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| To: | Scrutiny Committee |
| Date: | 4 November 2024 |
| Report of: | Head of Corporate Strategy |
| Title of Report: | Update briefing on Thames Water for Oxford City Council Scrutiny Committee |

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| Summary and recommendations | | |
| Purpose of report: | | To update the Scrutiny Committee on the Council’s engagement with Thames Water |
| Key decision: | | Np |
| Cabinet Member: | | Councillor Anna Railton, Cabinet Member for Zero Carbon Oxford |
| Corporate Priority: | | A well-run council |
| Policy Framework: | | Council Strategy 2024-28 |
| Recommendation(s): That the Committee resolves to: | | |
| 1. | Note the report and agree any recommendations. | |

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| Appendices | |
| None |  |

# Introduction and background

1. This briefing has been prepared by officers in response to a request from Scrutiny for a short presentation on the Council’s engagement with Thames Water. It was requested that the briefing should cover:

* Potential areas for the Committee to scrutinise, noting that Thames Water is an external organisation
* Relevant water-related issues that the Council should monitor
* An update on the outcome of the [agreed motion in July](https://eur01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fmycouncilpages.oxford.gov.uk%2Fdocuments%2Fg7807%2FPrinted%2520minutes%2520Monday%252015-Jul-2024%252017.00%2520Council.pdf%3FT%3D1&data=05%7C02%7CMTullar%40oxford.gov.uk%7C66bc8d9479744147999a08dcf42c67a2%7C9f3d0f395e2b4f889d43e9344f9aa02d%7C0%7C0%7C638653718768164739%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=gT8%2Fn1TbMA1bsCk4WZkMBvPCAYlY78Dm3AtdP3iTVuA%3D&reserved=0) regarding the analysis of the Oxford River Charter

**Oversight of Thames Water**

It is important to note that Oxford City Council has no powers of oversight in respect of the function of Thames Water or the services it delivers to residents and business customers in the city. Thames Water is a privately owned company and a regulated utility and DEFRA, OFWAT, and the Environment Agency fulfil the oversight role in respect of the services it delivers. As a corporate entity, oversight is provided under the UK Corporate Governance Code, Companies Act, Insolvency Act and various other regulations – which are enforced by Government or through the courts.

Therefore, Scrutiny, which is primarily focused on scrutinising the work of Oxford City Council, has no obvious remit to scrutinise Thames Water.

**Oxford City Council engagement with Thames Water**

1. While the Council has no oversight role in respect of Thames Water, it does regularly engage with the company at various levels and – as a stakeholder – it seeks to hold it to account.
2. In June 2023 a Member Q&A session was held with a senior Thames Executive with a wide range of questions asked, which were followed up with written responses.
3. Over recent years officers have focused on the following areas:

* Water quality and discharges of sewage into the Thames
* Sewage system surface flooding within the city
* Investment in the Oxford Sewage Treatment Works (STW) and other infrastructure
* Water supplies and burst water main on the ring road 2022

Updates on each are provided below.

**Water Quality**

1. Thames Water has been working with officers on various water quality issues since 2021, initially through the Oxford Rivers Project and [Oxford Water Blitz.](https://theriverstrust.org/about-us/news/oxford-waterblitz-to-investigate-bathing-water-safety-of-local-rivers) which contributed to the city’s bathing water designation at the Wolvercote Mill Stream (WMS) in 2022.
2. Since the successful designation, Officers have been working with Thames Water and the Environment Agency to gain a greater understanding for the ‘Poor’ designations that the site has received since 2022. This has been conducted through both Thames Water’s own investigations, and through an EA study into the wider water catchment, in an attempt to understand the source apportionment affecting the WMS. Officers will continue to engage with Thames Water as required for the remainder of the five year bathing water designation.

**Sewage flooding**

1. Officers have Input to Thames Water’s infrastructure planning – highlighting insufficient capacity in sewers within the city. Several actions subsequently were included with Thames Water’s 25-year Drainage and Wastewater Management Plan (DWMP) - though it should be noted these actions are not yet funded, or scheduled for delivery, but are potential opportunities.
2. Officers regularly engage with Thames Water representatives in the event of sewer flooding, and are working with Thames on longer term solutions to knows sewage flooding areas.
3. One area where sewage flooding is a common problem is Campbell Road – where Thames Water is funding the deployment of water butts to capture runoff water to reduce the pressure on local sewers during periods of heavy rainfall. Council officers, alongside those of other Risk Management Authorities (Oxfordshire County Council, Environment Agency) have also worked with Thames Water to identify the main potential cause of this issue – siltation of the Oxford Main Sewer – which Thames are planning to clear. The date of this is unknown, as logistical planning is ongoing as it is 20m underground.
4. Officers have also directed Thames Water resources to provide water butts in Headington, within the Lye Valley SSSI catchment, to reduce surface water flow into the SSSI and reduce the damage it causes.

**Oxford Sewage Treatment Works**

1. Thames Water’s failure to have invested in the upgrading of capacity at Oxford Sewage Treatment Works off Grenoble Rd has been recently [commented on publicly by the council](https://www.oxford.gov.uk/news/article/1524/statement-on-the-state-of-oxfords-sewage-treatment-system-and-related-planning-objections) and widely covered in the media.
2. This lack of investment has now led to the Environment Agency (EA) objecting to both the City Council’s proposed Local Plan 2040, and to housing and commercial planning applications coming forward in and around the city. This is a very significant environmental and economic issue for both Oxford and Oxfordshire.
3. We are engaged in active and constructive talks with Thames Water’s new Chief Executive, Government, the EA, and OFWAT to resolve this and have the investment brought forward as a matter of urgency. The details of these discussions are confidential.
4. The issue of investment in Oxford STW is also likely to be critical in providing long term solutions to the other issue of river water quality – as it should reduce the regularity of discharges into the Thames. It should also help address the issue of sewer flooding, as the sewage system would be less likely to get backed up in situations of heavy rainfall.

**Oxford City River Action Plan**

1. Given the strategic importance of investment in the Oxford Sewage Treatment Works in relation to water quality in the Thames – along with other facilities such as Thames Water’s Cassington STW – officers remain focused on securing the delivery this, before seeking to develop a River Action Plan.
2. The findings of the EA’s research into sources of pollutants into the Thames in Oxford, including potentially pollutants associated with farming practices, will also need to be considered prior to developing a plan.

# Water supply

1. Oxford and Oxfordshire are within an Environment Agency defined water stress area and the Oxford Local Plan recognises this and responds via implementing various requirements through its policies to ensure new development addresses this problem. This includes requirements to design new development to operate to the tighter water use limits set out in Building Regulations as well as requirements for general water saving measures as part of sustainable and resilient development for the future.
2. In general, officers engage with infrastructure providers, including Thames Water, as part of the preparation of the Local Plan, particularly in relation to updating the Infrastructure Delivery Plan which identifies key infrastructure needs in the city in future and forms part of the supporting evidence to the Local Plan, and will continue to do so in future. Thames Water also inputs into Local Plan preparation, for example, as they have by assessing emerging site allocations forming part of the Local Plan 2040 and providing comments to the Council in relation to both wastewater and water supply as part of their consultation response.
3. Following the Heyford Hill burst water main incident in 2022 the Council wrote to Thames Water asking it to increase its investment in, and improvement maintenance of water supply infrastructure.

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| Background Papers: None |