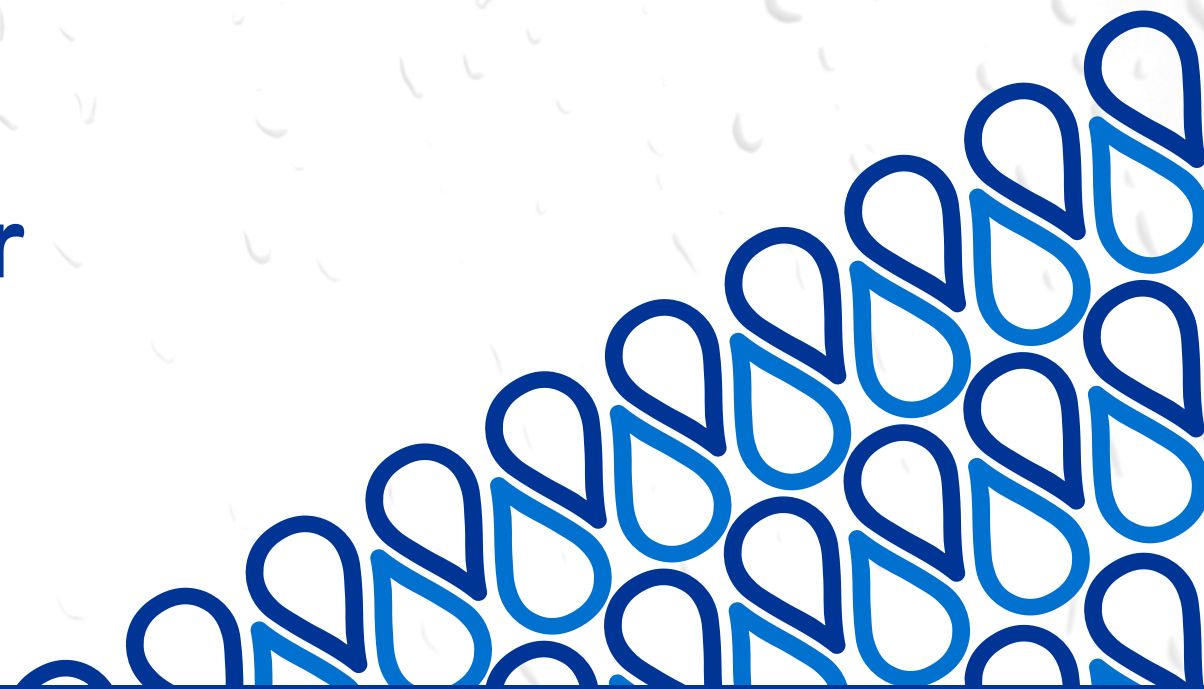




Water Breakthrough Challenge

Round 6 Launch Webinar and live Q&A

Tuesday 9 September 2025





Water Breakthrough Challenge Delivery Team – Who We Are



Water Services Regulation Authority,
has oversight of the Innovation Fund.



Administers the Fund on behalf of
Ofwat. First point of contact for all
enquires.



Delivery partners on the competitions
and overall Fund programme.



Panellists- who you will hear from today

Samantha
Flower



**CHALLENGE
WORKS**
a nesta enterprise

Rhys
Herriott



**CHALLENGE
WORKS**
a nesta enterprise

Marc
Hannis



ofwat

James
Holloway



ARUP

Caroline
Wadsworth



 **isle**

What we'll cover today

1

The Ofwat Innovation Fund

- Ofwat's Innovation Fund – at a glance
- Ofwat's priorities
- Definition of innovation
- Fund-wide risk principles

2

Water Breakthrough Challenge 6 – Overview

- Catalyst and Transform Streams
- Timeline
- What's changed since Breakthrough 6

3

How to Enter

- Who can enter
- Entry process steps
- Assessment process steps
- Support for your entry

4

Knowledge and learning

- Sharing impactful knowledge and learning
- Our expectations
- Examples from funded projects

5

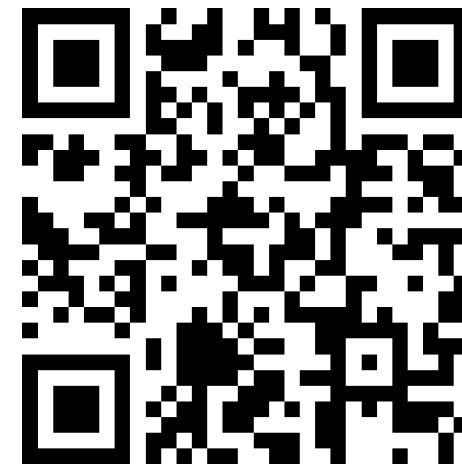
Why Innovations Stall: Lessons for Water Innovators

- Why do promising innovations stall?
- Lessons for innovators

6

Q&A (via Slido)

- Add questions via QR code to the right or URL below (code: **B6Launch**)
- <https://app.sli.do/event/ggTEyrjAWmFuLUWBMLq2C9>



The Ofwat Innovation Fund

Ofwat Innovation Fund



£600 million Innovation Fund to grow the water sector's capacity to innovate, enabling it to better meet the evolving needs of customers, communities and the environment.



