



An Roinn Tithíochta,
Pleanála agus Rialtais Áitiúil
Department of Housing,
Planning and Local Government

Water Services Policy Statement 2018-2025

Local Authority Services National Training Group
Water Services Training Group
22nd Annual Conference

Dr Eamonn Waters

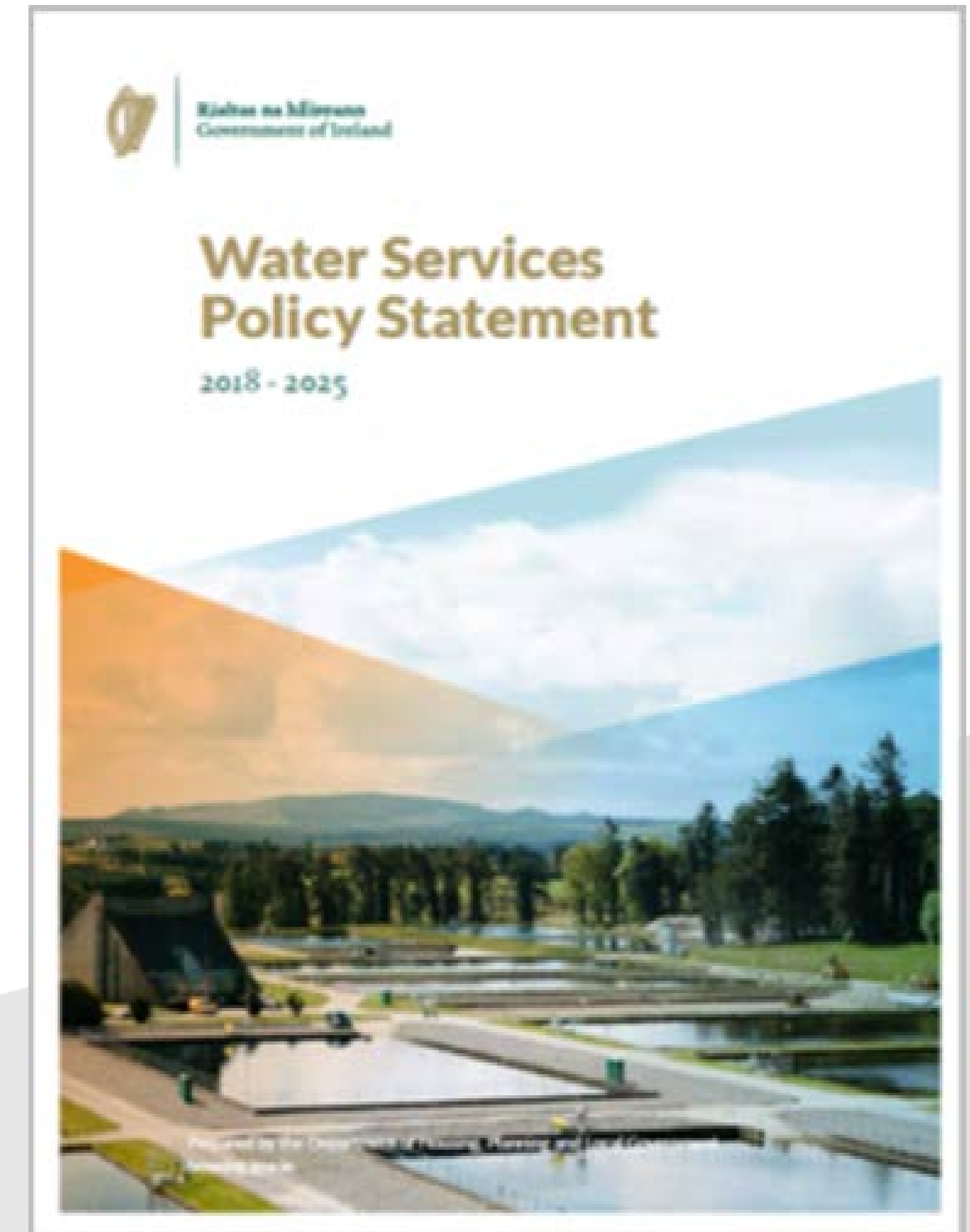
Water Policy and Rural Water Programme Section

11 October 2018

Introduction and Overview of Presentation



- A very eventful 12 months
- Storm Ophelia (before work on the Policy Statement)
- Emma (During)
- Drought (After)
- Where we have come from
- Significant developments in past year
- Where we are going



Background and Context - How we got here



- Confidence & Supply - Irish Water retained as a single national utility in public ownership – May 2016
- Joint Oireachtas Committee on the Future Funding of Domestic Water Services – April 2017
- Water Services Act 2017 – Ending of domestic water charges
- New funding model agreed by Government
- Irish Water on-balance sheet - costs met from Exchequer for domestic supply (€1.1bn in 2018 - €600m current, €500m capital)
- Economic regulation by the Commission for the Regulation of Utilities (CRU)
- Non-domestic services funded through charges and borrowing
- Enhanced transparency and accountability – incl. Water Advisory Body and An Fóram Uisce



Emergence of Policy Statement



- First time all components of water services policy drawn together
- To set out: “Policy objectives and priorities of the Government regarding the provision of water services in the State” *Section 18, Water Services Act 2017*
- Joined up approach – Interlinked with other key policy documents
- Stakeholder input and participation critically important

