the case for a Customers’ Company which is obliged to re-invest profits into lowering customers’ bills and service improvements.

An independently accountable Water Advisory Panel should be established which would assume a policy-setting role, advising the Minister on economic, social, environmental and consumer priorities, as well as a Business Advisory Panel to support the Minister in his role as majority shareholder.

The panel reinforced the importance of an independent Environmental Protection Agency, as a non-Ministerial Department similar to the Utility Regulator, to enhance the sustainable management of water and oversee the production of a Water Demand Management Strategy for Northern Ireland.

Panel member Joan Whiteside OBE said; “This is not something new. There have been calls for an autonomous Environmental Protection Agency for a long time. We are urging these plans to go ahead without further delay.”

She added that sustainability must be a key element in any investment decisions.

“We recommend that all future investment is subject to a full cost-benefit analysis which takes account of environmental and resource costs,” she said. “This should be carried out jointly by the new EPA and the Utility Regulator and should be published for maximum transparency.”

On the issue of affordability, the Panel has proposed that all vulnerable households, including the asset rich, should be entitled to the water Affordability Tariff and that the tariff be extended beyond its present limit of 2010.

For those pensioners who do not qualify for the Affordability Tariff, a deferment scheme should be made available. A £400,000 capital value cap, as recently announced for domestic rates, should also be applied in calculating domestic water and sewerage bills.

The Panel reiterated that its intention across both reports has been to ensure that the people of Northern Ireland get value for their money as citizens and service users, paying the lowest possible charges.

Ends

For further information please contact Corinna Turtle on 028 9040 8312 or email corinna@carltonbaxter.com

Notes to Editors

The Panel Members are:

- Paddy Hillyard - panel chair and Professor of Sociology at QUB

- Charles Coulthard - chair of the Gas and Electricity Consumer Council in Scotland and a member of the Water Industry Commission for Scotland
- Joan Whiteside OBE - former chair of the Consumer Council for Northern Ireland
- Professor John Fitzgerald, the Economic and Social Research Institute in Dublin

Key findings and recommendations from Strand One report, published in October 2007:

- No increase in water and sewerage charges until April 2009
- No metering
- Direct rule proposals abandoned
- Privatisation ruled out
- No standing charge
- No separate collection or billing system
- Total savings for users of £153m annually; the equivalent of £160 for the average home