

July 2017

Trust in water

Information for applicants

**Senior Associate (Financial
Modelling), Analytics**
Ref: OFW116

www.ofwat.gov.uk

ofwat



Introduction from Cathryn Ross, Chief Executive



Water is not a dry issue.

The water sector in England and Wales has come a long way in the past 25 years. At privatisation, polluted beaches and rivers and neglected infrastructure meant we were seen as the ‘dirty man of Europe’.

The regulation of this sector was entrusted to the Water Services Regulation Authority (Ofwat) which has maintained a steady hand in driving and incentivising the sector to deliver and to improve. Over the period since privatisation, the water companies have invested more than £116 billion in maintaining and improving services for consumers and the environment. Today, for example, the amount of water lost through leaks is down by about a third since the mid-1990s. In addition, salmon have returned to the River Mersey, once considered one of the most polluted in Europe. All of this has been delivered efficiently too – a litre of tap water, supplied and taken away, costs less than half a penny.

But the world is changing. The water sector faces new problems and very different challenges. In the future, climate change may mean we get more droughts and more floods, making it harder to maintain resilient supplies. Our population is growing, putting more pressure on the water we use. Lifestyle changes have increased our appetite for water in our homes, our work places and our places of leisure. The changing social and economic landscape also means we need to reconsider how business operates and how customers are able to afford their water and sewerage bills.

Ofwat needs to be at forefront of determining and implementing a regulatory system that will protect customers’ interests, drive efficiencies and innovation, enable efficient companies to finance their functions and to ensure that the ‘promises of privatisation’ are delivered. We all need sustainable solutions to these problems.

To do this, Ofwat needs to be at the very top of its game. We need to have confidence that the companies in the sector are resilient – and make sure that others can have confidence in this through improving transparency. We also want to be able to identify the financial, structural or systematic risks to customers over time, and step in where we need to intervene. A successful applicant will support our aims in developing our monitoring and identifying the key risks, particularly focusing on building and maintaining our relationships with investors and analysts as well as

analysing the financial information companies publish. We also expect them to support any action we do need to take.

Thank you for your interest in joining Ofwat at what is a very exciting time for us. We look forward to receiving your application.

Cathryn Ross
Ofwat Chief Executive

About Ofwat and the role

Ofwat (the Water Services Regulation Authority) is the economic regulator of the water and wastewater sector in England and Wales. Our role is to help it build trust and confidence with customers, the environment and wider society.

Every five years, Ofwat sets price determinations for the water and sewerage companies it regulates. Ofwat is currently in the process of determining the methodology it will apply for setting the price determinations and will publish a draft methodology in July 2017 and final in December 2017. This methodology will include the approach to assessing the efficient financing costs of companies and will require Ofwat to develop a financial model on which the price determinations will be set.

The period through to 2019 will require us to build the strength, capabilities and resilience of our policy teams to ensure that we can deliver the full scope of our ambitious programme of work.

There are opportunities for enthusiastic, motivated people to join the Water 2020 programme and have a significant impact on its successful delivery. As a Senior Associate, these opportunities will involve supporting delivery of specific projects within a large, multi-disciplinary programme, having exposure to a wide range of policy areas, and being given a chance to really make your mark within the industry.

All of our staff are allocated to one of a number of resource pools and work flexibly across a range of programmes. The successful applicant will be part of our Analytics resource pool.

Analytics resource pool

Members of the Analytics resource pool are flexibly deployed across the full range of programmes. The successful applicant is expected to be allocated to our Water2020 programme and may also need to work flexibly on other programmes, as required.

Our Analytics resource pool plays an important role in delivering our strategy and our analytics people are economists, economic and financial modellers, corporate finance/ investor relations experts, regulatory accountants and engineers. They apply specialist professional expertise, and tools and techniques to economic regulation, as well as providing timely, high quality analysis, advice and solutions to ensure successful delivery of our programmes.

Role expectations

Ofwat (the Water Services Regulation Authority) is the economic regulator of the water and wastewater sector in England and Wales. Our role is to help it build trust and confidence with customers, the environment and wider society. Our strategic priorities include:

- delivering the reforms provided for in the Water Act 2014 and help to ensure that they deliver real benefits for water customers and society. This includes putting in place the arrangements for the opening of the non-household retail market to competition in April 2017. It also includes supporting the development of water trading and abstraction reform. Doing these things will require further changes to the way we set prices in our 2019 review;
- maintaining the confidence of investors in the water sector and our regulation of it, though this period of change; and
- developing the means by which we monitor the sector's performance against our vision of trust and confidence, and receive assurance from the sector.

