



27 years of a single regulator in the United Kingdom

Cathryn Ross, Chief Executive, Ofwat

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The Water Services Regulation Authority (Ofwat) is a non-ministerial government department.

We are the economic regulator for the water and sewerage sectors in England and Wales.

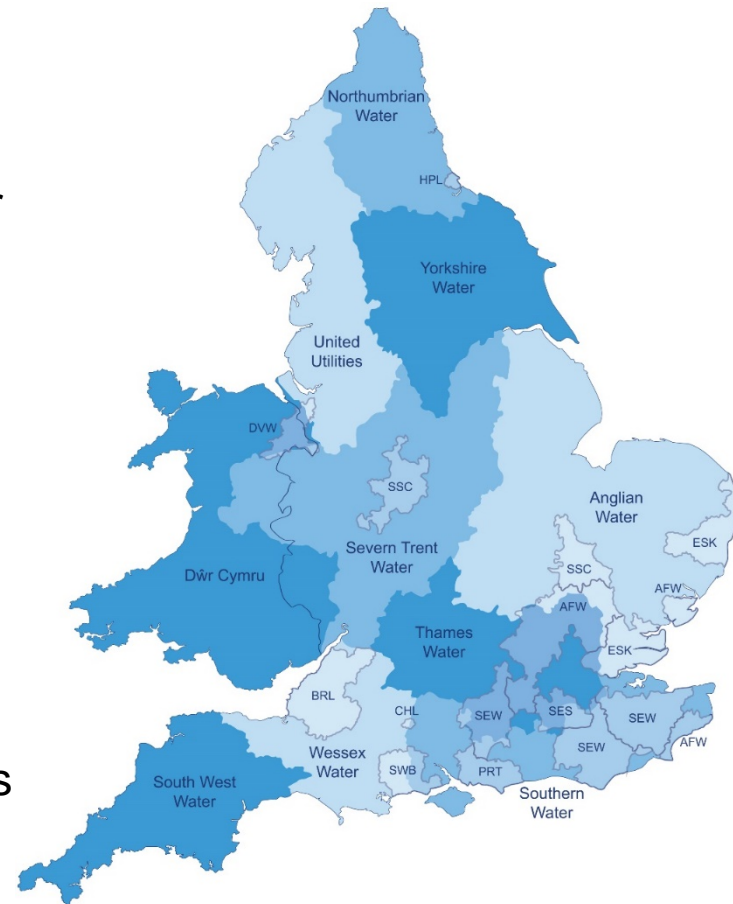
Statutory duties:

- Holding companies to account to deliver for customers
- Enable efficient, well-run companies to finance their functions
- Ensure long-term resilience

Funded through water company licence fees (approx. £25 million a year)

Small organisation of 200 staff regulates c£70bn industry

Led by an independent Board appointed by the Secretary of State





Leakage is about a third lower than at its peak in the mid-1990s



£116 billion has been invested. The cost of a litre of tap water supplied and taken away is less than half a penny



In 2012, 99.96% of drinking water in England and Wales met European and national standards



Environmental quality has improved – more than 200 beaches gaining Blue Flag or Seaside Award status across England and Wales



Promises of privatisation
Management efficiency
Private sector discipline
Change of culture and behaviour of companies



Salmon have returned to the River Mersey, once considered one of the most polluted in Europe



An uncertain future:

Climate Change

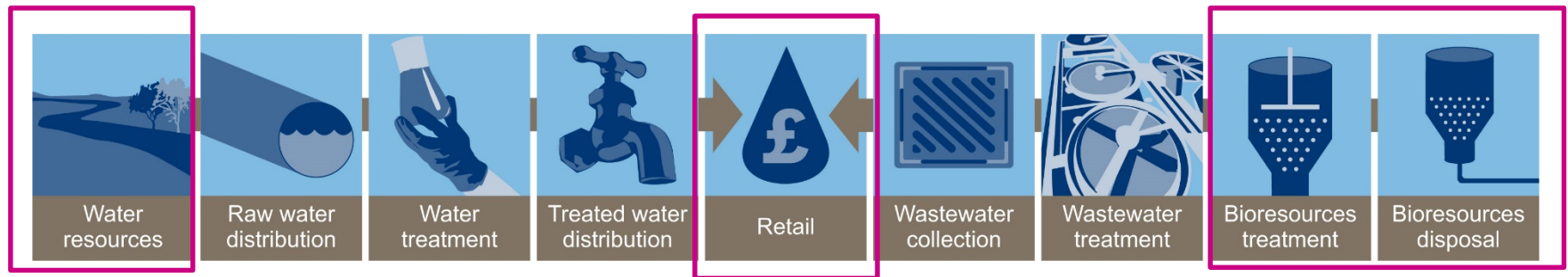
Population growth and changing demographics

Advances in technology

Rising consumer expectations

Brexit

Affordability



Proposed developments of markets in water resources and bioresources

Scope for third party delivery of large projects (greater than £100m whole life totex)

Scope for markets to improve service, increase resilience and drive efficiencies through the value chain

Retail market for business customers opening in England in April 2017

Review for Government of costs and benefits of introducing competition to residential customers in England

Direct procurement for customers to encourage innovation and efficiency in the provision of large projects



www.ofwat.gov.uk

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www.open-water.org.uk