

Email responses – referring to ‘Water Charges’**Response 1**

The Northern Ireland Marine Taskforce (NIMTF) is a coalition of non-government environmental organisations – it includes RSPB, Ulster Wildlife, Wildfowl and Wetlands Trust, National Trust, Friends of the Earth, Marine Conservation Society, Keep Northern Ireland Beautiful, Irish Whale and Dolphin Group, Surfers Against Sewage, Shark Trust, Causeway Coast & Glens Heritage Trust and Northern Ireland Environment Link. The NIMTF has the support of approximately 100,000 local people. We are working towards healthy, productive and resilient seas for Northern Ireland.

Northern Ireland Marine Task Force response to: Consultation on the Draft Budget 2026-2029/30

Submitted: 20th February 2025

NIMTF thanks the Department for Finance (DfF) for the opportunity to respond to the Consultation on the Draft Budget for 2026-2029/2030.

It is incredibly positive to see this consultation considering for the first time in over a decade a multi-annual, long-term budget which will help forward plan for delivery of many projects to make real change across the sectors of the NI Executive. As NIMTF highlighted within our previous response to the Draft Budget for 2025-2026¹, we welcomed the acknowledgement of ‘Our natural environment is under significant pressure and urgent action is needed to tackle what the public increasingly see as joint climate and biodiversity crises.’

NIMTF understands that planning for multi-year budgets are complex and requires a high level of forecasting to be able to best prepare for subsequent years and plan financially in accordance. It is much simpler to plan single, in-year budgets, but this creates uncertainty for long-term projects such as marine restoration work which needs to be achieved.

Northern Ireland is the 12th worst out of 240 regions for biodiversity loss², with many species in decline or endangered as highlighted within the State of Nature Report 2023³ and Seabirds Count (2023)⁴; key statistics highlight that globally the abundance of oceanic sharks and rays has declined by 71% since 1970, with a third of all sharks, rays and chimaeras now threatened with extinction⁵. At least 44% of the UK’s seagrasses have been lost since 1936⁶, with more recent data indicating losses of 92% for seagrass meadows, 86% for saltmarsh and 95% for oyster reefs⁷. The latest JNCC seabird census, Seabirds Count (2023) shows declines across 62% of breeding seabird species in the UK, with specific declines in Northern Ireland including the Atlantic Puffin by 70% and Roseate Tern by 75%⁸.

_____ 1 <https://nimtf.org/wp-content/uploads/2025/03/nimtf-response-draft-budget-2025-2026-finance.pdf>

2 RSPB (2021) Biodiversity loss - The UK’s global rank for levels of biodiversity loss

3 <https://stateofnature.org.uk/countries/northern-ireland/>

4 <https://www.bto.org/our-work/science/publications/reports/nis-report/northern-ireland-seabird-report-2023>

<https://www.bbc.co.uk/newsround/55830845#:~:text=The%20number%20of%20oceanic%20sharks,now%20classified%20as%20critically%20endangered>

Additionally, there are also statistics aligned with environmental pressures which must be reduced to ensure we are achieving ocean recovery: Overall, 17,573 litter items were detected on the beaches surveyed in 2024. 84% of the litter found on Northern Ireland's beaches is made from plastic⁹. Northern Ireland still faces a significant litter and plastics problem, which is endangering marine ecosystems and harming our wildlife.

To turn the tide on these critical statistics, it is important that adequate and multi-year budgets and investment are available moving forward to ensure marine recovery can be achieved alongside tackling the climate and biodiversity crises.

1. Do you agree with the prioritisation of funding within the 2026-2029/30 draft Budget?

Yes, but it needs to go further

Budget Announcements (UK)

It is critical when considering any budget where additional allocations are coming from. Last year, an additional £12.5 million Resource and £1.6 million Capital DEL was announced within the 26th March Chancellor's Spring Statement (12th March 2025)¹⁰. The Treasury also announced an additional £146 million with respect to National Insurance Contributions (NIC)¹¹. Finally, an additional \$0.4 million Capital DEL was updated from the Autumn Budget (2024) through consequentials¹².

Whilst the above was welcomed in 2025-2026, none of the above were included within the specific budgets allocated to Departments.

For 2026-2029/30, the Autumn Budget (2025)¹³ came with some announcements to be aware of and to consider:

- Eligibility increase for enterprises
- Private investment and public investment challenges
- £8k of ISA allowance for investment
- Adjustments to electricity prices
- Internal industrial processes to be built
- £370 million additional funding for the NI Executive - over the spending review
- £70 million for businesses
- Pay-per-mile for EVs

Some of the above are subject to change depending on policy direction, but should also be factored in as only applying to a small section in relation to this multi-year budget.

PeacePLUS

PeacePLUS funding provides a critical, core commitment between the EU and the UK, with the programme coming to a closure within 2025-2026, however there are still existing commitments under the 2021-27 PEACE PLUS programme, which provided a £1 billion net gain to the programme area for projects up to 2029. Within this figure for the marine a combined total of €24,794,328.34 has been committed for project delivery of the following areas¹⁴:

- Coastal Monitoring and Adaptation Planning (CMAP)
- A Changing Climate Impact Monitoring and Assessment Toolbox for Irish Seas (ACCLIMATISE)
- The Multi-disciplinary Ocean Sensing for Adaptive International Conservation Project (MOSAIC)

These core projects will ensure the delivery of significant contributions to data collection for important, endangered and/or declining species; develop monitoring tools, strategies and action plans and address challenges in managing a dynamic and more resilient marine environment in the face of climate change which fully incorporates society through citizen science.

It is important that a mix of public and private investment for Northern Ireland is sought to ensure that we can continue to deliver for nature and where areas we are not delivering on can be addressed with additional investment.