109 winning entries
across all
competitions, with

>300

organisations involved
collaboratively in these entries.



Over £190 million has been awarded to **109 initiatives**, all pursuing innovative solutions to some of the most pressing challenges facing the water sector.

The Ofwat Innovation Fund has doubled and so has the scope and ambition of the programme



Annual competitions between 2025-2030, ~£250m funding



At least two competitions between 2025-2030, ~£15m funding

NEW

Water Innovation Missions

Water companies coming together to collaborate on solutions to specific sector-wide 'strategic challenges' (£40m over 5 years)

NEW

Implementation Fund

Accelerating the scaling of projects to deliver impact and addressing barriers to this scaling (£40m over 5 years)

NEW

Cross-sector Programme

Exploring joint working/funding approaches with other sectors for solutions requiring cross-sector effort (£40m over 5 years)

NEW

Water Efficiency Lab

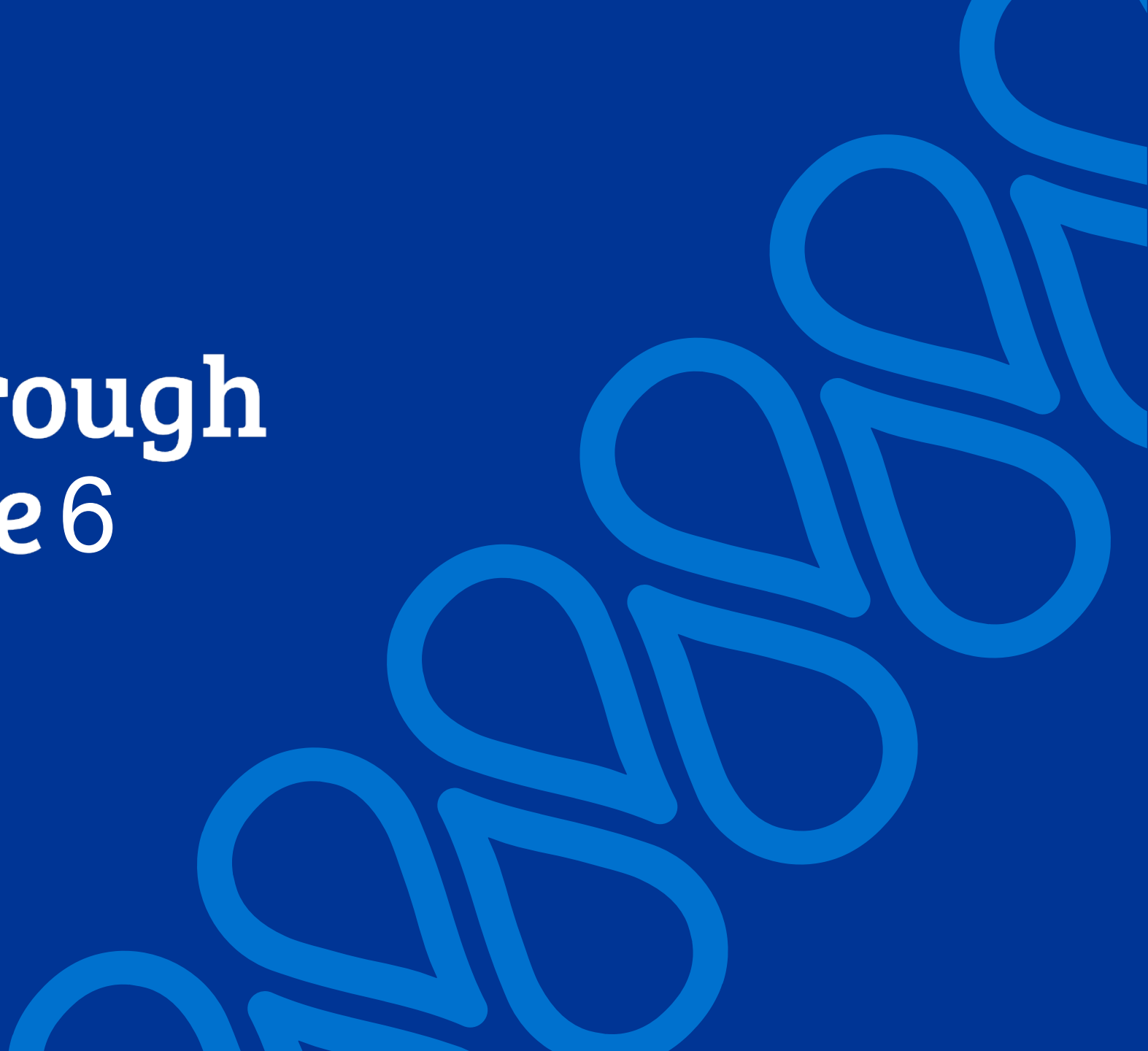
Competition to unlock progress on water efficient technology, processes and approaches (£25m over 5 years, part of the Water Efficiency Fund)

