The People’s Plan for Water
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Executive summary

Privatised water has failed citizens, the environment and the economy. Public ownership is popular, viable and we know that it works. Importantly, public ownership gives us a say over our water companies.

The People’s Plan for Water is a collection of ideas from the public for their new publicly owned and democratically run regional water companies.

We asked our supporters to answer the question ‘what would you do if you owned your water company?’ Their answers make up the foundation of this manifesto.

Although we did find some regional patterns, the most common response by far was that no one should be making profits for their own pockets from the water industry, and that bills should go entirely towards improving the service that we are paying for and tackling the climate crisis.

Other comments revolved around the idea of saving money or reducing bills, environmental and social innovations, and democratic engagement – having our say.

Public ownership of water is not a new idea – hundreds of countries are already doing it. In fact, we can learn from places like Scotland and Paris to create a publicly owned water system that really works.

The last section of this report explores international models for public ownership of water and looks at the effects of these models on prices, water quality and customer satisfaction.
Introduction

The privatised water industry is a scam. The public has had enough of rising bills, profiteering, leaks and shocking pollution in our rivers.

We Own It is campaigning for public ownership of water in what was the first public-led campaign against water privatisation since the 90s. Now Labour\(^1\), the Green Party\(^2\) and the SNP\(^3\) all support public ownership of water – it’s looking more and more likely that it will happen. In September 2018, Shadow Chancellor John McDonnell set out in detail Labour’s policy to bring water into public ownership.

We want to make sure the public is included in the conversation around how and why we bring water into public ownership. We were inspired by publicly owned Eau de Paris’ efforts to include citizens, advocacy groups, experts, and elected representatives in decision making around the water service in Paris.

We want this document to be a crowdsourced manifesto for public ownership of water, and to explore what is possible when we free the water industry from the restrictions of private ownership.

As we set out in our May report ‘When We Own It: democratic public ownership for the 21st century\(^4\)’, public services should be accountable to everyone, including civil society, citizens and workers; with new public duties including the duty to decarbonise, to help us solve the climate crisis.

This project gives us a taste of what democratic public ownership would look like – where citizens, workers and communities can suggest and create policy ideas.
Methodology and results

Inspired by Eau de Paris’ democratic engagement with the citizens of Paris, we asked our supporters what they would do if they owned their water company. Over 600 people responded, and every major water company in the UK was represented, including publicly owned Scottish Water and not-for-profit Dwr Cymru.\(^5\)

While the most common comments were about profiteering and fairness, there were some regional themes and patterns to the comments.

**Thames Water** customers have had to deal with the water company with perhaps the worst reputation in England. They were understandably concerned about what looks like deliberate pollution, with Thames receiving the biggest fines for sewage pollution in the country.

**United Utilities** customers were particularly concerned about fracking in the North West, and the water company’s role in supplying water to the operation, as well as leaks and unfair hosepipe bans.

**Yorkshire Water** customers frequently mentioned wanting more investment in leaks and repairs, and a common theme was the idea of reducing inequality, for example by rebalancing bills to help those on benefits.

**South West Water** customers have the highest bills in the country because of their extensive coastline and tourist industry, so it’s no surprise that one of the most popular ideas was for a national system to cross-subsidise bills in more expensive areas.

**Southern Water** received a fine in 2019 for failing to invest in their sewage treatment works, leading to major pollution incidents, and then deliberately covering this up for seven years. Their customers are understandably extremely concerned.
The People’s Plan for Water

“We will invest in...properly maintained public toilets in every city, town and village”.

“I would like water rates to be abolished for people on benefits...”

“We will be able to invest in water quality and lower bills rather than sending huge profits to shareholders”

“I want the company to act with honesty, integrity and transparency putting users and the environment first”
What does public ownership mean?

Water for people, not profit

The most popular type of comment from our map spelled out the essential difference between public and privately owned services.

Again and again, across the country, people called for their water service to be run for ‘people, not profit’.

Some people explained what that meant to them:

“I would like water to be free up to a certain threshold. Based on an average usage for a family of four. And a premium rate for people/companies that use more water than they should”

Stewart Dempsey, South East Water customer

Reinvesting profits into the industry instead of handing them to shareholders means that a water company has more money to spend on improving their service. It also means that bills go towards the service that people pay for and nothing else!

