

December 2020

Innovation in Water Challenge Round 1 Frequently Asked Questions

Ofwat

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1. The Innovation Fund

1.1 How were the five strategic innovation themes developed?

We consulted on our draft themes, including in our May 2020 consultation. We received over 50 responses to this consultation, following which we made some adjustments to the draft themes. Details on the consultation responses and our final themes can be found on the [Ofwat website](#).

1.2 Who is funding the innovation fund?

The Innovation Fund is funded by water and wastewater customers in England and Wales. This includes the funds for both the Innovation in Water Challenge and the Main Competition.

1.3 How do the competitions align with the sector's initiatives, such as the proposed Water Centre of Excellence?

Part of the exciting thing about these competitions is forming new partnerships. We know that it's not always easy for organisations to find collaboration partners in the sector, but both Ofwat and water companies will work to improve this through what we learn from successive rounds of the competitions and as new collaborations are developed. The sector is also developing material to further illustrate where the sector's supporting needs are.

There is also significant value in making knowledge sharing and learning collaborative. We hope developments such as the creation of the sector's proposed centre for excellence, will play an important role here. You can find out more in the [UK 2050 Water innovation strategy](#), produced by an alliance of 19 UK water companies.

1.4 How does the fund link to existing research funding routes, for example, through UKWIR?

The innovation fund is one route to funding innovative projects. We recognise that there are many other opportunities available, including the role of UKWIR in facilitating research.

There may be opportunities to further develop UKWIR research through the innovation fund if it can demonstrate benefits to water customers in England and Wales, for example, through sector rollout.

1.5 Why have you limited the Fund to the 5 themes?

The five strategic innovation themes set out the big challenges facing the sector, which would benefit from additional innovation.

Through the competitions, the Innovation Fund will support initiatives that can deliver significant value for customers, society and the environment aligned with one or more of these themes. We consulted on these themes in May 2020 and made changes as a result – please see [details of the consultation](#) here. Our final strategic themes were published in our [policy decision document](#) in August 2020.

1.6 Is there guidance on what you might perceive as transformative? Thinking about scale or impact, you're looking for?

The Innovation Fund is looking to encourage new ways of working across the water sector, in particular, increasing and improving collaboration and building partnerships both within and outside the sector.

We're looking for initiatives that water companies and NAVs would not otherwise be able to explore or invest in. We're looking for all types of entries – be they technology, methodologies and approaches, culture, business practices, commercial models or something else. Initiatives can be at any stage, as can the technologies, methods and models that you may use within them.

We provide more information on what we are looking for on our Innovation in Water Challenge website here. As part of our assessment criteria, we expect entries to demonstrate how their proposal considers our innovation enablers and solutions, which we see as key to transformational innovation.

1.7 How would you define business-as-usual innovation approaches?

We're looking for initiatives that water companies and NAVs would not otherwise be able to explore or invest in. We're looking for all types of entries – be they technology, methodologies and approaches, culture, business practices, commercial models or something else. Initiatives can be at any stage, as can the technologies, methods and models that you may use within them.

Business-as-usual innovation approaches include projects and processes that are already mainstream in the water sector, for example, business-as-usual incremental improvements, renewals and end-of-life replacement of physical assets.

We are looking for entrants to demonstrate how their proposals go beyond this business-as-usual innovation. We provide on what we are looking for in the [assessment criteria](#).

We will screen projects to avoid duplicative funding, for example, for any work already funded via PR19.

1.8 Will the 5 innovation themes be the same for the main competition too?

Yes, the themes will be the same for the main competition. However, we may decide to focus future competition rounds on a particular theme.

2. The Innovation in Water Challenge (IWC)

2.1 What is the IWC?

The Innovation in Water Challenge is a competition for funding to encourage new ways of working that go beyond business-as-usual innovation practices in the water sector, in particular, increasing and improving collaboration and building partnerships from within and outside the water sector.

We're looking for ideas that address the big challenges facing the sector – guided by the five [strategic innovation themes](#), innovation principles, and the objectives of the UK and Welsh governments.