Evaluation: Impact and VfM study of 2020-2025 Fund that will inform future approach



Water Breakthrough Challenge 6

Overview





The two Water Breakthrough Challenge streams

Catalyst Stream

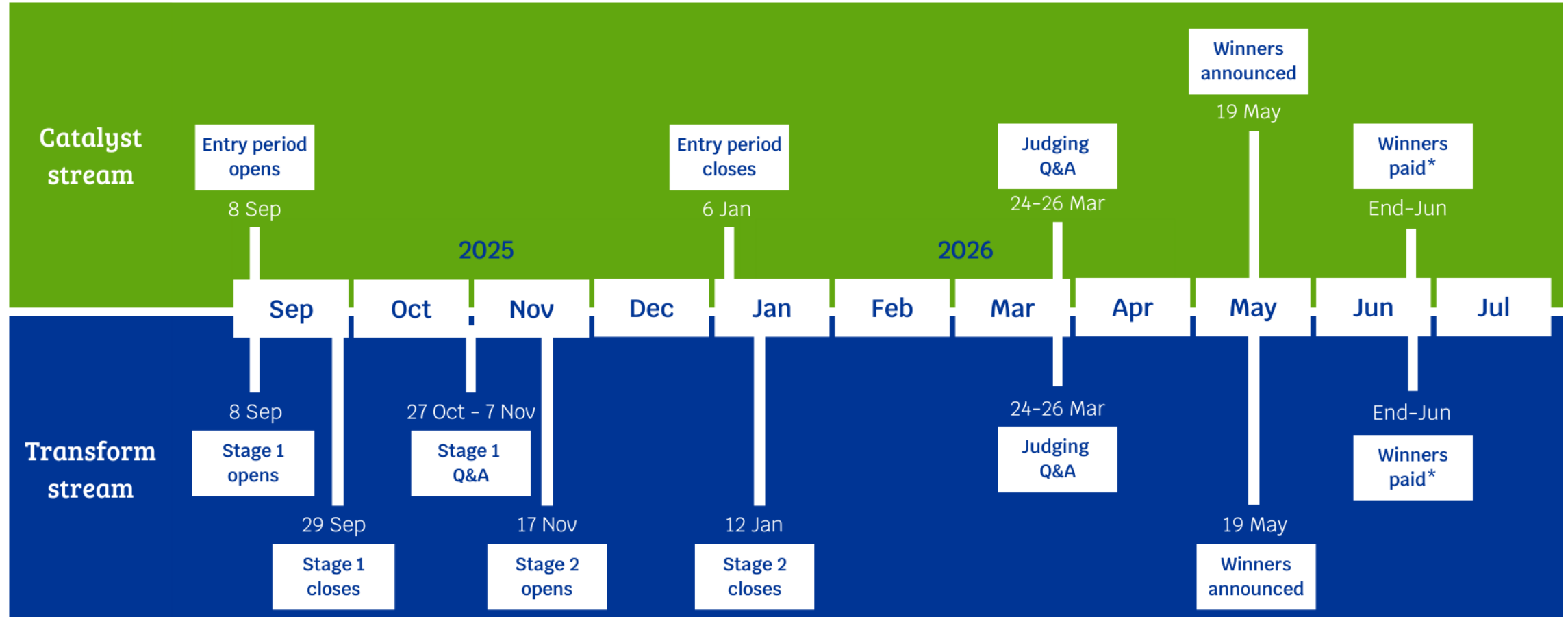
-  Opens 8 September 2025
-  £150k – £2 million per entry
-  Single-stage entry process
-  Closes 6 January 2026

Transform Stream

-  Opens 8 September 2025
-  £2 million – £10 million per entry
-  2-stage entry process
-  Stage 1 closes 29 September



Water Breakthrough Challenge 6 – Timelines



* Subject to water company payment timelines



Changes from Breakthrough 5

✓ Process Updates

Based on feedback from entrants in the previous round, and to improve the process for entrants, we have:

- ✓ Gathering information on whether partner organisations are SMEs and/or UK Incorporated Entities
- ✓ Added in more reference to Inputs, Outputs, Outcomes and Impacts
- ✓ Added a new question 1.2.2 about intended outputs
- ✓ Added a new sub-criterion 2.2 focusing on the implementation of innovation among the lead entrants and partners
- ✓ Continued to strengthen guidance for entrants
- ✓ Included involvement of the Environment Agency for review of entries
- ✓ Published clearer guidance on our approach to risk and innovation



Definition of Innovation

What do we mean by innovation?

