

Written Ministerial Statement

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Department for Infrastructure

DEVELOPER CONTRIBUTIONS FOR WASTEWATER INFRASTRUCTURE

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Ms Liz Kimmins (The Minister for Infrastructure): I wish to inform the Assembly of my decision on developer contributions for wastewater infrastructure, following the conclusion of a 14 week consultation period. After careful consideration, taking into account the feedback received from a wide range of interested parties, including the construction sector, local government, environmental bodies and members of the public, I have chosen to move forward with the introduction of developer contributions. They will be implemented through a phased approach with the initial focus on legislating and designing a scheme to enable voluntary developer contributions.

This decision is in furtherance of my three-pronged approach, alongside securing more funding from the Executive and introduction of the Water, Flooding and Sustainable Drainage Bill.

Access to reliable and effective wastewater infrastructure is fundamental to our public health, environmental protection and economic prosperity. However, after years of underinvestment due to over a decade of austerity by the British Government, our current wastewater system is under considerable strain. It is widely recognised that this has become a significant barrier to ensuring that, in line with the Executive's ambitions as set out in the Programme for Government, investment in homes and businesses can proceed without adverse environmental impacts.

The consultation, which ran between March and June 2025, attracted almost 300 responses. I am grateful to all who took the time to provide their views. The consultation made clear that while developer contributions alone will not provide all the funding required to address the full extent of our wastewater infrastructure challenges, they may help to some extent to bridge the gap between the significant funding my department already provides to NI Water and what is needed to address wastewater constraints, should developers choose to contribute in this way.

The responses received reflected a broad range of views. Whilst a majority of respondents did not support the introduction of a compulsory levy at this time and said that consultation on more detailed proposals would be needed, there was greater support for the option of a voluntary pathway as one way of generating at least some of that additional funding. I have listened carefully to these views.

I am steadfast in my commitment to working in partnership with NI Water, Executive colleagues, and the construction sector to deliver innovative solutions to enable the unlocking of more wastewater capacity for development. Introducing a developer contributions scheme will continue to demonstrate my department's determination to explore a range of approaches to release wastewater capacity for development.

Initially the scheme will be voluntary and will enable developers, who wish to do so, to contribute directly to the costs of upgrading or replacing NI Water's wastewater infrastructure in areas where capacity constraints are preventing new wastewater connections. No developer will be required to contribute if they don't want to – the choice will be entirely theirs.

I have also asked my officials to continue work on the potential introduction of a compulsory levy in the future. This longer-term work will be informed by the experience and outcomes of the voluntary arrangements now being put in place.

Developer contributions represent a double opportunity. For developers, they will provide a means to progress some of their projects – including, but not exclusively, residential developments. For

prospective homeowners and tenants, it offers the prospect of increased housing supply in areas currently constrained by wastewater limitations.

In parallel to this initiative since Autumn 2024, the provision of an additional £30m of capital funding from my department has already enabled the unlocking of capacity for 5,300 additional properties across the North. This is already above the 4,300 properties that NI Water originally planned to connect, if fully funded, by the end of this Price Control Period in 2028.

Improving and upgrading our wastewater system is crucial to the North's economic prosperity, and I am pleased that this action will contribute to the aims and objectives of the Executive's Housing Supply Strategy.

I am committed to working with others to find innovative solutions to these issues, but I am also committed to protecting families from the extra financial burden of water charges.

I am grateful for the constructive feedback received in the consultation, both supportive and critical, which has been invaluable in shaping this way forward.

I look forward to further and deeper engagement with all key stakeholders as we work together to develop the necessary primary legislation and hence maximise the choices, opportunities, and benefits that developer contributions for wastewater infrastructure can bring.