Through the IWC, we're looking for initiatives that water companies would not otherwise be able to explore or invest in. We're looking for all types of entries – be they technology, methodologies and approaches, culture, business practices, commercial models or something else. Initiatives can be at any stage, as can the technologies, methods and models that you may use within them. The IWC is a chance for water companies to create innovative new initiatives and partnerships that go beyond business as usual and create value for consumers, society and the environment.

We expect successful entries to receive between £50,000–£250,000 to support kick-start, grow or scale their initiative.

2.2 What are the aims of the Innovation Fund and IWC?

We've set up the Innovation Fund to help the England and Wales water sector to grow its capacity to innovate and enable it to better meet the evolving needs of customers, society and the environment. We expect the Fund to run to 2025, but our goal is that its impact will continue well beyond this.

The Fund aims to achieve this by supporting ambitious water company initiatives that demonstrate bold new approaches to innovation, going beyond the sector's business-as-usual innovation practices, and that can create significant value for customers, society and the environment.

The primary objective of the first IWC is to encourage new ways of working that go beyond business-as-usual innovation practices in the water sector, in particular, increasing and improving collaboration and building partnerships from within and outside the water sector.

2.3 Who is running the IWC? Who are the partners involved?

Ofwat have selected Nesta Challenges, supported by Arup and Isle Utilities, as delivery partners for the IWC.

[Nesta](#) is an innovation foundation. Within Nesta, [Nesta Challenges](#) uses challenge prizes to stimulate innovative solutions to some of the biggest challenges we face. Challenge prizes are a simple but powerful idea. A problem or opportunity is identified, the challenge is publicised, and rewards are offered to those who can deliver the best solutions.

[Arup](#) is an independent professional services firm of designers, planners, engineers, architects, consultants and technical specialists.

[Isle](#) is a technology and innovation consultancy.

2.4 When will the application form be available? How can I have conversations with potential partners without this?

The application form will be available from 18 January 2021 when the challenge opens for entries. You will have six weeks to complete this application form during the entry period.

We recommend you use the [assessment criteria](#) to guide conversations with potential partners.

1.2 When will the terms and conditions be available? How can I contract with partners before these are available?

The terms and conditions will be available from January 2021.

Contractual matters between members of a partnership are the responsibility of those involved in any partnership. There is no expectation that organisations will have entered in contractual agreements that would be dependent on winning IWC funding until after you successfully won it.

2.5 How will the brokerage sessions work?

Our delivery partners will tailor the brokerage sessions to those who register interest. The first round of sessions will likely include pitches/information sessions together with a chance for those interested in new partnerships to chat one-to-one.

3. IWC timelines

3.1 What are the important dates for the first round of the IWC?

The challenge will be open for entries on 18 January 2021. The entry period will last six weeks, until 12 noon (GMT) on 26 February 2021.

After the entry period ends, the entries will be brought in front of an independent judging panel in late March 2021. If you are successful in winning funding, you will find out by April 2021.

When you submit your entry, you will be provided with important dates for your diary, including:

- judging days
- when you will hear if you are successful or not
- when you should expect to receive the prize funds.

3.2 When are the different rounds of the IWC?

The first round IWC will open from 18 January 2021, with successful entries informed by April 2021. The second round of the IWC is expected to launch in November 2021, with successful entries notified in early 2022. We expect future rounds to continue until 2025.

Please note, future rounds of the IWC may be designed differently.

3.3 For how long will the IWC run?

Currently, the first two rounds of the IWC have been planned, but we expect future rounds to continue until 2025. Each round of entries to the IWC is likely to run for three months.

The first round of the IWC will open for entries from 18 January 2021. The entry period will last six weeks, until 12 noon (GMT) on 26 February 2021. Successful entrants will be informed they have been awarded funding by April 2021.

3.4 How does the IWC work?

You need to enter the IWC via an online form during the entry period from 18 January 2021 until 12 noon (GMT) on 26 February 2021.

After the entry period ends, the entries will be assessed by an independent judging panel in late March 2021. If you are successful in winning funding, you will find out by April 2021.

You can then plan for your initiative to go ahead, including arranging for the 10% minimum financial contribution by the water company.

