Model motion text for Union Branches: reject the Thames Water creditors

This branch notes:

Thames Water, the UK's largest water company and provider to households in [AREA], is on the brink of collapse: it is saddled with over £20 billion of debt and faces unprecedented public outcry over pollution and chronic underinvestment [1]. The consequences of any new ownership or restructure at Thames Water will impact millions of people's bills (including thousands across AREA), our environment, and our ability to prepare for the tremendous strain our water system is set to face due to climate change.

When he became Prime Minister this Summer, Andy Burnham promised to reverse Thatcher's legacy of privatisation, and described our privatised water system as a 'leaking monument' to a country 'run in the private, rather than the public interest' [2].

Thames Water is currently at a crossroads. Its creditors - a group of US hedge funds - are negotiating with water regulator Ofwat to formally take over the utility [3]. As part of their proposal, they are asking to waive environmental fines in a return for a £1 billion payout [4].

If this deal goes ahead, it will be hugely destructive for our rivers and seas. It will set a dangerous new precedent for water companies whereby they are able to bribe their way out of the rules. It will not protect consumers against flooding, water outages, or spiralling bills.

If this deal is rejected, Thames Water is likely to come into special administration - a form of temporary public ownership - where substantial haircuts to its debt can take place, and where it can be run in the public interest [5].

This branch resolves to:

Write to [local council leader/member of parliament/environment secretary] asking them to urge this government to:

1. Reject the Thames Water creditors' takeover proposal
2. Use its powers under the Water Industry Act 1991 to place Thames Water into special administration, without delay

This branch resolves that the secretary communicate the text of this motion to:

- The Regional Secretary
- The Member[s] of Parliament whose constituency includes part of [AREA]
- Dame Angela Eagle, the Secretary of State for Environment, Food and Rural Affairs
- Chris Walters, CEO of Ofwat

References:

[1] ‘Thames Water asks creditors for more time to help repay £20bn debt pile’, The Guardian - https://www.theguardian.com/business/2026/nov/09/thames-water-asks-creditors-more-time-repay-debt-pile

[2] ‘Direction of government’, Hansard - https://hansard.parliament.uk/Commons/2026-09-01/debates/3EC36E3D-AB68-4630-8E8C-72A1151093B5/DirectionOfGovernment

[3] ‘Billionaire Trump donor in line to make millions from Thames Water bid’, The Guardian - https://www.theguardian.com/business/2026/may/19/billionaire-trump-donor-in-line-to-make-millions-from-thames-water-bid

[4] ‘Thames Water creditors prepare ‘final’ offer as Burnham faces nationalisation decision’, FT - https://www.ft.com/content/5b382a54-67c9-4b25-a89b-fc0ce7189015?syn-25a6b1a6=1

[5] Markets have already priced the debt as junk, and decades of neglect have created a significant repair bill for Thames Water, therefore creditors should be paid close to £0. Creditors might sue, but they are likely to lose in court, as they are only due ‘appropriate value’, not ‘market value’. This prioritises statutory duties over creditors’ interests. This prioritises statutory duties over creditors’ interests. All employees and their pensions should be fully protected and transferred to a new publicly owned company. ‘Crystal Clear: the solution for clean, running water’, Common Wealth - https://cdn.prod.website-files.com/62306a0b42f386df612fe5b9/6abe43af36f2f745185cff00_Crystal%20Clear.pdf