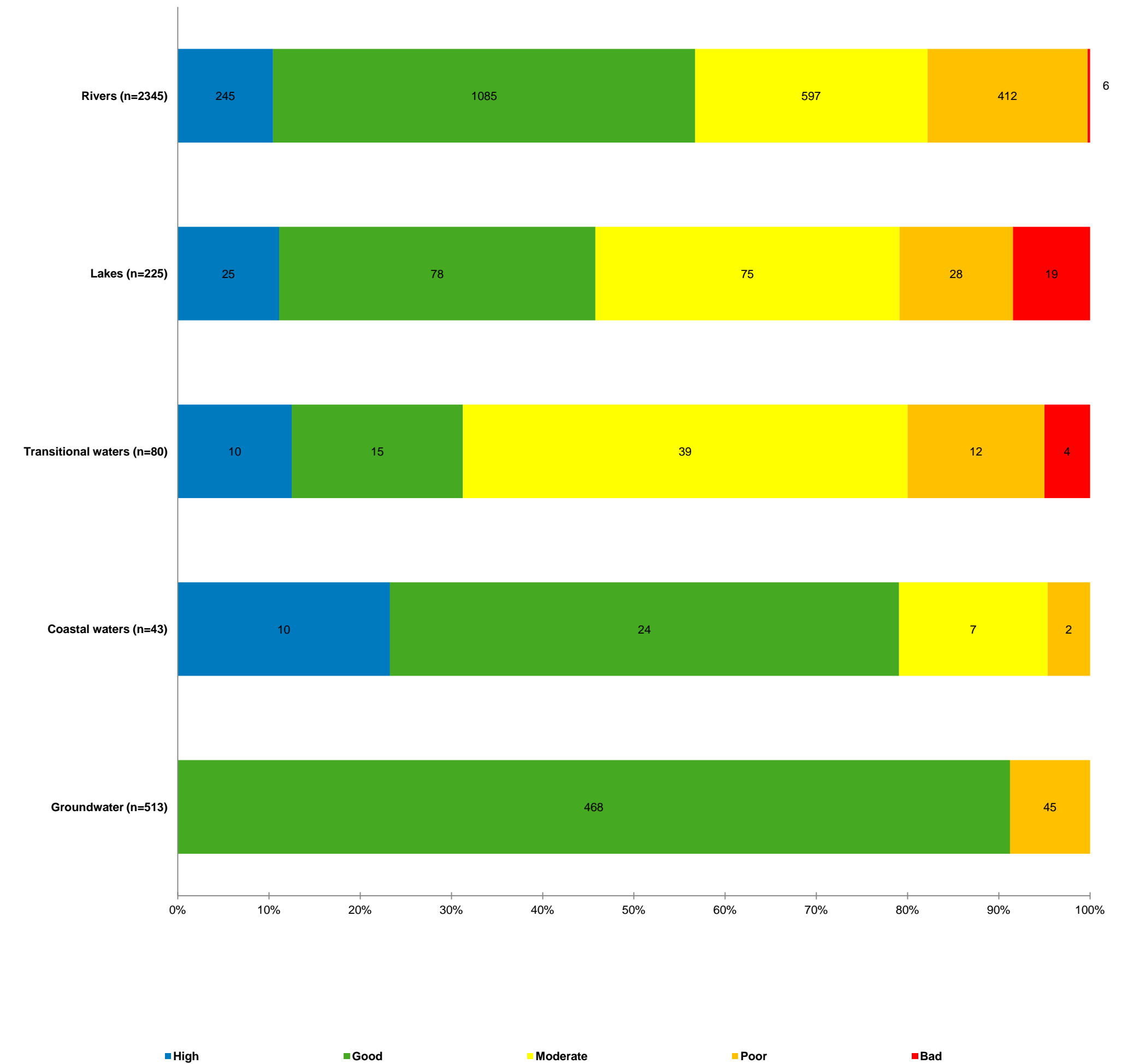
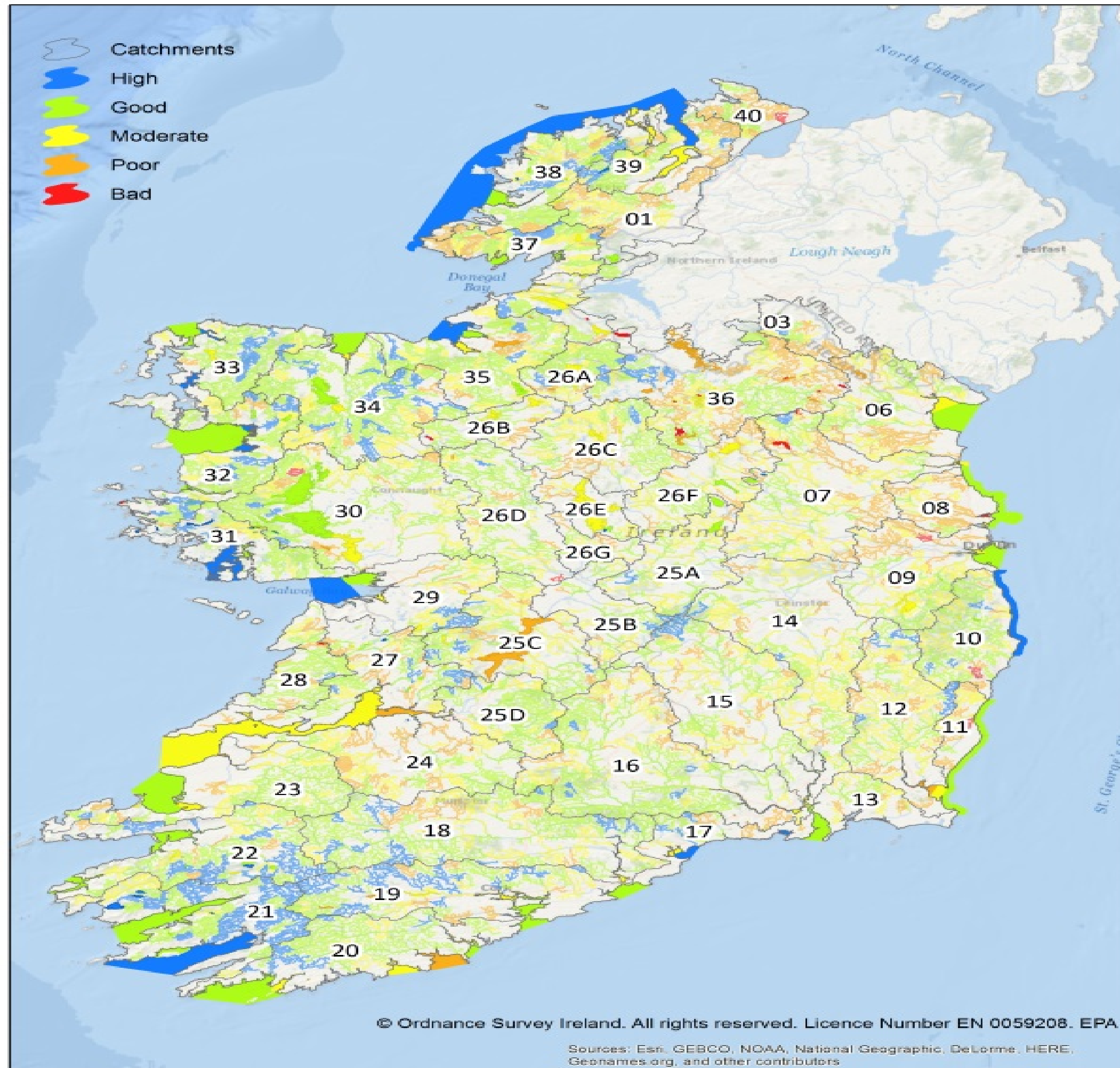
River Basin Management Plan for Ireland 2018-2021



