

Written evidence submitted by Mike Owens to The Water (Special Measures) Public Bill Committee (WSMB03).

Respondent: Mike Owens in a personal capacity and also on behalf of Hayling Sewage Watch, a campaign group on Hayling Island, Hampshire which has 5,500+ members.

1: Executive Summary

As a resident of the Southern Water region and a national advocate for addressing sewage pollution, I commend the Water (Special Measures) Bill as a vital step toward rectifying decades of environmental harm caused by inadequate regulation and corporate malpractice in the water industry. Below, I outline critical concerns and actionable recommendations.

1.1 Executive Summary: Root Causes of Sewage Pollution

1. Systemic Regulatory Failures
 - Years of underfunding and weak oversight by OFWAT and the Environment Agency (EA) have allowed water companies to significantly exploit regulatory deficiencies by prioritising profits over public safety and environmental protection.
 - DEFRA's 2013 Bathing Water Regulations consultation which closed on December 23rd 2024 will highlight ongoing public safety risks that demand urgent reform.
 - The current crisis shows that self or light touch regulation and monitoring is clearly not working strategically to protect the environment or customers.
2. Corporate Exploitation of Weak Oversight
 - Water companies operate within deficient regulatory frameworks that fail to address key pollution metrics, such as volumetric discharge data, and have resisted transparency and accountability measures. Water companies are clearly taking advantage of this

1.2 Executive Summary: Key Issues in the Southern Water Region

1. Inadequate Monitoring and Accountability
 - Self-policing of pollution data enables water companies to manipulate outcomes, while EA's reliance on filtered, summary data masks the true extent of pollution which is rarely detected & highlighted by regulators.
 - "Dry spills" (sewage discharges unrelated to rainfall) are grossly underreported and must be rigorously investigated and prosecuted.
2. Erosion of Public Trust
 - Communities perceive water companies as profit-driven entities, who don't understand the concepts of openness and transparency and who consistently fail in their role as environmental stewards
3. Misguided Corporate Strategies

- Examples include Southern Water’s proposed energy-intensive reverse osmosis (RO) plants, which prioritise short-term fixes over sustainable solutions while ignoring huge infrastructure leaks.
- 4. Greenwashing Nature-Based Solutions
 - While promoted as eco-friendly, these solutions are underfunded, too slow to become effective, and insufficient in addressing urban sewage pollution effectively.
- 5. Inadequate Pollutant Testing
 - Water companies focus narrowly on nitrogen, whilst ignoring harmful chemicals, pathogens, and micro/nano-plastics, leaving critical gaps in understanding the full impact of their sewage discharges both treated and untreated.

1.3 Executive Summary: Recommendations to Strengthen the Bill

1. Executive Accountability
 - Extend bonus blocks and impose personal financial and criminal penalties on executives and senior managers for pollution breaches. Direct criminal and financial accountability will incentivise improved decision-making and prevent corporate evasion of environmental responsibilities.
2. Independent Monitoring
 - Replace Event Duration Monitoring (EDM) with volumetric discharge metrics to capture accurate pollution data.
 - Fund year-round, independent testing of sewage discharges for a broader range of pollutants, including chemicals, pathogens, and plastics.
 - Ensure independent analysis determines the true sources of pollution and prevents water companies from blaming unsubstantiated external factors.
3. Enhanced Regulation
 - Expand funding and empower the EA to enforce robust compliance. Mandate volumetric data reporting, enforce comprehensive pollutant testing, and increase oversight of environmentally sensitive projects.
 - Address infrastructure leaks and expand sewer capacity to mitigate the long-term impacts of climate change.
4. Transparency and Public Engagement
 - Require real-time public reporting of sewage discharges and pollutant levels to rebuild trust and enhance accountability.
5. Rethinking Corporate Strategies
 - Halt environmentally damaging projects like RO plants and prioritise sustainable infrastructure upgrades, such as repairing massive leakage and expanding sewer network capacity. Environmentally sustainable solutions to make more water available embracing the effects of Climate Change are being dismissed by Southern Water. Profit is being prioritised over environmental guardianship which can be illustrated by Southern Water’s dismissal of moving River Itchen abstraction to the tidal limit thus protecting 12km of pristine chalk stream; all at a fraction of the cost of and much more environmentally friendly than highly damaging RO equipment.

2: About me

As a resident of the Southern Water area and a nationwide campaigner on sewage pollution by water companies, I am acutely aware of the persistent and significant issues surrounding seawater and river sewage pollution across all of the water companies in the UK. I have held and will continue to hold regular meetings with Southern Water's CEO, executives, and MPs across Gosport, Chichester, and the Isle of Wight in pursuit of improved regulation. I believe the Water (Special Measures) Bill, if enacted with robustness and common sense, has the potential to drive meaningful change in our region and beyond. I have been campaigning for decades on this issue and my reason for submitting is finally there appears to be light at the end of the tunnel that might provide a resolution. Below, I detail my concerns, observations and recommendations.

