

## Information for applicants – Principal and Senior Associate Economist and Financial Economist roles – Company Performance and Price Reviews Ref: BC554

### Introduction from David Black, interim Chief Executive

Water companies support all aspects of life. Safe and reliable water and wastewater services are essential for our day to day lives, our wellbeing, and our natural world.

And as the economic regulator of water and waste water in England and Wales, our role is to enable, incentivise and hold companies to account for providing the very best for customers, society and the environment now and in the future. We also oversee the markets that exist in the water sector to make sure they are working for customers.



To achieve this, we've set ourselves three goals. They are to:

- transform water companies' performance;
- drive water companies to meet long-term challenges through increased collaboration and partnerships; and
- for water companies to provide greater public value, delivering more for customers, society and the environment.

Delivering these goals will help to meet customers' needs: ensure reliable and safe water supplies today with a better environment, affordable bills and a resilient and sustainable future for water.

As we do this, we will be working to fulfil the UK and Welsh Governments' strategic priorities for Ofwat, and UK and Welsh Government policy.

We're ambitious about the future and looking for people who can help us to achieve our goals. Thanks for your interest in joining Ofwat. We look forward to receiving your application.

**David Black**  
**interim 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. Ofwat has an ambitious new [strategy](#) and as a regulator we are setting ourselves up to achieve and equal the ambition of this new strategy. It matters to us that things on the ground really change so that our impact on customers, the environment and the future of water is tangible and meaningful.

Our work is high-profile and fast-moving, within a dynamic and agile environment. The work that you'll be involved in every day will be about helping us to deliver our strategy, helping us to be the regulator we want to be and helping the sector to deliver outcomes that matter to customers and society. Our strategy sets out the role Ofwat will play. We will adapt, be confident, act with purpose and integrity and continuously improve so that we make the greatest contribution possible to improving life through water.

## Company Performance and Price Reviews cluster – PR24 and Beyond

The Company Performance and Price Reviews cluster is responsible with developing the approach for future price reviews including the next price review in 2024 (PR24). Though this may seem some time away, it is crucial that we begin to work with the sector to develop our approach to help deliver our long term goals for the sector. The development of a price control goes beyond setting the revenue limits and outcomes that we expect from companies but also includes examining how we can make greater use of markets and incentives to deliver better outcomes for customers and the environment.

We have recently published '[PR24 and Beyond: Creating tomorrow, together](#),' which shares our ideas and ambitions for the 2024 price review. In this, we set out four ambitions for what PR24 can achieve for customers and the environment, and principles for how we'll approach and design the price review. These roles have the opportunity to help shape the design of PR24.

We have roles at both Principal and Senior Associate level:

- Principals are expected to bring authority and leadership to complex policy issues. They will typically lead workstreams, which will involve identifying the key economic or financial issues, developing frameworks for assessment and delivery of robust analysis. It may also involve managing the work of others in order to deliver the project objectives.
- Senior Associates are expected to be able to progress economic or financial analysis to address complex policy issues. Senior Associates will be expected to take ownership of

their work, supported by other team members as appropriate.

## Role expectations

We are seeking both **financial economists** (or analysts with a strong financial or economics background) for our work on Risk and Return, and **economists** for our work in other teams such as Cost Assessment or Outcomes. The successful candidates will play an important role in delivering our strategy and will need to be able to respond flexibly to the needs across the organisation.

We seek candidates at both Principal level and Senior Associate.

### Requirements of a Principal financial economist or economist

As a Principal financial economist or economist you will:

- **Financial economist** – Have expertise in financial economics or financial analysis and extensive experience of applying financial and economic concepts to policy issues
- **Economist** – Have excellent knowledge of microeconomics and extensive experience of its application to economic regulation
- **Both roles** – Have the ability to identify economic or financial issues and develop options in the context of policy development
- **Both roles** – Have the ability to produce high quality analysis to tight timescales
- **Both roles** – Continued self-development to help ensure that Ofwat stays at the forefront of economic or financial thinking
- **Both roles** – Extensive experience of work in multidisciplinary teams including accountants, engineers, lawyers and policy specialists
- **Both roles** – Have experience dealing with companies and other stakeholders to develop and test new and innovative policies
- **Both roles** – Have a track record of successfully planning and delivering projects, including in partnership with others (e.g. contractors) and/or delivering with others.