- Published April 2018
- Part of Ireland's commitment to achieving good ecological status in its waters
- As mandated by the Water Framework Directive



River Basin Management Plan Context – Water Quality Status

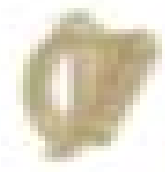


Programme of Measures



Including:

- Urban waste water
- Agriculture
- Water abstractions
- Water and Planning guidance
- Drinking water source protection
- Domestic waste water treatment systems
- Physical condition of surface waters



Rialtas na hÉireann
Government of Ireland

Water Services Policy Statement

2018 - 2025



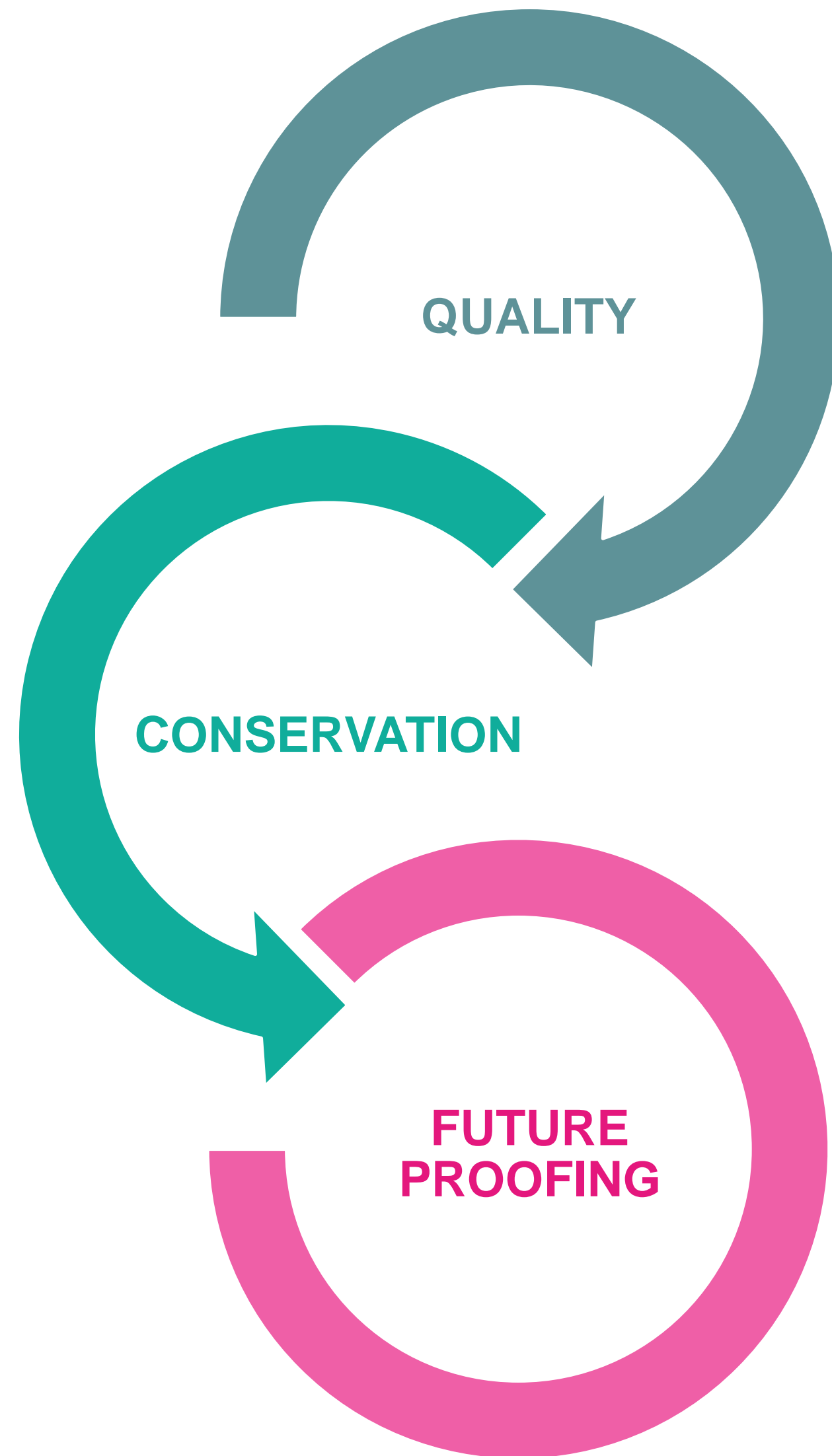
May 21st, published by
Minister after being
approved by
Government

