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DEBTLINE

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Consultation Response:

Defra Consultation on reforming the WaterSure Scheme

Response by the Money Advice Trust

Date: September 2025

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Introduction

About the Money Advice Trust

The Money Advice Trust is a charity founded in 1991 to help people across the UK tackle their debts and manage their money with confidence.

The Trust's main activities are giving advice, supporting advisers and improving the UK's money and debt environment.

In 2024, our National Debtline and Business Debtline advisers provided help to 203,700 people by phone, webchat and our digital advice tool with 2.8 million visits to our advice websites. In addition to these frontline services, our Wiseradviser service provides training to free-to-client advice organisations across the UK and in 2024 we delivered this free training to 750 organisations.

We use the intelligence and insight gained from these activities to improve the UK's money and debt environment by contributing to policy developments and public debate around these issues.

Find out more at www.moneyadvicetrust.org.

Public disclosure

Please note that we consent to public disclosure of this response.

Introductory comment

We broadly welcome the proposals to reform the WaterSure scheme, as based on the previous work by CCW. We are really pleased to see the inclusion of non-means tested disability benefits as eligible benefits.

We are also pleased to see the expansion of the types of condition that will qualify someone for help.

However, we do not support restricting eligibility to 60% of median income, nor do we support including non-means tested disability benefits in the income assessment.

Whilst we think that WaterSure scheme provides valuable support to eligible households, we would like to see an expanded and comprehensive single social tariff for water, as we believe that this will provide the widest support to the greatest number of people.

Responses to individual questions

Question 1: Would you like your response to be confidential?

No

Question 2: If you answered yes, which information would you like to keep confidential and why?

Not applicable.

Question 3: Please provide your name.

Meg van Rooyen

Question 4: Please provide your email address.

Meg.vanrooyen@moneyadvicetrust.org

Question 5: In what capacity are you completing this consultation?

As a non-government organisation (NGO) or other non-profit public interest group.

Question 6: Before this consultation were you aware of WaterSure?

Yes, we are aware of WaterSure as this is a potential option to reduce outgoings on water bills which debt advisers would consider as part of the debt advice process.

Question 7: If you are a customer or individual, have you or someone in your household been in receipt of WaterSure support in the past year?

We are responding as a debt advice charity, so this question is not applicable.

Question 8: What is the name of the organisation or interested group you are responding on behalf of?

We are responding as Money Advice Trust. We are a debt charity that runs free debt advice helplines, National Debtline and Business Debtline.

Question 9: To what extent do you agree or disagree with the proposal that the list of qualifying benefits for WaterSure should be extended to include specified non-means tested disability benefits (for those claiming through a qualified medical condition), subject to a household income threshold?

Strongly agree.

Question 10: If you want to expand on your answer, please explain your rationale here.

We very much support the proposal to extend the list of qualifying benefits for WaterSure to include non-means tested disability benefits.

Question 11: Do you agree that the household income threshold for WaterSure eligibility (which would apply where households apply on the basis of receiving non-means tested disability benefits) should be set at 60% of the median income?

Strongly disagree.

Question 12: If you want to expand on your answer, please explain your rationale here.

We do not agree with the proposal to make eligibility subject to a household income threshold relating to the median income. We believe that this will restrict eligibility too strictly and not provide support to all those in need. We would not like to see unintended consequences if the threshold is set so low that existing eligible families lose their support.

We are not sure that using 60% of median income is either adequate or appropriate. This appears to be the common threshold used to define relative poverty. If such a threshold is used, we urge Defra to set this threshold after housing costs as rising rents are a growing contributor to relative poverty.¹

¹ <https://observatory.leeds.gov.uk/leeds-poverty-fact-book/relative-and-absolute-poverty/>

The CCW published a set of recommendations as a result of its review of the WaterSure scheme.² CCW concluded:

“On balance we feel that setting a threshold which excludes income from disability benefits would be the most appropriate approach to follow. This might be set at a lower level than would be the case for a threshold which took account of all income. However, we feel this should still be set sufficiently high to make it a back stop against exceptional cases (where claims are made by quite high-income households) rather than something which more routinely excludes claimants.”

We agree that an upper income threshold limit should be set at a higher amount, based upon household size and this should **exclude** disability benefits, so that most households will be covered, except in exceptional cases. The proposed cap is too restrictive. A higher threshold will also make it less complicated for water companies to calculate entitlement.

However, this restriction combined with the intention to include disability benefits as part of household income seems intended to unfairly restrict the impact of expanding eligibility to those on non-means tested disability benefits in the first place.

Higher awards of disability benefits correlate with the extra costs of disability, so these proposals could restrict eligibility for some people who are over the income threshold but are actually in the greatest need.

If a fixed income threshold is introduced, then this must be regularly reviewed so that it does not become out of date. We favour building an automatic yearly review mechanism into the regulatory requirements, to avoid this happening.

Question 13: To what extent do you agree or disagree with the proposal to include non-means tested disability benefits when calculating household income for the purpose of the household income threshold?

Strongly disagree.

Question 14: If you want to expand on your answer, please explain your rationale here.

We do not support this proposal. The non-means tested benefits that have been included in the list of qualifying benefits are all disability-related benefits which are intended to help with the extra costs of a disability. If disability benefits are counted towards income, then this does not acknowledge the extra costs that come with disability.

