

Emma Hardy MP
Parliamentary Under Secretary of State
Department for Environment, Food and Rural Affairs (Defra)
Seacole Building
2 Marsham Street
London SW1P 4DF

Sent By Email to: correspondence.section@defra.gov.uk

4th September 2025

Dear Minister Hardy,

Re: Water Sector Reform and the Creation of a Unified Regulator

Thank you for your letter of 1 September referenced PO2025/1629/SU and for your detailed reply to the concerns we raised regarding long-standing failures in the regulation of water services in the UK.

We welcome the government's firm decision to abolish Ofwat and to introduce a single, fully empowered water regulator. This is a bold and overdue reform that promises a more effective and accountable framework for the industry, the environment, and most importantly consumers.

We are reassured by your confirmation that the new regulator will stand "firmly on the side of customers" and that a statutory water ombudsman will be established to provide free, legally binding dispute resolution. However, we strongly urge the government to ensure that the structure, scope, and independence of this new ombudsman are not compromised by the shortcomings seen in other sectors, such as the Financial Ombudsman Service, which has been widely criticised for its lack of transparency, protracted delays, and inconsistent decision-making.

The Consumer Protection Bureau (CPB) is ready and willing to work directly with Defra in helping to shape the remit and governance of the new ombudsman service. We believe our consumer-centric approach, complaint intelligence, and regulatory insight can play a meaningful role in ensuring the new framework is both trusted and effective. This includes helping to set clear standards, tracking outcomes, and safeguarding against institutional failure.

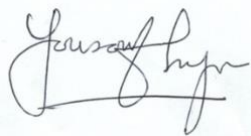
We also support the end of operator self-monitoring and the shift to real-time open monitoring. Public access to this data must be meaningful, timely, and intelligible to ensure both the regulator and the public can hold water companies fully accountable. We are equally encouraged by the move to a catchment-based planning model, and recommend that community-level monitoring, whistleblower protections, and accessible redress pathways be embedded into regional planning frameworks.

Given the depth of consumer harm caused under the old regime, from unjustified billing and service failures to unchecked sewage dumping, we urge the government to explore appropriate restitution or compensation mechanisms where past regulatory failure is evident.

We hope that CPB's contribution will be actively sought and integrated into both the consultation process and the implementation phase. We are keen to work closely with Defra to ensure the new system is not only legally sound, but practically effective and visibly fair to the public it serves.

We look forward to engaging constructively and playing our part in restoring public trust in this critical sector.

Yours sincerely,



Yousouf Jhugroo
Managing Director
Consumer Protection Bureau (CPB)