Principles



- Putting people at the heart of policy – the citizen – fairness and efficiency to serve customers
- Focus on quality outcomes – health and environmental
- One national water services authority – in public ownership - Irish Water
- Ways of working together – governance (clarity of roles) - Role of regulation, engagement, working in partnership

Policy Statement – Themes



- Quality of drinking water and waste water treatment
- Conservation – tackling leakage and excessive usage
- Future proofing - economic growth, resilience and climate change

Quality



Objectives:

- Substantial State investment, through Irish Water and the Rural Water Programme.
- Bringing and maintaining public water and wastewater services to acceptable international benchmarks – independently verified.
- Achieving improved quality in respect of drinking water and in wastewater treatment.
- Minimise the impact of non-compliances with all relevant EU Directives and to safeguard against future compliance risks.
- All water services.



Conservation



Objectives:

- Embedding conservation at the heart of water policy involves:
 - prioritising resource management,
 - abstraction control,
 - source protection,
 - tackling leakage,
 - encouraging behavioural change.
- To be reflected in strategic investment planning by Irish Water.
- Work programmes to reflect this.
- Will inform the review of rural water services currently underway



Future Proofing



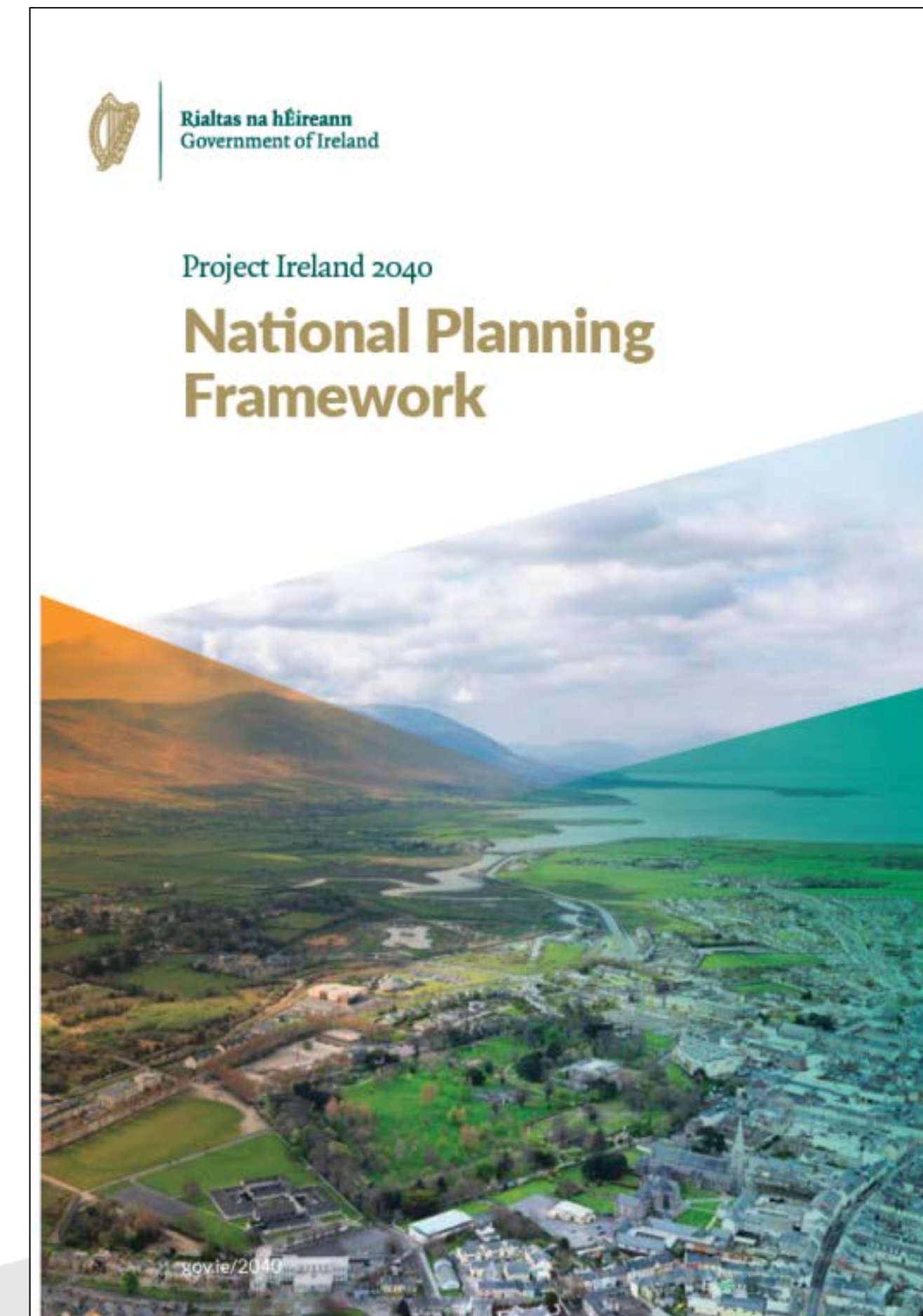
Objectives:

