



Wastewater

The Hidden Blocker to Housebuilding in the East of England



We are at our wastewater limit – affordable housing is now at stake

The Government has made its priority clear: Britain needs more homes. Few regions are better placed to help deliver that ambition than the East of England. Home to some of the country's fastest-growing economies, globally significant research clusters, and expanding urban centres, the East is primed to make a substantial contribution to national prosperity.

Yet across large parts of our region, a critical piece of infrastructure risks becoming an obstacle to that future.

Wastewater networks and treatment works are approaching the limits of their capacity. Without adequate systems to collect, treat and manage wastewater, homes cannot be occupied, development cannot proceed with confidence, and growth will be delayed or diverted elsewhere.

The scale of the challenge should not be underestimated. Across the Anglian Water region, which covers most of the East of England, industry estimates suggest that 14,500 homes are currently affected by wastewater-related constraints¹. Local authorities estimate the number to be higher still and are increasingly concerned that infrastructure limitations could undermine the delivery of Local Plans, restrict growth in smaller settlements, and reduce confidence in the planning system itself.

That is why urgent action is required now. The East of England needs a coordinated programme of investment, better data, and a shared commitment from Government and regulators to ensure that wastewater infrastructure keeps pace with growth.

Without intervention, infrastructure limitations risk becoming one of the most significant barriers to housing delivery in the region. With the right support, however, they can be overcome. The Water Delivery Taskforce is already enjoying some success, and collaboration with Anglian Water has freed up further capacity². It is important that we do not let up now, and that this issue continues to receive the attention it so sorely needs.

¹ ["A Drain on the Nation" - The Home Builders Federation](#)

² ["Anglian Water's Blueprint for Growth" - Anglian Water](#)

Key Messages

1. The East of England is one of the least affordable parts of the UK

The average property is nine times the average salary in the East of England – making our area the third least affordable region in England.

Government has determined that a boost to housing supply is the most effective way to enable affordable housing for all.

2. More housing is needed to remedy this

3. A lack of wastewater capacity threatens housing delivery

There is insufficient wastewater capacity to absorb further housing growth in some parts of the East. This is leading to objections being placed in the planning system and has dented developer confidence.

Stakeholders in the region are working with each other as best as possible – but there are limits to what can be achieved.

4. Everyone is working with what we have – we need more.

5. We don't want to compromise the environment – rather work with it

River health continues to be a high-salience issue for local government.



Challenges

Housing Delivery

Water companies are raising concerns about the ability of existing wastewater systems and treatment works to accommodate further development. This is resulting in requests for Grampian Conditions that prevent newly built homes from being occupied until additional wastewater capacity is delivered. These create uncertainty for developers and can significantly delay the delivery of homes.

Housing Placement

Growth should be guided by economic opportunity, community need, sustainability and local democratic choice. However, in areas where wastewater infrastructure is constrained, development may be pushed towards locations that have available capacity rather than locations where growth is most needed or desirable.

Impact on local plans and Spatial Development Strategies

Where there is limited certainty about future wastewater capacity, authorities may struggle to demonstrate that planned growth can be supported by adequate infrastructure. This creates additional risks during the examination process and can delay the adoption of Local Plans.

Water in a wider context

The challenge is particularly acute in the East of England because it sits alongside a range of other water-related pressures within the region³. The East is one of the driest parts of the United Kingdom and has long experienced issues relating to water resources and environmental capacity. Water scarcity, environmental protections and nutrient neutrality requirements have already created planning and development challenges in parts of the region. Wastewater capacity now represents an additional layer of complexity.

Coordination and evidence

Although stakeholders broadly agree that wastewater capacity poses a risk to housing delivery, there remains limited data on the precise scale of the problem at a local level. Policymakers need a clearer understanding of which communities are most affected, how many homes may be at risk, and which infrastructure investments would unlock the greatest levels of growth.

³ ["Water Resources Plan" - Water Resources East](#)

Case studies – examples of where to act

Cambridge wastewater treatment works relocation

Wastewater infrastructure is a growing constraint on housing and economic growth in Greater Cambridge. The relocation of the Cambridge Wastewater Treatment Plant would have unlocked land for around 8,350 homes and increased treatment capacity, but Government funding was withdrawn in 2025. As a result, growth now depends on upgrades to the existing Cambridge (Milton) site, where long-term capacity improvements remain subject to planning and funding approval. Capacity constraints also affect several other treatment works across Cambridgeshire, creating risks to planned housing and employment growth.

Without timely intervention, wastewater capacity is likely to remain a significant barrier to delivering planned homes, jobs and economic growth across Cambridgeshire. Interventions could include:

- Prioritise wastewater infrastructure as a growth-enabling investment for Greater Cambridge.
- Provide funding certainty for upgrades at Cambridge treatment plant to accelerate delivery.
- Use the DEFRA Water Delivery Taskforce to speed up regulatory and planning decisions.
- Support investment in other constrained wastewater treatment works across Cambridgeshire, not just Cambridge.
- Align future wastewater planning and funding with the ambitions of the Greater Cambridge Local Plan and wider growth programmes.

Bishop's Stortford Wastewater Treatment Works

The Bishop's Stortford Wastewater Treatment Works is critical to planned growth across Uttlesford and neighbouring authorities, yet Thames Water has not confirmed a timetable for the upgrades required to support future demand. The works serves key growth locations including Stansted Airport and parts of the wider UK Innovation corridor between Peterborough and London, meaning delays could affect housing delivery and economic development across multiple areas.

The issue extends beyond Uttlesford. The works is also important to developments in Bishop's Stortford and the Harlow and Gilston Garden Town, creating a shared dependency on timely investment. Without a clear programme for capacity improvements, wastewater infrastructure risks becoming a constraint on delivering planned homes and jobs.



What is needed

Accelerate investment

The core issue is a lack of capacity within parts of the wastewater network and treatment system. While significant reforms and investment planning are underway, much of this investment will not materialise until the next decade. The East of England needs Government to accelerate and prioritise infrastructure funding that unlocks housing growth in the short and medium term. However, at a time of acute increases in the costs of living, care must be taken with regards to increasing the cost to the consumer.

Support for the short term

A further challenge lies in the gap between immediate housing needs and the timescales required to deliver infrastructure solutions. Encouragingly, government, regulators and water companies have recognised the scale of the issue and are developing medium-to-long-term responses through investment planning, regulatory reform and strategic water management programmes. However, many of these initiatives will not deliver significant additional capacity until the next decade.

It is therefore crucial that the Government facilitate collaboration between planning departments and the water companies to ensure that sites of particular importance to local places are allowed to move forward. The Water Delivery Taskforce⁴, working to deliver priority schemes in Tendring and Beccles, is a great example of this kind of collaboration, and we want it to be extended.

Strengthen the capacity of water companies to support planning

The Water White Paper ([A new vision for water](#)) proposes making water and sewerage companies statutory consultees and introducing stronger duties to support plan-making. However, if these responsibilities are not supported with additional funding, they will not be delivered effectively and could serve to slow delivery further. In return, the paper's plan for a "right to connect" for wastewater would give local authorities some much needed certainty from water companies, which will be particularly important when Spatial Development Strategies are being considered.

Support a balanced approach to growth and the environment

The issues with wastewater must be seen as part of a broader issues regarding water management and housebuilding within the East of England. Water efficiency is crucial, and by investigating how we can make better use of non-potable water sources will be important for making sure that less wastewater ends up in our rivers.

⁴ [Water Delivery Taskforce](#) - DEFRA

