

Fix Water: Policy briefing

The case for powerful Regional Water Authorities and re-wiring water companies

Executive summary

- The UK Government plans to introduce greater public control of water and further devolution of powers from Westminster in England.
- Responsibility for tackling the numerous threats to our rivers, including pollution and depletion of resources, is fragmented, leaving no single body accountable for the health of our waterways.
- The Wildlife Trusts support the recommendation of the Independent Water Commission to introduce Regional Water Authorities (RWAs) to bring responsibilities together under a single, locally accountable authority. This briefing sets out how this policy, along with water company reform, could be delivered to maximum ambition to fix our water system, in-line with the Government's water control and devolution plans.
- Maximum ambition should mean RWAs being given powers to set and deliver regional river restoration targets, to enforce Catchment Nutrient Budgets, to manage a devolved Water Recovery Fund and to invest in local resilience through nature-based solutions. RWAs should be led by elected Mayors, to ensure local control and democratic accountability.
- To meet the public appetite for change, Government reform should introduce a primary nature recovery purpose for water companies, backed by a strengthened Special Administration Regime (SAR) that enables failing companies to transition into publicly accountable co-operatives.
- These two essential reforms should mark the start of ambition for water reform. The Government should also recognise water supplies as critical national infrastructure and look to remodel water governance around long term stewardship of water, for wildlife and people.

The problem: Fragmented responsibility for local rivers

Our freshwaters are under assault from sewage, agricultural and chemical pollution, and are running dangerously low as poor management and climate change combine to deplete water resources. Yet, responsibility for tackling these problems is fragmented between failing water companies, overstretched regulators and distant national government. The result is that many organisations are responsible for parts of the system, but it is difficult to identify who is accountable for whether local water systems work for people and nature. Water companies have no primary purpose to contribute to nature recovery, while ownership structures continue to prioritise shareholder returns over long-term environmental outcomes. This is deeply frustrating for a public who want to see swift, decisive action to save England's rivers. When you want to save your local river, who on earth do you ask?

Across the UK, communities are working hard to try to glue the fragments of a failing system back together. In 2025, more than 2000 citizen scientists monitored water quality through the Riverfly Partnership.¹ Increasingly, councils and communities are collaborating to reset their relationship with

¹ [The Riverfly Partnership](#), 2025

their local rivers through 'River Rights' charters to guide decision-making, on the River Ouse,² River Loddon³ and many more. This appetite for local action to save rivers urgently needs an expression in policy through Regional Water Authorities, alongside a water industry reform to serve nature recovery and provide a route to publicly accountable ownership structures.

Regional Water Authorities: A good idea, whose time has come

Regional Water Authorities (RWAs) were proposed by the Independent Water Commission in 2025 as new decision-making bodies *'responsible for developing water investment plans that reflect local priorities and voices'* with powers to *'streamline existing planning processes'* and to *'direct funding and ensure accountability from all sectors that impact water'*.⁴

The Government has welcomed the RWA proposal in principle but has yet to publish details on how it could be taken forward.

Water supply, wastewater, water quality, river restoration, flood defence and drought management are currently managed through different systems despite being fundamentally interconnected. RWAs could bring these responsibilities together into one authority, with the power to tackle all the pressures on our water system. If delivered to a maximum level of ambition, headed by Mayors, this approach would align with the Government's devolution agenda, bringing decisions closer to communities and delivering much-needed transparency and accountability.

The Wildlife Trusts are proposing that RWAs have enough power to give communities meaningful control of local water. This can be achieved by embedding the following responsibilities into RWAs.

Ambitious river restoration targets – and powers to deliver them

The New Vision for Water white paper⁵ commits to setting new ambitious targets for the water environment. Regional Water Authorities would be well placed to translate these national ambitions into regional river restoration targets, combining local ecological knowledge with strategic oversight to direct action to deliver the greatest benefit.

To achieve these targets, RWAs should be given new powers over activities that impact local water systems, including over water companies and other sectors that pollute and modify rivers. This provides the ability to intervene when necessary to stop pollution from intensive farming, chemical manufacture and road run-off and to pause abstraction for new uses where water supplies are not available. These RWS powers should include the ability to set and enforce catchment nutrient budgets, to reduce pollution.