- Ensuring that public and private water services investment decisions are aligned with the broad strategic aims of *Project Ireland 2040: National Planning Framework*.
- Adapting water services to withstand the impact of climate change and of such events, consistent with the *National Adaptation Framework - Planning for a Climate Resilient Ireland*, published in January 2018.
- Improving the resilience of rural and private water supplies.
- Supporting population and economic growth; Housing; Competitiveness; Security of Supply; and Energy Efficiency.



National Planning Framework

- 1 million population increase in Ireland by 2040.
- Provision of water services infrastructure needed to facilitate development in a sustainable manner.
- Link to planning at regional and county level.
- Local Government a key partner.



National Development Plan



€8.5 billion for public water services

€95 million for the Rural Water Programme 2018-2021

€41 million for legacy issues - lead pipes, developer provided infrastructure (2018-2021)



Housing

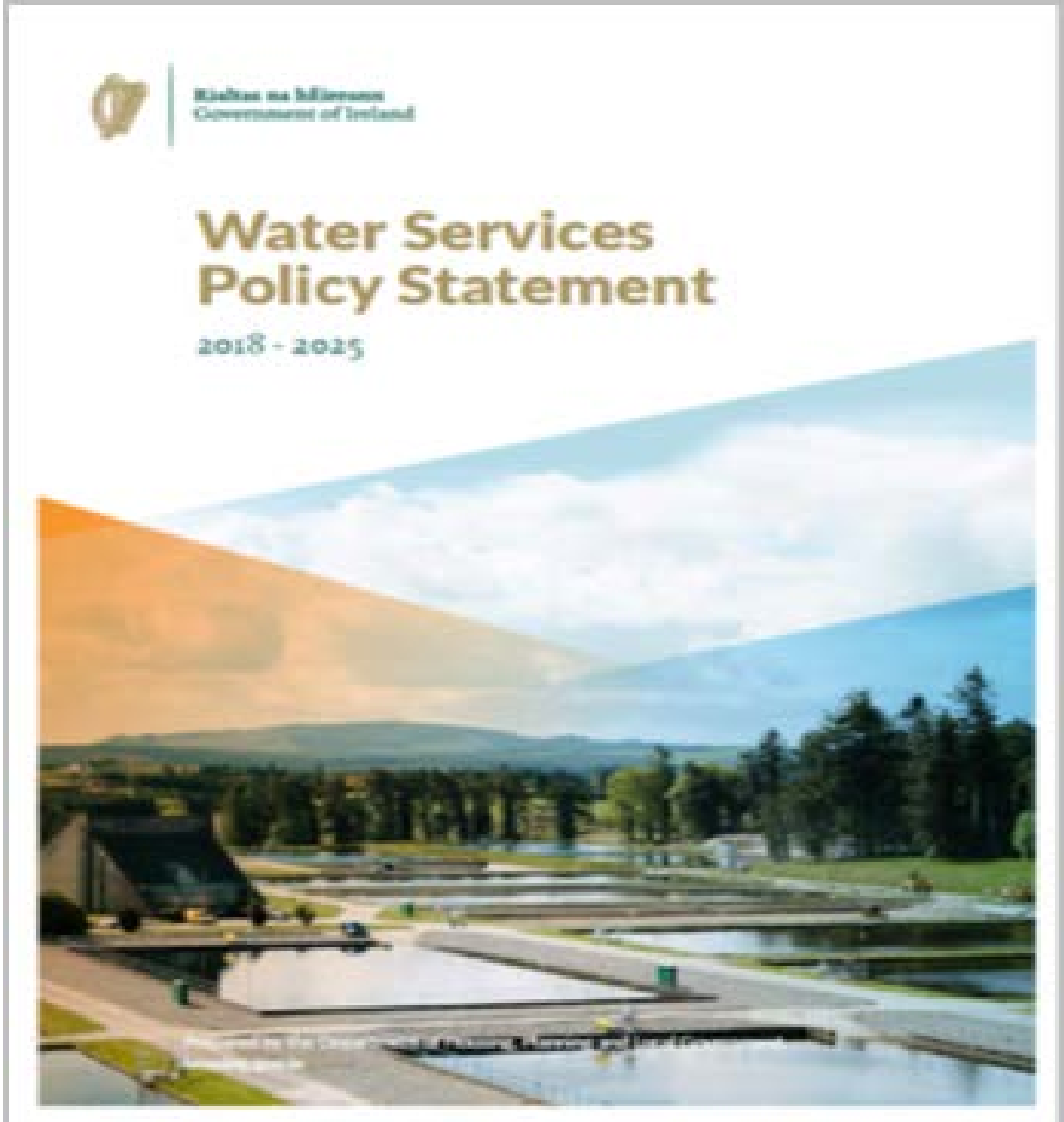
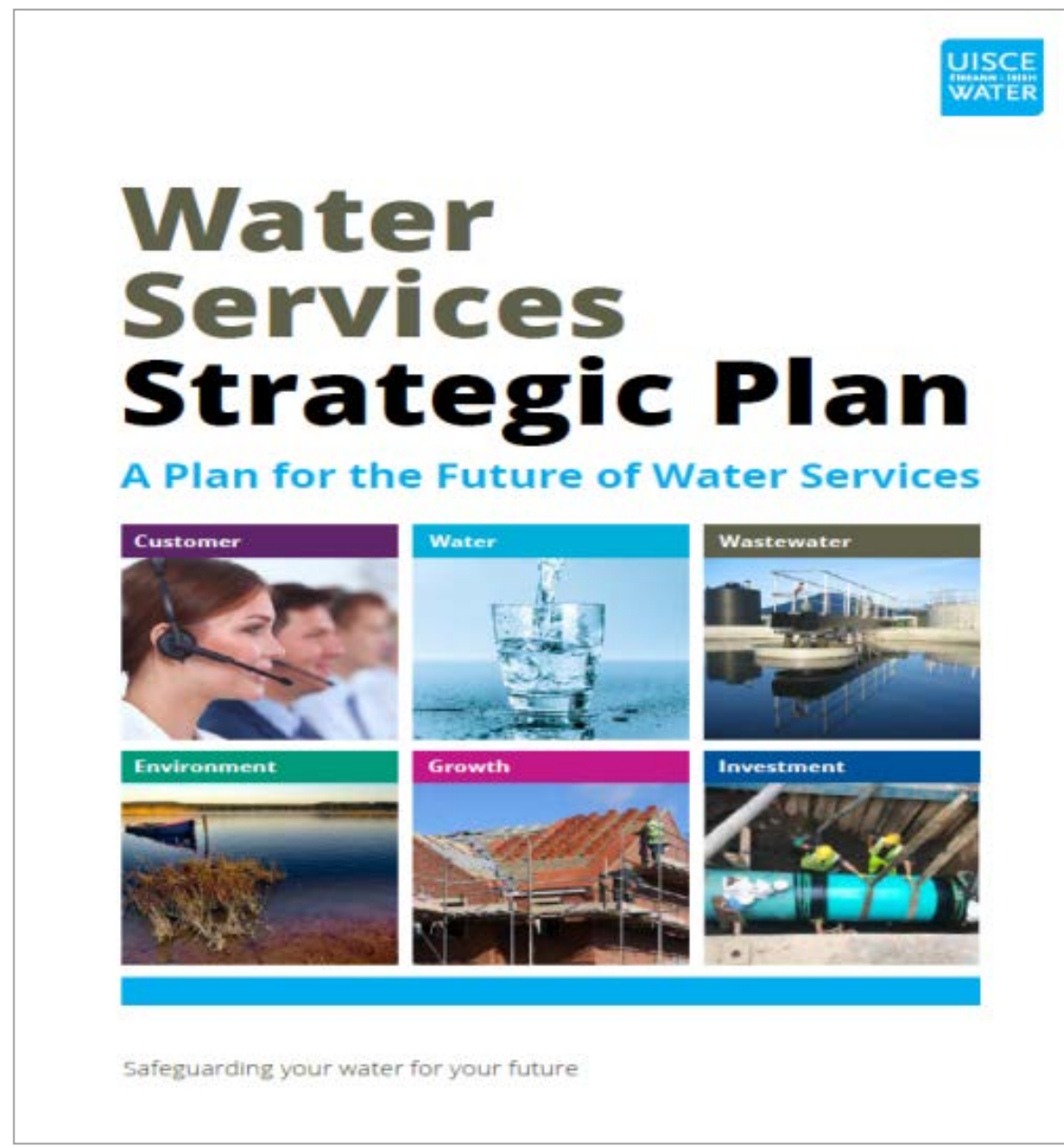
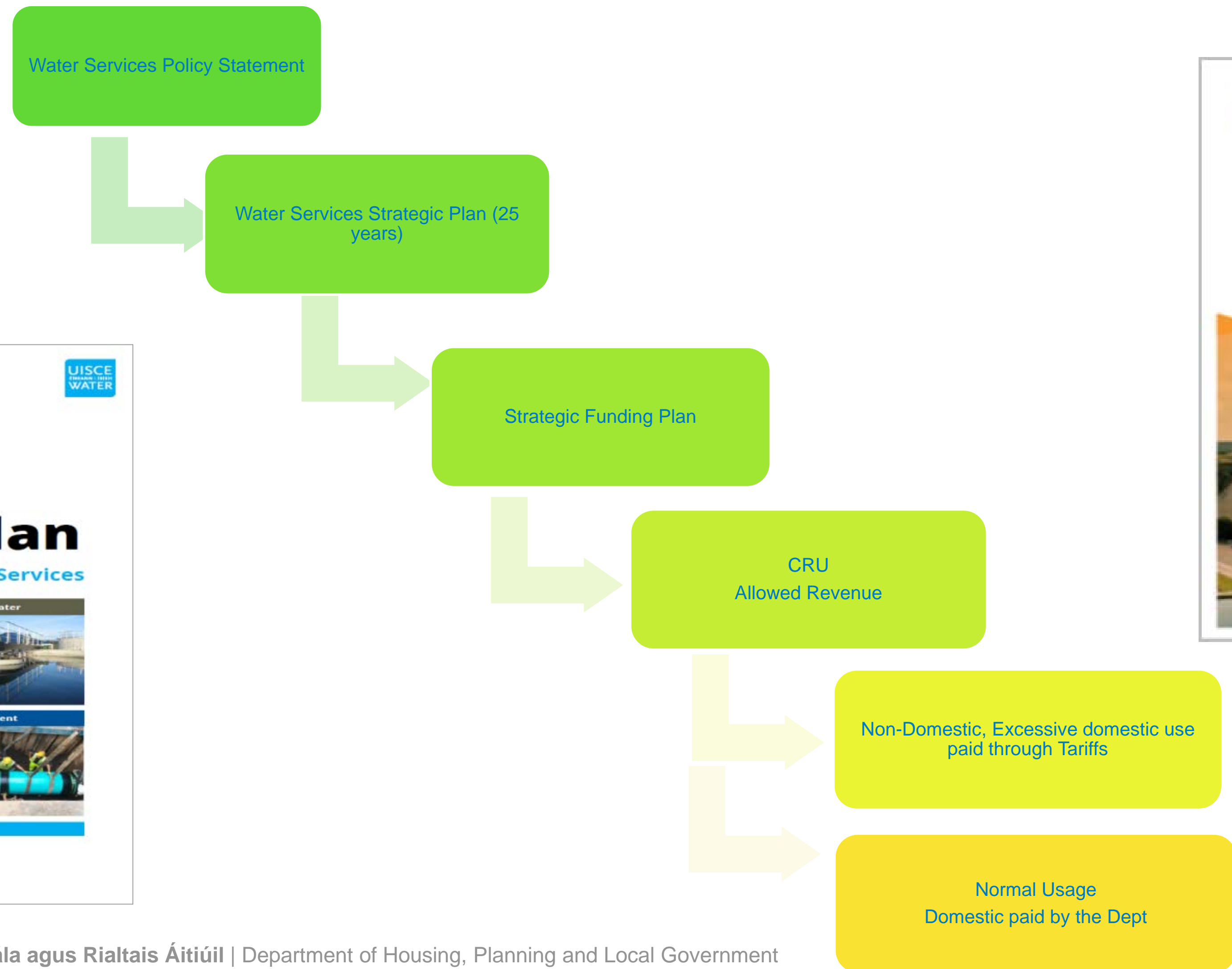