Key deliverables

The successful candidate will play a key role in the delivery of the financial model for the next price control. This will include being responsible for:

- Contributing towards the development, delivery and implementation of the financial models¹ and financial modelling tools for the next price review.
- Working autonomously in building, populating and using financial models for projects throughout Ofwat.
- Ensuring the availability and adequacy of data to be used in models is of sufficient quality by establishing procedures for collecting and manipulating information and building in appropriate checks and controls.
- Providing good quality, timely financial modelling advice to other professional groups, in a way that non specialists can readily understand.
- Creating an understanding of the context and application of financial modelling tools and techniques within Ofwat.

¹ The financial models for the previous price controls are [here](#). We intend to build on these for the next price control and significant development has already taken place.

Professional requirements

	Critical	Desirable
Qualifications	A degree in a numerate discipline such as finance, accounting, financial modelling, statistics, economics, etc.	Post graduate management qualification (ie ACA, ACCA, ACMA, CPFA)
Experience	Experience of designing, building and populating financial models	Working in a regulatory environment
	Using own initiative to manage multiple work streams and resources	Experience of the use of FAST financial modelling standard

	Critical	Desirable
	Extensive experience in using financial modelling tools	
	Competent in Microsoft Excel	Working knowledge of Microsoft Visual Basic for Applications (VBA)
	Delivering high quality decisions to a demanding schedule	
Knowledge	An in-depth understanding of financial modelling and a working knowledge of accountancy	An understanding of regulatory concepts
Communication	Presenting complex technical information in an easy-to-understand format to non-technical audiences.	Experience of presenting financial model outputs in PowerPoint.
	Ability to present work orally to technical and non-technical audiences.	
	Share your expert knowledge, skills and experience with programme or project or resource pool in support of business need.	
Delivery management	Ability to use initiative to overcome obstacles and setbacks.	Experience in undertaking project planning and risk management
	Make evidence based decisions within level of authority.	
	Ability to effectively manage upwards to ensure timely decisions are made and the project is delivered to time and quality.	
Personal leadership	Ability to take ownership and accountability for the delivery of the tasks and projects to the required quality and time.	
Stakeholder management	Experience of building effective relationships and networks with relevant internal staff and external peers	

Terms and conditions of employment

Contract

This is a permanent position.

Salary

The salary range for this role is £32,363 – £48,406 depending on relevant skills and experience required for the post. Salary is paid monthly by credit transfer.

Internal and Civil Service candidates already at this job level would normally maintain their existing salary arrangements as this would be classed as a level transfer. If applying for the role as a promotion, these candidates can typically expect to be appointed on a salary at the bottom of the band or a 10% increase to existing salary, whichever is greater.

Location

The role will be based in either Birmingham or London. However, it is likely that travel between offices and throughout the UK will be needed to be effective.

Contracted place of work and taxable expenses

Any person who regularly works more than two days a month in both the Birmingham and London offices, irrespective of their contracted place of work, is considered by HMRC to have **two permanent workplaces**.

The payment of your rail fare, accommodation or subsistence in this situation attracts tax and National Insurance because you are receiving a benefit.

Ofwat meets the cost of the tax and National Insurance by grossing up your expenses and recovering the net amount through your monthly pay package. But the expenses are classed as taxable earnings, which could impact on any attachment of earnings – for example, student loan repayments, high income child benefit and state benefits.

For further information on taxable expenses, please email payroll@ofwat.gsi.gov.uk.

Hours of work

The successful post holder will be required to work a minimum of 37 hours, excluding lunch breaks. You will be required to work such additional hours as is reasonable and necessary for the efficient performance of your duties.

Probation

There is a probationary period of six months for all new entrants. Subject to satisfactory performance.

Annual leave

On appointment the post holder will be entitled to 25 days annual leave plus 10½ days' public and privilege holidays a year. Annual leave entitlement will be increased by one day for each year of continuous employment with Ofwat, up to a maximum leave allowance of 30 days.

Pension

On appointment, you are eligible to join the Civil Service Pension. The Civil Service offers a choice of defined benefit and stakeholder pensions, giving you the flexibility to choose the pension that suits you best. We offer you a choice of two types of pension.

Alpha: alpha is an occupational pension scheme and provides a defined benefit worked out on a Career Average basis.

From 1 April 2017, member contributions will be based on actual salaries.

From 1 April 2017, employee contributions will be:

Actual pensionable salary (annual)	All members
Up to and including £21,422	4.60%
£21,423 to £51,005	5.45%
£51,006 to £150,000	7.35%
£150,001 and above	8.05%

From 1 April 2017, employer contributions will be:

Revised Salary Band (£)	ASLC rate from 1 April 2017
23,000 and under	20.0%
23,001 to 45,500	20.9%
45,501 to 76,000	22.1%
76,001 and over	24.5%

- **Partnership:** this is a stakeholder pension with a contribution from Ofwat. How much we pay is based on your age. We pay this regardless of whether you choose to contribute anything. You do not have to contribute but, if you do, we will also match your contributions up to 3% of your pensionable earnings. The contributions are in addition to the age-related contribution mentioned above.

