

New environment secretary Reed summons water bosses for urgent talks

The new environment secretary has summoned the bosses of most of Britain's water companies for urgent talks amid signs that Labour will take a tougher approach to regulating the industry.

Sky News has learnt that Steve Reed will hold talks with executives from all 16 of the suppliers in England and Wales, including Thames Water, Yorkshire Water and Severn Trent.

The meeting will take place on the same day that Ofwat, the water industry watchdog, will publish draft determinations on companies' investment plans for the next five years.

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The rulings, which will be made final by the end of the year, will be closely watched by investors in the privatised industry because of their implications for the suppliers' balance sheets.

[Thames Water](#), which said it [could run out of money next May](#) when it reported annual results on Tuesday, is in the most precarious position of the 16 companies.

Temporary nationalisation remains a possibility for Britain's biggest water company, although Sir Keir Starmer's administration has already said that it does not intend to pursue such an outcome.



Image:

Steve Reed is seen in Downing Street following his appointment. Pic: Reuters

In opposition, Mr Reed – now Secretary of State for the Environment, Food and Rural Affairs – pledged to push for criminal sanctions against water company executives who failed to prevent sewage contaminating Britain's waterways.

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A source close to Mr Reed said: “The last Conservative government weakened regulation allowing the sewage system to crumble and illegal sewage dumping to hit record levels.

“The election of this Labour government is a reset moment for the water industry.

“In the coming weeks and months, this Government will outline its first steps to reform the water sector to attract the investment we need to upgrade our infrastructure and restore our rivers, lakes and seas to good health.”