Irish Government Funding

It is welcomed to see not only continued investment by the Irish Government, but an increase overall per annum when including the Shared Island Funding and the A5, upping from £78.9 million Capital DEL per annum (2025 - 2026)¹⁵ to ~£131.65 million per annum (2026-2029/30)¹⁶. This continued level of investment is critical in addressing transboundary challenges such as enforcement and long-term monitoring programmes to progress marine recovery in areas such as Lough Foyle to Carlingford Lough, especially in terms of enabling DAERA and Loughs Agency to carry out their operational functionings which have suffered in terms of available investment into these areas.

DAERA Allocations and Specifics

NIMTF are pleased to see that this year the Department for Agriculture, Environment and Rural Affairs (DAERA) has the highest earmarked allocations for Resource DEL than any other across the NI Executive (Annex B). However, when we consider Annex A (Proposed Departmental Budget Outcome), DAERA (£674.3 million) is the 6th lowest out of 9 sectors, which puts it higher than Infrastructure (£654.9 million), Finance (£284.6 million) and The Executive Office (£217 million) when looking at 2026-27, given that for the majority of Departments, there is a slight increase in allocation for each subsequent year until 2028-29.

_____ ⁶ <https://www.zsl.org/news-and-events/news/planting-healthier-ocean>

⁷ https://www.bluemarinefoundation.com/wp-content/uploads/2024/03/Seagrass-policy-report_V4-2.pdf

⁸ <https://jncc.gov.uk/our-work/seabirds-count/>

<https://keepnorthernirelandbeautiful.knib.app/keepnorthernirelandbeautiful/documents/009659.pdf>

10 <https://www.gov.uk/government/speeches/spring-statement-2025-speech>

11 <https://www.niassembly.gov.uk/assembly-business/official-report/written-ministerial-statements/department-of-finance---public-expenditure-final-budget-2025-26/>

Infrastructure Allocations and Specifics

NIMTF notes that Department for Infrastructure (DfI)'s allocations which have been earmarked, where relating specifically to the marine environment are in the case of NI Water and the associated borrowing which is required to address the wider issue of the NI Executive's Programme for Government 2024 - 2027¹⁷, where water pollution has been acknowledged as a core component within the current mandate. NIMTF welcomes allocations for NI Water and are aware that a financial review into the spending by NI Water was carried out, with a report finalised in July 2025¹⁸.

It is critically important that funding is still provided to NI Water to continue wastewater treatment, ensuring that there is not a limit to wastewater treatment as had previously been proposed. Whilst there is an identified funding gap to the total requirements of what NI Water have requested, it is important that NI Water assess how the use of Nature-based Solutions (NbS) can be utilised to help reduce costs in the long-term for NI Water and for DfI.

Measures must also be taken to reduce the load of pollutants and the attendant cost of their removal through effective regulation. By allocating funding to this area, we can reduce the pressure on wastewater treatment works by addressing issues at the source, rather than further down the pipeline and this would support policies such as the developing Water, Sustainable Drainage and Flood Management Bill¹⁹, alongside the Sustainable Urban Drainage Systems in New Housing Developments²⁰ - which both the Freshwater Task Force (FWTF) and NIMTF responded to²¹ - Significant Water Management Issues²² and the River Basin Management Plan current and future reporting cycles²³, which both FWTF and NIMTF responded to the 4th timeline²⁴.

2. What services should be prioritised in the 2026-2029/30 Budget?

NIMTF responded to the previous draft Budget with priorities which mostly remain the same. As has been highlighted within Question 1, the NI Executive's Programme for Government 2024 - 2027¹⁷ outlines core areas for this current government's mandate, with a particular focus on improvements to water quality as a fundamental aspect of improvements to health of the environment. NIMTF would recommend that all core areas within the current mandate remain a priority, but would propose the following be included for the remaining duration of the mandate:

- 30by30 Obligations
- Fisheries Management Plans
- Shoreline Management Plans

12 <https://www.niassembly.gov.uk/globalassets/documents/raise/publications/2022-2027/2024/pfsu/4724.pdf>

13 <https://www.gov.uk/government/publications/budget-2025-document/budget-2025-html>

14 <https://www.seupb.eu/latest/news/almost-eu25m-peaceplus-funding-awarded-marine-and-coastal-management>

15 <https://www.niassembly.gov.uk/assembly-business/official-report/written-ministerial-statements/department-of-finance---public-expenditure-final-budget-2025-26/>

30by30 Obligations

However, as we have highlighted within Question 1, we are now 4 years to meeting the objectives of the Kunming-Montreal Global Biodiversity Framework (GBF)²⁵ in designating and ensuring management measures are in place for 30% of our land and 30% of our seas by 2030. This draft budget will provide some extent to the work into analyses and metrics which outlay the pathways to practical actionable delivery. In NI, there are obligations under the following legislative pieces:

- Marine Act (Northern Ireland) 2013²⁶
- Blue Carbon Action Plan 2025 - 2030²⁷
- Marine Protected Area Strategy Review²⁸ (to be published on 25th February 2026)
- Nature Recovery Strategy²⁹ (in development)
- Seabird Conservation Strategy and Action Plan³⁰ (in development)
- Elasmobranch Conservation Strategy³¹ (in development)
- Environmental Improvement Plan (EIP) 2024³²

UK Obligations:

- UK Marine Strategy³³
- Joint Fisheries Statement³⁴
- UK Marine Policy Statement³⁵

The Environment LINKS UK (comprised of Wildlife and Countryside LINK, Scottish Environment LINK, Wales Environment LINK, Northern Ireland Environment LINK and NIMTF) produced a report summarising progress towards achieving 30by30, published at the end of 2025³⁶, highlighting that further work needed to be carried out across the relevant devolved nations to meet these national and international obligations. For Northern Ireland in particular, challenges are associated with monitoring and enforcement programmes.

