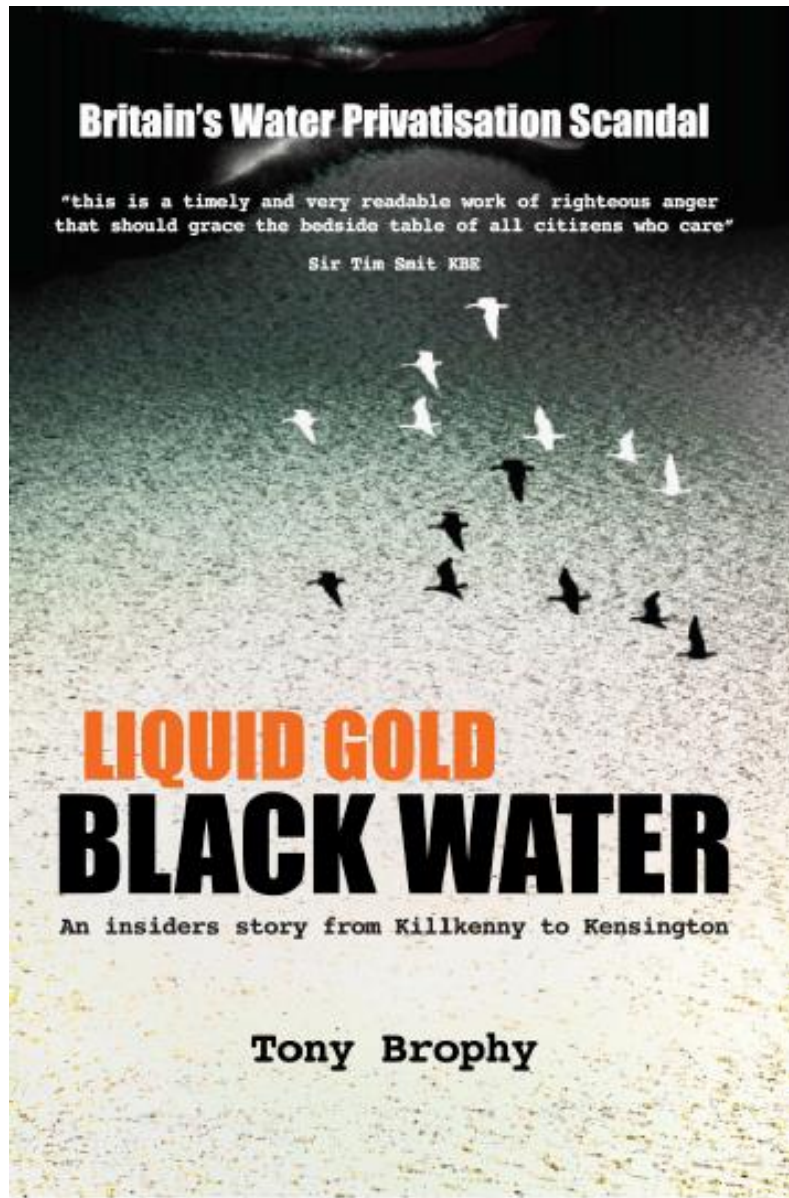


LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

PRESS PACK

On 14 September 2026, Parliament debated whether the public should decide who owns Britain's water.
LIQUID GOLD BLACK WATER explains why that question can no longer be avoided.



LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal

The Case for a New Water Industry

How I Got Dropped in the Shit

Tony Brophy

A remarkable personal story.

A documented history.

A national scandal.

PRESS PACK

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

Tony Brophy experienced Thames Water not from the public gallery, but through a commercial relationship that changed his company and his life. His story raises a much bigger question; -

WHOSE INTERESTS SHOULD THE WATER INDUSTRY SERVE?

The public and the environment or investors and creditors?



Tony Brophy

SHORT BIOG

Tony Brophy is a landscape and environmental entrepreneur whose career has spanned more than five decades notably joint venturing twice with Thames Water pre and post privatisation.

Beginning in the landscape industry in 1970, with £2 capital and operating from a garden shed, Tony helped build the Brophy Irish family landscape business from modest beginnings into Brophy Plc, a major grounds-maintenance and environmental contractor working for local authorities and large environmental projects across Britain.

By 1994 Brophy employed 2,900 and worked in partnership with 88 local authorities in the UK.

Tony is a Landscape Expert specialising in '*Nature-based-Solutions*', specifically grassland carbon removal and creating 'purple water' from black water to mitigate Climate Change. Tony is a Master Organic Gardener certified by GAIA College in Canada.

Over his career Tony has worked with leading academics and practitioners in horticulture, landscape, soils, ecology, natural capital and environmental management.

