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SENT VIA EMAIL

Our compliance with environmental permits

You may be aware that Ofwat and the Environment Agency are investigating water and sewerage company compliance with particular aspects of environmental permits for sewage treatment works. I thought it might be helpful if I provided some context and an update on what we are doing at Thames Water.

Legal compliance must be the baseline for any organisation's activities, and we are cooperating fully with the inquiry. But we want to go further. We believe rivers should be beautiful, natural places that provide opportunities for recreation, relaxation and inspiration. While it will not be quick, cheap, or easy, our aim is to go beyond the requirement in the Environment Act to achieve a progressive reduction in overflows. We want, over time, to completely eliminate them. The need to do this is a strong theme in the recent report of the House of Commons Environmental Audit Committee, to which I gave evidence.

In October 2020 I set out our position that all overflows of untreated sewage into rivers are unacceptable, even when permitted. Since then we have accelerated work to radically improve our position. Our programme of work includes:

- Increasing treatment and/or storage capacity at 64 of our sewage treatment works, including Chesham, Oxford, Witney, Fairford and Ampney St Peter
- Fitting spill duration monitors at all of our 468 permitted overflows, which we completed in 2020, to help prioritise investment that will offer best value for customers and the environment
- Committing to publishing near-real time notifications of discharges from these locations by the end of 2022, helping river users to make informed choices
- Using new and better data to investigate root causes and potential solutions at 128 'highspilling' overflows, up from the eight originally agreed with the Environment Agency.
- Assessing the condition of 300km of sewer and relining up to 30km to tackle groundwater infiltration, a major contributor to overflows
- Increasing sewer cleaning from 900km in 2019 to 2,300km this year, and accelerating work to install sewer depth monitors to provide overflow risk alerts, with around 100 now being fitted every week.

These improvements form part of our five-year investment plan to 2025, in which we have allocated an unprecedented amount of investment for safeguarding rivers and streams. We are spending £1.25 billion on maintaining and improving our operational sites, including contributing to the health of 745 Km of rivers of rivers across London and the Thames Valley.

Ofwat and the Environment Agency's inquiry is looking specifically to the ability of treatment works to fully treat the increased flow of sewage that arrives, via sewers, following rainfall. This includes compliance with the minimum rate of flow that must be passing through the treatment process before any excess flows can be discharged to the storm tanks and ultimately (if the storm tanks become full) to the watercourse. This is important because if a works is not treating the full flow specified in the permit then discharges of untreated sewage could be made prematurely, or for longer than would have been anticipated under the permit.

Unlike other aspects of these permits, compliance with flow limits is not something that has routinely been monitored across our industry. We are currently rectifying this through the installation of monitors at key points in the treatment process, in recognition that current arrangements are insufficient to allow full and proper assessment of permit compliance.

We will fit 239 additional monitors to indicate when storm tanks at works begin to fill up, as well as increasing our direct monitoring of the flows coming into our works. We expect 119 sites to be fully equipped to monitor across both of these metrics by 2025 and the remainder to be equipped early in the cycle from 2025-2030.

We are determined to play a central role in improving the rivers in our region, but in the complex catchments we operate in it's clear that we can't do it on our own. Our Smarter Water Catchments programmes on the Rivers Chess, Crane and Evenlode are pioneering a new way for all the groups who care about and have a role to play in improving these rivers to work together and deliver a joint plan that will make a real difference. Our ambition is to roll this approach out across our region from 2025.

Looking more widely, there are also actions that government could, and we believe should, take to support the elimination of overflows. This includes bringing into force Schedule 3 of the Flood and Water Management Act 2010 to remove developers' automatic right to connect rainwater drainage to combined sewers, which puts huge pressure on their capacity. We welcome Defra's decision to review whether or not this schedule, which already exists in the legislation, should be brought into force. Looking to the future, we also want to see the government provide strong and clear support for investment to protect and improve our rivers in the Strategic Policy Statement, which will set the policy framework for Ofwat at the next price review in 2024.

We will keep you updated with the progress of the investigation and if you have any questions in the meantime please do not hesitate to contact me.

With very best wishes,

A handwritten signature in cursive script that reads "Sarah Bentley".

Sarah Bentley
Chief Executive Officer