Deliver greater value than current solutions

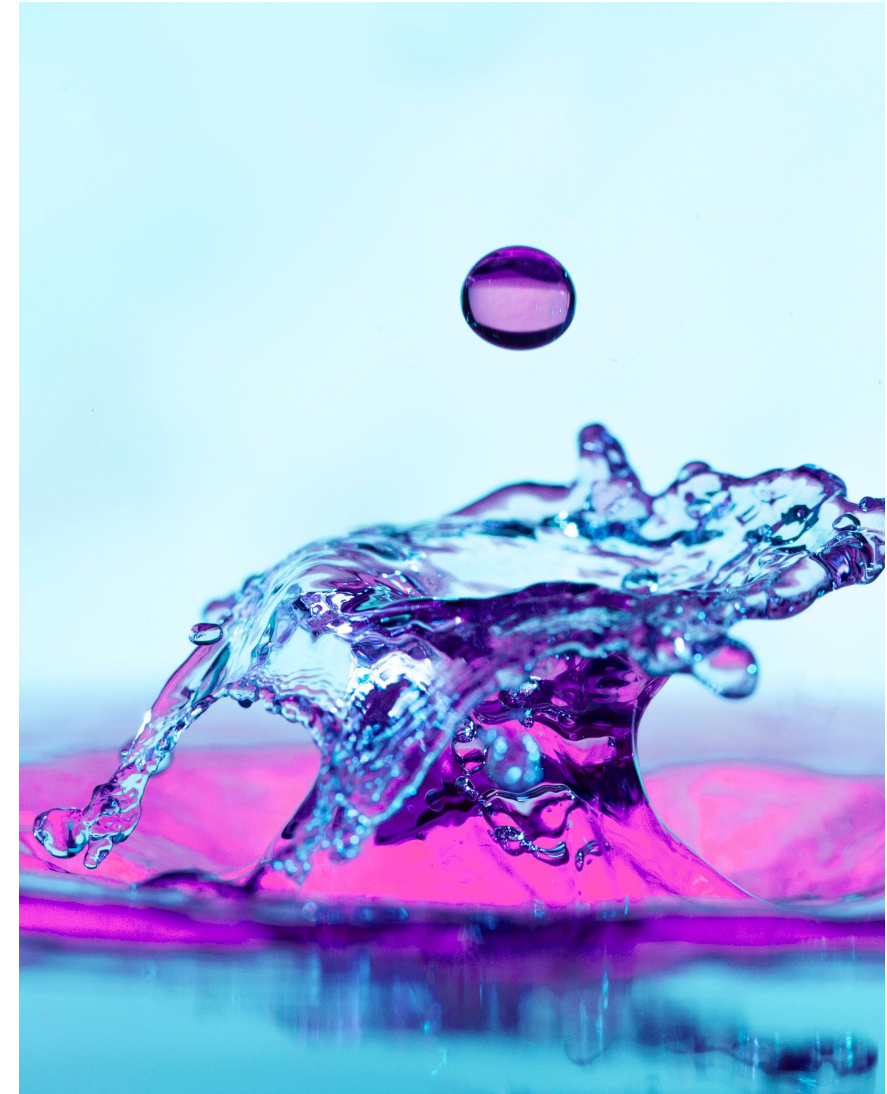
Solutions should have the potential to deliver substantially improved performance and efficiency for customers and the environment (as compared to current practices in the water sector in England and Wales)

Advance the sector's understanding

Regardless of whether a solution is proven successful or not, projects should deliver a clear learning outcome which enables further innovation and unlocks systemic change (both in terms of the solution itself, and the sector's capability to innovate)

Could not otherwise be funded

Solutions should not be 'sure bets', and should demonstrate that they cannot be funded through other means (either internally, or through external investment).



How to enter?