His current work focuses on climate change, black water recycling, amenity grassland, soil carbon, water reuse and the practical conversion of public land and infrastructure into productive environmental assets.

Tony's book, **LIQUID GOLD BLACK WATER**, draws together that professional experience, the rise and fall of his family company's relationship with *Thames Water*, and the wider political history of England's privatised water industry.

This is his first major work of narrative non-fiction

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

The Tony Brophy Timeline

GARDEN SHED -1970

A family landscape business.



LOCAL GOVERNMENT

Brophy expanded into public-sector grounds maintenance.



88 LOCAL AUTHORITIES

A national contracting platform.



APPROXIMATELY 2,900 PEOPLE

Brophy grew into a major employer.



1986 THAMESGRO

Environmental joint venture with Thames Water Authority.



1990 THAMES WATER

50 per cent acquisition of Brophy Plc.



1994 FULL CONTROL

The commercial relationship changed.



ENVIRONMENTAL WORK

Soils, water, carbon sequestration and nature-based solutions.



LIQUID GOLD BLACK WATER

His account of what happened and what Tony believes England should learn from it.

PRESS PACK

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

Paperback

The complete sixteen-chapter edition, including endnotes and principal documentary sources.

Price: £12.99
Publication date: 1st September 2026
ISBN: 978-1-0369-9457-0

EXTENDED BIOG

Tony Brophy is a British landscape and environmental entrepreneur whose career has spanned more than five decades.

Beginning in the landscape industry in 1970, with £2 and operating from a garden shed, he helped build the Brophy Irish family business from modest beginnings into *Brophy Plc*, a major grounds-maintenance and environmental contractor working for local authorities and large development projects across Britain. By 1994 *Brophy* employed 2,900 and worked in partnership with 88 local authorities in the UK.

Tony is a Landscape Expert specialising in '*Nature-based-Solutions*', specifically grassland carbon removal to mitigate Climate Change, and is a Master Organic Gardener certified by GAIA College Canada.

Tony Brophy has been involved with the British Association of Landscape Industries (BALI) from the outset in 1972 acting as Honorary Secretary and Treasurer for over a decade and being Vice-Chairman before Brophy business absorbed all his time.

The *Brophy Sculpture Garden* (YouTube) in the 1982 Chelsea Flower Show, designed by Danish Landscape Architect Preben Jakobsen, was the first modern garden at 'Chelsea' and received much critical acclaim from Architects and Landscape Architects.

Tony was the BALI judge at the UK's first International Garden Festival in Liverpool in 1984.

The *Brophy* landscape business won many international and national awards for their quality work.

Brophy's work placed him at the intersection of landscape construction, derelict-land reclamation, soil science, public procurement and utility infrastructure.

In 1986 Tony initiated *Thamesgro*, a pioneering joint venture between *Brophy* and the statutory *Thames Water Authority*. The business explored the beneficial reuse of treated sewage sludge in manufactured soils, including work associated with Stockley Park and London Docklands.

Thames Water Plc, the largest water company in the UK, acquired 50 per cent of *Brophy Plc* in 1990 and full control in 1994, giving Brophy an unusual first-hand perspective on the organisation's transition from public authority to privatised corporation.

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal ***The Case for a New Water Industry***

Brophy was the Landscape Consultant to *BAM Nuttall* on the Queen Elizabeth Olympic Park.

In 2014 Brophy organised the UK's first *Sustainable Green Infrastructure Conference* at the British Library where Brophy had built the piazza in the early 1990's for almost £9 million.

In 2016 Brophy concluded the first environmental joint venture in Northern China with plans to assist the reclamation of vast areas of industrial derelict land.

Over his career Tony has worked with leading academics and practitioners in horticulture, landscape, soils, ecology, natural capital and environmental management. His current work focuses on climate change, amenity grassland, soil carbon, water reuse and the practical conversion of public land and infrastructure into productive environmental assets.

Tony has been developing his writing career with numerous articles for national and international journals including the International Federation of Landscape Architects and Pro Landscaper USA.

Tony's first book, *LIQUID GOLD BLACK WATER* draws together that professional experience, the rise and fall of his family company's relationship with *Thames Water*, and the wider political history of England's privatised water industry. It is his first major work of narrative non-fiction.



Sir Geoffrey Jellicoe

Tony Brophy

Sir Roy Watts

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

Testimonial



Sir Tim Smit KBE
Creator of the EDEN Project in Cornwall

“The laissez-faire attitude to the policing and stewardship of our water is, in my view, treasonous.

It is not a misdemeanour or a business crime, it is a knowing assault on the future.

There are many who should hang their heads in shame at the certainty that their descendants will feel that an indelible stain has been visited upon them.

