



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt Hon Angela Eagle MP
Secretary of State for Environment, Food and Rural Affairs
Department for Environment, Food and Rural Affairs
Seacole Building
2 Marsham Street
London
SW1P 4DF

1 September 2026

Re: The Future of Thames Water

Dear Angela,

I am writing on behalf of many of my constituents who have contacted me about the future of Thames Water and the wider question of whether our water services should be brought into public ownership.

There is a strong concern that the current model has failed customers and taxpayers. Water companies operate in regional monopolies, with customers having little ability to take their business elsewhere, while successive failures in investment, infrastructure and environmental performance have undermined public confidence. Thames Water's record is particularly concerning, with persistent sewage pollution, leakage and an ageing network, alongside significant financial difficulties and rising bills for customers.

These concerns are particularly pressing given Thames Water's current financial position. The company remains burdened by around £20 billion of debt and is facing a further funding requirement to remain financially stable. Its creditors, through the London & Valley Water consortium, have proposed a market-led recapitalisation involving significant new investment and a new board, but the Government is also considering whether public ownership or temporary public control could provide a better long-term solution.

I recognise that bringing our water services into public ownership would present significant legal challenges. However, campaigners have argued that the Government should assess not only the immediate cost of acquiring a company, but also the value of the underlying assets, its existing liabilities, the future investment required, the cost to taxpayers and customers under continued private ownership, and the potential benefits of retaining future surpluses for investment rather than private shareholders.

Water is an essential public service and a natural monopoly: customers cannot choose another provider if their local company fails to invest properly or performs poorly. It is therefore reasonable to ask whether the interests of customers, taxpayers and the environment are best served when the ownership and financial structure of such a fundamental service are ultimately determined by private investors and creditors.

I note that the Prime Minister expressed some interest in exploring greater public control of essential services. He previously stated that the nationalisation of Thames Water should be considered an option, and media reports suggest that the Government is now examining reforms to the Special Administration Regime and other mechanisms that could enable earlier public intervention where there are serious financial or environmental risks.

I would urge the Government to take this opportunity to consider all available options carefully, rather than allowing the immediate financial restructuring of Thames Water to determine its long-term ownership by default. In particular, I would welcome an assessment of whether Thames Water could be brought into stronger public ownership, either permanently or initially through a special administration, in a way that protects taxpayers financially, along with customers and the substantial investment required to restore the company's infrastructure.

The experience of the past decades demonstrates that stronger regulation alone may not be sufficient to resolve the fundamental problems of a system in which essential services are delivered by private monopolies carrying substantial debt. If public ownership can provide a more sustainable way of directing revenues towards infrastructure, resilience, environmental improvement and lower costs for consumers, I believe it deserves consideration.

I would therefore be grateful if you could set out what options the Government is currently considering for Thames Water, including public ownership or a Special Administration Regime, and whether the Government intends to undertake a comprehensive assessment of the long-term financial and public-interest case for public ownership of water services. Water is too important to be treated simply as another commercial asset.

I look forward to your response.

Yours sincerely,

A handwritten signature in blue ink that reads "Bambos". The signature is written in a cursive style and is underlined with a single horizontal stroke.

Bambos Charalambous MP