Alongside existing work being delivered under the Peace PLUS programmes, there is also the Atlantic Coast Programme which aims to deliver a series of marine restoration work for seagrass

meadows and kelp forests to connect across all four nations³⁷. Northern Ireland's pioneering Blue Carbon Action Plan 2025 - 2030²⁷ sets prioritisation to blue carbon habitats, notably seagrass and kelp. Given the upscalability to include potential avenues for Northern Ireland, resourcing for the delivery of partner projects outside of Peace PLUS, Environment Fund (2023 - 2028) and Marine Environment and Fisheries Fund (MEFF)³⁹ which are dedicated specifically for the marine would be welcomed to ensure effective delivery. Effective delivery under this area would consider community and stakeholder engagement, ecological feasibility and technology alongside implementation and enforcement.

_____ 16 https://www.finance-ni.gov.uk/sites/default/files/2026-01/Minister%20of%20Finance%20WMS%20-%20Proposed%20Draft%20Budget%202026%20to%2029-30_0.pdf 17

https://www.northernireland.gov.uk/sites/default/files/2025-03/programme-for-government-2024-2027-our-plan-doing-what-matters-most_1.pdf

By ensuring long-term, ring-fenced funding is available for project delivery and enforcement, national and international objectives are more likely to be met relating to the 30by30 targets and objectives.

Fisheries Management Plans (FMPs)

NIMTF welcomes the priority of farms and fisheries within the current budget allocations for DAERA, knowing that investment within the fishing sector is critical given that there are objectives to meet under the Joint Fisheries Statement and the modernisation of the Fisheries and Water Environment Bill. By 2027, NI will have produced several FMPs which cover our Non-Quota Shellfish (NQS), Intertidal Hand-Gathering of Shellfish, Pelagic and Demersal type fisheries to ensure an ecosystem-based approach⁴⁰. One of the difficult challenges in their success will be the level of enforcement which can address the lack of best practice shown. NIMTF has raised the need for Inshore Vessel Monitoring Systems (I-VMS), Remote Electronic Monitoring with cameras (REM)⁴¹ within the development of FMPs to ensure a consistent ecosystem-based approach is taken. The delivery of a Bycatch Mitigation Action Plan falls under the UK Bycatch Mitigation Initiative, which when fully funded and implemented will be used to support meeting bycatch-related actions within the FMPs.

NIMTF would like to see dedicated, ring-fenced funding for the implementation stage of FMPs to ensure that FMPs can be a potential delivery mechanism for achieving GES, to meet the objectives of the Joint Fisheries Statement (JFS).

By investing in our fisheries, it is also possible to ensure that a just transition is able to take place. This will ensure that we are able to meet the objectives of the Climate Change Act (Northern Ireland) 2022⁴², where all sectors and departments must play their part in reducing their CO₂ emissions within each of the Climate Action Plans (CAPs). NIMTF have provided a response to the first CAP⁴³ which discusses that investment into greenhouse gas emission reduction methods through the use of Nature-based Solutions will have reduced costs in comparison to hard engineering - e.g. hard infrastructure such as sea walls and groynes, etc.

_____ 18 <https://www.infrastructure-ni.gov.uk/sites/default/files/2025-07/independent-review-of-northern-ireland-water-final-report.PDF> 19

<https://www.niassembly.gov.uk/assembly-business/committees/2022-2027/infrastructure/legislation/bills-primary-legislation/water-sustainable-drainage-and-flood-management-bill/>

20 <https://www.infrastructure-ni.gov.uk/consultations/sustainable-drainage-systems-suds-new-housing-developments>

21 <https://nimtf.org/wp-content/uploads/2025/12/final-fwtf-nimtf-joint-suds-consultation-response.docx.pdf>

22 <https://www.daera-ni.gov.uk/consultations/significant-water-management-issues>

23 <https://www.daera-ni.gov.uk/topics/river-basin-management>

24 <https://nimtf.org/wp-content/uploads/2025/12/final-fwtf-nimtf-rbmp-timeline-consultation-response.docx.pdf>

25 <https://www.cbd.int/gbf>

26 <https://www.legislation.gov.uk/nia/2013/10/contents>

27 <https://www.daera-ni.gov.uk/sites/default/files/2025-04/Northern%20Ireland%20Blue%20Carbon%20Action%20Plan%202025%20-%202030.pdf>

Shoreline Management Plans (SMPs)

Within our response to the first CAP which discusses that investment into greenhouse gas emission reduction methods through the use of Nature-based Solutions will have reduced costs in comparison to hard engineering - e.g. hard infrastructure such as sea walls and groynes, etc. By establishing work under the first outlined priority '30by30' and implementing actions of the Blue Carbon Action Plan 2025 - 2030²⁷, NI will be able to further reduce down costs through the restoration of species and habitats to provide ecosystem services. However these will require finances for departmental enforcement to ensure that measures which are put in place are effective. NIMTF sits on the Marine Nature Recovery Oversight Group and we are assessing progress towards achieving and completing the actions within published strategies and policies.

3. Are there services that no longer need to be delivered or can be reduced in 2026-2029/30?

NIMTF would recommend that services do not be reduced, but would continue to advocate for a cross-departmental budget where departments which are jointly responsible for a task share their available resources in order to tackle issues - e.g. DAERA and DfI addressing water pollution; or DAERA and Department of Economy (DfE) and the development of offshore renewable energy developments.

4. Should further opportunities for full cost recovery be explored?

NIMTF recently gave evidence to the AERA Committee on Thursday 9th October 2025⁴⁴ on the topic of charges for marine licenses under the Administrative and Financial Provisions Bill⁴⁵. Within this briefing document, NIMTF discussed that whilst this would be welcomed, it should not be set so high that it is pricing delivery partners out of the ability to practically deliver on workstreams associated with core strategies and action plans such as the Blue Carbon Action Plan 2025 - 2030²⁷, draft Offshore Renewable Energy Action Plan (OREAP)⁴⁶ and the draft MPA Strategy Review (2024)²⁸.

