

Water Breakthrough Challenge 5 Launch Webinar

10 September 2024

Audience questions

1. Funding

1.1 How many years do we have to consider when requesting funding amount?

There may be significant ongoing costs post initial development of the innovation

- This will depend on the type of project and the innovation. We encourage entrants to include elements such as knowledge dissemination as an integral part of the project plan.

1.2 Only £40m available and giving over £10m to a single project is incredibly limiting to all other entries. Why would you do that?

- The Fund is open to hearing about a range of innovations that are able to deliver benefits for customers. If a project has the potential for widescale change but needs over £10 million to realise this benefit, we will take a considered approach to determine if this delivers value for money to customers.

1.3 How can we assess the costs given to us by water companies to be the Lead Entrant? It can be difficult to compare and know what value for money for this role is.

- 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. We recommend you speak to water companies to determine who is best placed as lead entrant on an entry. You may also find it helpful to



refer to the [template collaboration agreement](#) on our website to understand more about the ways of working in a partnership.

1.4 Can funding be used for CAPEX?

- The funding allocated to projects can be used for all costs associated with that project. As part of the entry form, entrants are asked to submit a budget template setting out the costs associated with project delivery. Please refer to the entry template for more details.

1.5 Is there going to be a pre-defined split of the £40m between Catalyst and Transform successful entries?

- We are providing approximately £40m in funding across both streams and are not proposing a pre-defined split for Breakthrough 5 and will flexibly allocate funding between streams based on the entries received.

2. [Partnerships](#)

2.1 Does the lead partner have to be a utility, or can it be a technology provider?

- The lead partner for both streams (Catalyst and Transform) must be one of the [licenced Water Companies or NAVs in England and Wales](#).
- For the Catalyst stream, a non-water company partner can submit the entry form but must still have a licenced Water Company or NAV in England or Wales in place as the lead entrant.

2.2 As the innovation challenges are led by Water/Wastewater companies, how can other organisations be part of this?

- Although entries must be led by a licenced Water Company or NAV in England or Wales, we strongly encourage entries to be made in partnership or consortia. In previous rounds, we have seen a wide number of organisations involved in entries, playing a diverse range of roles.

- Building a relationship with Water Companies and NAVs can be done in various ways [Spring](#) is a potential route that can help with connections; the ‘find a partner’ page on our website can help you reach out with general opportunities; attending conferences and trade shows and talking to employees from various water companies can help forge relationships. In terms of formalising this partnership for Breakthrough 5, you need a water company (a lead contact) to agree to be named on your entry form.

2.3 Do we need all partners secured for Transform Stage 1? Is it okay to have core partners at Stage 1, with more partners to be confirmed at Stage 2?

- You do not need all partners secured for Stage 1, but we encourage entrants to list the key organisations which will be involved in the entry at this stage. However, we understand that as the entry develops, more partners will be added by the time Stage 2 begins.

2.6 Are there any restrictions on non-UK companies participating as partners?

- We welcome partners from outside of the UK and have seen partners from outside the UK participate in previous rounds of the competition.

3. [Entry process](#)

3.1 Do questions in the entry form relating to scalability expect to see a business case (or canvas) to show some commercial consideration to the value of the innovation?

- We don't ask for or require a business case as part of the entry form, but strong entries will be able to show benefit to customers and wider impact of their project.

3.2 Can you submit more than one entry for different projects?

- Yes, you can submit multiple entries to Breakthrough 5 across the Transform and Catalyst streams.

3.3 Is there priority support for water companies that have not previously received funding from the Catalyst Stream?

- There is no formal priority support for water companies who have not previously received funding. We recommend entrants read through the entrant support guidance in detail and ask for any further clarifications. The Fund is always looking at how we can improve our experience, so if you believe there are specific barriers to your water company getting involved in the Fund or winning funding, please contact us via our shared inbox. (waterinnovation@challengeworks.org)

3.4 What is the focus for the Stage 1 Transform entry form?

- The key questions we are asking entrants at Stage 1 are to explain why they think their entry is innovative, and to outline how this will be achieved. All questions (Stage 1 and 2) and assessment criteria are set out in the Entrant Handbook.

3.5 Will Ofwat be doing any triaging to match similar projects following Stage 1?

- The Fund will not be carrying out any matching/triaging of similar projects at Stage 1. Ofwat takes a portfolio approach to judging and final decisions to ensure we are funding the right projects that will impact our innovation themes and priorities.

3.6 Only one entry template can be live at a time, can this be changed as an action?

- If you are having issues with this for Breakthrough 5 then feel free to email the shared inbox for the Fund (waterinnovation@challengeworks.org). We can help overcome this by the entrant submitting the form and then asking us to re-open it for editing.