This is a timely and very readable work of righteous anger that should grace the bedside table of all citizens who care.”

Concise and extended book synopses

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal

The Case for a New Water Industry

How I Got Dropped in the Shit

Tony Brophy

A remarkable personal story of enterprise and betrayal.

A documented history of water and power.

A challenge to the future of England's most essential public service.

A national scandal.

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

WHAT IS THE BOOK ABOUT?

London's modern water and sewerage infrastructure grew from one of the great achievements of Victorian public health.

Generations of investment created the reservoirs, pipes, sewers and treatment works upon which modern life depends.

In 1989 the regional water authorities of England and Wales were privatised.

LIQUID GOLD BLACK WATER asks what happened next.

The story runs from London's night-soil men, cholera and the Great Stink through Bazalgette's sewers, Thames Water, privatisation, corporate debt, sewage pollution and the present argument over ownership and reform. At its centre is Tony Brophy's own experience.

WHY TONY?

Tony did not study Thames Water from a distance.

He dealt with the organisation commercially before and after privatisation.

That gives the book its distinctive perspective.

PREFACE

This is the story of how London's sewage became a private monopoly and how one Irish family landscape business got dropped in the shit.

It begins in the old London of cesspits, night-soil men, plague, cholera and the Great Stink, when the city learned the hard way that civilisation depends on what happens below ground. Joseph Bazalgette's sewers were built as public-health salvation, not as a financial asset. They rescued London from its own filth.

More than a century later, Margaret Thatcher's government sold the pipes.

Tony Brophy entered the story from the inside.

In 1986, his family landscape company formed *Thamesgro*, a pioneering joint venture with the statutory Thames Water Authority, turning treated sewage sludge into manufactured growing media for major land-reclamation projects including Stockley Park.

In 1990, Thames Water Plc bought 50 per cent of Brophy. What began as partnership, validation and opportunity later became a battle over control, capital, trust and survival.

From there, the story follows the wider scandal: privatisation, monopoly power, debt, dividends, financial engineering, *Macquarie*, sewage pollution, regulatory failure, public anger, *Surfers Against Sewage*, *We Own It*, *Dirty Business*, Dieter Helm and the growing demand for a new water settlement.

This book is not simply about sewage in rivers. It is about who owns essential public-health infrastructure, who profits from it, who pays when it fails, and why customers who cannot choose another sewer have been left carrying the risk.

Blunt, personal, angry and evidence-led, **LIQUID GOLD BLACK WATER** argues that England's privatised water model has failed morally, financially and environmentally.

The Victorians built the sewers because the smell reached Parliament.

Now the great stink is back.

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal
The Case for a New Water Industry

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The author will be pleased to correct any errors or omissions in any future edition.

This book is a work of non-fiction, memoir, political commentary and public-interest analysis.

It includes the author's personal recollections, opinions and interpretations alongside documented public material.

Where allegations, disputed events or legal proceedings are discussed, the text should be read in accordance with the sources and qualifications given in the End Notes. The views expressed are those of the author.

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Author: Tony Brophy

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Britain's Water Privatisation Scandal

The Case for a New Water Industry

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The Story of the Book

Part One - London: The City Built on Waste

From the night-soil men and the Great Stink to the construction of London's sewers, the opening chapters tell the remarkable story of how water, waste and public health shaped the modern capital.

They also explain how sewage sludge, once dumped as waste, could be treated as a valuable biological resource.

Part Two - The *Thamesgro* Years - The First Shit Deal

Tony Brophy recounts the creation of *Thamesgro*, the restoration of damaged land and his work at Stockley Park. It is a story of environmental innovation developed decades before the modern language of the 'circular economy' and 'natural capital' became fashionable.

Part Three - Privatisation, Growth and Control

The book traces *Thames Water's* acquisition of *Brophy Plc* and the subsequent breakdown of the relationship. Brophy presents his recollections, documentary record and interpretation of the events that followed.

Part Four - The Thames Water Scandal – The Way Forward

The focus widens to privatisation, *Macquarie's* ownership of *Thames Water*, corporate debt, dividends, pollution, regulation and the increasingly urgent question of who should control Britain's water.

Drawing upon the academic work of Professors Karen Bakker, Dieter Helm and Richard Murphy, and the investigative journalist of George Montbiot, the concluding chapters examine alternatives to the present system and propose a new settlement founded upon public health, water catchments, environmental responsibility, long-term investment, transparency and democratic accountability.

PRESS PACK

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Britain's Water Privatisation Scandal
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Core architecture

London's sewage problem; the Brophy/Thames Water story; and the national scandal of privatisation, debt, pollution and public-interest failure.

