



**LAURA FARRIS MP**  
*Member of Parliament for Newbury*

David Black  
Chief Executive  
Ofwat  
21 Bloomsbury Street  
WC1B 3HF  
*By email*

25<sup>th</sup> May 2023

Dear David,

Ofwat recently announced it would be utilising new powers to link the payment of dividends to a company's financial resilience. It was also announced that Ofwat would be taking further enforcement action against water companies where dividend payments are not linked to performance.

You will be well aware of the immense challenge we face in ensuring water companies work stop discharging sewage into public waterways.

As such, I wanted to ask whether Ofwat would consider tougher measures such as tying bonus payments as well as shareholder dividends to water company performance. Whilst it is encouraging to see that some water company bosses – such as Sarah Bentley of Thames Water – have volunteered to forego her bonus, this remains a discretionary matter.

I would respectfully suggest however that in circumstances where a water company is fined for illegal discharges, it should be mandated that it does not pay bonuses to senior managers or dividends to shareholders. Just as bankers lose their bonuses for breaking the law, so should senior water executives.

I look forward to hearing from you.

With best wishes,

**Laura Farris MP**

**Westminster**  
House of Commons  
London  
SW1A 0AA  
0207 2194829

**Constituency**  
Park Street Offices  
Newbury  
RG14 1EA  
01635 551070

**Online**  
[laura.farris.mp@parliament.uk](mailto:laura.farris.mp@parliament.uk)  
[www.laura.farris.org.uk](http://www.laura.farris.org.uk)  
Twitter: @laura\_farris  
Facebook: @laurafarrisuk