



**Response to consultation on the  
NIAUR Forward Work Programme 1 April 2011- 31 March 2012**

**January 2011**

## **Introduction**

This is the Department for Regional Development's comments on the consultation paper on the Utility Regulator's Forward Work Programme 2011-12 as they relate to water and sewerage services in Northern Ireland.

## **Forward Work Programme**

- 2 The format of the Forward Work Programme is clear, concise and easy-to-read.
- 3 Presumably you will wish to make reference to the ongoing review?
- 4 The sum total the Water Directorate is claiming for the forthcoming financial year is £1,162,132. This is a reduction on last year and earlier years. It would be helpful to have a cost for PC 10. We are not clear if all costs are included? Are corporate costs to be allocated to specific areas?
- 5 We welcome the acknowledgement that any agreement reached with stakeholders in regulating a publicly funded water and sewerage services company must take into account public expenditure processes and constraints (2.4). We also welcome the fact that the Regulator recognises the challenges arising from the current scenario as the economic regulator of a water company that is largely publicly funded. Should you consider including specific references to changing the Licence?
- 6 While not disputing its relevance as a benchmark (if presented in context) we have reservations about the prominence given to OPA (para 2.10) in light of the Social and Environmental Guidance agreed by the Executive.
- 7 On specific action priorities set out in relation to water in the tables on pages 20-32:
  - a) There is a commitment to implement and monitor General Service Standards. We would ask for details of how this can be done in a predominantly public expenditure system and how NIAUR proposes to meet the costs.
  - b) There could be a specific reference to amending the Licence.

- c) Regarding the commitment to complete a review of cross utility price control, we assume that allowance will be made for the fact that water is not in the same regulatory position as energy or gas.