

Water company bosses got 20% pay rise amid sewage ‘scandal’, say Lib Dems

Research by the party showed water company executives picked up wages of £24.8 million in 2021-22 – a increase of 21% on the previous year.

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The average water company boss’s total pay rose by 20% over the last year as a “national scandal” of leaks and sewage being pumped into the sea continues, research has suggested.

Analysis by the Liberal Democrats found the 22 water company executives across Great Britain were paid £24.8 million, including £14.7 million in bonuses, benefits and incentives in 2021/2022.

Pollution warnings were put in place on 40 beaches across England and Wales this week, mostly on the south coast, after flash flooding overwhelmed sewage systems.

Thames Water, which supplies 15 million people, is putting a hosepipe ban in place on August 24, as water levels in its reservoirs are “much lower than usual”.

Lib Dem environment spokesperson Tim Farron said: “This is a national scandal. These disgusting polluting habits have made beaches unsafe in the middle of the summer holidays and harmed precious British wildlife.

“Hosepipe bans could have been avoided this summer if these water company CEOs bothered to invest in their rusting pipes rather than stuffing profits in their pockets.

“They are putting profit over the environment. Frankly, the whole thing stinks.”

He added: “This Government is guilty by association for letting water companies get away with this.”

Using information from the annual returns of each water company, the Lib Dems found the combined bonuses and salaries per water company boss rose by a fifth – or 21% – from 2020/2021 to 2021/2022.

This is an average rise in executive pay of nearly £200,000, with the average bonus alone rising by £100,000.

Lib Dem MP for Tiverton and Honiton, Richard Foord, said beaches in his Devon constituency had been among those marked unsafe due to sewage.

“Local people and holidaymakers shouldn’t be forced to swim amidst human waste

“Devon’s beaches are amongst the best in the world but the Government is turning a blind eye while private companies ruin them,” Mr Foord said.

In a report published in July, the Environment Agency said water company bosses should face jail for the worst pollution incidents, describing the sector’s performance in 2021 as the “worst we have seen for years”.

The agency this week said that the risk of surface water floods caused by sudden heavy rain “reinforces the need for robust action from water companies to reduce discharges from storm overflows”.

David Black, the boss at water regulator Ofwat, said: “I was very clear with company remuneration committees in March that performance-related pay for CEOs should be clearly linked to their performance for customers, the environment and society.

“We are carrying out our own analysis and plan to report on whether we feel companies have clearly made this link.

“Performance-related pay can’t be a one-way street – if companies are not performing that should be reflected in executive pay.”