Selected extract

INTRODUCTION - THE MORAL FAILURE

One week after entering Downing Street, Prime Minister Andy Burnham gave a *Panorama* interview to Laura Kuenssberg in which he turned directly to the ownership and governance of water. “*The water industry in Britain is a system where the shareholders never lose and the public never win,*” he said. “*The pain comes in disrupting some of those arrangements and saying to those vested interests: you cannot have it like this any more.*”[1] His words crystallised the central argument of this book. The privatised water settlement has protected financial interests while transferring too much cost, risk and environmental damage to the public.

The political challenge was immediate. Thames Water's senior creditors, organised through London & Valley Water, were reported to hold about £17 billion of the company's debt, responded to the new Government's pressure with a materially revised rescue proposal. It could include a government “*golden share*”, giving ministers a veto over major decisions and greater public oversight, in an attempt to prevent Thames Water entering special administration or public ownership.[2] That was an extraordinary concession. But a veto is not ownership, oversight is not operational control, and a golden share does not by itself determine who carries the debt, finances reconstruction or receives the eventual rewards.

I wrote to the new Prime Minister Andy Burnham on his first day in office offering the evidence and practical conclusions of this book as his Government prepares the Clean Water Bill. Public health, stronger regulation, water quality and pollution control are now formally at the centre of that legislative programme.[3]

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The question is whether Parliament will merely install a better policeman over the same defective structure, or reconstruct the system around public purpose, environmental solvency and long-term stewardship.

The water industry scandal has now moved beyond public disgust into criminal and parliamentary consequence. In July 2026, the Environment Agency commenced criminal proceedings against Southern Water, its former chief executive Matthew Wright and three other former employees over allegations connected to the manipulation of wastewater-treatment compliance checks. The case concerns alleged conduct between 2012 and 2017. It is alleged that artificial 'no-flow' events were implemented at wastewater-treatment works in order to manipulate the Operator Self-Monitoring compliance testing regime. [4]

Southern Water also faces separate environmental-permit charges linked to the same alleged conduct. These are allegations at this stage; no finding of guilt has been made, and all defendants are entitled to the presumption of innocence. But the fact that such charges have been brought against a former water-company chief executive marks a profound escalation in the national sewage scandal.

The allegation cuts to the heart of public trust. Water companies have long asked customers, regulators and ministers to believe their figures: discharge data, compliance returns, investment claims, pollution reports, asset plans and environmental performance tables. If the public cannot trust the numbers, it cannot trust the system. The issue is no longer simply that sewage entered rivers and seas. It is whether the official machinery for measuring, reporting and regulating that pollution was itself vulnerable to manipulation. That is why this prosecution matters politically. It turns the sewage scandal from a question of poor performance into a question of truth. The Southern Water case also lands at a critical parliamentary moment.

In July 2025 Sir Jon Cunliffe's Independent Water Commission published its final report sets out recommendations for reform to improve the water sector regulatory system in England and Wales. It followed just under nine months of extensive engagement, analysis and research, including the 50,000+ responses submitted to the Commission's 'Call for Evidence'. See end of Chapter 16.

Also in July 2026, the UK Parliament and UK Government Petitions Committee accepted a petition created by Ashley Paul Smith, with *Surfers Against Sewage*, asking the Labour Government to 'hold a binding national referendum on whether the water industry should be returned to public ownership. Water is a basic human necessity; we believe our privatised system has failed, so the public should decide who owns and controls it.'

The petition is headed 'To: Prime Minister, Andy Burnham, end the sewage pollution scandal. Your party was elected on a pledge to clean up our beaches and rivers. You must now deliver. For Heather Preen. For every victim of the sewage crisis. And for every bill-payer forced to foot the cost of this scandal.'

On 14 September 2026 at 16:30 BST there was a 148-speech parliamentary debate in Westminster Hall attended by 63 MP's on **e-petition 762640**, which relates to a referendum on the **public ownership of the water sector**. The Motion was opened by **Paul Davies MP** (Labour, Colne Valley) on behalf of the Petitions Committee, who thanked Ashley Paul Smith, founder of *Windrush Against Sewage Pollution*, for organizing the petition, which gathered over **208,000 signatures** (*and rising*). Campaigner Julia Maughan, mother of Heather Preen (8) who died of E-coli in 1999, and outspoken about sewage pollution Feargal Sharkey, were in attendance. There was **strong support for public ownership of the water sector throughout** indicating a resistance against the profit-first principle being embedded in law.

The petition's success in triggering a debate shows how far the argument has moved. Public ownership is no longer a nostalgic slogan or a fringe demand. It has returned through polluted rivers, rising bills, debt, dividends, sewage alerts, collapsing trust and the repeated failure of regulation to reassure the public.

