

Layla Moran MP

Liberal Democrat MP for Oxford West & Abingdon

www.LaylaMoran.com

Cllr Bethia Thomas
Vale of White Horse District Council
Abbey House
Abbey Close
Abingdon
OX14 3JE

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Dear Bethia,

Thank you for updating me on your Council's views on Thames Water. It is outrageous that a failure to deliver a decent service while polluting our rivers could be twinned with price hikes on bill-paying customers already struggling with the cost of living.

I receive a constant stream of complaints about Thames Water. One constituent described it as a "disaster of a company" – I completely agree. It dumps sewage in our rivers, fails to unblock drains, fails to fill reservoirs and does not deliver value for money.

The latest insult is that Thames Water's sewage dumping caused concerns over the safety of our rowers in the Boat Race.

Councillors might be aware that I raised the issue of Thames Water's poor performance recently in Parliament, putting the concerns of so many customers directly to the Minister.

I told the Minister that Thames Water had spilled sewage for 6,500 hours in the last nine months of 2023, and that sewage spilling was occurring across 28 sites in my constituency *as I spoke*.

Remarkably, after 35 years of Conservative water company privatisation, the Minister agreed with me. He said, "Let me be clear: Thames Water's performance is completely unacceptable, and it must take urgent steps to turn this around."

The list of other issues caused by Thames Water is almost as long. In Lower Radley, I have been pushing for six years for Thames Water to deliver its promise to upgrade the pumping station and fix the pipes. Residents and businesses on the Botley Road recently suffered a sewage leak; it took ten days of me and my staff badgering them for a pumping truck to be deployed to empty the backed up sewer.

Further down the Botley Road, I have been urging Thames Water to reinstate the mains connection under the Osney Bridge. Work has now started, and I will continue to hold Thames Water to the schedule it has proposed.

I am also supporting a group of residents in the Osney area whose water pressure was cut overnight and without warning because of Thames Water's leaking pipes. Rather than fix the problem, Thames Water appears to have chosen customer inconvenience. Sewage dumping from the Cassington Treatment Works continues to put the hard-fought bathing water status of Port Meadow at risk.

Looking ahead, I now hear that we might be at risk of a summer draught and hosepipe bans because water companies like Thames Water haven't filled their reservoirs over the winter. This is despite record rainfall lately.

Sewage pollutes our waterways, damages the natural environment, and poses serious health risks to wildlife, pets and humans. It now appears that Thames Water's performance is so poor that even its investors have lost faith.

During my debate, the Minister claimed that the Government will continue to tackle underperformance of water companies through the regulators Ofwat and the Environment Agency (EA). However, reading through the small print of the Autumn budget, the Environment Department (which includes the EA) had its budget cut by £500 million in real terms – an 11% fall in funding.

While we wait to see whether the Government will do anything, Thames Water recently refused to contribute to the new £180 million anti-pollution fund. It is the only water company to not support this scheme.

Instead of trying to clean up its own mess, I understand that Thames Water is lobbying Government to allow it to increase customer bills by up to 60 per cent, for Government to allow it to pay dividends to its parent company, and to reduce the severity of fines.

This is shocking behaviour considering that Thames Water has paid its executives almost £8 million in bonuses in recent years. I am also aware that the Government may be creating a bail-out plan, such is the financial instability of the company.

My colleague, Sarah Olney MP, recently asked the Government to publish this plan. The Government refused, saying it was not in the public interest. I have therefore called for the Government to use its new Special Administration laws to ensure that the taxpayer would not be liable for the firm's debts, rumoured to now be £18 billion. Instead, Thames Water's holding company would be liable.

Putting Thames Water into Special Administration would keep the taps running, the toilets flushing, restart efforts to stop sewage discharges and end executive bonuses. But so far, this Government has watched from the sidelines as asset-strippers run Thames Water into the ground. Thames Water bosses have been profiteering off sewage dumping for years, and this must be the end of the line for them.

In the long term, I want to see a different way of operating for Thames Water. Rather than putting profit first, and treating the environment and customers as lesser concerns, I want to see water companies transformed into 'Public Benefit Corporations'.

This would change the success criteria of the company, prioritising the environment and customers over shareholder returns. I want to see environmental experts on the Thames Water board, and requirements to be more open and transparent. Currently, water firms do not have to provide information to the public, and can refuse to answer Environmental Requests for Information.

At a time when even the Minister admits that "Thames Water is failing to meet its commitments to customers on eight of the 12 common performance metrics [and its] environmental performance [is] at the worst levels since 2013" it would be obscene to reward that failure. We need another way to manage water, not more of the same funded by increased bills, weaker deterrents and tax-payer bail-outs.

Thames Water must do better, the Government must do better, and we must take every opportunity to make that known.

Best wishes,

A handwritten signature in black ink that reads "Layla Moran". The signature is written in a cursive, flowing style.

Layla Moran