

EXCLUSIVE

Revealed: Water industry's attempts to influence Labour MPs amid sewage anger

Campaigners have raised concerns about the 'revolving door' between Labour and the water sector

**THE i PAPER**

IMPARTIAL NEWS + INTELLIGENT DEBATE

Water UK has hired Tony Blair's former minister Ruth Kelly (left), while minister Mary Creagh (middle) worked for a lobbyist and Lee Pitcher MP (right) had a senior role at Yorkshire Water

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Several Labour MPs, including an environment minister, have worked for firms with close ties to the water industry, raising fresh concerns over the "revolving door" between Westminster and corporate lobbying.

The links between the water sector and some Labour MPs or former ministers have led campaigners to call for more transparency in Westminster at a time when the Government is under increasing scrutiny over its handling of the privatised industry.

Ministers are under pressure to tackle [sewage pollution](#), rising water bills and large payments to shareholders or [directors](#) of water companies.

Before being elected this July, environment minister Mary Creagh worked for an influential lobbying firm which lists as clients United Utilities and Macquarie, the controversial former owner of Thames Water that's now the majority owner of Southern Water.

Lee Pitcher, the new Labour MP for Doncaster East is now chair of the all-party parliamentary group (APPG) on water which arranges meetings in Westminster between politicians and the water sector. Although there is no record of any events organised by this APPG since the election, the group which describes itself as "one of the most active" in Parliament has received £57,000 from trade body Water UK and other water firms since 2020.

Pitcher, who has worked in the water industry for many years, held a senior role with Yorkshire Water at a time when it discharged untreated sewage into the region's rivers. The watchdog announced plans to fine the company £47m earlier this year and said it had failed to invest in its networks.

Another environment minister Daniel Zeichner, who is responsible for rural affairs, hosted a reception on behalf of Anglian Water in November 2023, while he was shadow minister.

Fleur Anderson, now a Northern Ireland minister, hosted a drinks reception in parliament on behalf of Water UK in October 2022, which was about banning plastic in wet wipes. There is no suggestion any of the MPs or ministers have broken any parliamentary rules.

Earlier this month Ofwat, the water regulator, agreed to let [water bills rise by an average of 36 per cent](#) by 2030 and to date the Labour Government has been resisting [calls to renationalise the industry](#) despite growing anger at the failure of the privatised sector.

A Labour spokesperson described any suggestion that the Government is going "soft" on the water sector as "complete nonsense", saying it has taken "the toughest action against water companies in history".



Steve Race (left) and Oliver Ryan (middle) worked for Lexington while Jade Botterill worked for Yorkshire Water (Photos: House of Commons/Roger Harris)

Labour has come under pressure from the Liberal Democrats, Reform and campaigners to put [Thames Water, which is on the brink of collapse](#), under special administration – essentially a form of temporary nationalisation – but has said it favours a private sector solution.

The Government has argued that nationalisation would be time-consuming and hugely expensive at a time when public finances are stretched.

However, campaigners are worried about the perceived close links between Labour and water companies or firms lobbying on their behalf.

Creagh, who is now minister for nature, after becoming Labour MP for Coventry East in the July 2024 election, used to work for the lobbying firm Lexington that has close links to the Labour Party.

Lexington's co-founder and executive director Mike Craven is also director of the influential think tank Labour Together, which has played a big role in shaping party policies.

As well as Creagh, two other newly elected Labour MPs worked for Lexington including Steve Race, now the MP for Exeter, and Oliver Ryan, the MP for Burnley.

Labour sources claimed Creagh and Race did not work for the water industry while they worked for Lexington, which represents dozens of other corporate clients.



More than 15,000 people attended a March for Clean Water last month, according to organisers (Photo: Mark Kerrison/In Pictures via Getty)

As well as Pitcher, the new Labour MP for Ossett and Denby Dale, Jade Botterill, also used to work for Yorkshire Water. She was the company's corporate affairs adviser before joining Portland Communications, which lobbied for Southern Water earlier this year.