### Requirements of a Senior Associate financial economist or economist

As a Senior Associate financial economist or economist you will:

- **Financial economist** – Have practical experience of applying financial and economics concepts to policy issues
- **Economist** – Have sound knowledge of microeconomics and its application to economic regulation
- **Both roles** – Have the ability to identify economic or financial issues and develop options in the context of policy development
- **Both roles** – Have the ability to produce high quality analysis to tight timescales
- **Both roles** – Continued self-development to help ensure that Ofwat stays at the

forefront of economic or financial thinking

- **Both roles** – Experience of work in multidisciplinary teams including accountants, engineers, lawyers and policy specialists

## Key deliverables

- Leading the delivery of analysis in a specific area of the price control, for example on risk and return, incentives, outcomes or cost assessment
- Undertaking (or commissioning) quantitative and qualitative economic or financial analysis to ensure robust policy decisions
- Economists may be expected to provide advice across a number of different areas of Ofwat's work at a time.
- Engaging with the PR24 leadership team to identify common economic or financial themes and help the team develop a robust approach to policy issues.
- Development of improvements to our approach, including wider improvements to our regulatory approach and incentives
- Presentation of policy proposals to internal and external stakeholders
- Drafting reports and publications to a high standard

## Professional requirements – Principal financial economist and Principal economist

	Essential	Desirable
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>A degree with significant economic content</li> </ul>	<ul style="list-style-type: none"> <li>Masters degree with a focus on microeconomics, financial economics, accounting, econometrics or statistics</li> </ul>
<b>Experience and Knowledge</b>	<ul style="list-style-type: none"> <li>Applying economics in a regulator, competition authority or consultancy</li> <li>Good written and oral communications skills, including the ability to concisely explain complex economic or financial issues in intuitive non-technical language.</li> <li>Policy development</li> <li>For the roles within Risk &amp; Return, extensive experience in applying financial economics and/or accounting methods.</li> <li>For the roles in Cost Assessment or Outcomes, extensive experience in economic regulation</li> <li>A high level of numeracy</li> </ul>	<ul style="list-style-type: none"> <li>Experience of working in mixed teams involving accountants, engineers, lawyers and policy</li> <li>Understanding of market design, particularly in the development of new markets in regulated sectors.</li> <li>Impacts of incentives on company behaviour</li> <li>For the Economist role in Cost Assessment previous experience of cost assessment or econometrics would be an advantage</li> </ul>
<b>Skills and behaviours</b>	<ul style="list-style-type: none"> <li>Developing Self and Others</li> <li>Working Together</li> <li>Making Effective decisions</li> <li>Leadership</li> </ul>	<ul style="list-style-type: none"> <li>Delivering at Pace</li> <li>Communicating and Influencing</li> </ul>

## Professional requirements – Senior Associate financial economist and Senior Associate economist

	Essential	Desirable
<b>Qualifications</b>	<ul style="list-style-type: none"> <li>A degree with significant economic content</li> </ul>	<ul style="list-style-type: none"> <li>Masters degree with a focus on microeconomics, financial economics, accounting, econometrics or statistics</li> </ul>
<b>Experience and Knowledge</b>	<ul style="list-style-type: none"> <li>Good written and oral communications skills, including the ability to concisely explain complex economic issues in intuitive non-technical language.</li> <li>Applying economics in a regulator, competition authority or consultancy</li> <li>For the roles within Risk &amp; Return, practical experience in applying financial economics and/or accounting methods.</li> <li>For the roles in Cost Assessment or Outcomes, sound knowledge of microeconomics and its application to economic regulation.</li> <li>A high level of numeracy</li> </ul>	<ul style="list-style-type: none"> <li>Applying economics in a regulator, competition authority or consultancy</li> <li>Experience of working in mixed teams involving accountants, engineers, lawyers and policy</li> <li>For the Economist role in Cost Assessment previous experience of cost assessment or econometrics would be an advantage</li> </ul>
<b>Skills and behaviours</b>	<ul style="list-style-type: none"> <li>Developing Self and Others</li> <li>Working Together</li> <li>Managing a Quality Service</li> </ul>	<ul style="list-style-type: none"> <li>Delivering at Pace</li> </ul>

## Terms and conditions of employment

### Contract

This is a permanent appointment.

We are also open to secondments/loans from other organisations for these roles.