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The parliamentary debate should therefore not be treated as a symbolic argument about old ideology. It should be treated as a test of whether Parliament is prepared to confront the central question: can England's privatised water monopolies still command public legitimacy? Customers cannot choose another sewer. Rivers cannot switch supplier. Beaches cannot negotiate with storm overflows. If the public pays the bills, bears the pollution, funds the rescue and carries the ultimate risk when a company fails, then the public has a right to ask why private owners and creditors should continue to control the system.

For, **LIQUID GOLD BLACK WATER** these events confirm the book's central argument. The water scandal is not merely about sewage. It is about ownership, finance, regulation, truth, enforcement and public trust. The prosecution of a former Southern Water chief executive over alleged manipulation of pollution-compliance checks, and the parliamentary debate on public ownership on 14 September 2026, belong to the same story. One asks whether the industry's numbers can be trusted. The other asks whether the industry's ownership model can be trusted. Together, they show that the old water settlement has reached the point where polite reform is no longer enough.

I did not encounter Thames Water as a journalist or distant commentator. In 1986, my Irish family landscape company formed *Thamesgro*, a pioneering joint venture with the statutory Thames Water Authority. We converted treated sewage sludge into manufactured soils for land-reclamation projects, most notably Stockley Park and the London Docklands. *Thames Water* acquired 50 per cent of Brophy Plc in March 1990 and took complete control in 1994. Brophy had grown from a garden shed into Britain's largest grounds-maintenance contractor, employing about 2,900 people and winning major contracts with 88 local authorities including The Royal Parks, Harrogate and Eastbourne. I therefore witnessed the transition from public authority to privatised corporation not from the public gallery, but from inside a commercial relationship that changed the course of my family's life.

This is both a documented history and a personal account. Where I describe events I witnessed, I identify them as recollection. Where the documentary record establishes a fact, I cite it. Where I draw an inference, I say so. Where matters remain disputed, I record the dispute. The anger in this book is real, but anger is not a substitute for evidence.

On 8 August 1963, the Great Train Robbers stole about £2.6 million from the Glasgow-to-London mail train after tampering with railway signals near Bridego Bridge in Buckinghamshire. The crime entered popular mythology, but it was neither glamorous nor harmless: driver Jack Mills was struck on the head and seriously injured.[5] Twenty-six years later, another immense transfer of wealth began under the respectable authority of Parliament.

On 6 July 1989, Margaret Thatcher's Water Act received Royal Assent, creating the machinery for the privatisation of England and Wales's regional water authorities.[6] Thames Water was floated as a monopoly serving London and the Thames catchment area after the Government had written off historic debt and provided a "green dowry" to make the sale viable.[7] That political and financial engineering was presented as modernisation.

I use the word robbery politically and morally, not as an allegation that the 1989 privatisation itself constituted the criminal offence of theft. The transfer was authorised by Parliament. My charge is that assets and obligations accumulated over generations were placed into a structure that allowed private value extraction while the public retained the ultimate risk and responsibility.

The consequences have not been abstract. Julie Maughan has publicly stated that she believes her daughter Heather Preen's fatal illness was linked to sewage-contaminated seawater at Dawlish Warren on the South Devon coast. The circumstances were later dramatised in Channel 4's *Dirty Business*. Julie's water quality campaign is "*For Heather – No More Dirty Business*".

The precise medical and legal questions must be treated with care and established from evidence, but the case demonstrates why sewage control cannot be reduced to regulatory targets and balance sheets. Failures can have human consequences.

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On Monday 27 July 2026 the Daily Mirror front page read “*Grieving Mum’s Water Plea – No child should die for a day at the seaside. Call for PM to crack down on firms pumping sewage into sea and rivers*” followed by an exclusive 2-page interview by Graham Hiscott with Mum Julie Maughan, whose eight year old daughter Heather died after contracting E.coli, who is calling for Andy Burnham to crack down on firms pumping raw sewage into the sea.

Julie Maughan tells the new PM “*Put public health before profit, simple as that. You have to do everything you can. Somebody could die again, and how is that going to look on your watch and you have done nothing to stop it? The thought of having another child die or come to significant harm for doing what comes naturally, playing in water, is horrific.*” [8]

England and Wales remain internationally unusual because the regional monopoly companies own the infrastructure, operate the services and extract returns from an essential natural resource, subject to public regulation.

Professor Karen Bakker’s seminal *An Uncooperative Commodity: Privatizing Water in England and Wales* explains why the experiment was structurally unstable.[9]

Water cannot behave like an ordinary commodity. It is indispensable to life and public health. Consumers cannot choose to go without it. It is heavy, geographically fixed and expensive to transport. Supply depends upon immense, long-lived networks of reservoirs, pipes, sewers and treatment works. Parallel competing sewer systems beneath the same street would be absurd. Water therefore produces natural regional monopolies.