Who can enter

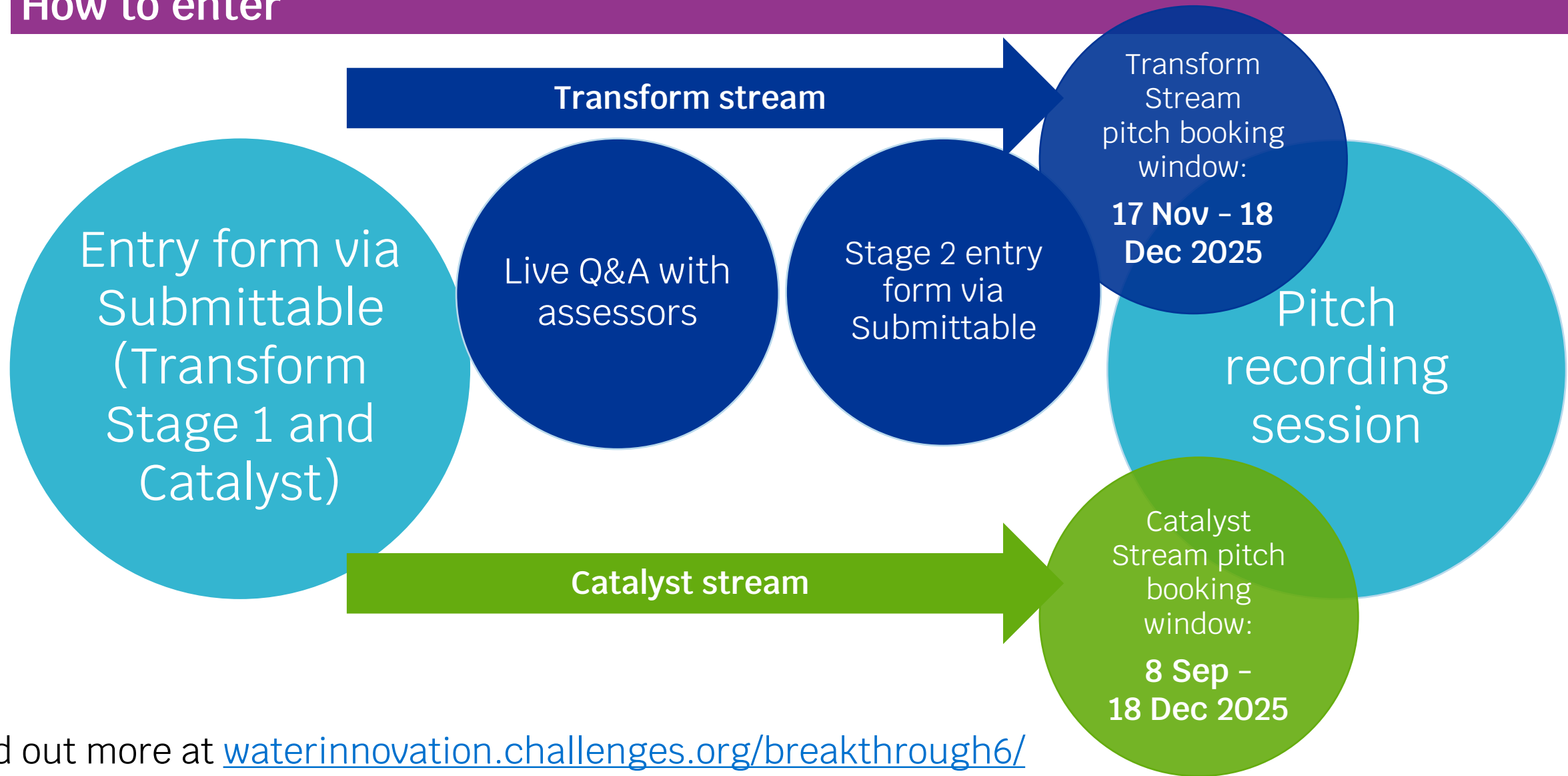
An appointed 'Water Company' (a water and/or sewerage undertaker or infrastructure provider (i.e. Tideway))



Partner(s)



How to enter



Find out more at waterinnovation.challenges.org/breakthrough6/



Assessment process





Support for your entry

**Webinar
recording**

**Entrant
Handbook**

**One-to-One
Surgeries**

**Entrant
Support
Materials**

For more information, visit:
waterinnovation.challenges.org/breakthrough6/entrant-support/

