News story: New water choice for English businesses

The world's biggest competitive water market officially opened on April 1st, which for the first time gives more than 1.2 million businesses, charities and public sector bodies the chance to choose their water provider wherever they are in the country.

Environment Secretary Andrea Leadsom welcomed the launch of the market, which will deliver up to £200 million of benefits to the economy and water customers over the next 30 years, through improved service and better value for money.

By opening the market, companies ranging from businesses with very few employees to multinationals, as well as charities and public sector organisations, will be able to shop around for the best deal from all water utilities in England.

Environment Secretary Andrea Leadsom said:

Over a million businesses, charities and public sector organisations will now be able to find the water deal that works best for them. Opening the market is an historic milestone, paving the way for innovation and efficiency and giving customers the same choice over their water retailer as they currently have for their energy and other essential services.

Defra has worked with partners Ofwat, which will regulate the new market, and Market Operator Services Ltd (MOSL), which will operate the market on behalf of its water company members, to ensure there is a smooth transition for customers.

Ofwat Chief Executive Cathryn Ross said:

Business customers have been crying out for choice over their provider of water and waste water services for years. From today businesses, charities and public sector organisations in England will be able to choose their retailer to get a better deal.

The opening of the business retail market takes us into new territory. It is the single biggest change to the water sector since privatisation and I am hugely optimistic about the changes that lay ahead and the benefits they will bring to customers.

But it is important that we at Ofwat maintain effective oversight of how the new market is working and what customers are experiencing. This will mean that we can step in if we need to, to make sure customers are protected.

MOSL Chief Executive Ben Jeffs said:

This launch marks the successful delivery of the largest and most complicated transformation programmes undertaken by the water sector since privatisation. Delivering a programme of this scale and complexity has involved a huge team effort across Government, Ofwat and the entire industry.

Competition not only offers non-household customers the prospect of a better price for a better service, it will create new opportunities and challenges for the sector as a whole. The level of engagement we have had to date has been exemplary and, as the market operator, we look forward to working with companies to ensure the new market delivers on its promise to customers.

The new market in England now becomes the biggest of its kind in the world and Defra will continue to support the water sector as the market develops.

Scotland is the only other country with a competitive water market for businesses and this government has been working closely with its Scottish partners in the lead-up to the opening to draw from their learnings and expertise.

Businesses, charities or public sector organisations interested in changing their water retailer should shop around. There is more information available about available water retail suppliers on the Open Water website.