_____ 28 <https://www.daera-ni.gov.uk/consultations/consultation-northern-ireland-marine-protected-areas-mpas-strategy-review>

29 <https://www.daera-ni.gov.uk/consultations/draft-nature-recovery-strategy>

30 <https://www.daera-ni.gov.uk/consultations/consultation-seabird-conservation-strategy-and-action-plan-northern-ireland>

31 <https://www.daera-ni.gov.uk/consultations/consultation-elasmobranch-conservation-strategy-northern-ireland-daera>

32 <https://www.daera-ni.gov.uk/sites/default/files/publications/daera/Environmental%20Improvement%20Plan%20for%20Northern%20Ireland.PDF>

33 <https://moat.cefas.co.uk/summary-of-progress-towards-good-environmental-status/>

34 <https://www.gov.uk/government/publications/joint-fisheries-statement-jfs> 35
<https://assets.publishing.service.gov.uk/media/5a795700ed915d042206795b/pb3654-marine-policy-statement-110316.pdf>

36 https://www.wcl.org.uk/assets/uploads/0/WCL_04_30x30Report2025_DIGITAL.pdf

37 <https://www.mcsuk.org/your-ocean-magazine/summer-2025/atlantic-coast-programme-preview/>

38 <https://www.daera-ni.gov.uk/articles/environment-fund-2023-2028>

39 <https://www.daera-ni.gov.uk/articles/marine-environment-and-fisheries-fund-202526>

NIMTF would request that the Department also take the time within these public consultations to explain terminology which the public might not understand, such as ‘full cost recovery’. By not doing this it has the potential to create confusion, or complete dismissal of the question and could under-represent society’s views. We would recommend providing examples to society within the consultation documents for successful ‘full cost recovery’ projects so that society can forge a greater understanding:

- Carrier bag levy⁴⁷
- Water charges
- Rates charges⁴⁸
- Marine Recovery Fund (UK)⁴⁹
- Marine Licensing Fees⁵⁰
- Deposit Return Scheme⁵¹

5. Have you any other views?

NIMTF would like to thank DfF for the opportunity to respond to this multi-year budget, the first of its kind in over a decade. As we have outlined previously in this response, multi-year budgets

set in the long-term are part of a best practice toolkit to ensure that marine recovery can be achieved for nature and society.

40 <https://www.daera-ni.gov.uk/articles/fisheries-policy>

41 <https://www.mcsuk.org/news/what-is-remote-electronic-monitoring/>

42 <https://www.legislation.gov.uk/nia/2022/31/contents/enacted>

43 <https://nimtf.org/wp-content/uploads/2025/10/climate-action-plan-2023-2027-nimtf-response.pdf>

44 <https://data.niassembly.gov.uk/HansardXml/committee-37132.pdf>

45 <https://www.niassembly.gov.uk/assembly-business/legislation/2022-2027-mandate/primary-legislation-bills-22-27-mandate/administrative-and-financial-provisions-bill/>

46 <https://www.economy-ni.gov.uk/articles/offshore-renewable-energy-action-plan-oreap>

47 <https://www.daera-ni.gov.uk/articles/carrier-bag-levy>

48 <https://www.finance-ni.gov.uk/services/rates-calculator>

49 <https://www.gov.uk/government/collections/marine-recovery-fund>

50 <https://www.daera-ni.gov.uk/publications/marine-licensing-northern-ireland-application-fees-2025>

51 <https://defraenvironment.blog.gov.uk/2025/01/31/introducing-the-deposit-return-scheme-for-drinks-containers>

Response 2

Hi

Well I would just like to say that it is time that the Executive grew a set and started making some decisions and stopped blaming the 'Brits' for everything although I understand that maybe not everybody blames the 'Brits'!

So one thing that the Executive needs to do is to introduce water charges. We are now in a situation where new houses cannot be built because the sewerage system cannot cope and there is no money to upgrade the system and therefore new houses cannot be built.

Well one way that this could be funded is to introduce water charges. I have a laugh when I hear people saying that water is natural and so it should be free. Well, yes, it is natural and therefore free if it falls from the sky or if it is taken from our rivers and loughs but clearly nobody is going to go down to Lough Neagh and fill a couple of buckets of water everyday and use that to drink and wash with!

Alot of people just don't seem to understand that the water that arrives in our taps has gone through series of cleaning procedures at a local water treatment works and clearly all these procedures cost money!

Maybe the Executive should hold public guided tours round all the local treatment works so that people can see just what goes on to make our water clean again and fit to be used for washing and drinking and so that people will see that, yes, all this really does cost money because some people seem to think that water grows on trees!

The Executive should also start a public awareness campaign to again show the people what it costs to make our water clean when it reaches our taps and to explain to the public why we need water charges.

So water charges should be introduced but water should be metered in the same way that electricity is metered so that we only pay for what we use. This is a fair system as why should somebody like me who lives on his own pay the same in water charges as a household with five or six people? Clearly I am never going to use the same amount of water as them so only paying for what we use is the fairest system. This would also ensure that people don't waste water and switch off the taps when not in use in the same way that we switch off our lights when not in use.

Also, is it not true that we supposedly already pay for water through the rates and that the figure is around about a third? Well, if the water charges are ever introduced (doubtful if our Executive continue on current form) then I would want our rates decreased by a third!

Another thing that could be introduced for the roads could be a stamp duty tax for cars the same as the stamp duty on houses. Is the stamp duty figure on houses 1% of the value of a house that is bought over a certain amount? Well, we could do the same for cars where again it could be a 1% stamp duty tax on cars over the value of say £50,000. And to be honest, if somebody can afford a car for £50,000 then they can afford an extra £500.00 in a stamp duty tax and this money could be used to fix potholes or upgrade roads or such like.

There should also be a registration on bicycles. This is a safety issue but also a legal issue as we sometimes see cyclists cycle through red lights or down the wrong way in a one way street or even not using cycle lanes when they are available or even hitting or nearly hitting pedestrians on the footpath and there is no way to identify them.