But what about investment? The water industry loves to repeat the claim that they have invested £150bn since privatisation began⁶ – implying that without shareholders, this investment wouldn’t have happened.

However, income from our bills more than covers the operating costs and investment of the water companies, and has done for decades. Water is a profitable industry – it’s not rocket science to reinvest that profit into the service.

An obvious implication of removing shareholders from the equation is reducing bills: shareholders have received £56bn of dividend payments since privatisation. That’s money that could be reinvested or used to lower bills.

We’d also start to pay off the massive debt that the water companies have built up since 1989. When the water companies were privatised, their debt was wiped, but they’ve managed to build up £51bn of debt in that time. Each household is paying an extra £13 a year on top of our bills, just to pay off the interest on that mountain of debt.⁷

Research has suggested that every household in England would save £100 a year if we brought our water companies into public ownership.⁸
Democratic accountability

An important element of any new publicly owned service is democracy. We’re facing a climate crisis – in order to solve it we’re going to need everyone’s ideas and a fair process to transition to zero carbon. Public services like water are key to this.

In order for the new public ownership to be more successful and resilient than anything we’ve seen before, the people who use the service have to really have power. This means elected representatives on boards, transparent finances, and open forums to air criticisms and make suggestions.

“I want well publicised public meetings so my local water board can report back on their performance twice a year and discuss future plans and collect people’s issues and suggestions.”

Judy Scott, Northumbrian Water customer

In our report ‘When We Own It: democratic public ownership for the 21st century’ we explore a model of public ownership which puts the public – citizens, workers and communities – at the heart of our public services.9

Frontline workers have a huge amount of important knowledge and experience that can be used to improve their water company’s practises and policies. Democratic public ownership means listening to workers as well as service users.

“Yorkshire Water’s maintenance teams moved to multifunctional working in 2013. Multifunctional working is working on both sewage and clean water in the same shift. It’s logistically difficult to conduct appropriate hygiene between sewage and clean water sites. I’ve challenged this repeatedly with no solution, and I know its not just Yorkshire Water which works in this way.”

Steve Aspinall, Yorkshire Water worker

Paris’ public water company, Eau de Paris, has set up an Observatoire in order to connect and communicate with Parisians.10 It is a virtual town square, where anyone can suggest a policy for the water company to adopt. Policies debated in the Observatoire are sent up for approval by the board, which is made up of local councillors, union reps, citizens advice and environmental advocacy groups, scientists, and democracy specialists (these last two in an advisory role).

Imagine if Northumbrian Water had an online portal where customers could suggest, debate, vote on and discuss policies, which would ultimately be decided on by a board that actually represented the people of Northumberland?
What does public ownership deliver?

Public ownership of water would give us regional water authorities who put people and the planet first, rather than the pockets of their shareholders.

“Public water fountains will be reinstated and maintained in all towns and cities and funds will be set up to assist the needy with their domestic bills and to support water-related environmental/ecological initiatives.”
Marguerite McGinty, Wessex Water customer

Public services have a duty to provide a good quality, affordable and accessible service to everyone who needs it, in a way that doesn’t contribute to the climate crisis. This applies to transport, education, and healthcare, not just water. But water is so vital that this duty should not be taken for granted.

We had countless comments relating to how water companies could put your interests, the interests of vulnerable people, and the environment before profit.

Fixing leaks & being water secure

“Offer discounted rain-water/grey water harvesting equipment to reduce demand on freshwater supply; and really buckle-up on waste water through re-investing profits into fixing leaks.”
Clem Chung, Anglian Water customer

Currently, water companies fix the leaks that are economical to fix – in other words, they’ll keep fixing leaks until they’re no longer losing more profit through leaks than they are spending to fix them. That means that 20-25% of the water in our pipes leaks away before it gets to our taps.11

We need to tackle this problem in a completely different way, as well as reducing our personal consumption. Reinvesting profits means that a publicly owned water company will be able to prioritise reducing leaks, protecting the water table and reducing the need for hosepipe bans. It might rain a lot in England, but reports warn that we could be facing a water shortage within 25 years12, so this shift can’t come soon enough.
Ending pollution & dealing with sewage