A local 'Water Recovery Fund'

RWAs should utilise multiple streams of funding, which can be deployed to achieve regional river restoration targets. This should include being able to draw on water company budgets, fines and

² [Lead Member Report - Rights of Rivers: A Charter for the River Ouse - Appendix 1](#), 2025

³ [Rights of rivers](#), Basingstoke and Deane Borough Council, 2026

⁴ [Roadmap to rebuild trust in water sector unveiled in major new report](#), 2025

⁵ [Defra water white paper 2026 \(with correction slip\)](#), 2026

levies from polluting sectors to form a local 'Water Recovery Fund' as well as devolved funding from the national flood defence budget. This can unlock investment in nature-based solutions, including through payments to farmers in addition to Environmental Land Management (ELM) payments.

Resilience to extreme weather, flood and drought

This summer was the UK's warmest on record,⁶ with extreme heat and prolonged drought driving a raging inferno through Britain's wild places. With the largest El Niño in living memory increasing likelihood of stormier, wetter weather conditions across the UK this autumn and winter,⁷ extreme weather and flooding are expected. RWAs should bring water management governance under one authority with a core mission to keep and safely store more water in the landscape to mitigate climate-driven flooding and drought.⁸ RWA's could reform and assimilate the outdated Internal Drainage Board system, set up to manage water on land before climate change was recognised. Through this unified governance and new planning powers, RWAs could swiftly facilitate nature-based solutions to keep more water on landscapes and boost climate resilience.

Democratic accountability

A named local elected mayor should lead each RWA, with responsibility for achieving regional river restoration targets and delivering local re-wetting efforts, informed by independent expertise. This will bring local democratic accountability to recovery efforts, with new political momentum behind target delivery and the opportunity for voters to pass judgement on whether sufficient progress has been made.

Case Study: The Netherlands

- Dutch RWAs (known as Waterschappen) are responsible for flood protection, water quality, wastewater treatment and the delivery of local water management plans, giving them comprehensive oversight of the water system in their region.
- These authorities have strong enforcement powers, which can penalise offenders through administrative measures to stop pollution when necessary. They are financed through a combination of devolved funding, a 'polluter pays' levy and regional taxes which provide long term funding for water quality and resilience projects.
- They are governed by predominantly elected boards, ensuring direct accountability to voters

Re-wiring water companies

On 14th September 2026, Minister of State Emma Hardy set out the Government's ambition for a Water Bill that '*meets the political moment and the public appetite for change*'.⁹ This demands a fundamental shift in the purpose of water companies and the structures in which they operate.

Interest in alternative ownership models for water companies is growing among both the public and Parliamentarians. During the same Westminster Hall debate on water sector public ownership, several cross-party MPs expressed support for mutual and co-operative models of ownership.

⁶ [Summer 1976 and Summer 2026: two remarkable Summers, fifty years apart - Met Office](#), 2026

⁷ [An 'unprecedented' El Niño and its implications for the weather forecast - Met Office](#), 2026

⁸ [We drained Britain dry. Now we are watching it burn | The Wildlife Trusts](#), 2026

⁹ [Water Sector: Public Ownership - Hansard - UK Parliament](#), 2026

The private water company model has failed to protect rivers, lakes and seas, contributing to the widespread failure to achieve Water Framework Directive objectives. Chronic underinvestment in infrastructure and resilience¹⁰ has compounded these issues, increasing risks to both nature and public health.

The Wildlife Trusts are proposing a new primary purpose for water companies to contribute towards nature recovery targets. If private water companies fail to meet this new purpose and undo the damage they have caused, they should be transformed by Government into co-operatives, owned by the public.

A new nature and climate purpose

In 2024, water companies were responsible for 75 serious pollution incidents, a 60% increase on the previous year.¹¹ The Environment Agency attributes this to persistent underinvestment in new infrastructure, poor asset maintenance, and reduced resilience due to the impacts of climate change.¹²

Continued environmental harm demonstrates the need to prioritise nature recovery and climate resilience for urgent action within the water sector.