Other Labour politicians who worked for lobbying companies with water firms as clients include Melanie Onn, MP for Grimsby and Cleethorpes, and Gregor Poynton, MP for Livingston. Onn worked for Blakeney and Poynton for Headland Consultancy. Both firms list Anglian Water as clients.

The water industry has also grown its ties to the party by hiring former MPs and staff members.

Water UK hired former Labour minister Ruth Kelly as its chair in March, and has hired Global Counsel, a lobbying firm founded by Peter Mandelson, a Labour grandee and Britain's new ambassador to the US.

Other Labour figures now working for the water industry includes Tony Blair's former environment minister Ian Pearson, who is a director at Thames Water.

The water industry has been lobbying against nationalisation and argues that private finance has brought in large amounts of money for investment in infrastructure.

Cat Hobbs, founder and director of campaign group We Own It, said the public should be asking why public ownership of water has been ruled out by the Labour Government.

She said the recently announced wide-ranging review of the water industry can look at “every aspect of the industry and make suggestions for improvement” – except who should own water.

Water & Sewage Company Executive Remuneration 2023/24

Company	Number of Execs	Base Pay	Bonuses, Benefits and Incentives	Pension	Total Executive Remuneration per Company
Anglian Water	3	£687,031	£574,958	£72,721	£1,334,710
Northumbrian Water	1	£483,000	£324,000	£35,000	£842,000
Severn Trent Water	3	£1,398,700	£3,360,500	£209,800	£4,969,000
Southern Water	2	£851,000	£410,400	£112,800	£1,374,200
South West Water	3	£896,000	£504,000	£89,000	£1,489,000
Thames Water	5	£1,103,000	£1,262,000	£754,000	£3,119,000
United Utilities	2	£1,128,000	£1,416,000	£139,000	£2,683,000
Wessex Water	4	£1,057,000	£456,000	£109,000	£1,622,000
Yorkshire	2	£973,000	£638,000	£98,000	£1,709,000
Dwr Cymru / Welsh Water	2	£636,000	£181,000	£61,000	£878,000
Total (England + Wales)	27	£9,212,731	£9,126,858	£1,680,321	£20,019,910
Scottish Water	4	£643,000	£329,000	-£75,000	£897,000

N.B. This remuneration also includes former executives who quit during the year 2023/24

Source: Lib Dem analysis of Company House Records

Hobbs added: “The public are rightly concerned when they see a ‘revolving door’ of Labour politicians moving from the water industry to parliament and

back again.

“Any serious review into water must include a comprehensive investigation into the real costs and benefits of public ownership; anything less is failing the public.”

Environment Secretary Steve Reed has said private finance is needed to tackle the sewage crisis and dismissed suggestions of nationalisation.

Concerns over ‘influence’ of water sector

Steve Goodrich, head of research and investigations at Transparency International UK, said MPs “must be open and candid about their interests and resolve any conflicts that arise between their public role and private affairs”.

He said: “When any industry has close links to the heart of Westminster, particularly one of such public importance, it raises concerns over their potential influence over government policy.”

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Clive Lewis, Labour MP for Norwich South, said nationalisation was popular among the public and warned that Labour could be perceived as being in the pockets of industry if it does not change its stance.

He said: “People voted for Labour for change, and what they’ve got is, ‘Well, there’s nothing we can do.’ You’re the Government – do something about this. Act.”

He said water bills and environmental damage are increasing now but the Government was opting for a review process that could take years.

Water UK, Jade Botterill, Lee Pitcher, Melanie Onn, Gregor Poynton and Oliver Ryan did not respond to requests for comment. Steve Race declined to comment.

A Labour spokesperson described concerns about conflicts of interest and the potential influence of the water industry over its policies as “complete nonsense”, adding: “This Labour Government has taken the toughest action against water companies in history.

“We are imposing tough new special measures to ban polluting water bosses’ bonuses and make them face criminal charges if they keep breaking the law.

“We are going further with the largest independent commission into the sector since privatisation which will fundamentally reset the industry ensuring it works for customers and the environment.”

The [Department for Environment, Food and Rural Affairs](#) declined to comment and referred *The i Paper* to Labour’s response.

Lobbying firms Lexington, Portland, Blakeney and Headland did not respond to requests for comment.

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