

Joint Oireachtas Committee on Housing, Local Government and Heritage 13th June 2023

Opening Statement on behalf of Uisce Éireann

INTRODUCTION

Good afternoon, Chair & Members of the Committee,

I am Niall Gleeson, CEO of Uisce Éireann, previously Irish Water. I am joined here today by my colleagues:

- Yvonne Harris, Housing Programme Director
- Maria O'Dwyer, Head of Asset Management

Thank you for the invitation to address you on behalf of Uisce Éireann on the area of infrastructure provision and residential developments.

Introduction – how we prioritise investment in infrastructure provision and support the delivery of housing

Uisce Éireann's Strategic Funding Plan and Capital Investment Plan sets out our ambition for the building, repair and upgrading of Uisce Éireann water treatment plants, wastewater treatment plants, and water and sewer networks. We will invest €5.3 billion in water services from 2020 to 2024 with significant benefits for the economy and the environment.

Our Capital Investment Plan is approved by the Commission for Regulation of Utilities who monitor our progress against agreed objectives under the Plan. We prioritise investment to deliver the most urgently needed improvements in drinking water quality, leakage reduction, water availability, wastewater compliance, operational and capital efficiencies and improved customer service through new or upgraded treatment plants and networks, and national programmes including the Leakage Reduction Programme, the National Disinfection Programme and the Small Towns and Villages Growth Programme.

In 2022 Uisce Éireann invested over 1 billion Euro (1.061bn) in Capital Expenditure for the first time. We delivered this investment through our infrastructure delivery portfolios: €328m through the water infrastructure portfolio, €381m through the wastewater infrastructure portfolio, and €305m through our network's infrastructure portfolio.



Since Uisce Éireann's establishment in 2014 we have built or upgraded 195 water and wastewater treatment plants. We invested €750m to eliminate raw sewage discharges, with over 60% of raw sewage discharges now removed and we are on track to eliminate the vast majority of raw sewage discharges by the end of 2025. Compliance rates with the Urban Wastewater Treatment Directive on a per plant basis have increased from 71% in 2014 to above 90%.

We are investing €250m per year, up to 2030, to reduce leakage on our water network, with leakage rates reducing from almost 46% in 2018 to 37% at the end of 2022. We are targeting a national leakage rate of 25% and 20% in Dublin by 2030.

Over 2m people have been removed from boil water notices since 2014. Over 99.7% of water supplies are fully compliant with regulations and we continue to support growth and development in rural Ireland with investment in 50 communities through the Small Towns and Villages Growth Programme. In addition, all our investments in quality and compliance projects include an allowance for growth, in line with national planning guidelines.

Uisce Éireann's Housing Programme

We are committed to supporting social and economic growth and the government's 'Housing for All' policy objectives. In September 2021, Uisce Éireann established a cross functional Housing Programme to ensure that we are supporting housing delivery in an efficient and timely manner. The programme focuses on the delivery of our obligations under the *Housing for all Strategy* and has established a governance model to support escalations and timely decision making.

We have listened closely to and collaborated with the construction industry and moved to improve and speed up our connections process, ensuring that we keep pace with construction demand.

To further support development and planning we have published water and wastewater capacity registers on our website www.water.ie. These capacity registers provide information on the treatment capacity available to support Planning Authorities and the core strategic ambitions of City and County Development Plans across the country, allowing the



development community to identify areas with potential for social and economic growth as well as supporting the national drive for housing.

We have also established a Self-Lay in Public Roads programme and an Experience-Based Contractor Accreditation scheme. Both of these innovations have helped industry deliver housing speedily, while also ensuring the integrity of our infrastructure now and into the future.

In 2022, Uisce Éireann processed pre connection enquiries associated with 116,647 homes. We issued connection offers associated with 36,989 housing units. During this period there were 161 applications for water services that could not be supported, equating to 305 housing units.

We enabled 4,250 connections to water services infrastructure associated with over 25,000 homes. We see all of these numbers trending upwards in first half of 2023. Our Quality Assurance team completed over 6,900 site visits, as requested by Developers, to ensure that water services assets can be vested by Uisce Éireann in the future securing safe and reliable services for our customers into the future.

Working with our Stakeholders to deliver housing where it is needed most

Uisce Éireann continuously works with Local Authorities to help inform Statutory Planning processes, the development of zoning objectives and core strategies to support social and economic development in a plan led approach, as required under the National Planning Framework. Local Authority Development Plans in turn, help inform Uisce Éireann's strategic plans and our investment planning and prioritisation. We also work closely with our economic regulator, the Commission for Regulation of Utilities (CRU), in all areas of housing.

