

## The price of effluence

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As [the Guardian has reported](#):

*Six water companies overcharged customers between £800m and £1.5bn by “significantly or systematically” underreporting the true scale of their sewage pollution of rivers and waterways, a tribunal has heard.*

*In the first environmental competition class action against water companies in England, lawyers argued that the privatised firms had abused their monopoly position to mislead regulators over the amount of sewage they were discharging from their assets over the past 10 years.*

*As a result, the companies, Thames Water, Yorkshire Water, Anglian Water, Severn Trent, Northumbrian Water and United Utilities, were able to charge customers higher bills than they would have been allowed to if they had provided the regulators with a true picture of their sewage pollution.*

Is this claim true? Time will tell: this is simply a case stated in a legal action at present. I have, however, [spent some of my own time](#) looking at the reporting of these firms, including on sewage discharges and what we know is that less than a decade ago, these were exceptionally incompletely, and so very poorly, monitored.

If that is the basis of the claim, and it would seem it would be, what the defence of these companies might be when subsequent events have proved that the scale of discharges was much larger than expected as a result of better recording systems being put in place, is hard to work out.

Will the case be won in that case? That is not for me to judge. But what I do know is that this case highlights the indifference that the water companies had to the pollution they were causing for a very long time, at cost to us all.

Should they now bear that cost? I think so, but that is not for me to decide.

What I can, however, say is that they are not alone in their failure. Every day, hundreds

of the largest companies in the world pump vast quantities of pollution into our atmosphere, onto our land and into our water, poisoning the world we live in and making the future of human (and some other) life on this planet harder to imagine, and they bear none of the costs of doing so.

That's the price of neoclassical and neoliberal economists thinking that the cost of externalities does not matter to those creating them.

That is also the price of the accounting profession refusing to recognise that these costs exist and so not requiring that companies make provision for dealing with the cost in their corporate financial statements, as [sustainable cost accounting would do](#).

That is the price we pay for setting up an economic system blind to everything but the upward redistribution of wealth in pursuit of the relentless demand for growth in our gross domestic product (GDP), however inadequately that is defined and accounted for, and however indifferent that measure is to the distribution of the resulting gains within our society.

We have been deliberately blind to the destruction of our life support systems and have pretended that the cost of their destruction does not exist.

We now have yet another government that appears to share the indifference of previous governments to this issue.

For how long can this go on?