

England's water companies are 'environmentally insolvent', study says

Published: January 15, 2026, 1:50 am

My [report](#) on England's water companies [has got into the Guardian](#):

England's water companies are 'environmentally insolvent', study says

Firms are unable to raise £260bn to deal with sewage spillages according to researchers

● [Business live - latest updates](#)



● The analysis suggests that without price increases the water industry will lose almost £16bn a year paying to deal with sewage, largely because of increased interest costs. Photograph: Richard Saker/The Guardian

England's water companies are "environmentally insolvent" because they do not have the financial means to raise the £260bn needed to deal with their sewage spillages, academic research has found.

The report, by Prof Richard Murphy of the Corporate Accountability Network and Sheffield University, recommends nationalisation without compensation and raising the necessary funds through government ISAs for the public and higher charges for heavy water users.