



Department
for Environment,
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Your ref: HW72408
Our ref: MC2026/02385/EG

11 March 2026

Dear Helen,

Thank you for your email of 30 January on behalf of your constituent, [REDACTED] about water outages. I am replying as the Minister responsible for this policy area and apologise for the delay in doing so.

Firstly, I recognise how difficult the recent outages have been for affected households and businesses. When essential water services fail, the impacts are immediate and deeply felt. That is why the government has significantly strengthened customer protections. We updated the Guaranteed Standards Scheme (GSS), which came into force on 2 July 2025, more than doubling compensation when customers are failed by their water company. We have also introduced new standards, including requirements for issuing boil water notices and for the mishandling of debt recovery, ensuring customers receive stronger protections across the sector. Ofwat sets out standards of service and compensation arrangements here: <https://www.ofwat.gov.uk/households/supply-and-standards/standards-of-service/>.

Your constituent raises understandable concerns about senior executives being rewarded despite poor performance. The government has already taken decisive action to tackle this. Under the strengthened powers in the Water (Special Measures) Act, regulators can block unfair bonuses when companies fail environmental or customer standards. In 2024–25, bonuses for 10 water company executives, totalling over £4 million, were blocked, demonstrating clearly that failure will not be rewarded and that strong, independent regulatory oversight is now in place.

Your constituent also asks whether the public are entitled to know about any potential "payoff" for departing executives. While South East Water is a private company, the regulatory framework now ensures that customer money cannot be diverted into bonuses, dividends, or executive pay when standards are not met. Regulators can and do intervene where remuneration is inconsistent with legal duties or customer interests, ensuring far greater transparency and accountability than before.

On the wider issue of accountability, the government agrees fully that companies providing essential public services must be held to the highest standards. That is why we are delivering once-in-a-generation reform through the Water White Paper, including:

- A new single integrated regulator, ending the fragmented system and ensuring stronger oversight.
- No notice inspections and a prevention first regulatory model.

- Ending operator self-monitoring and introducing real time open monitoring, giving the public unprecedented transparency.
- Mandatory Pollution Incident Reduction Plans, personally approved by each Chief Executive, with failure to publish a compliant plan now an offence.

These reforms, alongside record investment to upgrade ageing infrastructure, will drive the improvements customers rightly expect.

Your constituent is absolutely right that the public deserve reliable services and that executives must be held to account when companies fall short. The government has acted decisively to reset expectations and ensure customers and the environment come first.

Thank you for contacting me about this important issue. I trust this response has answered your constituent's concerns.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Emma Hardy', with a long horizontal flourish extending to the right.

EMMA HARDY MP