

July 2019

Trust in water

PR19 draft determinations

**Affinity Water – Targeted controls, markets
and innovation actions and interventions**

PR19 Draft Determinations: Affinity Water – Targeted controls, markets and innovation actions and interventions

Following our initial assessment of plans, we categorised two types of actions for slow-track and significant scrutiny companies:

- required actions for companies which in general were required for draft determinations (or final determinations for some aspects of past delivery); and
- advised actions for companies to do by a specific date but that are not required for our draft determinations.

Table 1 below sets out the required and advised actions, a summary of the company’s response to the action, our assessment of the company’s response, and any further interventions we are making as part of the draft determination.

Each action has a unique reference. The prefix ‘AFW’ denotes the company Affinity Water. The central acronym references the test area where the action has been identified, please see the ‘PR19 draft determinations: Glossary’ for a key to these acronyms. Actions whose numbers are preceded with an ‘A’ denote required actions and actions whose numbers are preceded with a ‘B’ denote advised actions.

Table 2 below sets out any further interventions that are not resulting from an action which we are making as part of the draft determination.

Each further intervention that is not resulting from an action has a unique reference. The prefix ‘AFW’ denotes the company Affinity Water. The central acronym references the test area where the action has been identified, please see the ‘PR19 draft determinations: Glossary’ for a key to these acronyms. Intervention numbers are preceded with a ‘C’.

For all other documents related to the Affinity Water draft determination, please see the [draft determinations webpage](#).

Table 1: Affinity Water’s response to required actions and interventions for draft determinations

Test area	Action reference	Action type	Action	Date required	Summary of company response to action	Our assessment and rationale	Required interventions
Targeted controls, markets and innovation	AFW.CMI.A1	Required	The company should ensure that the business plan sets out the potential strategic supply options that it has assessed and explain how it will engage with interested parties and other stakeholders to progress these options. We also expect the business plan to align with the revised water resources management plan.	1 April 2019	The company has provided an appropriate response. The response covered how the company: <ul style="list-style-type: none"> • has considered the strategic options in both the business plan and WRMP; and • Is engaging with a range of stakeholders, regional groups and specifically with other companies to progress the strategic options. 	No intervention required.	N/A

					The company also provides a detailed stakeholder engagement plan regarding their rdWRMP.		
	AFW.CMI.B1	Advised	The company should explore sharing resources to form common research outcomes and innovations, aligned to the common challenges that the company and others face.	1 April 2019	The company provides evidence that it is discussing shared issues such as leakage with other companies. However, these appear to be just sharing information and being part of various groups. There is little evidence of outputs from these meetings or investing significant resources and/or time in collaborating on shared challenges to come up with innovative solutions. There is no evidence of what resources have been invested in collaborative projects.	No intervention required. We remain concerned that the company is not maximising the opportunities available from collaborating to address common challenges. We will promote innovation in the sector as part of our on-going work on innovation.	N/A

Table 2: Further interventions for draft determinations

Intervention reference	Our assessment and rationale	Interventions
N/A	N/A	N/A

Ofwat (The Water Services Regulation Authority) is a non-ministerial government department. We regulate the water sector in England and Wales. Our vision is to be a trusted and respected regulator, working at the leading edge, challenging ourselves and others to build trust and confidence in water.

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