



Department for
Business, Energy
& Industrial Strategy

BUSINESS IMPACT TARGET: SUMMARY TEMPLATE

Non-qualifying Regulatory Provisions
(NQRPs) summary reporting template

Regulator: Ofwat

Business Impact Target Reporting Period Covered: 22nd June 2019 – 12th December 2019

Excluded Category*	Summary of measure(s), including any impact data where available**
<p>Measures certified as being below <i>de minimis</i> (measures with an EANDCB below +/- £5 million)</p>	<p>In July 2019 Ofwat consulted on an innovation fund, and other supply side interventions. Ofwat expects to publish the outcome of the consultation in November 2019.</p> <p>In July 2019, effective from 1 August 2019, Ofwat modified the licences of the 17 water companies to include the objectives of the Board leadership, transparency and governance principles.</p> <p>In July 2019 Ofwat published its policy statement on New appointment and Variation (NAV) applications to confirm the policy, summarise responses from stakeholders to the previous consultation and note the actions taken to reduce barriers to NAVs.</p> <p>In July Ofwat published its decision and modified Retail Exit Code on price and non-price protections for customers in the business retail market.</p> <p>In September 2019 Ofwat published a consultation on draft guidance on Ofwat’s approach to granting derogations from the regulatory ring-fencing framework.</p> <p>In October 2019 Ofwat launched a consultation on proposed licence changes to Thames Water’s licence. This relates to the cost sharing mechanism on land sales that result from the Thames Tideway Tunnel project.</p> <p>Ofwat has led on establishing a new cross regulatory unit, the water Regulators’ Alliance for Progressing Infrastructure Development (RAPID). The alliance consists of 3 water regulators; Ofwat, the Environment Agency and the Drinking Water Inspectorate. RAPID will facilitate the timely and co-ordinated development of strategic schemes. These strategic schemes will be evaluated for access to the next tranche of funding in a gated process. RAPID has been working with the regulators and scheme proposers (water companies) to define the gated process and develop the information and quality requirements for the submissions. The first submission of information is planned for September 2020. A joint letter to water companies from Defra, Ofwat, Environment Agency and the Drinking Water Inspectorate was published on 23 October setting out our expectations of water companies.</p>

Excluded Category*	Summary of measure(s), including any impact data where available**
	<p>*There was one enforcement case in the reporting period in which Ofwat published a notice of the enforcement action we intend to take against Southern Water.</p> <p>*Ordinarily we would report this activity as exempt under the Casework exception, but de minimis also applies so including it here.</p>
EU Regulations, Decisions and Directives and other international obligations, including the implementation of the EU Withdrawal Bill and EU Withdrawal Agreement	
Measures certified as concerning EU Withdrawal Bill operability measures	
Pro-competition	
Systemic Financial Risk	
Civil Emergencies	
Fines and Penalties	
Misuse of Drugs	
Measures certified as relating to the safety of tenants, residents and occupants in response to the Grenfell tragedy	
Casework	
Education, communications and promotion	
Activity related to policy development	
Changes to management of regulator	

* For detailed guidance on the exclusion categories, please see <https://www.gov.uk/government/publications/better-regulation-framework>

** Complete the summary box as 'Following consideration of the exclusion category there are no measures for the reporting period that qualify for the exclusion.' where this is appropriate.