

RESTRICTED – POLICY

Memo



From: Jackie Kerr
Director, Infrastructure Funding
Division

Tel: (028) 9054 1008 **cc:** (see distribution list below)

Date: 25 February 2003

To: Angela Smith MP

WATER REFORM: MINISTERIAL STATEMENT

Issue: Clearance of draft Ministerial Statement announcing the launch of the public consultation on Water Reform.

Timing: Formal notice and statement to be provided to Parliamentary Section on 6 March 2003.

Presentation: The Ministerial statement will be an integral part of the formal launch of the consultation process on Water Reform, which is scheduled to take place on 11 March 2003. The launch of the consultation paper will attract considerable political and media interest. We are setting up a number of media interviews with you to take place on 11 March. Officials will brief journalists in advance.

Recommendation: That you approve the attached draft Ministerial statement for issue in your name, on behalf of the Secretary of State.

Background

1. You have agreed to commence the public consultation process on Water Reform by means of media interviews scheduled for 12 noon on Tuesday 11 March.

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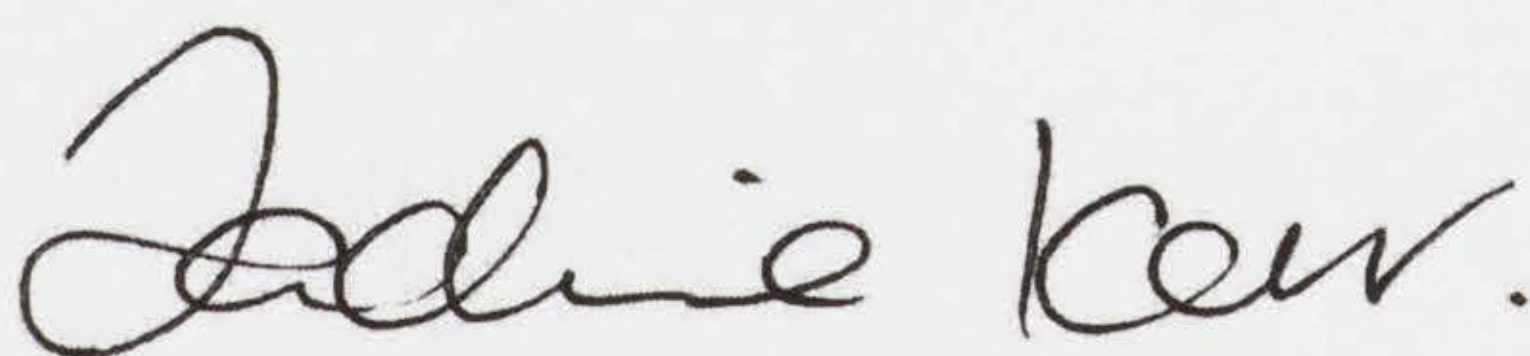
2. The proposed Ministerial Statement complies with Westminster protocol for the announcement of a major consultation exercise in the House. In addition, it provides early notification to Northern Ireland MPs of the commencement of the public consultation process. It is proposed that the Ministerial statement is made at 11:00, just prior to the commencement of media interviews. Northern Ireland's MPs and representatives in the House of Lords will receive a copy of the Consultation Document during week ending 14 March 2003.

Detail

3. Notice of your intention to make a written Ministerial Statement on Reform of Water and Sewerage Services in Northern Ireland is attached at Annex A.
4. The draft Ministerial Statement is also attached at Annex B. This provides an overview of the anticipated consultation process and a broad outline of the main issues addressed in the Consultation Document. It emphasises your commitment to full and inclusive consultation but also reiterates the imperative to address the difficult issues associated with reform of water and sewerage services in Northern Ireland.

Recommendation

5. You are invited to approve the attached draft Ministerial Statement.



J L KERR (Mrs)

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cc PS/Secretary of State, NIO
PS/Ian Pearson, NIO
Joe Pilling, NIO
Jonathan Phillips, NIO
Nigel Hamilton, HOCS
Will Haire, OFMDFM
Pat Carvill, DFP
Andrew McCormick, DFP
Stephen Peover, DOE
Stephen Grimason, OFMDFM
Linda Devlin, OFMDFM
WS Reform Steering Group
Parliamentary Clerk



HOUSE OF COMMONS

Annex A

Notice of Written Ministerial Statement

Title of Secretary of State/

Ministerial head of department : *Angela Smith MP, on behalf of
Paul Murphy MP, Secretary of State for Northern Ireland.*

Subject of Statement: *Reform of Water and Sewerage Services in Northern
Ireland.*

Date on which written statement to be made: *11:00, Tuesday
11 March 2003.*

WRITTEN MINISTERIAL STATEMENT

Later today, I launch a public consultation process on proposals for the reform of water and sewerage services in Northern Ireland.

Since assuming responsibility for the Regional Development Ministerial portfolio, I have been acutely aware of the need for massive investment in Northern Ireland's water and sewerage infrastructure. Such a step-change in long-term investment can only be achieved through the development of secure, self-financing arrangements which also address the needs of the public as fairly and efficiently as possible.

In principle, this will require the introduction of domestic water charges in tandem with structural reform of the delivery of water and sewerage services in Northern Ireland to ensure that people will not be asked to pay more than is absolutely necessary. I am committed to full and inclusive consultation through which I believe arrangements for water and sewerage services, tailored to the specific needs and circumstances of the people of Northern Ireland, can be developed.

The Consultation Paper which I will publish today sets out a range of possible options for domestic water charging. Possible business models for a reformed Water Service are also outlined, along with the associated issues of economic and consumer regulation and mechanisms for consumer representation on water issues.

The period of public consultation on these issues will run until the end of May 2003. Following a period of assessment of the responses to the consultation document, detailed proposals will be brought forward for further public

consultation in the Autumn, ultimately leading into the production of appropriate legislation.

Copies of the Consultation Document: "The Reform of Water and Sewerage Services in Northern Ireland" have been placed in the Libraries of the House.

ANGELA SMITH MP