To learn more about the Civil Service Pension schemes, please follow the link <http://www.civilservicepensionscheme.org.uk/>

Ofwat benefits

We also offer a range of additional benefits. These include:

- access to our package of benefits via our 'Rewards on Tap' scheme. This is a voluntary benefits scheme where staff have access to exclusive discounts on a range of goods and services such as retail outlets, theatre tickets, holidays, insurance and gym membership;
- childcare voucher scheme;
- cycle-to-work scheme;
- season ticket loan for travel between home and office;
- flexible working arrangements;
- fees paid for membership of relevant professional bodies;
- regular professional development;
- health and wellbeing initiatives, employee assistance programme and occupational health; and
- free eye tests and contribution towards lenses/spectacles for VDU users, if appropriate.

Further information

Security clearance

Any offer of appointment will be subject to satisfactory completion of security and pre-employment checks. Further information about the security checking procedure is available on request.

Nationality and immigration control

This post is open to nationals of states within the British Commonwealth and the European Economic Area (EEA) and certain members of their families. There must be no employment restriction or time limit on your permitted stay in the UK.

If you would like further information on Nationality and Immigration Control, please email us at people@ofwat.gsi.gov.uk.

Stocks or shares

Because of the nature of the information you will come into contact with and the need to be wholly independent of the water sector in England and Wales, you and your family (including your spouse or civil partner and any children or step-children under the age of 18 who still live at home, or any other member of your household) will be precluded from owning, purchasing or dealing in the shares of the water companies and their holding companies.

How to apply

Applications should include a:

- curriculum vitae (**CV**);
- **covering letter** or supporting statement that outlines the contribution you can make to Ofwat, including how you feel you meet our professional requirements and demonstrate behaviours outlined in our competency framework;
- completed **CV supplement form**; and
- completed **diversity monitoring form**. This form is not mandatory.

Please email your CV and supporting documents to recruitment@ofwat.gsi.gov.uk by the closing date.

If you are unable to make an electronic application, you may submit your application on paper. Please contact us to find out how.

Selection timetable

Closing date	1 September 2017, 5:00PM
Sifting	w/c 4 September 2017
Interview and modelling test date	w/c 11 September 2017

If you have any queries about any aspect of this role or selection process, please email recruitment@ofwat.gsi.gov.uk

Expenses

We will refund travelling costs at the rate of standard rail fare for the journey or motor mileage rates (cars: 25p per mile).

Please note that proof of purchase will be required for all public transport expenses.

We cannot refund expenses for travel into the UK. If you have to stay overnight, please contact recruitment@ofwat.gsi.gov.uk for further details.

Data protection

We will use your application only to inform the selection process, after which we will destroy it. If you are successful, it will form the basis of your personal record with us and we will store it in manual and electronic files.

We will hold any data about you in completely secure conditions, with restricted access. Information in statistical form on present and former employees is given to appropriate outside bodies.

We will include data that you provide on the diversity monitoring form in a general database for statistical monitoring purposes only, enabling us to monitor the effectiveness of our policy on equal opportunities in employment. Individuals will not be identified by name.

We shall consider that, by applying for this role, you are giving your consent to the processing of your data in the ways described above.

Diversity

Ofwat aims to be an equal opportunities employer. We intend to make sure that there is equality of opportunity and fair treatment for all irrespective of:

- age;
- disability;
- gender reassignment;
- marriage and civil partnership status;
- pregnancy and maternity;
- race, religion or belief; or
- sex or sexual orientation.

We would like to assure you that we will treat the information you provide on the diversity monitoring form in the strictest confidence and only use it to help us monitor appropriate equal opportunities policies. This information plays no part in our selection process.

Investors in People (IIP)

Ofwat has IIP accreditation which reflects good management practices throughout our organisation, including in business planning, individual objective setting, learning and development opportunities, as well as continuous constructive feedback through our delivery and development conversations approach to performance management.

Complaints procedure

The process of recruitment and assessment embraces the principles of fair and open competition and best practice. The first is to maintain the principle of selection for appointment to the Civil Service on merit on the basis of fair and open competition as outlined in the [Civil Service Recruitment Principles](#). The second is to promote an understanding of the [Civil Service Code](#) which sets out the constitutional framework in which all civil servants work and the values they are expected to uphold, and to hear and determine appeals made under it.

If feel your application has not been treated in accordance with the recruitment principles and you wish to make a complaint, you should contact Natasha Harris, Director, Operations (People), Ofwat, Centre City Tower, 7 Hill Street, Birmingham, B5 4UA in the first instance. If you are not satisfied with the response you receive from us you can contact the Civil Service Commission