



Department for Environment Food & Rural Affairs

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Our ref: PO2023/18102/SO

06 February 2024

Dear Harry,

Thank you for your letter of 11 September to the former Secretary of State, the Rt Hon Thérèse Coffey MP about water pollution. I am replying as the Minister responsible for this policy area, and I apologise for the delay in responding to you.

We are clear that water companies must not profit from environmental damage. That is why the Government supports Ofwat new rules on water company dividends and bonuses, so that consumer bills never reward pollution. On 20 March 2023, Ofwat announced new powers that will enable it to take enforcement action against water companies that do not link dividend payments to performance for both customers and the environment.

Further to this, on 29 June 2023, Ofwat confirmed new plans that will ensure customers no longer fund chief executive officer bonus payments where they have not been sufficiently justified. This is the latest in a series of measures Ofwat has put in place to ensure that water companies are accountable for their actions.

On sewage discharges, in August 2022 the Government launched the most ambitious plan to reduce sewage discharges from storm overflows in water company history. Following consultation, the Government published an expanded Storm Overflows Discharge Reduction Plan (SODRP) on 25 September 2023 to cover coastal and estuarine overflows. This Plan will drive the largest infrastructure programme in water company history - £60 billion capital investment over 25 years. Further, on 25 April, we announced that we would set a legally binding target to crackdown on sewage spills from storm overflows.

The additions to the Plan will also mean that marine protected areas and shellfish water protected areas will also be added to the 'high priority sites' list, alongside sites of special scientific interest and bathing waters.

The Government is committed to the system of independent economic regulation. Since privatisation, the private water sector model has unlocked £215bn of investment (in real terms). This is equivalent to approximately £6 billion annually, which is almost double the pre-privatisation level. In every year since privatisation, the water sector has invested more than it has paid in dividends. This has delivered a range of benefits to customers and the environment:

- Our bathing waters continue to improve – In 2022, 93% were classified as 'good' or 'excellent', up from 76% in 2010.
- Supply interruptions to customers have decreased five-fold and leakage has been cut by a third since privatisation.

- Pollution in our rivers has significantly reduced – there is now 80% less phosphorus and 85% less ammonia compared to 1990 when water companies were privatised.

However, the Government is clear that to retain public support, water companies must ensure they meet high standards of transparency and corporate Governance.

We have increased the number of storm overflows monitored across the network from 7% in 2010 to 91% now monitored, and we will reach 100% cover by end of this year. In April, we also launched our consultation on Continuous Water Quality Monitoring and Event Duration Monitoring. This outlines the Government's proposals to enhance the monitoring of storm overflow and final effluent discharges. The response to this consultation was published on 14 September 2023 and is available at: Summary of responses and Government response - GOV.UK (www.gov.uk).

Furthermore, we have legislated to remove the cap on the civil penalties that can be imposed by environmental regulators, as well as significantly broadening their scope to target a much wider range of offences. These changes will provide regulators with the right tools to drive compliance across a range of sectors and will come into force on 1 December 2023. These changes apply to all operators covered by the Environmental Permitting Regulations, including agricultural businesses.

In addition, over the next two years the Environment Agency will introduce additional specialist officers to focus solely on water company regulation while also introducing new tools which will turn huge quantities of monitoring information into regulatory intelligence.

Regarding the River Irk, River Medlock and River Tame, significant improvements to Wastewater Treatment Works (WwTW) and Combined Sewer Overflows (CSOs) have been completed or are programmed within the Oldham Council area through UU's five year investment programmes, benefitting the water quality.

Within the River Irk catchment, United Utilities (UU) completed a significant improvement project in 2020 to reduce storm sewage discharges at Oldham WwTW and at Royton WwTW. This also included ceasing the treated sewage effluent discharge at Royton with flows transferred to Oldham WwTW where the discharge limits on organic load of the treated effluent had also been tightened. At the end of September, a limit on the nutrient (phosphorus) load of the treated effluent from Oldham WwTW came into effect. Also in 2020, significant work was completed at Failsworth WwTW and upstream CSOs to improve water quality in the River Medlock to meet Water Framework Directive (WFD) standards. In the current investment programme (2020-2025) there will be a further upgrade at Failsworth WwTW to reduce nutrients (phosphorus) EA has been working with UU on the development of their investment programme for 2025 to 2030, including progress towards the targets of the SODRP, together with other environmental drivers.

I have noted your concerns regarding of 2,4-Dichlorophenoxyacetic acid, (Perfluorooctane sulfonate) PFOS and pFoctanoate. Although concentrations of these have been detected within the River Tame at Pingle Lane, these are not necessarily in concentrations considered high enough to cause harm to aquatic life. Water quality data is analysed on a 3 yearly basis against environmental quality standards to inform classification of chemicals within a waterbody. While the 2019 WFD classification for PFOS in the Tame (Source to Chew Brook) is in fact Good, other priority hazardous substances, Mercury and (Polybrominated diphenyl ethers), are classed as failing. These ubiquitous chemicals are now controlled and there are international agreements to reduce emissions, but because these chemicals persist and do not break down quickly, they will be in the environment for decades to come. Sources of these chemicals include run-off from land, and wastewater treatment works.

There are no significant wastewater treatment works upstream of the River Tame at Pingle Lane, so in this case it is unlikely to be a UU asset causing concentrations to be detected within the waterbody.

There should be no doubt about Government's ambition and determination to ensure that water companies do not profit from environmental damage.

Thank you once again for taking the time to contact us about this important issue.

With kind regards,

Yours sincerely,



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Parliamentary Under Secretary of State for Environment, Food & Rural Affairs