Transparency around process, team visibility and accessibility are core values of our housing programme. Uisce Éireann, under this programme, is constantly seeking feedback from the Developer community, reviewing processes, and implementing continuous improvement measures to support the delivery of housing.

Engagement with the Developer community and other stakeholders has been a key initiative under our housing programme. Our key focus has been to openly collaborate and engage the construction sector, and other bodies, who are integral to supporting housing delivery nationally including professional associations, housing bodies and state agencies.



Over the last 12 months we have met with 35 developers associated with delivering large volumes of housing nationally, presented at 17 industry national and regional conferences including CIF/ IHBA/ Irish Council for Social Housing, Housing Ireland Summit and the Water Ireland Conference. We have met with and presented to 10 Approved Housing Bodies (AHB) regarding early engagement and adherence to Standards and Codes of Practice.

We also support the Land Development Agency (LDA), Local Government Management Agency (LGMA), Housing Delivery Coordination Office (HDCO) and the Housing Agency by working with them to prioritise their portfolios. We focus on collaboration to enable social, affordable, cost rental and new housing initiatives under the HFA programme.

We have supported the government's new initiative allowing Developers and others to be refunded for water and wastewater standard connection charges. This is one of several new measures announced by government aimed at encouraging developers to build more homes. We are working closely with the Department of Housing, Local Government and Heritage Water Services and Planning Department to implement a cross functional process to support construction.

Separately we welcome the Framework for the Future of Water Services, which will see the transfer of the operation of Water and Wastewater services from Local Authorities to Uisce Éireann. We are encouraging Local Authority Water Services Staff to transfer to Uisce Éireann between now and the end of 2026.

Challenges

While government policy and funding support is acknowledged and very welcome, Uisce Éireann faces significant external challenges to deliver our ambitious investment plan. These challenges include high inflation in the Irish and global economy, along with supply chain issues stemming from Covid-19, Brexit, the war in Ukraine and the uncertainty associated with acquiring the required statutory consents to deliver our investment plan.

Planning and Consenting

Successful, timely delivery of water and wastewater infrastructure and services by Uisce Éireann has a critical dependence on the effective operation of the Irish planning system. A well-functioning end to end planning system is the backbone for social and economic development.



While we acknowledge some areas that do work well, particularly at Local Authority level, securing final consent for our infrastructure projects is a complicated and expensive process with a high degree of uncertainty on timelines and related costs. While we fully respect and encourage public participation and a necessary level of governance on public infrastructure projects, appropriate changes to the planning code, and overlapping consent processes, will enable national objectives to be achieved in a timelier manner, reducing the cost of delivering Uisce Éireann's Capital Investment Plan and the wider National Development Plan and will provide greater certainty for all Stakeholders.

Uisce Éireann urgently calls for (1) The prioritisation of key enabling strategic infrastructure that will support economic growth including the delivery of housing – a triage system when entering the planning system. (2) That Uisce Éireann is given appropriate powers to complete its functions, particularly when it comes to Compulsory Purchase Orders, Taking In Charge (TIC), and exempted developments. These powers currently rest with the Local Authorities under the draft Planning and Development Bill, which we believe is incorrect. (3) Uisce Éireann is required to apply for a number of different licenses as part of the planning process. At present these license consent processes do not happen concurrently.

In order to deliver public infrastructure in Ireland, generally a number of different consents are required, frequently from different decision-makers. These include planning permission, Compulsory Purchase Order confirmation, Environmental Protection Agency licences, and Marine Area Consents and /or a licence for site investigations and the abstraction licence regime which we hope will be expedited to minimise project delays. These consents must often be obtained sequentially, rather than concurrently, resulting in delays to the consenting process, creating additional potential for judicial review challenges at each stage, and putting public funds at risks. The different decision-makers, multiple consents and duplication of Environmental Impact Assessments (EIA) and Appropriate Assessment (AA), creates the risk of gaps in assessment, defective consultation and inconsistent decisions. A solution to this issue would be to have one lead authority coordinating the consenting process for public infrastructure, carrying out one EIA and AA, coordinating joint oral hearings if necessary, and ensuring concurrent and consistent decisions. Prioritisation of key public infrastructure and providing timelines for the making of decisions is critical to enable Uisce Éireann to deliver our Capital Investment Plan.