4. Who can enter

4.1 Who can enter the IWC?

We are hoping to receive a wide range of entries to the IWC that will showcase a diverse mix of innovative ways of working and solutions. The lead applicant needs to be one of the water companies, i.e. one of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#) in England and Wales. We encourage both water companies and third parties to actively establish new partnerships to enter the challenge.

4.2 Who can enter the IWC as a partner?

Any organisation can enter the IWC in partnership with one of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#) in England and Wales. You do not need to be based in England and Wales to partner with a water company.

4.3 Is the IWC only open to water companies in England and Wales?

No – any organisation can enter the IWC in partnership with one of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#) in England and Wales. However, entries must be led by one of these companies.

4.4 Can I enter on my own?

The [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#) in England and Wales can submit entries without a partner, but we strongly encourage entering as part of a partnership or consortia.

4.5 Why can only water companies and NAVs apply as a lead applicant to the IWC?

In the first instance, we are restricting direct access to water and wastewater companies and NAVs in England and Wales. This is because the innovation fund is funded by water customers. We have committed to keeping eligibility under review and will continue to assess the risks and benefits of broadening out eligibility.

4.6 I'm a water retailer. Will I be able to access the funds directly in future rounds?

As a water retailer, you are able to enter the first round of the IWC as part of a partnership or consortia led by one of [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#) in England and Wales.

We have committed to keeping the eligibility of the Fund under review during the pilot period (running until March 2022) and will draw evidence from each round of the competition to inform any change in our current position.

4.7 For how long should partnerships be in place?

We welcome any types of partnerships, but we strongly encourage looking for new partnerships to apply to the IWC. Successful entries will provide evidence to the judges to demonstrate the strength of collaboration arrangements through the entirety of the initiative or project life cycle.

4.8 Do you have any advice for organisations from outside the water industry to find partners?

We have been clear that we expect water companies to improve their accessibility for potential partner organisations. You can find links to all the [companies' innovation pages on our website](#) to help you contact a company.

The sector is currently developing supportive materials to highlight areas of interest and which companies to contact, this should be made available soon. We encourage you to reach out to water companies not only in relation to ideas and projects you are considering for the first round of the IWC launching in January 2021 but also in preparation for future competitions (both future IWC rounds and the main competition).

If you're new to the water sector, you may wish to email contact@waterinnovation2050.org.uk to get in contact with a water company about your innovative idea or solution. This central inbox is managed by an alliance of 19 UK water companies.

Please use the following links to view the full list of organisations eligible to enter as a lead applicant:

- [17 licensed regional water and wastewater companies](#)
- [new entrant water and wastewater companies \(NAVs\)](#)

4.9 Can partners who have already worked together enter?

Although we encourage building new partnerships, organisations that have already worked together are welcome to enter.

4.10 Is a large consortium of organisations more likely to win funding than a group of 2 or 3 organisations?

We have not set out a preferred make up of partnership/consortia as we do not want to restrict any opportunities at this stage. Entries will be assessed against the assessment criteria.

4.11 Is there a limit on the number of entries from the same lead applicant that will be funded?

It is unlikely that more than three applications from the same lead water company will be successful in receiving funding. However, involvement in multiple entries where a water company is not the lead but supporting another lead water company should not affect the chances of success of an entry.

4.12 As a non-UK water startup, should we be “casting a wide net” in terms of pitching our idea to several UK water companies, or taking a more targeted approach?

For new entrants to the sector you may wish to contact Water Innovation 2050 (contact@waterinnovation2050.org.uk), this inbox is managed by an alliance of the water companies and so is a good way to share your idea with multiple companies. You can also contact specific water companies directly, we have included all company contact details on [our website](#).

We will also be running a series of brokerage events in the New Year which will be an opportunity for innovators to meet with companies and share their ideas. Please contact waterinnovation@nesta.org.uk to register your interest in attending one of these events.

4.13 Is there a specified size of the SME that can be included as a partner?

We would expect organisations to be a registered legal entity, but any organisation of any size can enter as a partner with one of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#).

4.14 Can water companies outside England and Wales enter as a partner?

Yes, organisations from countries outside of England and Wales are welcome to enter in partnership with one or more of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#).

