

**Preston under Scar Parish Council
Council Meeting –16 SEPTEMBER 2024**

**Record of decisions taken by the Clerk to the Parish Council under
delegated powers 20 JUNE 2024 – 9 SEPTEMBER 2024**

Subject of decision:

To submit representations to OFWAT in respect of their consultation PR24 – Draft Determinations for 2024 Price Review.

Summary of information considered:

Information received from the Ilkley Clean River Group via the Stop Ure Pollution Group and a suggested letter of representation

Outcome of consultation with Parish Councillors

Decision Taken:

On behalf of the Parish Council, to submit the representations attached as the Appendix to this report.

Date of Decision: 16 August 2024

PRESTON UNDER SCAR PARISH COUNCIL

Clerk: Mrs Linda Stevens,

Mr David Black
Chief Executive
Ofwat

16 August 2024

Dear Mr Black

Re Consultation on PR24 Draft Determinations

In response to the draft determinations:

Preston under Scar Parish Council does not agree with the following proposals:

1. The proposed increase in bills to service new debt
2. The proposed continuation of 'investor returns' ie dividends, before Yorkshire Water stops polluting our rivers.
3. The proposed unambitious reduction in untreated sewage pollution incidents (44% by 2030) that means our rivers will continue to be polluted for years to come.
4. The proposal that Ofwat will claw back underspend, rather than pay on the completion of upgrades.
5. The proposal that water companies should improve infrastructure (e.g. number of sewer collapses, burst pipes) rather than ensuring infrastructure does not fail in the first place.

Councillors feel that residents have paid their bills for Yorkshire Water to maintain the water system in North Yorkshire. This proposal sets out that water company did not do what was required, and that they must now pay again.

Reasons for the Parish Council's position

1 & 2. Ofwat is proposing to put bills up in Yorkshire by £107 before inflation, so that Yorkshire Water can make improvements in the broken sewage infrastructure after years of paying dividends, executive bonuses and taking out eye watering loans. As customers residents must not pay for the servicing of additional loan debt so that Yorkshire Water can treat their sewage, after years of underinvestment and profiteering. Yorkshire Water must reinvest money taken as profit to treat our sewage and maintain our sewage system. Residents have already paid; they should not have to pay again.

3. Ofwat is proposing, what it calls an ambitious target of 44% reduction in raw sewage discharges into our rivers by 2030. This is not ambitious. In Yorkshire this means our rivers will still be polluted by 280,000 hours of untreated sewage, in 43,546 pollution events. Ofwat must regulate to the letter of the law, so that water companies only pollute in exceptional circumstances.

4. Ofwat is proposing to claw back any underspend. It is not clear how Ofwat will know what water companies are actually spending in order to claw back underspend. Trust in water companies' transparency is broken. It has taken years of public campaigning to uncover the level of pollution. Water companies should not be paid for any innovation work until it is proven to have been delivered and the costs have been transparently scrutinised. The Parish Council does not have confidence that Ofwat can and will follow through on this proposal.

5. Water companies have certified every year since privatisation that they have had sufficient resources to meet their legal obligations. On that basis Water companies including Yorkshire Water were able to take billions of pounds of dividend payments, and borrow eye watering sums from their investors attracting interest payments that already comprise 19% of bills here in Yorkshire. This proposal uncovers the fact that water companies have not been maintaining their infrastructure. Yorkshire Water must, as a basic requirement, ensure its infrastructure does not fail.

The Parish Council agrees with OFWAT's intent to deliver better water quality through catchment and nature-based solutions, including hybrid solutions. However, it is concerned that this is not a position agreed with the Environment Agency who it understands are currently blocking nature based solutions elsewhere in North Yorkshire. Ofwat and the Environment Agency need to be joined up to act as our regulators to protect our environment,

Yours sincerely

Linda Stevens
Clerk to Preston under Scar Parish Council

Cc The Right Hon Steve Reed, Secretary of State for the Environment, Food and Rural Affairs.

Rishi Sunak MP for Richmond and Northallerton