Making sure our water is good quality for drinking and cleaning is essential. This includes reducing pollution and keeping our rivers, coastlines and lakes clean. At the moment, private water companies have to abide by regulatory standards of water quality and environmental protection but have been allowed to get away with shocking behaviour for the last decade. Only 14% of our rivers meet minimum EU standards for cleanliness.13

In 2010, the private water companies were handed the responsibility for monitoring their own pollution, and until 2016, they didn’t have to publish ANY of the data they collected. Yorkshire Water and United Utilities even went to the European Court of Justice to try to claim that water companies were not ‘public authorities’ and therefore shouldn’t have to publish data on sewage.14 Fortunately, since 2016, we’ve been able to see the pollution data that they collect, and the Environment Agency has responded by issuing big fines.15 However, the data is collected and published by the water companies themselves, and they have a huge incentive to hide the extent of their pollution. In 2019, Southern Water was fined £126m for hiding the extent of their pollution, from Ofwat and their customers, for 7 years!16

Thames Water was also fined a huge £20 million for huge sewage leaks in 2017.17 But even these fines are not big enough to incentivise companies to pay to deal with their sewage properly.

Soil run-off from fields causes pollution if the land is not managed well.
"The number of healthy rivers in England has declined from 27% in 2010 to 14% in 2017. If this rate of decline continues, by 2025 we might be left with no healthy rivers."

The World Wildlife Fund, 2017

This shocking neglect of our rivers and water supply cannot continue. Public water companies would have a duty to act in the interests of citizens and the environment and would have a long-term outlook on pollution and environmental damage.

Good quality water

A few of the commenters were concerned about their water quality – and the addition of fluorides and other additives to the water. Obviously in order to treat water so that it is safe to drink, chemicals will have to be added to the water supply. But there should be full transparency around what these substances are, and why they are necessary.

We also need to implement legal protections for workers who would blow the whistle on unsafe practices in water treatment.

Microplastics is a different problem, and one that the world is just starting to really wake up to. In June 2019, Greenpeace exposed the extent of plastic pollution in England’s rivers.19

But if our water companies were publicly owned, they could be part of an international cooperative effort to get plastics out of our water, working with local, regional and international authorities as well as public health bodies.

Access for everyone

Access to clean, safe water is a human right, so it should not be impossible for anyone to access water – including rough sleepers.

"Water poverty will be addressed through a combination of free access points, guaranteed minimum free access levels and the proper implementation of social tariffs."

Jeff Powell, Thames Water customer

The public water company in Paris has committed to ‘affirm the principle of the basic human right to water’.20 Access to water is about making sure water is affordable to everyone, by helping poor households with bills through a solidarity fund. It is also about making it accessible to everyone, by ensuring squatters don’t get their water supply cut off, and providing plenty of free water fountains and maps to these fountains around the city.
Lower bills

Public ownership would lead to reduced bills. In Paris, bills fell by 8% after just one year of public ownership of water. In Scotland, the average annual bill is consistently lower than the average bill in England.

Some people suggested a single flat rate for bills across the nation – with a ‘national grid’ for water making sure that each regional company could operate in a financially healthy way while levelling out bills across regions. This was a popular idea in areas with high bills, like the South West.

“Water bills will be equally spread over the country and coastal communities will not be expected to foot the bill for the whole country to enjoy the coast.”

Ley Holloway, South West Water customer.

Some suggested that meters be rolled out further to help reduce water wastage, but that they should not be relied on to determine bills, because of the extra pressure this puts on people with large families. Some wanted to do away with meters altogether.

A popular suggestion was to continue and strengthen assistance given to people who struggle to pay their bills or to ‘means-test’ bills according to income or property value. This is similar to initiatives in Paris, where households who struggle to pay their water bills are helped out with a ‘solidarity fund’.

“I would like water rates to be abolished for people on benefits…”

Carolyn, Yorkshire Water customer

Fountains

Lots of commenters remembered a time when there were far more working public water fountains in your towns and cities. If we owned our water companies, we could invest in establishing hundreds of water fountains in town centres and popular walking routes, to reduce single-use plastic and minimise our carbon footprint.