Knowledge and Learning

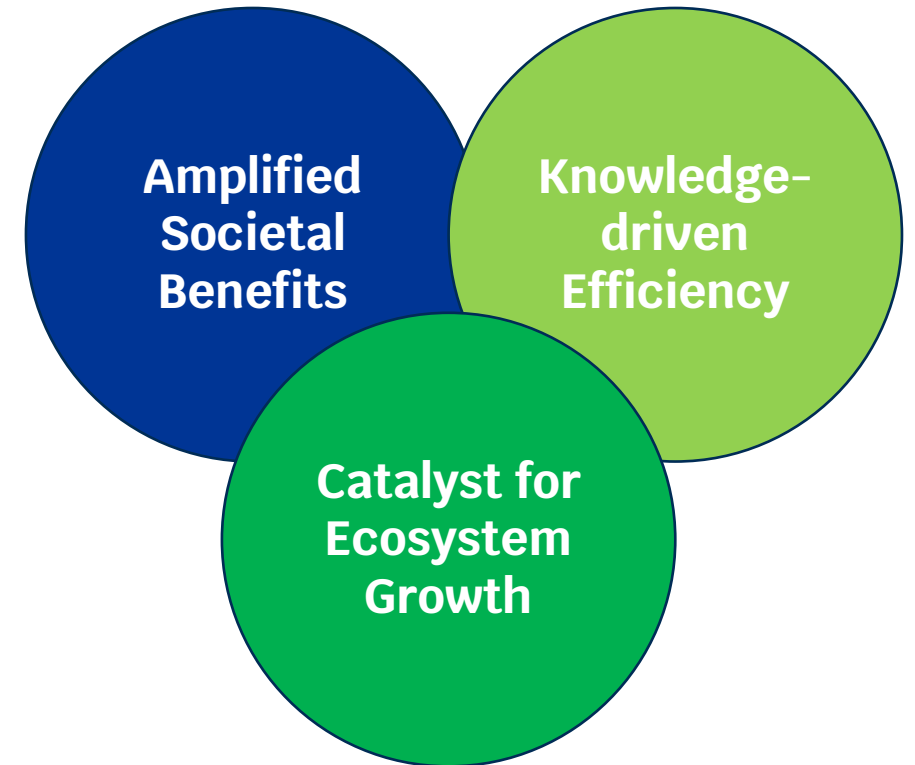


Sharing knowledge and learning

The sharing of knowledge and dissemination of learnings is essential to:

- Raising awareness of the results and outcomes of the Fund's innovation projects
- Promoting solutions and encouraging adoption
- Increasing the impact of funded projects and amplifying positive outcomes across the sector
- Providing a base of learning for future projects
- Fostering a culture of openness and collaboration

The Ofwat Innovation Fund is seeking leaders in this space to bring lasting impact and legacy to the projects funded by water customers of England and Wales.





Some examples from funded projects

Here are some examples of knowledge and learning sharing that we have seen so far through funded projects:

- Project websites with dedicated pages for sharing the outputs, learnings and resources produced during project delivery
- Hosting regular webinars and workshops and leveraging social media to engage a wide audience and grow awareness of project outputs
- Making project data publicly available in accessible formats and use of dashboards to visualise project data and outcomes.
- Publishing case studies, blogs, newsletters and annual reports.