If all bicycles were registered with the DVLA as all vehicles are then they could be traced. All cyclists should also have to undergo a cycling proficiency test in the same way that all drivers have to undergo a driving test and this would ensure that all cyclists are fit to ride on the roads and understand the rules of the roads and the money raised from the bicycle registration system and from the cycling proficiency exams could be used to build more cycle lanes and this should be explained if this is announced. I know it won't be because I know that the Executive will continue to do what they do best and that is nothing. Indeed, I like the way you have opened this to public consultation so the public can put forward ideas but no doubt all responses will be hidden away and ignored. Indeed, I know I am wasting my time writing this because I know that nothing will be done.

Another thing that needs to be sorted out is the ridiculous 'Surrender Principle'. How is this even legal? I mean if a new hairdresser wants to open in a town they don't have to wait for another hairdresser to close so that a hairdressing license can be 'surrendered'. No, a new hairdresser just opens and this is how it should be with pubs.

But no, Gordon Lyons would rather see all our pubs close. Well, that's really going to help the economy. Not!

You are lucky that I have only just realised this morning that the closing date for this is today as I thought it was in another couple of weeks so I haven't had much time to give this much thought or this email would have been a lot longer. A lot longer indeed!

Also, the Executive could do with reducing the VAT on pubs and restaurants. This would help the economy.

Response 3

Draft budget consultation response 2026 -2029/30

The University and College Union is the largest trade union representing lecturers in institutions of further and higher education.

The six regional colleges and Stranmillis teacher training college are classified as Non-Departmental Public Bodies and funded directly by the Department for the Economy (DfE). The Universities and St Mary's teacher training college are autonomous but each rely upon DfE funding for a substantial percentage of annual institutional income.

It is therefore alarming to see proposals for expenditure on DfE to fall from £790m in 2025/26 to £775m in 2026/27, followed by a modest increase to £779m in 2027/28 to decline again to £772m in 2028/29. The statement in the Programme for Government commits to driving economic growth and prosperity through increasing skills, encouraging greater participation in third level education, focusing on tackling regional imbalance, supported by the introduction of the Good Jobs Bill and a fairer workplace. It is difficult to envisage how the proposed minimum increases in the budget over that three-year period will meaningfully fulfil this laudable aim. There will be an additional £1bn allocated to the overall budget during that period, and yet the budget for the entire Economy Department for non-earmarked projects is only set to increase by £23m. That is not the way to grow the economy or demonstrate a commitment to young people across the education sectors.

The UCU do, however, welcome the proposal to move to a three-year budget cycle. This provides the basis to allow better planning and delivery on government and sectoral priorities.

We disagree with the Finance Minister's statement accompanying the public consultation document:

"In my view, the Autumn Budget is another illustration of why we need greater powers locally. To ensure our tax system takes account of our circumstances. Having greater fiscal powers would allow us to make different choices, to spur economic activity, or to generate income for public services, in a fairer and more progressive way. As part of this, my department will intensify work to progress a full Fiscal Framework."

The Assembly should be very cautious about seeking additional fiscal powers. There is extremely limited scope for revenue raising, and the UCU believes such a scenario would inevitably turn focus to increasing domestic rates for everyone, or a move to introduce additional water charges on top of what people already contribute through their rates bill. It is highly unlikely the Assembly would seek additional tax raising powers which would have the potential to change income tax rates or increase VAT revenue. In the absence of those powers, it is more likely financial burdens on ordinary citizens and workers will increase, while businesses or larger corporations who have a greater ability to pay more, will be left untouched. This only creates the illusion of having fiscal powers and flexibility. In reality, it would deflect from the real scandal about public finances, which is that the wealthiest in our society continue to enjoy government handouts and subsidies and gorge on public procurement contracts, with absolutely no threat to their ever-increasing income and profits. Not even the arrant nonsense of trickle-down economics would be possible in this jurisdiction. Any increased revenue which these envisaged limited fiscal powers would/could generate would be off the backs of already

struggling workers and their families. We need transformational change, not another means to penalise ordinary people.

The UCU encourages the Assembly to continue to pursue the demand for further change to the Barnett formula, with an increase beyond the current situation in respect of what they refer to as the “funding floor”, currently set at 124% of equivalent English spending per head. In that regard we could welcome the part of the sentence by the Finance Minister about the need to progress the discussion on securing agreement on a full Fiscal Framework which meets our needs. This is totally unrelated to the earlier statements within the paragraph. The first part is about raising their own revenue, by imposing additional burdens on citizens. The second part, is about having sufficient funding provided by the UK government, through the Barnett formula, to enable the Assembly to properly finance public services. The two mechanisms should not be conflated and this confusion by the Civil Servants, or others, is worrying.

The UCU believes a strong commitment to providing public housing, through a relaxation of the financial rules by Treasury would transform efforts to tackle both the housing crisis and a stagnating jobs market. If the Assembly fought for a change in those borrowing rules, it would have the potential to create thousands of construction jobs, but also, for the FE Sector in particular, the creation of hundreds of apprenticeships alongside a commitment to deliver on a massive programme of skills development for young people.

In the context of a challenging fiscal landscape the UCU would expect the DfE to insist colleges progress the shared services agenda. Prioritising and protecting frontline delivery of education and skills is essential to realising the ambitions set out in the Programme for Government and the DfE Minister’s economic vision. The FE sector operates on the basis of regional collective bargaining, meaning that staff are retained on the same contracts, pay scales, policies and procedures whichever college they are employed in. Despite this, each college has its own HR and payroll departments. There are both cost and operational benefits to centralising these functions. Currently, policies and procedures are vulnerable to six different interpretations of how they should be implemented, resulting in time and expense considering grievances when practice varies. A strong lead on standardisation from the centre would reduce operational dysfunction and the expense associated with it.