In Paris, they’ve even got sparkling water fountains across the city! That’s what we call #SocialismWithASparkle.

“It would be good to see drinking fountains in urban areas. Perhaps then people would find less cause to buy water in plastic bottles at a hugely inflated price”

Mark, Anglian Water customer
Public toilets

Ever been stuck in town, desperate for a wee? Ever needed to change a nappy, but didn’t want to spend the £3 on a coffee needed to justify using the cafe toilet? Apparently, lots of our supporters know this pain – public toilets were a really common suggestion!

“We will invest in...properly maintained public toilets in every city, town and village.”
Richard Hughes, Severn Trent customer

We shouldn’t be charged for using a toilet, and we shouldn’t have to sneak into pubs and cafes to use the facilities in a tight spot. It’s unfair on the business owners, and particularly hard for people with young children or people with mobility difficulties. If we owned our water companies, we could vote on the location of new public toilets, and make sure they were kept clean and functional.

No fracking

A number of comments focused on a topical issue – fracking. Commenters were clear that if they had the power to do so, they would refuse access to the huge quantities of water required by fracking operations.

It is not clear that an individual water company would in fact have this power, even under public ownership – so further mechanisms for accountability in local government may be needed.

“We will pause the supply of mains water to any operational fracking sites pending a proper environmental investigation including a full and current impact assessment of the risks to land, water and life”
Nick Senior, United Utilities customer
Responsible stewardship & leisure

Water is not just for drinking and washing – lots of us would love to have access to water for leisure as well!

Things like public swimming pools, opening up lakes for water sports and activities, and protecting our waterways so that we can enjoy them without disturbing local wildlife or causing environmental damage were all suggested.

“Climate change needs to be taken into account with natural water capture such as water meadows and ponds used to mitigate extremes in our weather such as flood and drought as we have seen this year.”
Karen Haywood, Severn Trent customer

Of course, a balance has to be struck between protecting waterways from damage and allowing everyone the opportunity to enjoy them. This balance can only be found if the public and environmental organisations are consulted and included in decision making. We need joint stewardship of our waterways and catchment areas, so that our water supply can be managed sustainably for the public good.

At the moment, Yorkshire Water owns a lot of land used for grouse shooting. Grouse rearing and shooting is terrible for biodiversity and means that vast areas of land are run for the benefit of a tiny number of wealthy individuals.

If the public were able to steward our land as part of public ownership, we could manage it sustainably for the benefit of everyone.

“Plant more trees by the reservoir catchment areas and provide more (riverside) woodland walks”
David Rhodes, Yorkshire Water customer
Water pioneers

Remunicipalisations across the world

The movement for public ownership of water services is growing. In 2000 there were just two “remunicipalisations” globally, according to the Transnational Institute. But since then, at least 235 towns and cities across the world have taken their water services into public ownership.25 We can look for inspiration to these examples of successful public ownership of water close to home:

Scottish Water

“In England, there is an increasing debate about the most appropriate ownership and governance of water and wastewater companies. Regardless of how that debate evolves, I am extremely proud that the Scottish Water model of public ownership with robust regulation and governance is one that delivers real value and accountability.”
Dame Susan Rice, Chair of Scottish Water

Scottish Water delivers water and wastewater services for the whole of Scotland. It is publicly owned and was set up in 2001. Scotland’s water has never been privatised.

Scottish Water is run as a commercial firm; income and expenditure is managed as a private company would, but all profit is reinvested in better services. It is not subsidised by general taxation.

Accountability

• Scottish Ministers set the priorities for Scottish Water and appoint the chair and Non-executive Members.26
• The Water Industry Commission for Scotland provides economic regulation and has a statutory duty to promote the interests of customers by setting prices at the lowest reasonable cost.
• Scottish Water’s Price Review – how much it is allowed to charge customers over a six-year period – is agreed with a Customer Forum group, which represents the views of all customers.
• The environmental regulator is the Scottish Environment Protection Agency.
• There is also a Drinking Water Quality Regulator.
• The Scottish water system is also subject to the scrutiny of the Scottish Public Services Ombudsman, which investigates complaints about public services.
Income

Customers in Scotland pay their water bill as part of their Council Tax, so they don’t really have to think about it! The average household bill was £363 in 2018/19 – £42 lower than the average English bill in the same year. Annual bill increases in Scotland have also been lower than those in England.

