

In response to the consultation process, I would wish to make the following observations, which I understand Mael has already mentioned at the briefing. They are not necessarily on the question of price where your main focus is, but in business we cannot separate price, performance, service and availability.

Uncertainty

From a business perspective, the investment plans and upgrading of the various facilities are unclear on two levels.

1. Businesses have no sight of the plans, timelines or priorities for investment or upgrading of water disposal plants.
2. Businesses have no obvious input into the creation of plans or influencing priorities, especially in balancing domestic and industrial needs.

This causes a number of difficulties.

At the macro level, investment in infrastructure is required to aid economic growth, for instance insuring that water issues do not hinder the development of existing industrial processors or the creation of new ones. Businesses would believe that this should have a high priority at the planning level for the obvious reasons of economic development. Of course domestic and environmental issues cannot be ignored, but is there a clear rational and process? We simply don't know what the process is, so it is difficult to challenge or suggest improvement. The result is business is compelled to make decisions in an informational vacuum.

Development

Mael has probably already made you aware of the situation at Granville Industrial Estate in Dungannon. There are two major employers, Linden Foods and Dunbia who both are heavy industrial users of water and effluent services. Adjacent to the industrial estate is a newly prepared (but vacant) Business Park. Moygashel Waste Water Treatment Works – the local plant – is over capacity, and has been termed a 'failing plant'. The 'upstream' effect is that in order for existing business to discharge increased levels of effluent (synonymous in the food sector with increased production), they must provide their own on-site treatment – which is not always feasible due to cost and/or space requirements. Meanwhile, INI's large adjacent business park is still not sold or developed. Are they to target low water usage businesses? In the heartland of NI agriculture an hour away from the industrial metropolis of Belfast? Or will new businesses have additional investment costs disadvantaging them possibly to the point where other sites or countries are more favourable?

We understand that Moygashel treatment works is a 'failing plant', but successive investment rounds have passed and there has still been no improvement. This leads to a triple threat to: Domestic, Business, and Environment. We would request that any formula or mechanism for considering investment strategies accurately reflects impacts on the local business community, as it is surely through facilitating local business that NI can build a strong economy, with a profitable, and efficient Water Company as part of its infrastructure.

Joined-up Government

Business would assume that there is a connect at a planning level between the various government departments involved – DETI, Planning, NIEA, Water etc. In the absence of any plans or information, it is impossible to tell, but there is a strong suspicion and fear that the departments operate independently. Businesses call this lose lose.

Conclusion

- 1) We would expect to see publicised and communicated investment plans and timescales – allowing business to make informed decisions.
 - 2) Any tools or formula for evaluating investment decisions **must** incorporate the economic environment as well as the natural environment / EU KPI rules which appear to dominate the current strategy.
 - 3) Implementation, *or reinforcement*, of the high level connection in strategic decision making at the Government department level.
 - 4) The only comparable organisation in terms of reach and effect is NIE, and yet the two are very different in terms of transparency and customer relations. NI Water must elevate service standards and reduce opacity to standards befitting a 21st Century economy.
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