“The objectives of the Government’s strategic approach to housing identified in the Rebuilding Ireland Action Plan for Housing and Homelessness and the National Planning Framework will need to be provided for in terms of both treatment and network capacity.”

Water Services Policy Statement 2018-2025



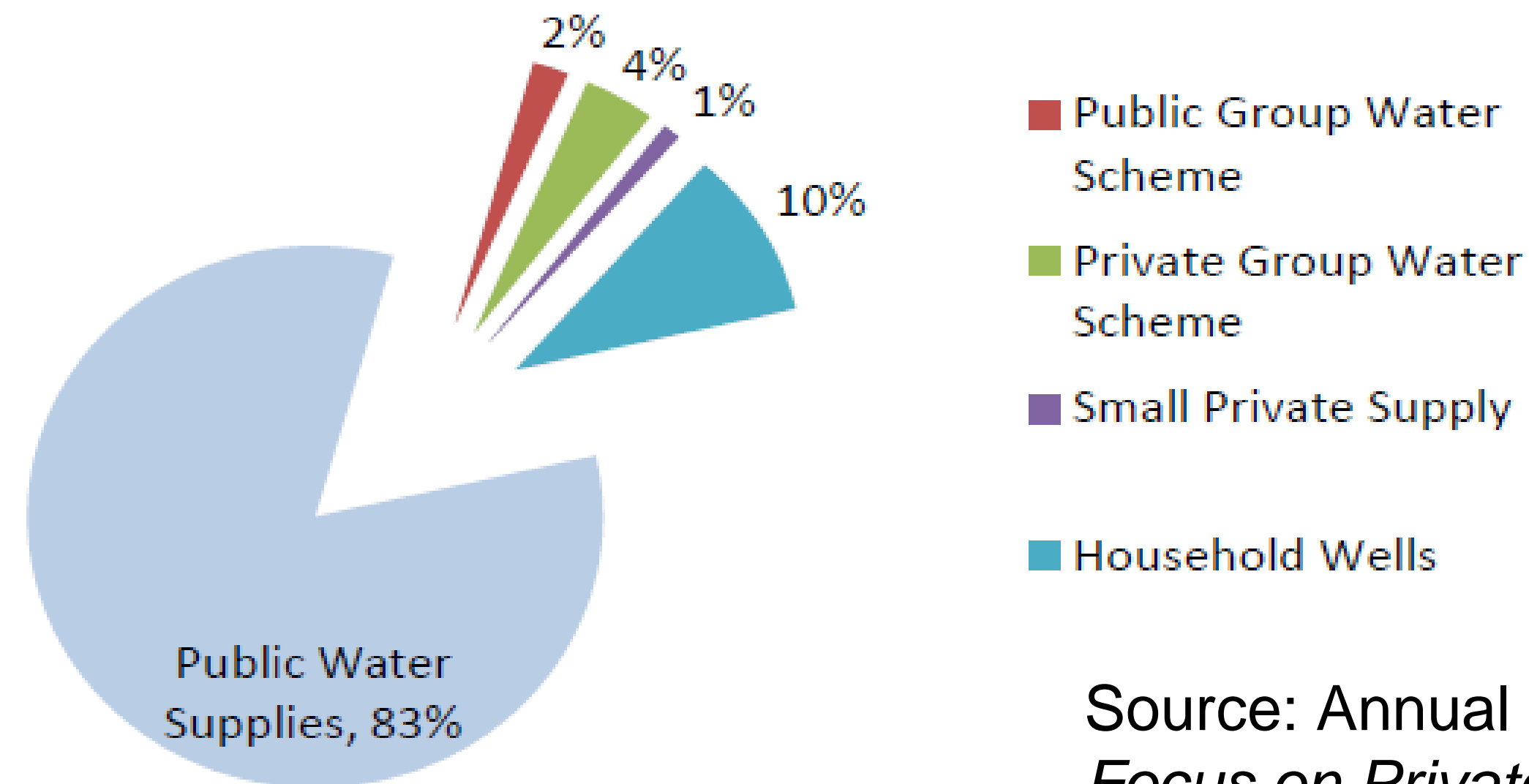
Funding Security



The Rural Water Sector



- **Drinking Water** - Group Water Schemes, Small Private Supplies and Household Wells.



Source: Annual EPA Reports on Drinking
Focus on Private Water Supplies 2016.

- **Waste Water** - Circa 30% of households in rural Ireland depend on individual waste water treatment systems mostly septic tanks.
- Outcomes not as good as for public supplies and treatment

Review of the wider investment needs relating to rural water services



- April 2018 - Minister established Working Group to conduct the review
- Context: Report of the Joint Oireachtas Committee on the Future Funding of Domestic Water Services - April 2017

Recommended that:

“the principles of equity of treatment and equivalent financial support should be applied equally between households on public water supplies and those availing of private water services”,

Department should conduct a review in consultation with relevant stakeholders

“to quantify what additional investment will be required”



Two-strand approach being taken



- Strand 1 - composition and distribution of funding for the Multi-annual Rural Water Programme from 2019 to 2021
- Strand 2 - more complex longer-focus issues - the long term future resourcing of the Rural Water Sector

Current position



- Working Group has met five times to date
- The first report (Strand 1) expected to be submitted to Minister in coming month
- Details of 2019-2021 multi-annual programme to be announced
- Work on longer terms issues (Strand 2) underway



Public Service Reform Oversight Group (PSROG) - review of rural water services delivery



- December 2016 - the Public Service Reform Oversight Group (PSROG) initiated a review and assessment of supervision of the Rural Water Sector
- Purpose – to develop a business case for a new delivery model
- With a view to providing sufficient resources to fulfil existing responsibilities and future challenges
- Near completion – recommendation has emerged.
- Working Group will consider the outcome of this PSROG review process and report to the Minister.

Water Service Policy Statement and Transformation



- A focus on ensuring that Irish Water is appropriately structured to deliver on key policy objectives in terms of ensuring water supply, enhancing water quality and achieving business efficiencies, now and into the future.
- The detailed plan for the next stage of transformation is currently subject to a process of dialogue involving relevant stakeholders.
- Local government is identified as a key stakeholder in its role in relation to economic and social planning and infrastructure provision.

