



The Clean River Kent Campaign (CRKC) is a group of volunteers who live in communities along the River Kent. It is not allied to any political party.

CRKC POLICY STATEMENT ON THE FUTURE OF THE WATER INDUSTRY IN ENGLAND

- The water industry should be regarded by Government and regulators as a 'sovereign industry', essential to national security and well-being, especially in light of the climate emergency. A country that is not in control of its own water resources is highly vulnerable.
- Relating to the climate emergency, the privatised (for profit) model for running the industry is arguably the least compatible with growing requirements for water and sewage undertakings to work cooperatively with public and third-sector organisations on enhancing biodiversity, environmental protection, flood prevention and flood management, including the Environment Agency (EA), local authorities, Natural England and Wildlife Trusts.
- The current industry model of private ownership of water companies, overseen by financial and environmental regulators is a failure. This model has failed to deliver clean rivers, lakes and seas. All water and sewerage undertakings in England have been in breach of (multiple) statutory duties. The model has failed to future-proof the water supply. It is a national scandal that since privatisation, money which should have been invested in maintaining and modernising infrastructure and improving water quality has been siphoned off to reward investors, shareholders and executive directors. No other country has adopted the English model of privatisation.
- On its own, tougher regulation of the private water companies is not the answer. There is an enduring tension between the public interest and private interests, producing financial regulatory systems that are complex, wasteful and lacking in transparency. The corporate structures of most water and sewerage undertakings are complicated and opaque. A growing number are owned by offshore equity funds. The companies are powerful and there are limits to the extent to which a regulator can control private capital. The price review mechanism used by the current regulator, OFWAT (the Office of Water Services), has not safeguarded customers' interests. While water industry debt has been mounting and dividends have been paid out, customers have been left to foot much of the bill for future improvements. Water charges have skyrocketed this year, yet six companies are seeking to charge more than OFWAT has allowed. CRKC calls for the water industry in England to be publicly owned and democratically controlled.
- Opinion polls have consistently shown that the majority of respondents support public ownership of the water industry. Water privatisation has never been supported by the majority of respondents to opinion polls. To give an example from the 2020s, a large YouGov poll in October 2022 found only 8% of people supported privatised water, whereas 63% wanted public ownership.

- CRKC recognises that there are different means of achieving a transition to public ownership and different forms of public ownership and accountability. At this stage, different structural and financing options (drawing on international examples) should be investigated by the independent water commission (the Cunliffe Commission) set up by the Government.
- CRKC also supports more innovative ways of involving members of the public in shaping alternatives to the current water industry model (such as people's assemblies).

This statement (as agreed) can be updated/amended by the CRKC Steering Group in consultation with volunteers, in response to changing circumstances in the water industry, initiatives by sister campaigning groups and/or developments in Government policy. In any event, the statement will be reviewed annually by the Steering Group.