

Thames Water boss refuses to rule out bill increases to secure company's future

The chief executive of Thames Water has refused to rule out bill increases of up to 40% for customers as the troubled company tries to secure its future.

It comes as the business, which serves nearly a quarter of the UK's population, struggles with more than £15bn of debt and the huge interest payments required to service it.

Earlier on Thursday, its situation got worse when it was revealed that [a £500m funding injection from shareholders](#) expected by the end of this month would not be forthcoming.

When asked by Sky News' Ian King if bills could be hiked to fill the gap, Thames Water chief executive Chris Weston replied: "I don't think we have been at all secretive about that.

"But the plans that we have put forward – which are very much in accordance with what customers are asking us to do – require an investment of around £20bn in that 2025-2030 period, and that would result in a bill (increase) of around 40%."

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Mr Weston added: “It is very clear listening to our customers that what they value most is high-quality clean drinking water and that we do all that we can to protect the environment.

“Those two things are primarily what is driving the investment that we are having to make in our network in that five-year period.”

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The rise in bills would – if approved – come at a time when the cost of living is still rising, albeit at a slower rate than in recent months.

Mr Weston said he recognised any increase in bills “could be very, very difficult for people”, adding that the company was looking at what could be done to help the most vulnerable.

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Earlier on Thursday, nine shareholders turned their anger on water company regulator Ofwat for the company's cash crisis.

They said it had “not been prepared to provide the necessary regulatory support for a business plan which ultimately addresses the issues that Thames Water faces”.

“As a result, shareholders are not in a position to provide further funding to Thames Water.”

As well as the rise in bills, Thames Water had been seeking an easing of capital spending requirements and leniency on forthcoming penalties.

Thames Water has come under intense pressure in recent years because of its poor record on leaks, sewage contamination,

executive pay and shareholder dividends.

It is facing multiple fines and regulatory investigations, including into the payment of dividends to Kemble Water, its parent company.

Ofwat said: "Today's update from Thames Water means the company must now pursue all options to seek further equity for the business to turn around the performance of the company for customers."

In total, tens of billions of pounds have been handed to shareholders in water utilities across Britain since privatisation, stoking public and political anger given the industry's frequent mismanagement.