

**CONSULTATION ON A GRANT SCHEME TO SUPPORT RESERVOIR MANAGERS WITH  
THE INITIAL SUPERVISION AND INSPECTION REQUIREMENTS OF RESERVOIRS ACT  
(NORTHERN IRELAND) 2015**

**RESPONSE FROM THE ULSTER FARMERS' UNION**

14<sup>th</sup> September 2025

**Introduction**

The Ulster Farmers' Union (UFU) is the largest farming organisation in NI representing almost 12,000 family farms. UFU membership encompasses farmers from all sectors across NI and from all farm sizes, reflecting the diverse nature of the agricultural sector in NI.

This consultation is of interest to the UFU as a number of our members own and manage private reservoirs on their land, which may be affected by the proposed supervision and inspection requirements.

Our primary concerns are as follows:

1. A £10,000 cap is not credible: Current quotes received by members indicate that initial supervision and inspection can reach £30,000+ for a single site. The proposed cap would therefore leave compliant owners carrying a large, immediate cash decision.
2. Means-testing via six-months of bank statements is inappropriate and risks false negatives: Farm and estate cashflows tend to be seasonal, and often intermixed with wider business activities. A six-month snapshot is not appropriate evidence regarding a farmers' ability to pay reliably. Grant access should be universal for designated High/Medium consequence reservoirs, or, failing that, assessed on a fairer and more proportionate basis.
3. The scope is too narrow: Limiting support to appointing a supervision and inspecting engineer overlooks essential enabling states – e.g. safe drawdown, temporary works, clearance of vegetation, and access, that are prerequisites to an inspection taking place. These costs can be material and should be eligible. The consultation highlights the requirements to ensure the reservoir is “in a suitable condition to facilitate an inspection”, but offers not support to achieve that condition.

4. A parallel, fully-funded capital works scheme must run in tandem: The Department for Infrastructure recognises the scale of post-inspection “matters of the interests of safety” will only be known after inspections, and has signaled a separate consultation on capital support. The UFU believe that this cannot be sequential, as owners will be extremely reluctant to commission inspections that could realise liabilities running in the hundreds of thousands or millions without certainty on how necessary remedial works will be financed.
5. Cash flow neutrality: Where policy imposes new stator duties with tight time limits – in this case six months to appoint a supervising engineer and one year to secure an inspection for High/Medium consequence reservoirs – compliance must be cost-neutral at point of use for small private owners. The current design fails this principle.

### **Reservoir Act and UFU Position Background**

The Reservoirs Act (Northern Ireland) 2015 introduced for the first time, a statutory framework for reservoir safety in Northern Ireland. The Act requires owners and managers of “controlled reservoirs”, defined as those capable of holding 10,000 cubic metres or more of water above natural ground level, to register with the Department, be formally designated as High, Medium, or Low consequence, and, where designated High or Medium consequence, to appoint a supervising engineer within six months and commission an inspecting engineer within one year. These inspections then may lead to further statutory obligations to undertake works identified as “Matters in the Interests of Safety”.

From the outset, the UFU expressed concern about the scope and proportionality of the Act, particularly its application to small, historic mill dams and farm reservoirs that were not constructed or maintained as public water supply assets but are nevertheless captured by the 10,000m<sup>3</sup>, and should have been considered as landscape features. During the Bill’s passage, the then-Committee for Agriculture and Rural Development raised very similar issues, highlighting that potentially significant costs being placed on private and not-for-profit reservoir managers, the lack of authoritative baseline data on reservoir condition, and the risk of abandonment when owners could not afford compliance. It was in a direct response to these concerns that Section 114 was added to the Act, giving the Department permissive powers to pay grants to reservoir managers to help meet these obligations. UFU’s position has been consistent, and whilst we recognise the public safety objective, the Act represents a very substantial new regulatory and financial burden on individuals and businesses in rural areas.

Some UFU members inherited reservoirs with their farms rather than constructing them, and these structures, which are often over 100 years old, were never subject to modern safety requirements. The Act now imposes supervision, inspection, and potentially very costly remedial works, all on private owners who gain little or no income from the reservoirs themselves.

### **Level of Funding**

The proposal to provide up to £10,000 is anchored to an assumption that the costs of initial supervision and inspection are likely to be up to £10,000. This assumption is not borne out in members' experience.