4.15 Are non-England and Wales water companies able to enter?

Yes, organisations from countries outside of England and Wales are welcome to enter in partnership with one or more of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#). The Ofwat Innovation Fund is funded by customers in England and Wales, which is why for this round, entries are not able to be led by water companies in other UK nations or other countries.

4.16 What is the preferred partnership or consortium set up?

We particularly encourage entries involving partnerships and collaboration between two or more of:

- [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#)
- organisations in the water sector, supply chain and beyond.

We do not have any preference on the number of partners, location of partners, size of partners, years of operation, or the number of water companies vs other partners other than that the partnership should be appropriate for the delivery of the entry. Part of the assessment criteria focuses on the entry's capacity and capability to deliver.

4.17 Will the process favour the larger companies with large innovation teams who will have the capacity to run a number of projects?

We are aiming to make sure the application process is as efficient and practical as possible, ensuring ease of access for organisations, in particular smaller companies.

As a guide, we would not expect it to take you more than half a day to complete the application form.

Teams can submit as many entries into the challenge as they like, providing each entry is for a different initiative. It is unlikely, however, that funding will be awarded to more than three entries with the same lead applicant.

4.18 Are Scottish Water and Northern Ireland eligible for inclusion in entries?

Water companies outside of England and Wales are welcome to enter as a partner with one or more of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#).

4.19 Who will be responsible for the legal agreements between participating companies?

The lead applicant (a water company or a NAV) will receive the funds and be subject to the terms and conditions of the funding.

It is then a contractual matter between members of a partnership on their own legal agreements, how the funds and responsibilities will then be split and allocated between different parties within the partnership. This also applies where there is a consortium of water companies.

4.20 Can academia participate as a partner? Is a university partner required?

Academia and Universities are welcome to enter as a partner with one or more of the [17 licensed regional water and wastewater companies](#) or [new entrant water and wastewater companies \(NAVs\)](#). This is not a requirement for an entry.

4.21 Are there identified leads within water companies?

You can contact water companies directly, we have included all company contact details on [our website](#).

5. Your project or initiative for entry

5.1 Can you enter with a pre-existing initiative or project?

Yes, providing the initiative is not a business-as-usual activity and makes it clear how additional funding will deliver additional value to customers, society and the environment in line with one or more of our strategic innovation themes, the Innovation in Water Challenge can support kick-start, grow or scale your initiative. We want to see proposals, old or new, that meet or strengthen our innovation enablers, such as collaboration, openness and scalability which we believe are, and will continue to be, critical to growing the sector's capacity to innovate.

Additionally, it must be clear that there is no duplicative or double funding, e.g. projects funded through PR19 or through other organisational investment, public or private funding.

5.2 Can I submit the same entry to different competitions?

Yes, if an entry is unsuccessful, then it can be resubmitted to a later competition, having considered any feedback given.

We are also open to companies using later competition rounds to further the development of a previously successful entry – subject to evidence and assurance that there is no double funding.

5.3 What stage of development do you expect entries to be at?

We're looking for all types of entries – be they technology, methodologies and approaches, culture, business practices, commercial models or something else. Initiatives can be at any stage, as can the technologies, methods and models that you may use within them. Due to this, we are not providing a specification based on the Technology Readiness Level (TRL) scale.

5.4 Will you welcome ‘stage-gated’ applications? – e.g. taking an initiative from pilot or prototype to demonstration or rollout?

Yes, we are open to companies proposing gates aligned with project phases and risks. This is something the applicant can include in their application.

5.5 Are there rules for any intellectual property rights (IPR) created using competition funds?

Yes – the rules are focused on background IPR and foreground IPR:

- Background IPR is pre-existing IPR, which exists prior to the submission of any entries to the innovation competition. Our view is that each participant should retain all rights in and to its background IPR. However, an appropriate form of licence should be granted to all participants in any project, which is the subject of an entry, for the sole purpose of the project, in order to enable it to go ahead.
- Foreground IPR is IPR developed using competition funds and must be made available royalty-free to the water companies in England and Wales by all project participants (e.g. water companies, business retailers and other third parties). Foreground IPR royalties earned by water companies and water retailers in other sectors in England and Wales will be shared with water company customers (in proportion to the funds that customers have contributed to the project). This includes where there are joint entries. All foreground IPR royalties earned by other third parties in other sectors in England and Wales, do not need to be shared with water company customers. All project participants may retain foreground IPR royalties earned in any sector outside England and Wales.