Investment

Between 2010-2015, Scottish Water invested £2.4 billion in upgrading physical infrastructure. They plan to invest £3.5 billion between 2015-21. Per household, they have invested around £282 per year since 2002, a full 35% more than English water companies per household investment. This means that since 2006, leakages have been reduced by over 55%.

Customer satisfaction

Scottish Water has a household Customer Experience Measure of 86%. The Which? Scotland Consumer Insight Report tracks the water industry as the most trusted sector amongst Scottish consumers.
Paris, France

Paris remunicipalised their water in 2010 after a left wing mayor was elected. Eau de Paris currently serves around three million people with water and wastewater.

**Income & investment**

Since 2010, Parisiens have enjoyed an 8% reduction in water tariffs. The average water bill is now €300 per year. Customers report a 97% satisfaction with service.

Profit margins are currently projected at €35 million per annum, all of which is reinvested into the service.

**Accountability**

Eau de Paris is the single operator for the water cycle in Paris from beginning to end, from catchment and treatment to billing and customer service.

The Paris water ‘Observatory’ operates as a link between citizens and the municipality on water, providing a mechanism for information and discussion. It ensures locals have ‘active involvement on all water-related subjects’ (Anne Le Strat, former Deputy Mayor of Paris).

*The Paris Observatory of Water (OPE) is an instance of participative democracy, created by the City of Paris. It brings together representatives of users, elected officials of the City, institutional actors, representatives of social landlords, trustees, academics, researchers and various experts. It is a place of information, consultation and debate”*

Eau de Paris website

Eau de Paris’ board of directors is made up of elected officials from the Council of Paris, trade union representatives, water experts and representatives for civil society.

The organisation signed a performance agreement of ten social, environmental, economic and technical objectives with the city of Paris. These include:

- Guaranteed access to water
- Users at the heart of services
- High levels of maintenance and improvements
- Transparent management
Access

Eau de Paris has placed particular emphasis on ensuring that everyone in Paris has access to water.

- The water authority and local government will not cut off water to any property in Paris, including illegally occupied properties.
- A ‘solidarity fund’ has been set up which supports those who can’t afford to pay their water bills.
- A water allowance is available for those on housing benefits:
- Access to public drinking water and sanitation facilities has been ensured for anyone out on the street, with 30 public baths/showers/laundries, and 1,200 drinking water points across the city.

In June 2017, Paris’ water company received the United Nations’ Public Services Award in ‘promoting transparency, accountability, and integrity in public services’.
What can you do...

...As an MP?
Sign Early Day Motion 1761\textsuperscript{34} for public ownership of water. Make the argument for public ownership clearly and confidently in Parliament at every opportunity. Contact We Own It and ask for our water briefing for MPs!

...As a worker in a water company?
Join GMB,\textsuperscript{35} UNISON,\textsuperscript{36} or Unite,\textsuperscript{37} and get involved in a campaign for public ownership of water and use your skills, knowledge and experience to make public ownership of water a huge success when it happens.

...As a local councillor?
Read up about the Paris model of public ownership of water and think about how your water company’s board would be made up. Will there be a representative from your council? Find out what your constituents want from their new public water company, and start preparing to introduce these exciting new ideas to your local area! For inspiration, check out our report ‘When We Own It: Democratic public ownership for the 21st century’\textsuperscript{38}.

...As a shareholder?
Think about investing your money in another industry – because water is not an appropriate investment. Extracting huge profits from the captive market of water customers has served you well for 30 years, but it’s time to step back now.

...As a citizen?
Tell your MP to sign Early Day Motion 1761\textsuperscript{39} and represent your view in Parliament. Sign our petition\textsuperscript{40} for public ownership of water to join the growing movement to take back our water in England. Citizens in Scotland, Wales and Northern Ireland are encouraged to sign in solidarity. Finally, share the People’s Plan interactive map,\textsuperscript{41} and encourage your friends and family to submit their policy ideas.
After 30 years of privatisation, we’ve had enough of rising bills, profiteering, debt creation, leaks and pollution. It’s time to take our water back and make it work for everyone!
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