We do not believe disability benefits should be taken into account as income for the purposes of any calculation of household income. The Scope Report *Disability Price Tag 2025*³ sets out the extra costs a disabled household needs to have the same standard of living as a non-disabled household after housing costs.

² <https://www.ccw.org.uk/publication/recommendations-improving-the-watersure-financial-support-scheme/>

³ [Disability Price Tag 2025 | Disability charity Scope UK](#)

Scope states:

- ✓ **For 2024 to 2025, disabled households need on average, an additional £1,095 a month to have the same standard of living as non-disabled households.** This is 8% higher than our previous Disability Price Tag.
- ✓ **On average, the extra cost of disability is now equivalent to 67% of household income.**

In addition, when it comes to disability benefits, it's generally accepted in debt advice and by creditors that this kind of income is meant to cover the extra costs of disability or illness. Income from disability benefits is offset by expenditure relating to these extra costs. Therefore, they do not form part of the income left over to repay debts.

We therefore believe it would be fairer to discount disability benefits rather than include these in the income streams assessed for the purposes of WaterSure.

Question 15: To what extent do you agree or disagree with the proposal to cap eligible households' bills at either the average metered bill or the average bill, whichever is lower?

Strongly agree.

Question 16: If you want to expand on your answer, please explain your rationale here.

It makes sense that the cap should provide the most benefit available for eligible households. We agree that water companies should apply the cap amount in whichever way will generate the greatest saving for the eligible household. This will ensure that the benefits for aim of the consultation, which is to provide greater support for households with disabilities and those where there is child poverty.

Question 17: To what extent do you agree or disagree with the proposal that the cap for an eligible single occupier recipient should be based on the average bill or average metered bill for a single occupier, whichever is lower, rather than on the average household bill?

Strongly agree.

Question 18: If you want to expand on your answer, please explain your rationale here.

We very much support the proposal which will go some way to address the unfairness of the scheme for single occupiers. Currently, single occupiers may not qualify at all for assistance under the scheme, as the cap is based on the average household and does not adjust for the size of the household.

As our data at National Debtline shows a higher percentage of single people in severe household debt, this would be a very welcome measure.

Question 19: To what extent do you agree or disagree with the proposal to remove the option for companies to require a medical practitioner's note from claimants with conditions not specifically listed in the WaterSure Regulations?

Strongly agree.

Question 20: If you want to expand on your answer, please explain your rationale here.

We very much support the proposal to remove the option for companies to require a note from a medical practitioner as evidence **for conditions not specifically listed** in the regulations. This should help to address the problems and costs associated with obtaining medical evidence.

This appears to be a practical solution to require companies to rely upon a broader range of evidence when considering other conditions that involve increased water consumption.

We would also support changing the definition of "medical practitioner" to expand the range of NHS staff who can provide medical evidence in different ways. This will help to minimise the difficulties in obtaining notes from GPs. We would like to see Defra prohibit charging for medical notes or evidence in this context.

Question 21: To what extent do you agree or disagree with the proposal to specifically list more potentially qualifying medical conditions, such as dementia, in the WaterSure Regulations?

Strongly agree.

Question 22: If you want to expand on your answer, please explain your rationale here.

We agree with the proposals to specifically list more qualifying medical conditions such as dementia. This will help to reduce the number of people who "self-exclude" from making an application, on the basis that their specific condition is not listed.

It is very important to list a range of mental health conditions that may result in greater water use, as none are listed currently so recognition would be beneficial.

We would expect government to obtain expert medical advice as to what additional conditions are most likely to result in significant extra water use. This will make the resulting list as comprehensive as possible.

Question 23: What are your views on the barriers to existing data-sharing between water companies and government?

We would like to see Defra take immediate action to address the barriers to data sharing between water companies and government. We would suggest that Defra uses the current vehicle available via the Digital Economy Act amendments. The proposals are to expand information sharing powers for energy suppliers and for local authorities.⁴ This seems to present a very good opportunity to act now, rather than have to find a legislative vehicle in the future, which will cause avoidable delays.

We appreciate that government may consider a single water social tariff shortly and needs to look at wide reforms across the sector. Any such reforms will require a similar level of ambition in the energy sector. Perhaps there should be consideration given to a debt relief scheme for water, equivalent to the proposals for an energy scheme. Data sharing will be the bedrock of any such schemes.

Question 24: What are your views on how government could increase awareness of WaterSure amongst those who are digitally excluded?

Automatic enrolment would be the ideal scenario, but we agree that Defra should keep the application route as an alternative. It is therefore important to look at improvements in awareness as well as improving the targeting of support. Companies should be required to collectively promote WaterSure at an England and Wales level.

Government could run a public information campaign to raise awareness of WaterSure and social tariffs, and the support available via priority services register.

The NHS and DWP should provide information on WaterSure, especially to people on disability benefits and with medical conditions which might require significant additional water use.

It is important that the application process is made as automatic as possible, as this will minimise the requirement for people to actively engage with the process. This helps where people are in vulnerable circumstances or disengaged with their water company. We very much agree with the intention to remove the requirement to make an application.

For more information on our response, please contact:

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⁴ [Expanding the information sharing powers in Part 5 \(chapter one\) of the Digital Economy Act 2017 to support passported benefits and reduce fuel poverty - GOV.UK](#)



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