

UK Prime Minister Burnham U-turns over Thames Water nationalisation

Paul Mitchell
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UK Prime Minister Andy Burnham’s abrupt abandonment of his flagship pledge to bring Thames Water into public ownership exposes the emptiness of his promises to “reverse Thatcherism.”

Last week Burnham backed down at the very moment the criminal pollution record and financial collapse of Britain’s most distrusted and environmentally destructive privatised utility demanded decisive action and the prosecution of those responsible. He now insists nationalisation would be “too costly,” “too complex,” “too disruptive.”

During his June 2026 campaign to become Member of Parliament for Makerfield — the springboard for his installation as Labour leader and Prime Minister on 20 July 2026— Burnham pledged to nationalise Thames Water. He declared, “Public ownership is absolutely an option... I would say for Thames Water, that is what should be done.” Sources close to him said the company would be the starting point of a decade-long project to bring privatised utilities back under public control.

Throughout his campaign Burnham postured as the first Labour leader in decades willing to confront four decades of Thatcherism, indicating opposition not only to the Conservatives but to Tony Blair’s “New Labour” initiative, of which he was an integral part, and the party’s continued embrace of free market nostrums. He claimed Britain had “taken a series of wrong turns” since the 1980s, surrendering democratic control over essentials like housing, water, energy and transport, and promised a “new path” after forty years of privatisation and deregulation. His pledge to take Thames Water into public ownership within days of becoming prime minister was meant to symbolise this historic break.

If anything commands overwhelming public support for nationalisation, it is Thames Water — a company whose origins lie in the New River Company of 1617, created to supply fresh water to London. Its successor, the Metropolitan Water Board, became renowned for the vast Victorian-era water and sewerage projects that transformed public health in the capital.

The scale of the disaster privatisation has produced is staggering. Thames Water’s debt, approaching £20 billion, was engineered through leveraged buyouts, dividend extraction and financial engineering. Across the sector, an estimated £78 billion has been paid out to shareholders since 1989, while net debt has soared to more than £64 billion.

Since 2020, Thames Water has pumped at least 72 billion litres of raw sewage into the River Thames — the equivalent of 29,000 Olympic swimming pools. Across England, water companies were responsible for at least 3.6 million hours of raw sewage discharge in 2023, leading to thousands of reported illnesses annually from those swimming in the rivers, lakes and sea.

Thames Water has repeatedly polluted rivers with raw sewage, discharged toxic “forever chemicals,” and allowed its infrastructure to decay. It received a record £122.7 million fine for sewage-treatment failures, with regulators concluding it had “failed to protect the environment.” It also loses around 570 million litres of water a day through leaks — more than any other water company — compounded by botched smart-meter installations that caused thousands of household leaks and flooding.

Campaigners and environmental groups condemned Burnham’s U-turn. Cat Hobbs of We Own It warned, “If Burnham doesn’t take Thames Water into public ownership, he’ll go down in history as a same-old prime minister delivering sewage in our rivers and spiralling bills to households.”

“The idea that we can’t take back this company which has literally gone bust, been in breach of its licence for two years and has put forward several proposals for illegal sewage is a joke. It makes a mockery of households, of our entire water system, of the special administration regime (SAR), of England.”

Former musician and prominent environmental campaigner Feargal Sharkey said the decision proved political leaders were terrified of confronting the privatised model: “If this isn’t the moment for public ownership, what is?”

River Action's James Wallace described Thames Water as "drowning in debt, sewage and lost water" and urged immediate special administration to prevent another round of private asset stripping.

Burnham's retreat confirms the real character of his government: a continuation of the profit-driven order that has looted public infrastructure for decades. He embodies what every Labour government has represented since Blair — the imposition of austerity, privatisation and war on behalf of the ruling class, wrapped in rhetoric cynically aimed at recapturing a working-class vote that has deserted the party.

The WSWS has stressed that Burnham's outlook is rooted in Blair's "Third Way," the doctrine that codified Labour's repudiation of its old national-reformist programme and enshrined government-corporate partnership as the foundation of economic and social policy. His entire career is inseparable from New Labour: fast-tracked into Blair's machine, elected to parliament in 2001, and proudly declaring himself a "Blairite for Brown." He backed the illegal Iraq war and voted to block any investigation into it. As Health Secretary, he drove National Health Service (NHS) privatisation and earned the nickname "Flog 'em Burnham" for his authoritarian law-and-order stance. He supported 42-day detention without charge and later abstained on the Tory welfare bill that stripped millions of support.

Thatcher once said her greatest achievement was "Tony Blair and New Labour." Burnham is the embodiment of that boast. Blair himself reminded the public during Burnham's Makerfield campaign that he was "an outstanding member of my government."

Burnham's "Manchesterism" and "Productive State" agenda — hailed by the Guardian as a challenge to Thatcherism — explicitly rejected nationalisation. It proposed "public ownership with a commercial mandate," the same Blairite public-private partnership model that saddled the NHS and schools with massive debts. It insisted on strict fiscal rules and a "credible plan for engaging with bond markets" — in plain English, austerity.

Burnham's prime ministerial appointments stripped away any remaining pretence of a break with the past. He stocked the top tiers of government with the same pro-market, pro-NATO Blairites who spent decades entrenching privatisation, enforcing fiscal austerity and binding Britain to US military strategy.

The working class cannot look to Burnham or Labour to resolve the crisis of Britain's water system — or any essential service. Real change requires the independent mobilisation of workers for socialism, the abolition of private ownership of essential infrastructure, and democratic control of society's productive forces.

It also requires a struggle against the pseudo-left — the Socialist Workers Party, the Socialist Party, the Corbynite Socialist Campaign Group and those around the Stalinist *Morning Star* newspaper — who claimed Burnham's promises would "raise expectations" and that workers should "pressure" him to the left. The entire history of Labour refutes this. Every supposed "left turn" has ended in capitulation and betrayal.

Corbyn is the most recent example: he filled his leadership with Blairites, capitulated at every turn, and ended by founding Your Party whose only function is to channel opposition back into Labour and which has now all but collapsed.

Appeals to implement a Special Administration Regime (SAR) are no solution either. SAR is not nationalisation. Created after the 2008 financial crisis because ordinary insolvency law could not cope with the collapse of "systemically important" firms, SAR is a state-managed insolvency process: debt payments are frozen, public money keeps the company running, and once the balance sheet is repaired the asset is handed straight back to private investors. It socialises losses, preserves the privatised model, and shields creditors from the consequences of decades of looting.

Workers must treat Burnham's promises with contempt, reject the pseudo-left's pressure politics, and take up the fight to build the Socialist Equality Party.

The water companies must be taken into public ownership without compensation to the shareholders and creditors who have enriched themselves while running down the water and sewage system. Billions seized from the fortunes of the super-rich must be used to rebuild sanitation and infrastructure. Essential services must be placed under the democratic control of the working class as part of the broader socialist reorganisation of economic life.



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