Typical cost drivers include:

- Professional fees: supervising engineer appointment/retainer, inspecting engineer day rates, and costs of drafting the inspection report.
- Pre-inspection enabling works: allowing for safe access for personnel. This includes the clearance of vegetation, repairing or making safe steps, walkways, valves, and screens to permit safe inspection.
- Risk reduction and safe drawdown prior to inspection: temporary pumping or controlled drawdown to permit spillway/valve inspection or to mitigate inspection risks.
- Specialist surveys: bathymetric/sonar surveys of impoundments, topographic surveys, CCTV or culverts/outlets, and geotechnical sampling where required.
- Travel/time premiums: many NI reservoirs are in remote rural locations, which raises access and time costs.

For a significant minority of private reservoirs, these factors will push the cost well beyond £10,000. UFU therefore recommends raising the cap to at least £35,000 per reservoir (indexed and reviewable) or covering 100% of reasonable, evidenced initial supervision and inspection costs where those are necessary to complying with the Act's deadlines.

### **Eligibility and Consequence Designation**

We note the proposal to confine eligibility to reservoirs designated High or Medium consequence, which are the reservoirs subject to the strict supervision and inspection timetable.

### **Means-Testing and Financial Need**

The proposal to assess need using six months of bank statements and a single £10,000 affordability threshold is not fit for purpose for the following reasons:

- Agricultural income and expenditure are highly seasonal, and a six-month window can coincide with sales, purchase, or subsidy receipts, and is not a reliable indicator of capacity to absorb a one-off mandated cost.
- The "reservoir manager" may be a club, trust, partnership, or a farm business with a diversified enterprise. As such, the proposed test risk penalising those who hold cash for seasonal costs.
- Owners could feel pressure to delay essential capital purchase to "pass" the test.

Given the statutory nature of the duty and its public-safety objective, UFU favours universal eligibility for all High/Medium consequence reservoirs without means-testing.

### **Scope of Eligible Costs**

The paper states that the grant “will only be provided to cover the costs of appointing a supervising engineer and an inspecting engineer”, whilst also requiring owners to ensure the reservoir “is in a suitable condition to facilitate an inspection”. In practice, making site inspectable and safe is often the expensive part. UFU therefore recommends including grants for reasonable pre-inspection enabling works needed solely to facilitate an inspection, safe drawdown costs (temporary pumping, hire, power) where required by the engineer to permit inspection, and necessary access measures related to the inspection.

Without this, the scheme does not meet its own objective of supporting “initial supervision and inspection” because it excludes the necessary steps to enable those activities.

### **Payment Mechanisms**

The consultation offers two options; direct payments to engineers on receipt of reports, or reimbursement to reservoir managers in arrears. From a small owner’s perspective, reimbursement still forces a large, uncertain payment up front.

UFU’s preference is a direct payment to engineers against an approved purchase order issued by DfI after the reservoir manager’s procurement/appointment. The reservoir manager should retain commissioning control, with DfI paying the invoice on the receipt of a report. A simple pre-approval step confirming eligibility and an indicative value before work starts, so owners are not exposed to open-ended liabilities.

This approach removes the risk to cash-flow but preserves the contractual relationship between the manager and engineer.

### **Capital Works Grant Scheme**

The Ministerial Forward acknowledges that capital costs will only be known after inspections, and signals a separate consultation on further capital. UFU strongly urges a two-track approach: publish now the design principles, budget, intervention rates, and timeline for the capital scheme, and allow for conditional approvals, so owners can proceed with inspections knowing how the associated remedial works will be funded.

Otherwise, owners face the prospect of commissioning inspections that immediately surface liabilities potentially running to millions, with no sight of any capital support. This would be an untenable position for private individuals and small farm businesses.

### **Timelines and Practicality**

High/Medium consequence reservoirs must appoint a supervising engineer within six months of designation and secure an inspection within one year. Where owners must first arrange enabling works or safe drawdown, and where engineer capacity is tight, the scheme should offer deadline flexibility (extensions by notice) in these circumstances.

### **Proportionality**

Many private reservoirs in NI are historic, small-scale features integral to farm drainage, biodiversity, and local amenity. An under-funded regime risks abandonment or permanent drawdown, which would degrade rural heritage and the landscape. Therefore, a scheme that is adequate, simple, and cash-flow neutral, tied to capital grant scheme for remedial works, will secure safety outcomes without unintended losses.

### **Conclusion**

The UFU supports grants to cover initial supervision and inspection costs. However, a grant with a £10,000 cap which is means-tested and for inspections only will not meet its intended objectives. Without a realistic cap, or full cost coverage, inclusion of enabling works, and a synchronised capital scheme, the policy risks pushing compliant owners into significant deficits and underscoring unaffordable liabilities, which ultimately undermines both compliance and safety.

We ask the Department to adjust the scheme along the lines set out above so it is fit for purpose and cash-flow neutral at the point of compliance.