3: Root Causes of the Sewage Pollution Crisis

The well documented sewage pollution scandal stems unequivocally from years of poor regulation by OFWAT and the Environment Agency (EA). Decades of government funding cuts have significantly exacerbated these shortcomings, leading to inadequate oversight and poor quality enforcement. Water companies exploit these weak regulatory frameworks, enabling them to prioritise profit over environmental protection and public safety concerns with impunity.

This has been further highlighted in the DEFRA Consultation on the Reform of Bathing Water Regulations 2013, where significant public safety issues in rivers and seas have been highlighted I would encourage committees to closely scrutinise this consultation because it is highly relevant to the four main aims of this bill

4: Key Issues in the Southern Water Area (and Beyond)

1. Self-Policing by Water Companies

- The Environment Agency bases decisions on filtered, summary data rather than monitoring raw data, leading to a lack of actionable insights. For instance, "dry spills" (raw sewage discharges not caused by rainfall) are still occurring and are grossly underreported and detected by the EA.
- Self policing of water company data provision to regulators must stop immediately. Regulators need to internally examine their failings with respect to water company compliance data they mandatorily receive.

2. Public Distrust

- Bill payers and citizens have lost all confidence in water companies, perceiving them as organisations prioritising profit over environmental guardianship and public welfare. This sentiment is reinforced by the persistent environmental damage caused by their operations and the almost constant stream of pollution news headlines and water company fines for environmental damage.
- Water companies have seen repeated water treatment plant failures, sewage infrastructure failures, operator errors resulting in serious pollution incidents

and leaving customers drinking bottled water for many days. The low risk of prosecution reflects water company failure to respond quickly and preventative maintenance. An alarm in a sewage pumping station on the River Itchen was ignored for many hours leaving thousands of dead fish, something it was fined for. Southern Water presided over 3 major dirty drinking water incidents in the past few years.

3. Executive Accountability

- Current regulatory frameworks allow executives to make decisions that prioritise corporate profits at the expense of environment protection and public health. If executives faced personal accountability, such as fines and/or criminal charges, they would be far more likely to make responsible and more environmentally sound decisions.

4. Inadequate Monitoring Standards

- Regulators require sewage outfall instrumentation to measure discharge duration rather than volume. This oversight is clearly incompetent, as it fails to capture the true environmental impact through volumetric data. For example, a combined sewage outfall (CSO) with a 2.0m diameter discharges 100 times more pollution volume than a 0.2m diameter pipe for the same duration and flow rate. Regulators need to get a grip and ensure proper data driven measurement and impact is understood to drive improved regulatory compliance by water companies – water companies are exploiting this serious regulatory oversight to obfuscate the true environmental impact and delays true data driven impact understanding for several years.

5. Misguided Corporate Strategies

- Southern Water's proposals, such as the construction of four final effluent sewage recycling plants using reverse osmosis (RO), to manufacture drinking water, exemplify environmentally damaging and financially inefficient decision-making, whilst more sustainable solutions are side lined and not investigated exemplify environmentally damaging and financially inefficient decision-making. These plants consume enormous amounts of energy, generate toxic waste thus far whose disposal is ill-considered, and release significant carbon emissions. All this whilst the company loses 100 million litres of treated drinking water every single day through their leaking supply network infrastructure. Typically all UK water companies are losing c.20% of treated potable water. This is just not good enough when customers have paid to abstract and treat all the water being lost, then are expected to pay the additional high cost of effluent recycling, when in 2050 10% of the water being manufactured by recycling effluent will still be lost through leakage in the distribution network.
- From an environmental damage perspective the RO water manufacturing plant, presented as a drought mitigation measure, not a business as usual supply. It necessarily must operate 365 days a year consuming vast amounts of energy and emitting huge amounts of carbon whilst not supply any significant potable water. Water companies have committed to being carbon neutral by 2030 – using RO makes no sense at all unless you compare profit margins available for all potential solutions, then Southern Water's decisions all of a sudden make sense!

- In Havant, Southern Water plans to sink piles that will perforate into toxic historic landfill sites for their proposed plant construction, risking serious contamination of local water tables and SSSI coastal environments from escaped toxins. Southern Water has pressed ahead with the purchase of the RO site without fully understanding the environmental risks in this regard thought by local experts to be significant.
 - Water Company management needs to be open and transparent about its plans and decisions for all aspects of its business particularly relating to environmental impact. Often, as is the case with Southern Water, regulators are openly allowing the obfuscation of environmentally significant consultation documents behind the dark cloak of national security concerns without checking the validity of document exclusion from public gaze. I, with others, have seen many of these documents; there are clearly no such concerns and Southern Water used these rules to exploit regulatory failure in this regard when this environmental and option appraisal information should clearly have been in the public domain to allow more robust scrutiny and public debate about the options, especially when customers are expected to pay for the options selected.
6. Greenwashing Nature-Based Solutions
- Water companies frequently promote nature-based solutions as cost-effective remedies for sewage pollution. However, these approaches are totally insufficient in scale, very slow to implement and to become effective, and often will be ineffective in urban areas where land is scarce and expensive.
 - Also, Southern Water's recent "investment" for a 50% increase in stormwater storage in Havant would reduce stormwater discharges by less than 20%, according to Southern Water estimates obtained through EIR requests. It was sold to the consumers and to the press as a massive environmental improvement when in reality it was not. Why were they not far more ambitious – they may as well not have bothered?
7. Insufficient Monitoring of Pollutants
- Water companies typically only routinely test final effluent for nitrogen in their closed loop control systems, totally ignoring over 30,000 chemicals, including micro/nano plastics and harmful pathogens like Intestinal enterococci and Escherichia coli. This lack of comprehensive monitoring undermines efforts to address the full scope of environmental damage. Monitoring must be independently funded and assessed.
8. Climate Change Impact
- Climate change is exacerbating sewerage infrastructure challenges. Despite this, water companies are doing very little to increase system capacity, focusing instead on protecting profits, bonuses, and investor returns. Greenwashing is often used to deflect attention from this but the reality is that my local sewage undertaker is abjectly lacking in ambition to address this. If Southern Water collected more rain and stored it could have multiple benefits to society; storing increased rainfall during wetter winter for use in drier summers, reducing flood risk, reservoirs provide recreational and public