Similarly, systems of governance within further education do not represent value for money and their effectiveness is questionable. Each college has its own governing body responsible for providing both a support and challenge function. In reality the ‘challenge function’ is rarely exercised and no Governing Body has ever intervened to prevent a case progressing to a tribunal, despite designated status as the employer under the Further Education (Northern Ireland) Order 1997. The efficacy of governance must be questioned in the context of the DfE receiving a disclaimed opinion on its accounts from the Audit Office, arising largely from discrepancies in financial reporting by the Northern Regional College.

Governors are paid to hear grievance and disciplinary cases, paid to attend meetings with expenses, the GB Chair receives a stipend of between £20,000 - £25000 per annum for one and half day’s work per week. An FOI request revealed expenditure on governance costs amounts to circa half a million pounds per annum. It is the UCU’s view that a single governing body for the sector would be more economically and operationally efficient. The system as it stands mitigates governance scrutiny because relationships between the board members and senior

leaders within colleges is too close. A single oversight committee for the sector is more likely to engender independence in judgement and discharge of duties. It removes the opportunity for senior leaders priming associates to apply for seats on their own college board.

While recognising that the universities have multiple income streams, the UCU is of the view that the funding allocated to the universities coming from the Executive budget should be used to support learning, research and economic partnerships that civically and materially benefit this jurisdiction. Currently there is insufficient rules and transparency concerning the expenditure of university income streams. For example, last year, Queen's University Belfast reported a funding gap shortly after announcing the opening of a campus in India. To plug the financial shortfall, between 100 - 200 staff employed in Belfast were made redundant, taking wages out of the local economy. It is unclear whether the QUB leadership used any of the monies allocated from the DfE to finance its overseas interests and what, if any, inquiries were made by the government department concerning same. The system would benefit from improved departmental oversight, better governance arrangements and the creation of deliverable targets regarding how universities spend their funding allocations.

On a more positive note, the UCU welcomes the commitment to support the expansion at Magee in Derry, with increased funding proposed for campus development and an intention of growing all educational providers in the area.

Once the budget is agreed, the UCU expect to be consulted about how the delivery of spending plans is to be rolled out within the sectors we represent.

Response 4

Dear Sir/Madam,

Thank you for the opportunity to respond to the Finance Minister's draft Budget 2026-2029/30, which outlines proposed departmental allocations for both day-to-day expenditure over the coming three years and capital investment over the next four. We welcome the invitation to provide our views and recognise the importance of actively engaging in this consultation to help determine how available resources are used to deliver vital public services for Northern Ireland.

This multiyear budget period is critical for essential public services, particularly water and wastewater infrastructure, which underpins public health, environmental protection, economic growth, and long-term resilience across Northern Ireland. The draft proposals set out Resource DEL and Capital DEL trajectories for Infrastructure, alongside assumptions such as regional rate uplifts and the creation of strategic reserves to manage emerging pressures.

NI Water has assessed how the proposed allocations align with regulatory expectations. The analysis indicates a shortfall in resource funding over the period and identifies a gap between the level of capital investment required and what is currently included in draft proposed departmental plans.

The early years of PC28 (commencing Apr '28) will also bring unavoidable shifts in priorities, driven by emerging requirements such as a new 21st century sludge disposal facility/incinerator and intensifying wastewater capacity constraints. These pressures will directly affect the sequencing and deliverability of major programmes and reinforce the need for a realistic and sustainable multiyear funding settlement aligned with the Utility Regulator, that supports statutory compliance and long-term environmental and economic outcomes.

NI Water has been clear that approximately £7 billion of investment over multiple Price Controls, is required across Northern Ireland to address long-term wastewater capacity limits, environmental compliance challenges, and network resilience. This scale of investment is essential to accommodate housing growth, enable economic development and protect the environment. While short-term in year allocations may provide limited relief in isolated areas, they cannot replace the stability and **Northern Ireland Water** is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

predictability of a fully funded, multiyear settlement, which remains vital for effective planning and delivery.

Evidence based Financial Assessment

1. Resource DEL (RDEL): Need vs Allocation

For the year 26/27 – 27/28 – 28/29

Operating costs and RDEL

NI Water is recognised by its independent regulator, NI Authority for Utility Regulation (NIAUR), as an efficient company, having transformed its performance since 2007 when it spent twice as much as the most efficient utilities. By 2021, the efficiency gap had narrowed to 5.7%, and annual running costs have reduced by c.£120m since 2009/10 to 2025/26. Our performance exemplifies the Executive's aspirations for public sector reform.

Despite these gains, the current fiscal environment requires NI Water to reduce operating costs below efficient levels. The 2025/26 forecast is below the minimum viable level for a water and wastewater utility of this scale. Operating below this threshold is now eroding organisational resilience and creating significant risk in the provision of water and wastewater services across Northern Ireland.

Our operating costs in 2025/26 (c£306m) are funded roughly by:

- Income of around £150m from non-domestic customers, where the Utility Regulator sets tariffs.
- Remainder is from the RDEL allocation request from our shareholder (DfI).

As noted above, NI Water has not yet received any indication of potential DEL allocations for the period 2026/27 to 2028/29, covering both RDEL and CDEL.

The DfI Shareholder Unit has advised that, for planning purposes, NI Water should assume the previously advised CDEL planning envelope of c£321m for 2026/27 and use the opening 2025/26 RDEL position of c£149m as the basis for 2026/27. These figures remain subject to Ministerial review and formal confirmation.

Assumptions applied in Table 1:

PC21 assessment

- RDEL requirement for 2025/26 and 2026/27 reflects the Utility Regulator's implied assessment from the PC21 Mid-Term Review, uplifted for permitted inflation.
- For 2027/28 and 2028/29 - years that fall outside the PC21 regulatory assessment - RDEL requirements are assumed to increase in line with CPIH i.e. 2027/28 at 2.1% and 2028/29 at 2.1%.
- Although not yet confirmed, we are aware of potential upward pressures and risks on the 2027/28 and 2028/29 positions, including (not exhaustive):

Northern Ireland Water is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

2026 Reval being undertaken by DoF LPS, which is expected to increase wastewater site valuations by around 15%.

Heightened regulatory scrutiny across Wastewater (Regulatory, Treatment/Optimisation) and Drinking Water Regulation.

