



Call for input – Improving the WaterSure Financial Support Scheme
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Dear CCW,

Re: Call for input – Improving the WaterSure Financial Support Scheme

I am writing to you on behalf of Independent Water Networks Limited (“IWNL”), part of the BUUK Infrastructure Group of companies, in response to your ‘[Call for input – Improving the WaterSure Financial Support Scheme](#)’, published on 17 July 2024. We appreciate you taking the time to consult us on this important matter, and we are pleased to have an opportunity to engage with you and for the chance to influence the direction of this policy. We can confirm that we are happy for you to publish our response.

BUUK infrastructure, the parent company of IWNL, competes to provide utility infrastructure for house builders. In electricity, gas and fibre there is full competition, with choice on both who installs and who owns the assets. In water and wastewater markets competition is still largely restricted to installation through Self-Lay Providers (SLPs) and most of these installed networks have historically been adopted by the incumbents.

Overview of IWNL views

We are supportive of CCW’s move to improve the WaterSure scheme, to bring it up to date so that it can continue to help as many people as possible. However, we think that a balance needs to be found between helping customers and not burdening companies too much. IWNL does, and will continue, to match the tariffs offered by the relevant incumbent water company, which includes associated WaterSure caps. However, as a new appointee (NAV) company, we consider that a more centralised approach to funding support would benefit customers and NAV companies alike. To this end, we would support a project to establish a national single social tariff, with funding derived from all companies to provide a consistent level of support for end customers. This may be something which the whole industry could get behind.

An issue specific to your proposals which we have identified is that, for WaterSure to have stricter eligibility criteria, this would require companies to store increasing volumes of sensitive personal information, which would lead to added expense for companies to have stronger IT protections to keep that customer data safe. Coupled with the additional administration costs such a change would bring, and this would be particularly burdensome for smaller water companies and NAVs.

IWNL views on the questions raised in the CCW consultation

The consultation assesses the potential to amend many aspects of the eligibility criteria and requests stakeholder views on these proposed changes. Please see below for our answers:

- **Metered Bill** – We have no comment on this matter as all of our supplies are metered.

- **Low income** –
 - We do not agree with the proposal to remove the requirement for claimants to be in receipt of benefits, as we do not consider this aligns to the messaging around water efficiency.
 - Replacing benefit entitlement with a household income level threshold, could also introduce the same level, if not more, administration in validating the requirement with the customer, and potentially introduces a layer of complexity not there now in terms of inflation, changes in circumstances, and household income relative to occupants.
 - We would prefer to see an expansion of qualifying benefits to include non-means tested disability benefits, e.g. allowing Personal Independence Payments, Disability Living Allowance etc. These are the types of requests we've had from customers before so we expect it would be an appreciated addition to the criteria.

- **Family size**
 - We do not have strong views on this, but we fail to see any benefit from increasing or reducing the number of children needed to qualify is needed.
 - Regarding the extension of support to larger multigenerational households, we note that anecdotally we don't receive this as a regular request or feedback from customers – but we also recognise that it's not something we proactively ask for. We do, however, appreciate that with multi-generational households, some customers in the household may suffer from incontinence, requiring them to wash more often so this appears like it might seek to cater for that scenario.

- **Medical conditions** – We support the adoption of your clear statement approach, as this would make it this less onerous to administer. We also welcome the explicit inclusion of mental health conditions.

- **Bill support provided** –
 - We do not support your suggestion to change the WaterSure cap to the company average metered bill level; we are a national company, with our costs led by the incumbent areas where we have our licenced areas. As a result, the cost of an average metered bill will vary by area, and this is likely to make the cap difficult to administer.
 - We are not in a position to choose between changing the cap to either the local average metered bill or industry average metered bill, as these options may not actually feel like a significant, tangible benefit to the customer e.g. they may only notice a difference of a few pounds (£) per annum. It is difficult for us to comment without seeing the specific numbers.

- We would suggest that replacing the cap with a percentage of fixed amount discount is a confusing change to both explain and administer.
- We do, however, support the introduction of a single occupier bill cap, as this seems like a good way to help low-income single occupiers, including elderly customers

I hope that this letter is helpful. We would welcome an opportunity to meet with you to discuss these issues in more detail. Please feel free to contact me at keith.hutton@bu-uk.co.uk so that we can arrange a meeting. We appreciate your efforts so far and look forward to working with you in the near future.

Kind regards,

A handwritten signature in black ink, appearing to read 'K Hutton', with a long horizontal flourish extending to the right.

Keith Hutton
Group Regulation Director