3.7 Can you provide details about the format and expectations of the pitch. Is this slide based? Verbal pitch? What criteria need to be covered?

- We ask entrants to turn their cameras off and many use a slide deck to accompany a verbal pitch. We have also had entrants just deliver a verbal pitch too.
- Pitches should outline:
 - The problem the entry aims to address and what benefits it will have for customers, society and/or the environment if successful (around 25% of the pitch)
 - What about the entry is innovative (around 25% of the pitch)
 - What entrants intend to do within their entry, focusing on activities that will be undertaken (around 50% of the pitch)
- Please see the relevant entrant handbook, [Catalyst](#) and [Transform](#) for full advice for the specific stream you are entering.

4. [Other](#)

4.1 Can a bid be successful if the primary benefits are for non-household customers (with indirect benefits for household customers)?

One of the priorities for Ofwat's Innovation Fund is enabling the water sector to better meet the evolving needs of its customers. This is focused on household customers in England and Wales, although benefits to non-household customers are also encouraged. All entries that propose primarily to benefit non-household customers must also demonstrate how the proposal can benefit household customers.

4.2 It's great to see the emphasis on sharing the learning and outcomes from the projects - is there best practice / examples somewhere? Where can new entrants access the learning from previous rounds?

- [Spring](#) is a useful resource and we would encourage entrants to use their insight and learning. The Ofwat Innovation Fund has also published two learning reports so far, which you can find on the [Insight page](#) of the Fund website - this growing list of resources aims to showcase news and resources from all the funded projects.

4.3 What are the change management challenges that need to be overcome within the water industry to take up innovation?

- Innovation take up is a challenge for all sectors and water is no different. We believe a key factor in take up is about the availability and accessibility of information coming out of innovative projects, and it is for this reason that we are working very closely with Spring on knowledge transfer (including a knowledge sharing vision and principles for the sector) whilst also ensuring that the innovations we have funded are obliged to effectively share their findings and project learnings.
- For example, in our recently published learning reports, we outline some of the challenges faced by individual projects; as well as shared learnings regarding collaboration. [You can find these reports on the Insight page of our website](#). We encourage organisations to engage directly with the water sector to understand the individual challenges faced by each organisation.

4.4 In the context of vendors, how is newly developed foreground IP managed? Does it place restrictions/obligations on how commercial entities use it going forward?

- The Default IPR position for the Water Breakthrough Challenge allows for Foreground IPR to be retained by the participant who created it, on the condition a royalty-free licence is provided to all water companies in England and Wales.
- Please refer to Clause 4 of the challenge's full [terms and conditions](#) for more detail on our IPR policy, including conditions for Background IPR, and how to propose Alternative IPR positions.

4.5 Is there any further guidance on how B5 sits alongside the Water Efficiency Fund? How to determine which is the best process for a project to take?

- The Water Breakthrough Challenge is distinct to the Water Efficiency Fund, and the forthcoming Water Efficiency Fund. WBC5 welcomes entries under our four themes, which includes water efficiency themed projects. All entries are judged according to their merits regardless of thematic area. The

latest information on the WEF was shared via the [consultation](#) earlier in the year. It is for entrants to determine which route is most likely to suit their needs.

- Priority areas, information on what we are looking for, and the assessment criteria for Breakthrough 5 are set out in the Entrant Handbook. Please refer to this to determine whether your project is suited to entry.

4.6 When is the next Water Discovery Challenge?

- Timelines and format have not yet been confirmed for the next Water Discovery Challenge. However, Ofwat's consultation 2025-2030 for the Fund anticipates two rounds of Discovery during this five-year period. You can [sign up to the Ofwat Innovation Fund newsletter](#) to be kept up to date on the latest news and developments.

4.7 Are Spring Accelerators online sessions accessible?

- Please get in touch with Spring directly: admin@spring-innovation.co.uk

4.8 DWI involvement has been confirmed for Breakthrough 5. Are any other regulators (eg. EA, Defra, SEPA and Natural resource Wales) involved in assessment and can regulators partner on Breakthrough 5 entries?

- DWI are currently the only other regulator that is formally involved in reviewing entries to Breakthrough 5. However, Ofwat is open to involving other regulators in future competitions.
- In past rounds we have seen regulators partner on entries and entrants are free to form these partnerships again for Breakthrough 5. DWI has no formal role in assessing and recommending decisions, and the final decision as to which projects will be funded rests with Ofwat. Any perceived or actual conflict of interest will be managed by Ofwat to ensure a robust, fair and transparent process.



4.9 What stage of development must an innovation be in to qualify for participation in the program?

- We welcome entries from all levels of innovation maturity and have seen great diversity in maturity across past Water Breakthrough Challenge rounds.