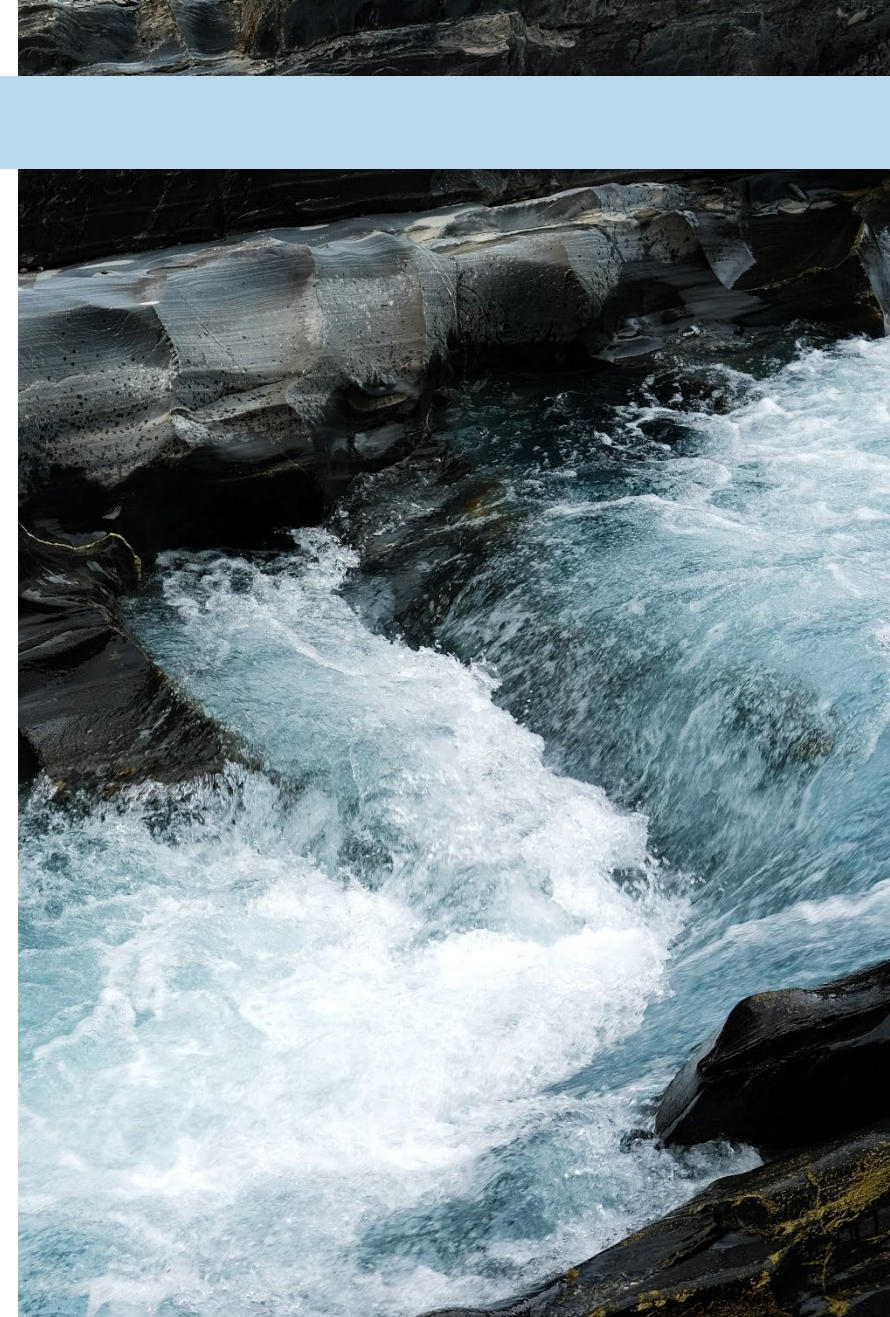


What we are expecting to see

- Strong, realistic responses to entry questions which reference dissemination and knowledge sharing
- Appropriate and impactful methods of sharing valuable outputs, insights and experiences with the sector.
- Sharing information and documentation to serve as reference material for future initiatives.
- Active promotion of projects to ensure widespread awareness and engagement.
- Be proportionate. Goldilocks approach – striking the right information balance.
- Once awarded, positive engagement with Monitoring and Final Report expectations on knowledge sharing

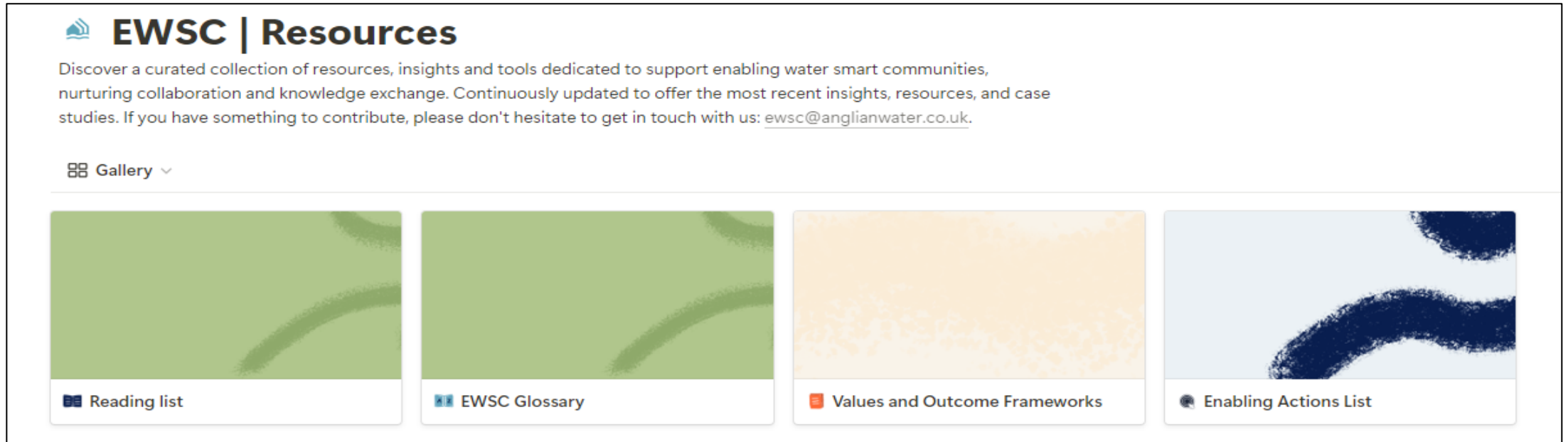


Get creative and make use of the tools available to promote your projects, i.e., the Spring platform, social media, events, webinars etc.





An example: Enabling Water Smart Communities (EWSC)

