



**Environment, Food
and Rural Affairs
Committee**

16 July 2025

Lawrence Gosden
CEO, Southern Water
By email

Subject: Reforming the water sector inquiry

Dear Lawrence,

I am writing in response to your letter dated 5 June 2025, which responded to several questions from the EFRA Committee. The information provided so far has been helpful.

Your letter acknowledged that Southern Water incurs legal costs when prosecution proceedings are issued against Southern by the Environment Agency or Drinking Water Inspectorate, but it does not provide a breakdown of these costs. The Committee would like to know how much has been spent on external legal fees in connection with regulatory actions taken by Ofwat, the Environment Agency and the Drinking Water Inspectorate over the past 5 years and in relation to any complaints or legal actions initiated by individuals, campaign groups or NGOs in relation to Southern Water's regulated activities. We are collecting this information from all those companies who similarly interpreted our original question to relate only to legal costs incurred when initiating legal action.

The Committee would also like to know, over the same timeframe, how many regulatory actions by Ofwat, the Environment Agency and the Drinking Water Inspectorate Southern Water has been subject to and of those, how many the company has i) complied with, ii) sought to reframe, or iii) contested.

Finally, the Committee would like to know how many people work in Southern Water's legal team and how many of the team focus on regulatory matters of the type overseen by Ofwat, the Environment Agency and the Drinking Water Inspectorate.

I would appreciate a response by 1 August 2025.

Yours sincerely,

Alistair Carmichael MP
Chair, Environment, Food and Rural Affairs Committee