health benefits. This is not being adequately considered in water company options appraisal and selection.

5: My Recommendations and Observations on the Bill's Aims

1. Executive Accountability

- It is unequivocal that Executive decision making is directly impacted by regulatory frameworks' demands for environmental protection and public health and safety
- Blocking executive bonuses for pollution breaches is without doubt an essential first step. I would propose extending this to ALL executive board members and senior directors to ensure collective responsibility. Reducing executive and managerial incomes tied to environmental failings will in my view undoubtedly drive better decision making and foster a cultural shift towards prioritising public and environmental welfare oversight.

2. Criminal Charges and Personal Fines

- Fines and criminal charges must target individual executives rather than the corporate entity in order to influence environmentally sustainable decision making. This ensures accountability rests with decision-makers rather than penalising customers, services or diverting funds from reparative actions. Persistent breaches should absolutely lead to escalating personal executive penalty, creating a strong deterrent against environmental impact violations. Penalising and prosecuting executive decision makers over the corporate entity should protect investor interest vital for unfettered service provision.

3. Independent Monitoring

- Independent monitoring of all sewer outfalls is absolutely critical. Event duration monitoring (EDM) should be swiftly replaced with volumetric instrumentation to more accurately measure pollution volume as well as duration and assess impacts. Regulators must enforce comprehensive testing of final effluent and stormwater discharges for a wider range of pollutants, including chemicals, sewage pathogens cited in the Bathing Water Directive, pharmaceuticals, and nano/micro-plastics. Nano-plastics from both treated and untreated sewage, are of grave concern for these have been found within human bloodstreams and they get into our food chain through marine life that we eat. Currently, regulators simply allow water companies to cast doubt on their own culpability by attributing environmental damage to farming or wildlife without substantiating these claims with hard data. Independent testing including e-DNA for determining species other than humans must determine the true sources of pollution and assign accountability appropriately. To fund this, I suggest that water companies indirectly finance year-round independent routine testing to ensure a clear understanding and attribution of sewage pollution sources.

4. Strengthened Regulation and Oversight

- The Environment Agency requires massively increased funding and a mandate to enforce stricter data driven compliance. This includes addressing systemic issues like "dry spills", comprehensive compliance data examination

to assess performance and ensuring robust impact assessments for environmentally sensitive projects and outfall locations, not only for waste water projects, but also for effluent recycling schemes before they are selected.

5. Redirecting Corporate Strategies

- Water companies must prioritise fixing drinking water infrastructure leaks in a much more aggressive and ambitious way expanding sewerage capacity, and investing in more sustainable solutions over environmentally damaging projects like manufacturing drinking water through reverse osmosis plants or desalination. Only 1% of rainfall is collected in the UK we need to prioritise collecting and storing the forecast increase in winter rainfall in new reservoirs and confined aquifers and have multiple benefits to society. This shift would reduce energy consumption, minimise environmental pollution, and address long-term environmental challenges.

6. Transparency and Public Engagement

- Mandatory real-time public reporting of discharge data and pollutant levels will rebuild trust and empower communities to hold water companies accountable. Some water companies are doing this already but in a way that is certainly not open and transparent. Water companies appear to be always on the look out to obfuscate and to confuse; water company executives could put a stop to this if they chose to, sadly they do not openly do this. See my comments on trustworthiness.

6: In Conclusion...

The Water (Special Measures) Bill represents a pivotal opportunity to correct decades of regulatory failure and corporate environmental malpractice.

By holding executives personally financially and criminally accountable for their own decisions, improving monitoring standards, and enforcing a stronger, well funded regulatory framework actually capable of decisive action, now currently the case in my view, we can drive meaningful and transformative change in the water industry.

I call on Parliament and the House of Lords to pass and rigorously enforce this bill to safeguard our environment and public health. This must include holding water company decision-makers criminally and financially responsible for their persistent wrongdoing and pollution. The repeated failure of piecemeal regulatory “adjustments” or tinkering, over past decades is undeniable. Only direct accountability for executives will lead to improved environmental decision-making for the benefit of all of us

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