Water companies should be given a new primary purpose for water companies to contribute towards nature and climate targets. This would place nature recovery and climate resilience alongside the provision of water and sewerage services, ensuring that benefit to the public and the environment takes precedence over shareholder returns.

This could be achieved by amending the hierarchy of duties in the Water Industry Act 1991.¹³ While the Act currently establishes water supply and sewerage functions as the core responsibilities of water companies, it should also recognise nature recovery and climate resilience as core statutory objectives.

The new purpose should require measurable contributions towards targets under the Environment Act 2021 and the Climate Change Act 2008, reflecting the polluter pays principle by ensuring water companies bear the cost of restoration for environmental harm caused.¹⁴ To support delivery, the new water regulator should be given an equivalent primary purpose and robust powers to undertake enforcement for non-compliance.

A route to co-operative ownership

The new nature and climate purpose should be backed by a strengthened Special Administrative Regime (SAR) mechanism. Where water companies repeatedly fail to meet their environmental and consumer obligations, including the new nature and climate purpose, Ministers should have clear powers to place them into SAR and transition them into not-for-profit, co-operative or public service mutuals. As set out in an August 2026 paper from the Good Growth Foundation this would provide a credible route to greater public control without the cost of full nationalisation.¹⁵

¹⁰ [New report finds systemic water company failure and underperformance - GOV.UK](#), 2025

¹¹ [Water and sewerage companies in England: pollution incident report for 2016 to 2024 - GOV.UK](#), 2025

¹² [New report finds systemic water company failure and underperformance - GOV.UK](#), 2025

¹³ [Water Industry Act 1991](#)

¹⁴ [Environmental principles policy statement - GOV.UK](#), 2023

¹⁵ [A Watertight Solution for Public Control — The Good Growth Foundation](#), 2026

For too long, water companies have raised billions from customers while failing to deliver the infrastructure upgrades and environmental improvements needed to restore rivers and build resilience.¹⁶ Co-operative ownership would align long-term investment with public benefit, enabling greater reinvestment in infrastructure, nature-based solutions and climate adaptation.

To shift power from private interest to public benefit, Ministers should set out a clear route towards suitable public-interest ownership or governance models for all companies that have failed to meet their environmental responsibilities and have fallen into SAR, with surpluses locked into improving water services, nature recovery and catchment resilience.

This approach would create a strong incentive for private companies to improve their performance and ensure that persistent failure results in a more accountable ownership model to put power in the hands of customers, rather than shareholders.

Next steps to Fix Water

On 1st September, Prime Minister Andy Burnham said the Government are exploring stronger public control of water, saying: *'This summer has shown us very clearly that water companies are failing to rise to the climate challenge. It cannot go on. Later in the year, our 10-year plan for Britain will set out plans for stronger public control over these essentials, making them work for people and places again.'*¹⁷

The statement also contained a commitment to devolve power from Westminster to local government in England, to allow *'local areas to grab hold of the levers of power for themselves'*.

The Government is also expected to separately progress the Clean Water Bill later this year. The Bill takes forward a raft of reforms to the water sector, proposed by the Independent Water Commission.¹⁸

This upcoming policy programme provides multiple opportunities to deliver Regional Water Authorities and re-wire water companies, to the maximum level of ambition. This would achieve local control of water, and create the unified, locally-rooted, democratically accountable body needed to restore rivers.

These two vital reforms should just be the start of a fundamental shift in how we look after our water system. Water should no longer be treated as a commodity, but as what it is – the foundation of life itself. The water system should be nurtured as a living system that supports people, nature, the economy and long-term resilience, stewarded for people, wildlife and the future. By treating water as the critical national infrastructure it is, the water system can be fixed to better protect us against flooding, drought, wildfire and food shortages.

For further information please contact:

Lorna Selby, Public Affairs and Water Policy Officer, l.selby@wildlifetrusts.org

Ali Morse, Water Policy Manager, amorse@wildlifetrusts.org

¹⁶ [WCL Clean Water Now Report 2026.pdf](#), 2026

¹⁷ [Direction of Government - Hansard - UK Parliament](#), 2026

¹⁸ [Independent Water Commission Final Report](#), 2025

25th September 2026