If submissions to the innovation fund propose alternative IPR arrangements, it is important for the entry to clearly show how the project will benefit all customers of water companies and any alternative arrangements do not result in additional costs to customers.

5.6 Are there any reporting requirements?

Yes. More details of reporting requirements will be published in January 2021. These will take into account the commitments set out in the application form and terms and conditions.

5.7 Is there a timeframe for delivery of the initiative?

We would expect initiatives entered into the first round of the IWC to start or continue within 2021; however, we recognise that entries will vary in duration beyond the start date.

Entries should include details of appropriate delivery timescales of the entry, along with when customer, society and environmental value will be realised.

Across all the rounds of competitions, we are aware that some entries may be completed after 2025.

5.8 Is there a particular technology readiness level that we should start at or will the competition fund level 1 and 2 activities?

We're looking for all types of entries – be they technology, methodologies and approaches, culture, business practices, commercial models or something else. Initiatives can be at any stage, as can the technologies, methods and models that you may use within them. Due to this, we are not providing a specification based on the Technology Readiness Level (TRL) scale.

5.9 Can you submit the same entry under multiple water companies and NAVs?

All entries should be for different initiatives.

5.10 Can the project be carried out between the sites of the partners & not solely the lead applicant?

Location of work will be up to those submitting the entry. It should benefit customers in England and Wales.

5.11 Can the proposal be something that is at a research stage only?

Yes, we are open to proposals at all stages of development, including the early incubation of new ideas and solutions. We provide more information on what we are looking for on [our website](#).

5.12 Is there an expectation to share background IP if a project involves the development of an existing system?

Where a participant's background IPR is required for the purposes of using foreground IPR, we expect a limited appropriate form of licence to be granted by the participant.

Please read more details about this on page 9-10 in our [Innovation Fund Briefing sheet](#), published in August 2020.

5.13 What information have you published on IPR to date?

What we have published to date on IPR is available on page 9-10 in our [Innovation Fund Briefing sheet](#), published in August 2020. If you have further specific questions on IPR, please email waterinnovation@nesta.org.uk

5.14 Is there any guidance on the preferred duration of projects?

All project durations will be considered. We expect to see clear short- and long-term outcomes and a strategy for scaling up for longer duration projects.

5.15 Can our submissions in January be a component or “Phase 1” of our submission for the main competition

We are open to companies using later competition rounds to further the development of a previously successful entry – subject to evidence and assurance that there is no double funding.

6. Entering the IWC

6.1 What will I need to submit to enter the IWC?

You will need to complete an online application form which will be available from 18 January 2021.

6.2 How long will it take to enter?

We are aiming to make sure the application process is as efficient and practical as possible, ensuring ease of access for organisations, in particular smaller companies.

As a guide, we would not expect it to take you more than half a day to complete the application form.

6.3 How many entries can I submit?

You can submit as many entries into the challenge as you like, providing each entry is for a different initiative. It is unlikely, however, that funding will be awarded to more than three entries with the same lead applicant.

6.4 Will there be anything put in place to facilitate networking, collaboration and introductions between companies?

There will be networking and brokerage events organised in January 2021 and throughout 2021 ahead of future rounds of competitions.

An alliance of water companies are currently working together to establish a Centre of Excellence which would facilitate coordination and collaboration between companies and third parties. You can find out more in the UK 2050 Water innovation strategy.

6.5 Can you accommodate reasonable adjustments to support me to enter?

If there are any reasonable adjustments that would support you to enter, please contact waterinnovation@nesta.org.uk. We will be happy to explore options to enable you to take part. Unfortunately, no time extensions will be possible.

6.6 Is the entry to the competition confidential?

Entries to the competition will be confidential; they will be shared with those involved in running and assessing entries, including our delivery partners and the judging panel in confidence. Details of entries will be considered as part of our ongoing evaluation activities and may form evidence for future policy developments. No evidence published, following our evaluation, will be attributable to individual entries or entrants.