Bakker showed that privatisation was not deregulation but re-regulation. Because ordinary competition was impossible, the state had to manufacture a surrogate market through price controls, performance targets and separate regulators for prices, drinking-water quality and environmental protection. The paradox was unavoidable: the more water was privatised, the more elaborate public regulation became necessary.

Privatisation did produce substantial investment and improvements in some drinking-water and environmental standards. A serious account must acknowledge that. But those gains were accompanied by rising charges, high profits, affordability concerns and a deepening conflict between commercial returns and universal service. Ownership could be transferred; the state could not divest itself of ultimate responsibility for water.

That contradiction is now exposed in the accounts. *Financial Times* research reported that the 16 privatised water utilities accumulated £82 billion of debt and paid £85 billion in dividends between 1991 and March 2025.[10] Those figures do not prove that every dividend was improper or that every pound of borrowing was extracted rather than invested. They do, however, show the enormous financial flows created around monopoly public-health services and explain why the allocation of risk and reward has become a national political question.

The infrastructure requirement is equally stark. The House of Lords warned in 2023 that fully updating water and sewerage systems could require tens or hundreds of billions of pounds over multiple decades.[11] Ofwat subsequently referred to around £300 billion of expenditure over 25 years, while the National Audit Office reported company estimates of almost £290 billion in enhancement expenditure plus a further £52 billion for major water-supply projects.[12] These are not directly comparable with a Thames Water rescue package: one concerns national sector expenditure over a generation, while the other concerns the restructuring of a single company. Nevertheless, they demonstrate that stabilising Thames Water financially is not the same as resolving England’s long-term infrastructure crisis.

The earlier creditor plan was widely described as a £10 billion rescue. That headline combined debt restructuring, proposed new equity and additional borrowing; it did not represent £10 billion of unencumbered expenditure on pipes, sewers and treatment works. The creditor group later proposed about £3.35 billion of new equity, additional debt and extensive debt write-offs, before offering still greater public oversight through a possible golden share.[2][13] The distinction matters. Financial rescue and infrastructure renewal are related, but they are not the same thing.

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Thames Water's physical obligation has always been simple to state and difficult to discharge: collect sewage, treat it properly, maintain the system, protect public health and prevent unacceptable harm to rivers and beaches. *Thames Water* says it treats wastewater from about 16 million customers at more than 350 sewage-treatment works and produces more than 750,000 cubic metres of biosolids each year.[13] Sewage, sewage sludge and treated biosolids are not technically interchangeable. My use of the blunt Anglo-Saxon word “*shit*” is deliberate, but the engineering distinctions matter, particularly where properly treated material can be recovered and beneficially reused.

The moral issue is not profit itself. There is nothing immoral about enterprise, ambition, investment, efficiency or reward. A business that creates value, improves service, protects the environment, treats its workforce decently and leaves the world better than it found it has a legitimate claim to success. That was my own motivation as a self-employed landscape contractor trying to provide for my family.

The moral line is crossed when financial reward is separated from responsibility and the costs are transferred to customers, communities, rivers and future generations. Water companies were not selling optional consumer goods. They had been entrusted with clean water, sewerage, public health, environmental protection and infrastructure inherited from generations of taxpayers and customers. Profit was legitimate only while joined to stewardship.

The evidence of failure is no longer confined to rhetoric. Ofwat fined Thames Water almost £123 million in 2025 following investigations into wastewater operations and dividend-payment rules.[15] The Environment Agency's 2024 performance assessment recorded 470 actual sewerage pollution incidents, equivalent to 43 incidents per 10,000 kilometres of sewer, and rated Thames Water red on that measure.[16] A red rating is the Agency's worst classification and means performance was significantly below the required target.

The National Audit Office concluded that regulators had not delivered a trusted and resilient water sector and that Defra had not properly assessed the costs or deliverability of much of its ambition.[11]

Professor Richard Murphy described the English water companies as “environmentally insolvent”: unable, within the prevailing model, to meet the full cost of ending the environmental harm associated with their operations while remaining viable commercial entities.[17] Murphy's phrase is not conventional company-law terminology, nor an official court or regulator finding. That is why it matters. It asks whether accounts that omit the full cost of environmental repair can be economically or morally complete.

Murphy also rejects the claim that clean water is nationally unaffordable. In *Cut the Crap*, he set a requirement of about £260 billion against a UK savings and financial-wealth base measured in trillions.[18] His argument is not that capital is costless, but that the obstacle is institutional: the ownership model, financing structure and political reluctance to mobilise patient capital for a public-health necessity.

