

New Developments project

Using a NAVs delivery model to support competitive markets.



Challenge

Competition in markets can deliver benefits for customers and the wider water sector by incentivising cost efficiencies and delivering improved service and innovation.

However, Ofwat's *RISE* report (August 2020) stated that water companies weren't doing enough to help new entrants shake up the market, to give customers more choice.

Solution

The New Developments project is one of eight Ofwat Environmental Innovation Projects (EIPs). It supports competitive markets within the water industry by using a New Appointments and Variations (NAV) delivery model.

Working collaboratively over a six-month period, we developed a framework which makes it easier for NAVs to work with their water company at a new development site.

The framework is being implemented at a selected new development. The partnership encompasses legal, regulative and operational aspects of working.

Outcomes

We learned a lot and achieved a great deal, including:

- stimulating environmental innovation by using our innovative delivery model
- significantly improving our relationship with our NAV providers – we now have a better understanding of these businesses and the site-specific challenges they face
- developing an Ofwat Innovation bid (Water Neutrality at NAV sites) with our NAV partners. The project was one of nine Breakthrough Challenge winners. It will address some of the challenges identified in our EIP and will cost:

£3.22 million
over
30 months

- applying learning points relating to the installation of water harvesting and greywater recycling at a NAV new development to our project on water neutrality.