Regulated electricity charges (covering Distribution, Transmission, NI Charges, and Single Electricity Market charges) - are forecast to rise significantly beyond the 2025/26 base year.

Dfl allocations

- 2025/26 shows the currently approved allocation.
- 2026/27 assumes the continuation of the 2025/26 opening **RDEL** figure, based on Dfl's current planning advice.
- For 2027/28 and 2028/29, allocations are assumed to rise in line with the Department of Finance's projected increases in the overall Dfl RDEL budget i.e. 2027/28 at 3.8% and 2028/29 at 2.1%.

RDEL	2025-26	2026-27	2027-28	2028-29	Budget period 2026 - 2029
£'m	£'m	£'m	£'m	£'m	£'m
PC21 MTR Reindexed	170.6	166.7	170.2	173.9	510.9
Dfl allocation	151.5	149.0	154.7	157.9	461.6
Variance	(17.7)	(15.6)	(16.0)		(49.3)

Table1: assumed **RDEL** across three-year budget period

If current trends persist and the underlying assumptions hold true, the analysis indicates a potential three-year budget shortfall of approximately **£49m (11%)** between the Utility Regulator's implied assessment of need and the indicative Dfl funding allocations. Therefore, it could be concluded there is insufficient budget cover for operating costs in the draft budget.

	2026-27	2027-28	2028-29	2029-30
	£'m	£'m	£'m	£'m
If current trends persist and the underlying assumptions hold true, the analysis indicates a potential three-year budget shortfall of approximately £49m (11%) between the Utility				

Regulator's implied assessment of need and the indicative Dfl funding allocations. Therefore, it could be concluded there is insufficient budget cover for operating costs in the draft budget. **CDEL**

Dfl Planning assumptions	321	321	321	321
NIW forecast - nominal prices. (see Note 1)	412	486	510*2	611*2

Table 2: **CDEL** values for 2027/28-2029/30 - restated into nominal prices.

It's worth noting that at a continued **CDEL** allocation of £321m per year during PC28, NI Water would address only around 1% of the wastewater capacity constraints currently affecting towns and villages across Northern Ireland - far below what is required to restore system health or unlock meaningful levels of housing and economic development. **Northern Ireland Water** is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

Note 1 - in line with the URs policy we have assumed RPI inflation for the remainder of PC21 (i.e. up to end of 2027/28) and CPIH inflation for PC28 years (2028/29 and 2029/30).

**2 - Conservative estimate of CDEL required to match the Utility Regulator's expected determination for the PC28 business plan*

Deliverability considerations are reflected in the in the above forecasts i.e. while the level of investment needed is higher there is a limit on the extent to which we can accelerate investment. Therefore, it can be concluded that there is insufficient budget cover for capital investment in the draft budget.

2. NI Water Response to Consultation Questions

1) Whether NI Water agrees with the proposed prioritisation of funding.

- 2) Which services should be prioritised during 2026–2029/30.
- 3) Which services could be reduced or discontinued (if any).
- 4) Whether further opportunities for full cost recovery should be explored.
- 5) Any additional views relevant to budgetary and operational sustainability.

1. Whether NI Water agrees with the proposed prioritisation of funding

NI Water recognises the wider fiscal constraints facing the Executive and the intention to prioritise essential public services. However, the proposed prioritisation does not sufficiently reflect the critical and statutory nature of water and wastewater services.

The draft allocations fall materially short of the investment required to maintain statutory drinking water and wastewater compliance; meet environmental standards and avoid regulatory enforcement action; relieve wastewater capacity constraints that limit development in over 100 towns and villages; and deliver long-term resilience to climate pressures and operational risks.

Unlike several major programmes identified in Annex E (such as the A5, Stadia Programme and the Mother & Baby Unit), NI Water has no ring-fenced or flagship allocation, despite being Northern Ireland’s largest infrastructure delivery organisation, a critical enabler of housing, industrial investment, and regional development, and central to environmental recovery and climate adaptation.

The absence of a strategic investment designation for NI Water represents a material structural risk to the Programme for Government, as many of the Executive’s economic, social and environmental outcomes are directly dependent on sufficient water and wastewater capacity. Given this, NI Water believes that a higher priority should be afforded to long-term investment in water and wastewater infrastructure within the overall Infrastructure portfolio. **Northern Ireland Water** is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

2. Which services should be prioritised during 2026–2029/30 NI Water recommends the following areas be treated as priority services:

a. Essential Water and Wastewater Infrastructure Investment

Investment is required to:

- address wastewater treatment and network capacity constraints;
- provide enabling infrastructure for housing and economic growth;
- maintain compliance with statutory environmental and drinking water regulations; and
- upgrade ageing, deteriorating assets.

b. Resilience and Climate Adaptation

Funding is critical for:

- flood risk management;
- drought planning;
- strategic drainage solutions (including Living With Water); and
- reinforcement of critical assets to withstand extreme weather events.

c. Operational Funding

Operational expenditure must be protected to:

- sustain water quality and public health;
- meet environmental permit requirements; and
- maintain service continuity across core operational functions.

The above planning assumptions might indicate a potential c£750m-c£800m shortfall in RDEL and CDEL across the multi-year budget period, which would constrain safe and compliant service delivery.

3. Which services could be reduced or discontinued (if any)

NI Water operates within strict statutory obligations covering public health, drinking water quality, environmental protection, and service continuity. As such: **Northern Ireland Water** is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

- NI Water has no discretionary services that can be reduced or discontinued without creating material risks to customers, the environment, or regulatory compliance; and
- reductions would increase the likelihood of service failures, pollution incidents, and noncompliance, and would raise long-term costs through emergency interventions and accelerated asset deterioration.

There is therefore no safe scope for service reduction within NI Water's statutory remit.