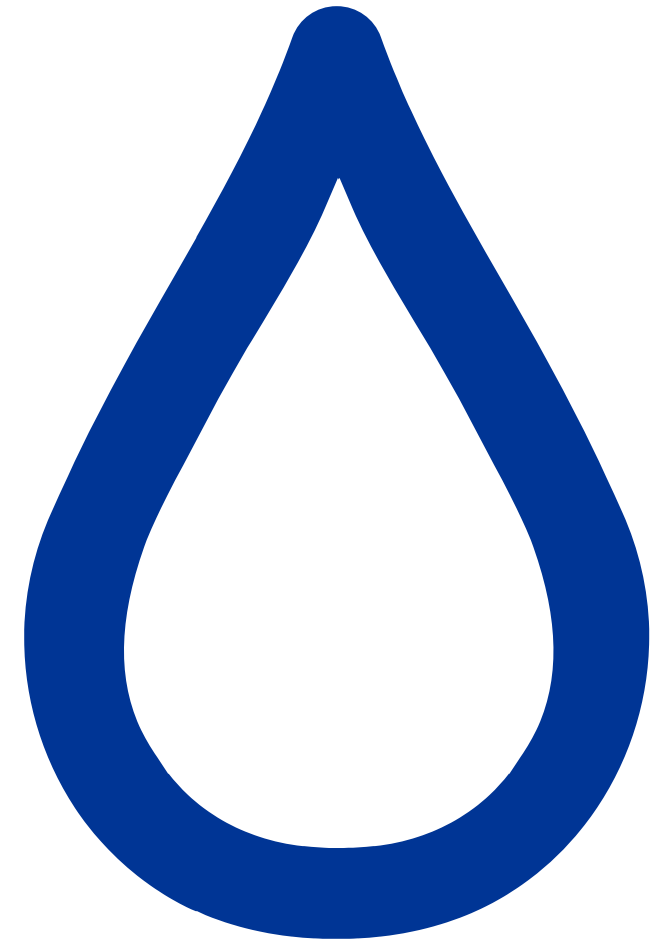


- EWSC have a dedicated page ([Link](#)) on the project website for knowledge transfer, including examples, values, actions and curated further reading to ensure accessibility to the knowledge and learning developed through the project.
- Sprints (innovation festival), collaboration workshops with partners and orgs outside the team with outcomes from these shared widely.
- Webinar series – for Autumn 2024 to share the project and the insights developed beyond the water sector ([Link](#)) so far. More to follow.



Key takeaways / things to consider

- **Avoid duplication** by incorporating and building on learning and insights from other projects.
- Regularly share insights throughout the project lifecycle – **not just at the end.**
- Think carefully about what data and information you will share and where – **format, data control, GDPR, host platforms** etc. What's most useful to your audience?
- Target innovation insights for a variety of relevant audiences.
- It's ok to share when things don't go to plan – **this is valuable learning too and will help other teams.**
- Empower teams to receive and embed lessons from external sources.



Why Innovations Stall: Lessons for Water Innovators



Why innovations stall: lessons for water innovators

Innovation is vital in the water sector:

- Climate change is intensifying **droughts, floods and extreme weather**, making resilient water systems a necessity.
- **Aging infrastructure** leads to high maintenance costs and creates inefficiencies.
- **Urbanisation** and **population growth** are driving increased demand for water.
- Regulators, utilities and industries are under **pressure to adapt**.

→ however, many innovations never move beyond the pilot stage.





Why do promising innovations stall?

The failure of water innovations is **often not due to flaws in the solution** itself. More often, the barriers lie in how the market perceives, adopts and integrates these solutions. The real challenge is translating an idea into something that utilities and regulators **trust enough to implement at scale**.

Technology – market mismatch

- Innovators will design around the technology, not the real problem.
 - E.g.: solutions that optimise niche processes but don't solve urgent, system-level challenges.
- Innovation without a clear demand stalls.

Risk-averse sector

Why utilities move slowly:

- Reliability is prioritised over novelty.
- Procurement processes in the sector are lengthy.
- Innovations often require approvals from several decision-makers.

Hidden barriers

- Lack of demonstrable proof at scale.
- Early grants get ideas started; commercial investment is harder to secure.
- Compliance requirements delay the pace of adoption.
- Misaligned incentives between stakeholders.



Lessons for innovators

Strategies for break through



- Innovators should **start with the problem rather than the technology**, ensuring their solutions directly address urgent sector needs.
- **Building credibility** early through pilots, transparent performance data and trusted partnerships is essential for gaining trust.
- Successful innovations **plan carefully for adoption pathways**, including understanding procurement cycles and regulatory approvals.
- Designing solutions that **integrate seamlessly with existing infrastructure**, rather than requiring disruptive change, greatly increases adoption potential.



Lessons for innovators

Collaboration is key



- Progress depends on collaboration between innovators, utilities, regulators, investors and communities.
- Helps spread both the risks and the benefits of adoption, making it easier for utilities to take the leap.
- Partnerships where utilities provide testbeds, regulators offer supportive frameworks and investors co-fund pilots often create the strongest pathway to scale.



Shaping a compelling case:

- To succeed, innovators must move beyond efficiency and cost as their only selling points.
- The strongest cases emphasise resilience, ESG outcomes, compliances assurance and long-term operational savings.



Key takeaways

- Innovations in the water sector do not fail because they lack brilliance; they often stall because **the adoption environment is complex and risk-averse.**
- Success requires not only technical excellence but also **deep understanding of market dynamics** and **alignment with stakeholders.**

How can you design your innovation, the project team and implementation plan such that it is too valuable, trusted and integrated to be able to stall?

Thank you and Questions



Q&A

Pop your questions in Slido!





More questions?

Check out the FAQs:

waterinnovation.challenges.org/breakthrough6/faqs/

If you can't find an answer, contact us:

waterinnovation@challengeworks.org

Sign up for Breakthrough 6 and Fund updates:

waterinnovation.challenges.org/newsletter

Thank you!