Professor Sir Dieter Helm identifies the corresponding geographical failure. Water cannot be planned solely from the balance sheet of a private monopoly. It must be planned through catchments, rivers, aquifers, reservoirs, treatment works, sewer networks, land use, population growth and duties owed to future generations.[18] Murphy exposes the missing cost; Helm restores the missing place. Together they show why a durable settlement must be environmentally solvent and catchment based.

The Government's proposed reforms include a single regulator, a Water Ombudsman, statutory resilience standards, improved asset mapping and stronger oversight of critical infrastructure.[19] These are important measures. Yet the central question remains unresolved: can stronger regulation reconcile the competing demands placed upon privately owned regional monopolies, or must control, finance and governance be reconstructed around the public interest? A golden share may provide leverage. It cannot substitute for a coherent answer.

My argument is not that every subsequent failure was deliberately planned or that every participant acted in bad faith. It is that the original design embedded conflicting incentives.

LIQUID GOLD BLACK WATER

Britain's Water Privatisation Scandal *The Case for a New Water Industry*

Private owners were expected to extract returns from monopolies while regulators attempted to preserve public-health, social and environmental obligations that could never safely be surrendered. Closed professional, commercial and social networks could intensify those conflicts, but responsibility must be attributed through evidence, not insinuation.

This book follows that evidence from London's night-soil men, the Great Stink and Bazalgette's sewers through privatisation, Thames Water's corporate transformation, Macquarie's debt-driven ownership, sewage pollution, regulatory failure and the present struggle over control.

It also tells what happened when my Irish family company entered Thames Water's orbit with an environmental innovation and discovered that partnership with a statutory monopoly could become dependence upon a privatised one.

The Government now has an opportunity to write a different ending through the Clean Water Bill and the decisions it takes over Thames Water. England does not need another financial stabilisation exercise presented as a generational settlement. It needs a system designed for public health, environmental recovery, transparent procurement, catchment governance and infrastructure stewardship over the next two hundred years.

This book alleges a political, moral and structural failure of the privatised water model. It does not allege criminal conduct except where criminal proceedings, convictions or official findings are specifically identified and attributed.

I was dropped in the shit, but the bigger scandal is that the British public was dropped in the shit too.

Introduction

- [1] BBC, Panorama, interview by Laura Kuenssberg with Prime Minister Andy Burnham, broadcast 27 July 2026. The quotation was checked against the final BBC broadcast before publication.
- [2] Reuters, "*Thames Water creditors propose 'golden share' to avoid nationalisation*," 21 July 2026; Financial Times, "*Thames Water lenders to offer 'golden share' to UK government*," 21 July 2026. The creditors were reported to hold approximately £17 billion of Thames Water debt and to be considering a state veto over major decisions as part of a materially revised proposal.
- [3] UK Parliament, written answer by Emma Hardy MP, Department for Environment, Food and Rural Affairs, 4 June 2026, confirming that the Government would bring forward a Clean Water Bill announced in the King's Speech, with public health, regulation, water quality and pollution control at its centre.
- [4] Environment Agency, "EA commences criminal proceedings against Southern Water", 22 July 2026.
- [5] British Transport Police, "*The Great Train Robbery, 1963*," recording the false signal, assault on Jack Mills and theft from the Glasgow-to-London travelling post-office train on 8 August 1963.
- [6] Ofwat, *The Development of the Water Industry in England and Wales*, discussing the debt write-off and government financial support associated with privatisation; Ofwat, *Waterfacts* 1989.
- [7] The account of Heather Preen's illness and death has been discussed by the author with Julie Maughan and her own public account is cited. References to Channel 4's *Dirty Business*. The television drama is not, by itself, proof of medical causation.
- [8] Karen J. Bakker, *An Uncooperative Commodity: Privatizing Water in England and Wales* (Oxford: Oxford University Press, 2004).
- [9] Financial Times, "*Quarter of UK water groups underspend investment allowances as network creaks*," reporting research that 16 privatised utilities accumulated £82 billion of debt and paid £85 billion in dividends between 1991 and March 2025.
- [10] House of Lords Industry and Regulators Committee, *The Affluent and the Effluent: Cleaning Up Failures in Water and Sewage Regulation*, HL Paper 166 (22 March 2023).
- [11] Ofwat, *Independent Commission on the Water Sector Regulatory System: Ofwat Submission*, 23 April 2025; National Audit Office, *Regulating for Investment and Outcomes in the Water Sector*, HC 853 (25 April 2025).
- [12] Reuters, "*Lenders offer over \$4.4 billion equity injection to rescue Thames Water*, *Sky News reports*," 14 March 2026; Reuters, "*UK's Thames Water draws down final part of debt lifeline*," 16 July 2026. Contemporary reports described proposed new equity of approximately £3.35 billion, additional borrowing and extensive debt write-offs.
- [13] Thames Water, "*The sewage treatment process*," stating that it treats sewage from about 16 million customers at more than 350 sewage-treatment works; Thames Water, "*ThamesGrow*," stating that it produces more than 750,000 cubic metres of biosolids annually.