If you are successful in winning funding for your entry, one of the conditions of accepting this funding will include publicity of your initiative.

Please review the full terms and conditions and privacy policy for full details on 18 January 2021.

6.7 Who should submit the application: a water company or another partner?

The lead applicant (a water company or a NAV) should submit the application.

6.8 Are brokerage events in January a mandatory stage for a proposal to be considered?

No, this is optional support to help form new partnerships.

6.9 There has been mention of a dragons' den style part of the selection process. When would this happen, and what would this involve?

Although it was explored as part of the consultation process, there are no plans for a dragons' den style part of the selection process for the first round of the IWC.

6.10 Is there a limit to the number of entries from a water company?

You can submit as many entries into the challenge as you like, providing each entry is for a different initiative. It is unlikely, however, that funding will be awarded to more than three entries with the same lead applicant.

7. IWC assessment criteria

7.1 What kind of entries are you looking for?

We're looking for ideas that address the big challenges facing the sector – guided by the five [strategic innovation themes](#), innovation principles, and the objectives of the UK and Welsh governments.

Through the IWC, we're looking for initiatives that water companies would not otherwise be able to explore or invest in. We're looking for all types of entries – be they technology, methodologies and approaches, culture, business practices, commercial models or something else. Initiatives can be at any stage, as can the technologies, methods and models that you may use within them. The IWC is a chance for water companies to create innovative new initiatives and partnerships that go beyond business as usual and create value for consumers, society and the environment.

7.2 In detail, what are you looking for in entries to the competition?

We welcome entries that focus on one or more of [Ofwat's five strategic innovation themes](#). We particularly encourage entries involving partnerships and collaboration between two or more of the 17 licensed water and wastewater companies and NAVs, as well as with organisations in the water sector supply chain and beyond. These organisations might include but are not limited to suppliers, water retailers, academia, local authorities, startups and SMEs.

The high-level assessment criteria that will be used to select winning entries will cover three areas:

1. **Positive impact for consumers, society and the environment**
Successful entries will outline how the project delivers positive impact aligned with one or more of Ofwat's five strategic innovation themes. We expect to see:
 - a. opportunities for additional public value impacts
 - b. ambitious short- and long-term outcomes,
 - c. key performance indicators and success criteria,
 - d. clear strategy for scaling up the solution after the competition funded project has been completed.
2. **Innovation enablers and innovative solutions**
Successful entries will demonstrate how their proposal goes beyond the entrants' business-as-usual. We seek a diverse approach to innovation in both innovation enablers and solutions.

- a. Innovations enablers: how entrants are working internally and externally through the project with collaborators within and outside of the water sector for the benefit of consumers in England and Wales, for example:
 - i. collaboration practices or other ways of doing business,
 - ii. disseminating innovations across the water sector,
 - iii. bringing in new ideas from other sectors (e.g., robotics from gas networks or leakage detection for oil pipelines, etc.),
 - iv. incorporating experimentation into business practices,
 - v. empowering employees, suppliers, and other stakeholders to contribute their ideas into the innovation process.
- b. Innovative solutions: How entrants use a wide breadth of diverse and innovative solutions that drive improvement and efficiencies, for example:
 - i. novel technologies and new applications of existing technologies,
 - ii. robust systems or processes,
 - iii. better management and diversity of people and resources.

3. Capacity and capability to deliver

Successful entries will provide evidence to the judges to demonstrate the feasibility of the proposed project, including:

- a. strength of collaboration arrangements through the entirety of the project life cycle,
- b. robustness of development roadmap and resource plan, including the amount requested from the Fund, how applicants will provide the minimum 10% financial contribution (and any other contributions, including additional funding), project timeframe and how applicants will ensure value for money,
- c. strategic division of roles and responsibilities among the team,
- d. needs-based allocation of funds between partners,
- e. a clear and appropriate approach to managing risk; identifying and managing the key risks and opportunities (including in relation to company responsibilities and project delivery)
- f. allowing for rapid learning, pivoting and early project closure where appropriate.

