

29 November 2021

SENT BY EMAIL

Jonson Cox CBE Chair Ofwat 7 Hill Street Birmingham **B5 4UA**

Dear Jonson,

We note the announcement that Ofwat and the Environment Agency will be conducting an investigation into the discharge of untreated sewage from wastewater companies' sewage treatment plants. Media coverage of related issues in recent weeks has prompted a great deal of concern over the potential environmental impact, but has also served to undermine the confidence people can have in the integrity of their wastewater providers. I am writing to you on behalf of the nation's consumers to seek clarity on the detail of - and circumstances leading to - this investigation.

Firstly, we request transparency in how this investigation will be conducted. In particular we think it would be helpful to share details of the estimated timescale you are working to - including any key milestones. If this is likely to become a protracted process, CCW would suggest that interim communications be issued to address people's ongoing concerns by providing regular updates to customers on the investigation's progress. Likewise, we suggest that Ofwat and the EA require all companies to provide information on the safety of their watercourses in the interim period, to help to allay concerns while this investigation is ongoing.

Your announcement mentions that some wastewater companies have already admitted to a degree of unpermitted sewage discharge from their treatment works. Any further information with regards to these potential breaches that you are able to share at this time would be helpful. We also seek clarity around the level of prior knowledge of these issues at both Ofwat and the EA, as well as any steps the regulators have already taken to address them. In addition, we wish to understand the time period over which the investigation will be concentrated.

In due course, we will also seek to understand the potential outcomes of the investigation from the perspective of the people we help. As we have long argued, while fines send a signal to the industry, we believe the money is better directed at repairing any damage caused. Similarly, if there is a suggestion that companies have not invested people's money wisely and in the appropriate maintenance and enhancement of their sewerage systems, what redress can people expect, and over what period? With 1.5 million people facing water poverty, and bills likely to rise for many billpayers in the coming year, we seek assurances that they will not be expected to pay for any maintenance and improvements that should have already been delivered. If it is the case that investment has not been allowed by previous price reviews, please outline how this will be addressed in the future.

We also note in your announcement that as part of this process, you are requiring wastewater companies to outline how they intend to rebuild consumer trust. CCW is keen to understand your plans for assessing this, and what assurances companies will be required to provide that such behaviour will not be repeated. Until now, there has been a reliance on companies self-reporting, which raises questions about how they will be held to account going forward. As the voice of water consumers, CCW stands ready to help in articulating what form this should take, and assessing companies' plans. We would welcome the opportunity to work with you in this regard.







As we know, the lack of capacity of our sewage system has been exacerbated by climate change, and what was once deemed 'exceptional' weather has now become more commonplace. It's for this reason that CCW is campaigning for wastewater companies to stop using the extreme weather caveat, which means the company doesn't need to pay out compensation to customers affected by sewer flooding. Furthermore, we are clear that any action taken to reduce the use of Combined Sewer Overflows (CSOs) must not expose customers to an increased risk of sewer flooding. We ask you as regulators to confirm what additional protection will be put in place for the future.

It is evident that any sustainable response to addressing climate change, investment and supporting customers will require a coordinated effort across the sector with consideration of the long term challenges it faces. It is therefore important that actions are not piecemeal or token, and that all parties are involved.

I look forward to hearing from you, and to giving consumers a meaningful voice in your investigation as it progresses.

Yours sincerely,

Robert Light

Chair CCW

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