

July 2019

Trust in water

PR19 draft determinations

SES Water – Targeted controls, markets and innovation actions and interventions

PR19 Draft Determinations: SES 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 ‘SES’ denotes the company SES 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 ‘SES’ denotes the company SES 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 SES Water draft determination, please see the [draft determinations webpage](#).

Table 1: SES 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	SES.CMI.A1	Required	The company should revise the bid assessment framework to address our concerns that the draft framework appear to discriminate in favour the development and delivery of in-house solutions. The company should also provide more detail on the appeals process in the event of a dispute.	15 July 2019	The deadline for the updated bid assessment framework document was 15 July 2019. We have not yet analysed the submissions.	N/A	N/A
	SES.CMI.B1	Advised	The company should consider how it can collaborate with other companies to maximise the opportunities for research to address common challenges (eg leakage detection, water efficiency and wastewater treatment processes) rather than companies progressing research independently.	1 April 2019	The company provides details of a number of groups that they are members of from WRSE, Water UK and UKWIR. However there is no evidence of the resources or time invested. There are limited details of defined outputs as a result of the collaboration. SES Water mentions limitations to the amount of finance and people they can invest in this area as they are a small company. The company mentions	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

					collaborating with SME's to assist in trials but there is no evidence of working together with other incumbent companies collaboratively, the focus is sharing information after a trial or event.		
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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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