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- [14] Ofwat, "Ofwat fines Thames Water nearly £123m following two investigations into the company," 28 May 2025; Ofwat, "Ofwat finds Thames Water has broken dividend payment rules," 19 December 2024.
 - [15] Environment Agency, "*Thames Water EPA data report 2024*," published 23 October 2025, reporting 470 actual sewerage pollution incidents and 43 incidents per 10,000 kilometres of sewer, rated red.
 - [16] Richard Murphy, *Cut the Crap: Accounting for Clean Water* (June 2023), arguing that English water companies are environmentally insolvent and that investment of approximately £260 billion is feasible against the United Kingdom's wider savings and financial-wealth base.
 - [17] Dieter Helm, "*What Would It Take to Fix the Water Industry?*" and related writings on catchment-based regulation, natural capital, infrastructure and long-term utility stewardship. The final edition should cite the exact version and publication details used in Chapter 15.
 - [18] Department for Environment, Food and Rural Affairs, "*A New Vision for Water*," Water White Paper, January 2026; UK Parliament, written statement, "Water Company Resilience to Heatwaves and Sustained Hot Weather," 16 July 2026, outlining a single regulator, Water Ombudsman, statutory resilience standards, improved asset mapping and stronger infrastructure oversight.
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Interview questions and discussion topics

THE ENTREPRENEUR WHO TURNED SEWAGE INTO SOIL

How treated sewage sludge became an environmental resource.

THE FAMILY COMPANY ACQUIRED BY THAMES WATER

A personal story of partnership, power and control.

FROM THE GREAT STINK TO TODAY

What Victorian sanitation history tells us about the modern crisis.

FOLLOW THE MONEY

How debt and financial structures came to dominate the future of Thames Water.

TOO IMPORTANT TO FAIL - NOT TOO IMPORTANT TO CHANGE

Why protecting water supply does not necessarily mean protecting every existing financial interest.

THE CASE FOR A NEW WATER INDUSTRY

What should replace the present system?

The uncomfortable questions *Liquid Gold Black Water* asks; -

Who benefited from water privatisation?

Why were monopoly companies permitted to accumulate such enormous debts?

Why did regulators fail to protect customers, infrastructure and the environment?

Who should pay to repair the system?

Should clean water be managed for private profit - or as an essential public service?

PRESS PACK

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What should happen to failing water companies?

Who should pay for infrastructure renewal?

Who should control essential water services?

Media Interview Topics

Tony Brophy can speak about; -

Thames Water from the inside

His personal dealings with *Thames Water* before and after privatisation, the creation of *Thamesgro* and the eventual acquisition of *Brophy Plc*.

The birth of a circular-economy business

How treated sewage sludge was converted into useful manufactured soils decades before “resource recovery” and “natural capital” became established environmental concepts.

From partner to prey

What can happen when a small entrepreneurial company creates commercial value within the orbit of a powerful monopoly.

The privatisation of water

How publicly created infrastructure passed into private ownership and why the original model failed to secure public trust.

Debt, dividends and financial engineering

How corporate financing came to dominate the debate over the future of *Thames Water*.

Sewage pollution and public health

Why polluted rivers and coastal waters are not merely environmental problems but matters of public health, accountability and social justice.

A practical way forward

The case for catchment-based water management, environmental solvency, long-term investment and democratic accountability.

Suggested interview questions

1. How did you first become involved with Thames Water?
2. What was *Thamesgro*, and why was it innovative?
3. How did sewage sludge become a valuable landscaping resource?
4. Why did *Thames Water* acquire *Brophy Plc*?
5. When did the relationship begin to deteriorate?
6. What does your experience reveal about the behaviour of large monopolies towards smaller businesses?
7. How did privatisation change *Thames Water*?

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8. Who benefited most from the privatised water model?
 9. Why did regulators fail to prevent excessive debt and environmental decline?
 10. Should *Thames Water* be brought into public ownership?
 11. Who should pay for the investment now required?
 12. What would a financially and environmentally sustainable water system look like?
 13. What should the forthcoming Clean Water reforms contain?
 14. Why did you decide to publish this book now?
 15. What do you want readers, and government, to do after reading it?
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CONTACT

Get in Touch

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