4. Whether further opportunities for full cost recovery should be explored

NI Water is open to supporting further exploration of cost recovery options where appropriate. However:

- Domestic customers in Northern Ireland do not pay direct water charges; any change is a matter of government policy.
- NI Water already recovers costs from non-domestic customers under tariffs set by the Utility Regulator.
- Cost recovery mechanisms cannot deliver the necessary scale of investment within the required timeframe, as their implementation and initiation would require a lead time of approximately three to four years.
- While cost recovery mechanisms would allow NI Water to service its debts and make the investments needed, introducing new charging arrangements would require legislative change, administrative systems, and time to implement. This would be a matter for the Executive.

Any exploration of alternative funding models must therefore form part of a wider long-term Fiscal Framework and should be evidence based, equitable, and aligned with regulatory principles.

5. Any additional views relevant to budgetary and operational sustainability

a. Importance of Multiyear Funding

Fully funded (as per the UR determination), multiyear budgets provide essential certainty for planning, procuring, and delivering large infrastructure programmes. In year or single year allocations cannot support efficient delivery of long lead, high value capital projects.

b. Alignment with Regulatory Determinations

The Utility Regulator's PC21 and emerging PC28 assessments reflect the efficient investment required to deliver statutory outcomes. Significant divergence from these assessments increases risk, reduces value for money, and delays essential improvements. **Northern Ireland Water** is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

c. Economic and Social Impacts

Wastewater constraints already inhibit:

- housing delivery;
- business expansion;
- regional economic development; and
- environmental improvement and compliance.

Failure to invest will widen these constraints and undermine the NI Executive's priorities.

d. Strategic Reserve

NI Water notes the proposed Strategic Reserve and would welcome consideration of allocations to address unfunded statutory and resilience requirements.

1. Conclusion

Northern Ireland now faces the consequences of chronic underinvestment, with NI Water forced to defer around 25% of planned investment, directly contributing to development constraints in over 100 towns and villages. The system is operating at its limits: 67 wastewater treatment works are already at or beyond design capacity, with a further 23 on the verge of breaching environmental thresholds. Of the 55,000 housing units seeking connection, around 37,500 can proceed only with developer funded enabling works, while 17,500 cannot connect at all due to environmental or hydraulic restrictions. These constraints now shape what Northern Ireland can achieve in housing, economic development and environmental improvement, and they underscore the stark reality that infrastructure - not planning policy or developer ambition - is increasingly the limiting factor.

This challenge is often misunderstood, particularly the claim that NI Water “receives 90% of what it asks for in-year.” As the evidence shows - that figure applies only to a reduced in year capital bid (£361m of £405m), not to the Utility Regulator’s independently assessed need of £555m for 2025/26. Relative to that benchmark, NI Water received 65% of what is required, not 90%. Earlier cuts forced reductions in bids, resulting in total PC21 investment of £1.559bn against a required £1.888bn, leaving a £329m gap and causing major projects to pause for lack of “line of sight” funding. This is the structural deficit now constraining growth.

The low hanging fruit has been delivered; the remaining challenges require long-term, predictable funding to restore capacity, protect the environment, and unlock the homes and economic activity Northern Ireland urgently needs. **Northern Ireland Water** is a trademark of Northern Ireland Water Limited, incorporated in Northern Ireland, Registered Number: NI054463, Registered Office: Westland House, Old Westland Road, Belfast, BT14 6TE. *For information about how Northern Ireland Water processes personal information, please see our Data Protection Privacy Notice: <https://www.niwater.com/privacy/>*

Recent independent reports - from the NI Chamber/CEF/NIFHA joint paper, Pivotal’s funding analysis, the NI Fiscal Council’s sustainability review, and sustained coverage - collectively warn that Northern Ireland’s wastewater system is at a critical tipping point, with chronic underinvestment, multibillion pound funding gaps, and escalating impacts on housing, economic growth, and environmental protection.

Across the UK and Ireland, water utilities are entering the largest investment cycle in their history - with England and Wales doubling spend, Scotland planning funding five times higher than before and the Republic of Ireland nearly tripling its programme - yet Northern Ireland stands alone in facing mounting infrastructure pressures without a comparable uplift.

If NI Water is not funded to deliver the services provided to customers, the service improvements attained and the efficiencies achieved from 2007 to date will likely be eroded.

This poses an immediate question and risk in regard to a destruction of value for money and customers will have to pay again to restore the value.

The delivery of water and sewerage is a key public service to all of our homes, organisations, and businesses in Northern Ireland. In order to avoid funding for water and sewerage services, which safeguard public health and underpin all economic activity in Northern Ireland, being politicised and traded with other public services within the Department for Infrastructure, which is itself only 4% of total Resource DEL, funding for NI Water should be a Centrally Held Budget within the overall NI Executive block grant allocation, aligned with the independent NI Authority for Utility Regulation determinations.

In conclusion, NI Water recognises the significant pressures faced by public finances and the challenging environment in which the Draft Budget 2026–2029/30 has been developed. However, the analysis presented in this submission highlights a substantial gap between the organisation's regulated requirements and the proposed departmental allocations across both Resource and Capital budgets. These gaps, if unaddressed, risk constraining NI Water's ability to meet statutory obligations, protect the environment, respond to emerging operational pressures, and enable sustainable economic growth including housing.

The organisation is committed to working constructively with the Department of Finance, the Department for Infrastructure, and the Utility Regulator to ensure that funding decisions are informed by transparent analysis, regulatory evidence, and deliverability considerations. NI Water will continue to prioritise efficiency, governance, and responsible stewardship of public resources; while setting out clearly the investment required to maintain compliance, address existing wastewater constraints, and advance long-term resilience initiatives.

The organisation remains ready to support this process by further providing clear, evidence-based insight into the essential services upon which Northern Ireland depends. A sustainable, fully funded, multiyear funding settlement as determined by the UR is not only necessary to meet regulatory expectations but is fundamental to safeguarding future public health, environmental quality, and economic opportunity.