

1 October 2015

## **Water and Sewerage Services Bill**

### **Construction Employers Federation Response to the Committee for Regional Development**

#### **Background**

The Construction Employers Federation (CEF) is the representative body for the construction industry in Northern Ireland. The organisation represents around 1,000 member companies. These member companies range from micro businesses employing a handful of people to the largest construction companies in Northern Ireland. In total, CEF members account for over 70% of all construction output in the region.

CEF represents all parts of the building and civil engineering industry including house builders.

CEF welcomes the opportunity to provide evidence to the Committee for Regional Development on the Water and Sewerage Services Bill.

#### **Clause 1: Extension of period for which grants to water and sewerage undertakers can be paid**

CEF agrees with the decision to extend the subsidy to NI Water by one year to enable NI Water to continue to deliver services until the new Assembly can consider the matter in relation to water charges and the funding of NI Water. The power to further extend the subsidy paying power if necessary by subordinate legislation is a pragmatic approach however it is CEF's view that the introduction of domestic household water charges should be a priority for the next Executive.

#### **Clause 2: Combining water resources management plans and drought plans**

CEF agrees NI Water should prepare one single plan to reduce bureaucracy and administrative burden on NI Water.

#### **Clause 3: Cessation or relaxation of duty to install water meters when making domestic connections.**

CEF notes the anticipated cost savings to NI Water of the cessation of installing water meters outlined in the summary of the regulatory impact assessment. The number of meters being installed as a result of a new domestic connection will only be a small percentage of the total number of meters that will be required to be retrofitted to all households should the decision be made by the Executive in the future to introduce domestic water charges and use meters as the method to calculate charges. CEF therefore supports the cessation of the duty to install water meters when making domestic connections.

#### **Clause 4: Sustainable drainage systems**

CEF supports the proposal that SuDS should be adopted by NI Water, to ensure that any future maintenance regime required by this system is completed. This will also encourage developers install more SuDS systems to alleviate run of from storm water.

CEF however does not support the power for NI Water to require the construction of sustainable drainage systems as a condition of agreeing to adopt a drain or sewer. It is not always possible to effectively deal with surface water through the use of SuDS. For example, in areas where physical ground conditions such as heavy clays, rock and high water table are present, percolation is reduced. It was our understanding from the Consultation Report published in November 2014 that the presumption in favour of the right to make surface water connections to the combined public sewerage network was to be reversed and developers should consider SuDS. The proposed legislation goes beyond this.

Furthermore as a result of CEF's response to the initial consultation which highlighted issues with the current bond process it was agreed to review the level of bonds. This review of bonds has not yet commenced. CEF believes that legislation for further bonds prior to the completion of the review would be premature.

#### **Clause 5: Refusal of surface water connection**

CEF agrees that in all but the most unachievable cases surface and foul sewerage should be kept apart. However there will be circumstances where surface water connection to an existing combined system is unavoidable. Historical under investment has exacerbated this issue.

The additional clause 5B permits refusal of connection on the basis that "suitable alternatives exist or could be reasonably provided". CEF seeks clarification on the definition "reasonable" provision.

#### **Clause 6: Connections of drains and private sewers to public sewers: adoption agreements**

CEF opposes the limitation of the right to connect to a sewer by introducing the requirement to enter into an adoption agreement. This removes the right of individual developers to retain control of sewers and build houses that are maintained on 'private roads' that are not adopted as part of the public sewer system.

Sometimes, depending on the nature of ground conditions and topography of a site, the sewer system can't be built to the required prescriptive engineering standards set out in the Private Streets Construction Regulations and therefore such a system will not be adopted by NI Water. However this does not mean the system is inadequate. Provided that in future proper inspections are carried out by Building Control during construction, the purchaser's solicitor is satisfied that a private management company or other arrangements are in place to maintain the sewerage system and the purchaser is aware of these circumstances before a sale is completed, then such private systems should be permitted.

The majority of private houses in Northern Ireland are built by small family run businesses. As a direct result of NI Water's policy of charging for sewer bonds and inspection fees at grossly inflated prices the bond amounts can be so large that small building companies do not have the financial

resources to take out such large bonds. Changes to the legislation will prevent these businesses from building homes which will have a detrimental effect on housing supply, employment and the local economy.

### **Further Evidence**

CEF would welcome the opportunity to answer any questions the Committee may have. Furthermore there are a number of related issues that were raised in the CEF's response to the initial consultation that we would be keen to brief the committee on at a date in the near future.