### Salary

The salary range for Band 4 (Principal) is £51,628 – £78,970 and the salary range for Band 3 Senior Associate is £34,528 – £51,627. The level of salary offered to the successful candidate(s) will depend on the skills and experience demonstrated as well as other factors including internal relativities. For further information or an informal discussion please contact [recruitment@ofwat.gov.uk](mailto:recruitment@ofwat.gov.uk). 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, with travel between offices and occasional other travel as required. However, the majority of employees are currently working from home in line with the government's advice, due to the Covid-19 pandemic.

## **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.

This means that you will not be required to meet the costs of travel to the office location where you are not based.

For further information on taxable expenses, please email [payroll@ofwat.gov.uk](mailto:payroll@ofwat.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, the post holder will be transferred to permanent establishment at the end of their probation.

## 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 2020, member contributions are based on actual salaries.

From 1 April 2020, employee contributions are:

Actual pensionable salary (annual)	All members
Up to and including £22,600	4.60%
£22,601 to £54,900	5.45%
£54,901 to £150,000	7.35%
£150,001 and above	8.05%

From 1 April 2020, employer contributions are:

Revised Salary Band (£)	ASLC rate from 1 April 2020
23,000 and under	26.6%
23,001 to 45,500	27.1%
45,501 to 77,000	27.9%
77,001 and over	30.3%

**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.

Employer age-related contributions are:

Age at the last 6 April	Percentage of your pensionable earnings
Under 31	8%
31 to 35	9%

36 to 40	11%
41 to 45	13.5%
46 or over	14.75%

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 'Edenred' 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;
- 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; and
- free eye tests and contribution towards lenses/spectacles for VDU users, if appropriate

Any move to Ofwat from another employer will mean you can no longer access childcare vouchers. This includes moves between government departments. You may however be eligible for other government schemes, including Tax-Free Childcare. Determine your eligibility at <https://www.childcarechoices.gov.uk/>.

## 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.gov.uk](mailto:people@ofwat.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 be made on the civil service jobs website prior to the closing deadline.

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	4th July 2021 at 12 Midnight
Sifting	Week commencing 5th July 2021
Interview date(s)	Week commencing 12 <sup>th</sup> July 2021

Please note that during the Covid-19 pandemic interviews will be conducted via video conferencing software such as BlueJeans, Skype or Microsoft Teams.

It is expected that the interview process for this vacancy will include a short presentation and/or assessment as detailed in the above candidate pack. Further details will be provided to shortlisted candidates upon invitation to interview. It may be necessary for a second stage interview, which will be communicated to the successful candidates, if required.

If you have any queries about any aspect of this role, selection process, or you require any reasonable adjustments please email [recruitment@ofwat.gov.uk](mailto:recruitment@ofwat.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.gov.uk](mailto:recruitment@ofwat.gov.uk) for further details.

## Data protection

We will use your application only to inform the selection process. If you are successful it will form the basis of your personal employee record with us and we will store it electronically within

our SharePoint Electronic Document Management System (EDRMS) and our HR system iTrent. Unsuccessful applications are not retained and will be destroyed using Ofwat's secure disposal methods. If you have indicated that you would like Ofwat to retain your information for future similar employment opportunities we will retain this information. If at any point you decide you do not wish Ofwat to retain your information for these purposes please contact us and we will ensure your information is removed from our systems, unless we are legally obliged to hold it for a further period.

We will hold any data about you in completely secure conditions and with restricted access. Information in statistical form on present and former employees in some instances is provided to appropriate outside bodies. Wherever possible Ofwat ensures that statistical information is anonymised.

We will include data that you provide on the diversity monitoring form in a general database for statistical monitoring purposes only. This enables us to monitor the effectiveness of our policy on equal opportunities in employment.

Ofwat processes all the personal data you have provided during your application as set out in Ofwat's privacy policy which is available here: <https://www.ofwat.gov.uk/publication/privacy-policy/>. If you have any concerns regarding the processing of some or all of your data please inform the People Hub in writing to [people@ofwat.gsi.gov.uk](mailto:people@ofwat.gsi.gov.uk) and/or the Data Protection Officer by emailing [FOI@ofwat.gsi.gov.uk](mailto:FOI@ofwat.gsi.gov.uk).

## **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 you feel your application has not been treated in accordance with the recruitment principles and you wish to make a complaint, you should contact Sarah Lal, Head of HR, Corporate Enablers (People), Ofwat, Centre City Tower, 7 Hill Street, Birmingham, B54UA in the first instance. If you are not satisfied with the response you receive from us you can contact the Civil Service Commission at [info@csc.gov.uk](mailto:info@csc.gov.uk).