7.3 Who is on the judging panel and what expertise do they have?

The judging panel will be made up of people with a wide range of water sector and innovation expertise. The details of who will be on the panel will be published before the end of the entry period.

7.4 How are the entries assessed?

The entries will be assessed against the [assessment criteria](#).

8. Costs & Funding

8.1 How much money is available for winning entries?

Each winning entry will receive a share of a £2 million fund, with awards expected to range from £50,000 to £250,000 per entry.

The judges will consider how best to split the prize pot based on the entries received. We hope to award between 10 and 15 prizes for varying amounts for the first round of the IWC.

8.2 Who receives funds awarded through the IWC?

The lead applicant will receive the funds.

8.3 How is the money split between the different partners?

The lead water company will receive the funds. It is a contractual matter between members of a partnership how the funds will then be split and allocated between different parties within the partnership. This also applies where there is a consortium of water companies.

8.4 What costs should I show in my application?

We expect entries to demonstrate value for money, with a clear case for any costs included in the entry budget.

8.5 Are the funds State Aid?

Funds from this competition are not classified as State Aid.

8.6 Can you enter if you're planning to apply to another competition, or you have received state funding previously?

We are open to projects which have been successful in other funds, but it must be clearly evidenced that there is no duplicative or double funding. The entry should make clear how additional funding will deliver additional value to customers, society and the environment in line with one or more of our strategic innovation themes to meet the assessment criteria. The

entrant(s) will also need to confirm that it is not restricted by its current funding source when applying for additional and alternative funding through this Fund.

8.7 I have other money/investment for the same project, can I still enter?

Yes, in fact, there is a minimum 10% financial contribution to winning entries by water companies in England and Wales.

You are welcome to enter with projects or initiatives that already have additional funding (e.g. organisational investment, public or private funding) but it must be clearly evidenced that there is no duplicative or double funding.

8.8 As a water company, do I have to contribute a minimum 10% financial contribution, or can I suggest alternatives?

We expect water companies to make a minimum 10% financial contribution to innovation competition entries, as customers should not bear all the risk of initiatives funded through the competition.

Whilst we expect the minimum contribution to be financial, we welcome and are flexible on any additional contributions that water companies or other entry participants may wish to make beyond the 10% financial contribution. These may be further financial and/or non-financial contributions. Any additional contributions will be considered favourably during the assessment of entries. More details can be found here: [Innovation-funding-and-competition-design-implementation.pdf \(ofwat.gov.uk\)](#)

8.9 Can entries include indirect project costs?

We expect entries to demonstrate value for money and only reasonable costs will be considered. Entries are welcome to include reasonable indirect costs for non-water company participants, on top of any entry-specific costs, which may include staff time.

8.10 If an entry is providing more than 10% of the funding will that proposal be more likely to succeed?

Whilst we expect the minimum contribution to be financial, we welcome and are flexible on any additional contributions that water companies or other entry participants may wish to make beyond the 10% financial contribution. These may be further financial and/or non-financial contributions. Any additional contributions will be considered favourably during the assessment of entries.

8.11 Is there a nominal percentage funding split for IWC projects between partners?

It is a contractual matter between members of a partnership how the funds will then be split and allocated between different parties within the partnership. This also applies where there is a consortium of water companies. Part of the assessment criteria focuses on the entry's capacity and capability to deliver.

8.12 Will all the project funding be available at once or will it be released in stages based on deliverables complete?

Funding will be available in Q1 of 2021/22. For higher value projects and/or those with higher risk levels, entrants are invited to propose a gated process for funding aligned to key project deliverables.

8.13 Is there scope to change the weighting of funding between the main competition and the innovation in water challenge? How did you arrive at the current split?

Yes, there is scope to change the weighting, the total funding available for each competition is only a guide. If we receive a high number of high-quality proposals for the IWC we are not restricted to £2 million. Equally, we may rollover funds to a future competition if we do not receive a sufficient number of high-quality entries.

The split of the competitions was explored in our recent round of consultations.

8.14 When will the IWC funding be available for successful entries?

Funding will be available in Q1 of 2021/22.

**Ofwat (The Water Services Regulation Authority)
is a non-ministerial government department.
We regulate the water sector in England and Wales.**

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