The importance of sustained funding for Uisce Éireann

Sustained investment in water and wastewater infrastructure is critical if we are to ensure that Ireland has a sustainable drinking water supply and a fit-for-purpose wastewater treatment system now and into the future. It is also vital to ensure continued progress in fixing leaks and eliminating the discharge of untreated wastewater into our rivers and seas.

Uisce Éireann is reliant on Exchequer funding and sustained financial commitment to ensure targets and compliance are achieved. We welcome last year's budget announcement by Minister for Housing, Local Government and Heritage, Darragh O'Brien, of a record funding allocation of €1.557 billion for Uisce Éireann to provide public water and wastewater services, progress capital projects, deliver jobs, increase capacity for housing and development, and support economic growth in 2023.

The funding secured already has facilitated our progress to date, however due to decades of under-investment, there is, and will continue to be a significant ongoing funding requirement.

Support for the delivery of strategic infrastructure is critical

Uisce Éireann invested €144 million in the recently completed Cork Lower Harbour Main Drainage project to address the issue of raw sewage discharge to the harbour and to ensure that wastewater is collected and fully treated before its safe discharge to sea. Saving the equivalent of 40,000 wheelie bins of raw sewage being discharged every day into Cork Harbour.

One of the largest capital investments by Uisce Éireann to date has commenced in Athlone this year. This €144 million investment in wastewater infrastructure will meet the needs of homes and businesses while providing capacity for current and future growth and development in the area.

The provision of a new wastewater treatment plant in Arklow will bring benefits to the town and surrounding areas in terms of health, environmental protection and improved water quality for all.

There are a number of critical infrastructure projects that must be delivered if we are to continue building homes and catering for growth across Ireland.



Water Supply Project Eastern and Midlands Region

The Water Supply Project (WSP) is essential to meet the domestic and commercial needs of over 40% of Ireland's population up to 2050 and beyond. It comprises an abstraction of 2% of the water from the lower River Shannon at Parteen Basin in Co. Tipperary, treating the water nearby and then piping it 170km through counties Tipperary, Offaly and Kildare to a termination point reservoir at Peamount in County Dublin. This alternative supply will provide a water spine across the region, which will facilitate future offtakes to supply communities along the route.

Currently a single source, the River Liffey, supplies 85% of the public water supply requirements for 1.7 million people in the Greater Dublin Area (GDA). This over dependence on one source combined with limited supply availability means quite simply, we lack the capacity for growth, and resilience to provide the level of service we should all expect from our water supplies in a modern European economy. We forecast that by 2044 we will need 34% more water in the Eastern and Midlands region than we have today, despite our ambitious leakage reduction programme. This situation of a growing water supply deficit and lack of supply resilience is not sustainable.

The WSP will safeguard current shortfalls with our supplies, meet the need for new homes, ensure continued attractiveness for foreign direct investment, commercial development, protect the environment and allow us to play our part in tackling climate change. It will deliver a safe, secure, sustainable source of water to support our growing population and economy for generations to come and allow communities to thrive.

Greater Dublin Drainage Project

The Greater Dublin Drainage Project (GDD) involves the development of a new regional wastewater treatment facility and associated infrastructure to serve the growing population of north Dublin and parts of surrounding counties of Kildare and Meath.

Currently, 1.9 million people or 40% of Ireland's population live and work in the GDA, the majority of these are served by the Greater Dublin wastewater network. By 2040, a further 450,000 people will join them. Continued population growth and increased commercial activity means the volume of wastewater generated in Greater Dublin is projected to increase by more than 50% over the next 30 years.



GDD is a vital, once-in-a-generation project to ensure the wastewater generated every day in our homes, schools and workplaces will continue to be treated safely in compliance with EU and national wastewater treatment regulations. The delivery of GDD will protect public health, safeguard our environment, and facilitate sustainable growth up to 2050 and beyond.

Conclusion

We remain fully committed to delivering best in class water services and infrastructure for Ireland now and in the future. Despite challenges, with the continued support of our stakeholders, including elected representatives, we are confident we will continue to deliver critical water and wastewater infrastructure to support public policy objectives on housing, climate action, environmental protection, and economic development.

I'd like to thank the Committee members for the invitation to meet with you today and we welcome the opportunity to brief members on the important work Uisce Éireann is doing. My colleagues and I are happy to take any questions you may have.