The sector better meets the needs of, and creates long-term value for, customers, society and the environment

The sector's culture values, encourages and supports innovation

The capacity and capability of the sector to innovate has increased

Strengthened process for testing and rolling out innovation

**Outcomes**

**Outcome 1:** The industry understands and values the role of innovation in solving long-term problems

**Outcome 2:** More partnerships and collaboration across companies, the supply chain, and outside the water sector

**Outcome 3:** More openness to sharing data, insights and ideas to support innovative practices within the water sector and with other sectors

**Outcome 4:** Water sector regulators understand how to better direct and enable innovation in the water sector

**Outcome 5:** Barriers to scaling up and rolling out new solutions within the sector have been reduced

**Outcome 6:** The industry has increased and embedded new innovation skills into their ways of working

**Outcome 7:** Greater range of innovative solutions available across the sector

**Assumption:** Tangible behavioural change across the sector

**Ofwat Innovation Fund Theory of Change**