Engagement on Transformation Proposal



- December 2017 - Minister met bilaterally with each of the key stakeholders (CCMA, Ervia/Irish Water, ICTU).
- A common understanding on the need to evolve water services over time and avail of opportunities to bring about further improvements – but differing views.
- Wrote to the parties on in January 2018 - asked that they would engage collectively and report back to him on the issues and concerns to be considered in developing the appropriate national framework for the Irish Water Transformation Programme.
- May 2018 – Minister asked the Director General of the Workplace Relations Commission to engage with the parties and to prepare a report for him.
- Requested that WRC would summarise key issues of concern to enable the Minister to consider the next steps.

Assurances that underpin engagement



- Current Service Level Agreements arrangements remain in place until such time as an alternative is agreed.
- No compulsory redundancies would arise as an outcome.
- Ensure that stranded costs do not arise for local authorities which would impact on other services.
- Openness to considering other governance, accountability and structural changes which improve the delivery of public water services by Irish Water.

Minister's response to WRC Report – published 20 September



I will now reflect on the Report and consider the next steps to be taken.

Water services are essential to the daily lives of our citizens and to our economy. We need to ensure that the best and most appropriate arrangements possible are in place for the delivery of these vital services. That is why this process of engagement and the issues it has identified are important.

In considering the Report I am mindful of the need to achieve clarity for all involved in addressing the issues arising with the next phase of the transformation programme for Irish Water and for this to be done without delay.

Recent development - Separation of Irish Water from Ervia



- Government decided in July 2018 that Irish Water would separate from Ervia in 2023.
- Would become a standalone publicly owned, commercial, regulated utility.
- Minister has requested that a plan for separation be prepared – which ensures that momentum is not lost on transformation plans or investment plans envisaged under the National Development Plan.



Optimism for future of water services



- People
- Policy
- Funding
- Structures

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In conclusion - Lessons and observations from Charles Fishman



- Traditional response - pay attention to the problems and our behaviour when water is scarce or excessive
- When crisis is over we can slip back into our old habits.
- But there is a countertrend – we taking the long view of water.
- Reason to be optimistic – almost all water problems are solvable.
- The water community has energy, creativity, curiosity, determination.