Headlines

- This Government is the first to tackle sewage overflows and is building on that record today by launching the most ambitious plan to tackle sewage discharges from storm overflows in water company history.
- Our new strict targets will see the toughest ever crack down on sewage spills.
- Our Plan will require water companies to deliver the largest infrastructure programme in water company history £56 billion capital investment over 25 years.
- Our Plan will tackle storm overflows and eliminate ecological harm from all storm sewage discharges by 2050. It will protect biodiversity, the ecology of our rivers and seas, and the public health of our water users for generations to come.

Key Facts and stats

- Storm overflows are a result of Victorian sewer infrastructure, operating as safety valves built into the combined sewer system. They discharge excess sewage and rainwater to rivers, lakes, or the sea when the sewer system is under strain. This protects properties from flooding and prevents sewage backing up into streets and homes during heavy storm events. A growing population, an increase in impermeable surfaces and more frequent and heavier storms because of climate change have increased pressure on the system.
- Almost nine in ten storm overflows have live monitors (Event Duration Monitoring) and all will be monitored by the end of 2023.
- Since privatisation of the water industry, approximately £25 billion has been invested to reduce pollution from sewage.
- Water companies are investing £3.1 billion to improve storm overflows between 2020 and 2025, including £1.9bn of investment to reduce sewage discharges by building the Thames Tideway Tunnel 'super sewer'.
- The use of storm overflows is strictly set out in Environment Agency permits. If storm overflows operate outside of permit conditions, the EA will take the strongest enforcement action possible. Since 2015, the EA has brought 54 prosecutions against water companies, securing fines of almost £140 million.

Overview of the Plan

Targets

• Our plan sets ground-breaking and ambitious targets for water companies to eliminate all ecological harm and protect public health from storm overflows for the first time ever.

- Under the plans announced today, water companies will have to achieve targets which will mean discharges can only happen if there is unusually heavy rain, and if there is no immediate adverse impact to the local environment.
 - By 2035, water companies will have to improve all storm overflows discharging into or near every designated bathing water; and improve 75% of overflows discharging to high priority nature sites;
 - By 2050, this will apply to **all** remaining storm overflows covered by our targets, regardless of location.
- Overflows that are causing the most harm will be addressed first to make the biggest difference as quickly as possible, and water companies will be expected to consider nature-based solutions in their planning.
- We will review this plan in 2027 to consider both where we can go further, taking account of innovation and efficiencies, and how this programme is impacting bills.
- The plan frontloads action in particularly important and sensitive areas including designated bathing waters and high priority ecological sites such as Sites of Special Scientific Interest (SSSIs), Special Areas of Conservation (SAC) and chalk streams.

Under our plan we also expect water companies to:

- Upgrade sewerage infrastructure in line with population growth and heavier rainfall.
- Ensure every inland and coastal storm overflow has screening controls.
- Map their sewer network upstream of all overflows.
- Achieve annual reductions in the amount of rainwater that enters the sewer system, by limiting new connections to the network and reducing rainwater entering the network.
- Prioritise nature-based solutions, carbon reduction and biodiversity net gain in their planning.

Under our plan, government will:

- Publish a review on the case for implementing Schedule 3 of the Flood and Water Management Act 2010, in the Autumn. This schedule allows government to mandate sustainable drainage in new developments.
- Continue to work with water companies and stakeholders on implementing the findings of the Storm Overflows Taskforce on how to better manage rainwater
- Consult on policy options in 2023 to review the Bathing Water Regulations 2013, and revise guidance on applying for new bathing water designations to support more applications.

Elimination Report

- The Environment Act 2021 placed a duty on government to publish a report on the feasibility of completely eliminating sewage discharges nationally.
- The Storm Overflows Elimination Report shows achieving complete elimination on a national level was unfeasible, due to the financial cost and the impact on customer bills.

- The report found that achieving complete elimination through separation of all storm water pipes from sewage pipes could cost up to £600bn and increase annual water bills by up to £150 in the next price period (2025 2029).
- Achieving complete elimination using a combination of increasing network storage and using Sustainable Drainage Systems could cost up to £200bn and see a water bill increase of up to £50 in the next price period.

FAQs

Why can't you improve storm overflows faster?

- We have been consistently clear with water companies that they must act rapidly to tackle sewage overflow pollution. This includes £3.1 billion to improve storm overflows between 2020 and 2025.
- Our Plan balances ambition with impact on consumer bills. Our Plan will see £56bn capital investment, and an estimated £12 average increase in customer water bills between 2025 and 2030.
- This is also why the government has introduced a review point in 2027, so we remain as ambitious as possible, while balancing impacts on bill payers.
- The government will not hesitate to set faster delivery timelines for targets if costs reduce.

What about water company profits?

- Water companies must not profit from environmental damage. Ofwat have outlined that water companies must be transparent about how executive pay and dividends align to delivery of services to customers, including environmental performance.
- We support Ofwat's recent proposals which would provide extra powers for Ofwat to take enforcement action against companies that don't link dividend payments to their environmental performance, or those failing to be transparent about their dividend pay-outs.

How are the EA monitoring water company activity?

- We have increased the number of storm overflows monitored across the network 15-fold from 5% in 2016 to almost 90% now monitored, and we will reach 100% cover by end of next year.
- Under our landmark Environment Act, we have also significantly improved transparency by making it a legal requirement for companies to provide discharge data to the Environment Agency and to make it available in near real time to the public. This monitoring data will be used by the Environment Agency to assess compliance with permits.

Have do our standards compare to those EU countries?

- The UK had high compliance rates with the wastewater legislation while we were in the EU and that has continued after leaving the EU.
- The Environment Act further strengthened our laws on water quality, from targets to tackle nutrient pollution to new powers to tackle harmful substances in our waters.

• This includes a statutory requirement for water companies to reduce the frequency and volume of discharges from storm overflows and for water companies to install new monitors to report in real time any sewage discharges in their area.

Does the privatised water model work?

- The private water sector model underpinned by strong, independent economic regulation has unlocked nearly £170bn of investment. This has delivered a range of benefits to customers and the environment, including world-class drinking water, excellently classed beaches and improved customer satisfaction, as well as two-thirds reduction in leakage.
- Average bills around £1 a day, broadly the same as 20 years ago once inflation is taken into account. According to Ofwat they are around £120 less than they would have been without privatisation and tough independent regulation.
- The government believes renationalisation would be a backward step that would cost the taxpayer, reduce investment, and stifle innovation. We will continue to utilise the strong regulatory environment to push companies to ensure they invest and continue to deliver on the public's priorities.

How has water quality improved?

- Our coastal bathing waters have <u>significantly improved</u>. In the early 1990s, just 28% of bathing waters met the highest 'excellent' standards in force at that time. In 2021, using a stricter 'excellent' standard introduced in 2015, 70.7% of bathing waters were classified as 'excellent' and another 24% as 'good'.
- Compared to 1995, <u>there is 60% less phosphate</u>, 70% less ammonia; 50% less cadmium and mercury and significantly lower levels of copper and lead in wastewater.
- Since 2010, new measures by Government and increased investment and action by water companies have produced improvements in key areas, despite the countervailing challenges of climate change and population growth.

What action are we taking now?

- Water companies have responded to Ofwat and Government's challenge to address the unacceptable levels of sewage discharged from storm overflows, and have committed to reduce overflows discharges from 2020 levels by around 25% by 2025.
- Water companies are investing £3.1bn to tackle storm overflows between 2020 and 2025. Of this, £1.9bn is being invested in London to build the Thames Tideway Tunnel 'super sewer'