Water Efficiency Lab 1 (WEL 1) Networking event 15.01.2026 Outstanding Questions

1. Clarification on 10% match funding requirement

Individual entries can request between £150,000 and £1.5 million from the Water Efficiency Lab (WEL), but the WEL will only provide a maximum of 90% of each entry's total cost. The remaining 10% of the entry's total costs must be provided by the entry partners as a mandatory 10% contribution. Please use the 10% calculator in the Budget by Partner tab in the Project Delivery Template to check whether your entries have met the 10% contribution.

If the entry involves a consortium of partners, the partners can decide between themselves how the mandatory contribution is met. For example:

- There might be one single partner (lead entrant or otherwise) that contributes the full mandatory contribution, or
- The mandatory contribution may be covered by some of the partners (not all)
- All partners may decide to split the mandatory contribution between themselves equally, or proportionately to their organisation's size/involvement.

Please see this spreadsheet for practical, illustrative examples mirroring the above.

In choosing how to approach the mandatory contribution, the partners must consider the following requirements:

- Contributions from a Water Company (as defined in clause 1.2 of the Terms & Conditions) including New Appointees or NAVs, towards the mandatory contribution must be financial, and must not be funded by charges to English and Welsh customers of the Water Company.
- Contributions from partners that are not a Water Company or New Appointee can either be financial or in-kind – this includes water retailers.

We welcome and encourage any commitment that exceeds the minimum 10% contribution. This can be in the form of additional financial (cash) or additional in-kind contributions. Wholesaler water companies and NAVs are welcome and encouraged to provide in-kind contributions that are additional to the minimum 10% contribution.

Ofwat does not consider that customers should bear all the risk of initiatives funded through the competitions. The 10% contribution requirement supports this and encourages strong project management.

The 10% contribution has been a long-standing entry requirement for Ofwat's competitions. For more information about the 10% mandatory contribution for the WEL, please refer to the Entrant Handbook and the Terms & Conditions.

2. What is the max expected project duration if ask for a funding is more than £150k?

We expect entries awarded funding in WEL 1 to complete in a timeframe commensurate with the level of funding and maturity level of the project, and within 3 years of commencing. This timeframe aligns with the challenge statement and the aims of the WEL to drive a transformative, sustained, and measurable reduction in public water demand across England and Wales. Initiatives with a longer timeframe to complete will be considered and their merits assessed against the assessment criteria.

3. If a water co. can't get board approval for the spend before 10th March, can an application be made... and then potentially withdrawn further down the line.

You may submit an entry into the WEL and withdraw it at any point before signing the Winner's Agreement. Please email waterinnovation@challengeworks.org as soon as possible to notify the delivery team.

4. Is there a specific TRL you're looking for below which the project doesn't qualify?

Entries will be assessed based on how well they meet the assessment criteria rather than directly on their maturity level, however we expect that mid-level maturity solutions are most likely to be able to meet the assessment criteria well. In particular, entries will need to show that they have potential to deliver significant water consumption reduction, as set out in the Impact criteria, and that they have a feasible pathway to implementation and scaling as set out in the Adoption and Implementation Plans criteria.

5. Is there a pathway where a successfully executed WEL project can apply for future funding for regional/national roll out via Water Efficiency Campaign?

The Water Efficiency Campaign is a national awareness-raising campaign, which will be delivered by a separate delivery body. The campaign will launch in Spring 2026 and will focus on messaging online and in the media, with partnership with water companies and local actors on place-based approaches. It is not a competition and will not grant funds to innovators. Upon launch, relevant stakeholders will be able to contact the WEC delivery team to ensure learnings and opportunities are shared.

6. What is the learning from energy sector on actionable insights and behaviour change? They are a few years ahead on this "reduce demand" topic

We would encourage you to register your organisation’s interest in forming partnerships through our WEL 1 partnerships form. Already on the list are a number of organisations who have energy sector expertise, as well as across a range of other sectors including behavioural science, evaluation, housing and more.

During the stakeholder engagement phase for designing this first WEL competition, we spoke with experts from the energy sector to gather their feedback on learnings from the energy sector’s smart meter rollout. See below for some of the insights shared.

Insights from energy sector around actionable insights:

- **Trusted messaging is critical to behaviour change**
  Long-running energy efficiency campaigns show that who delivers the message matters as much as the message itself for some consumers. Trusted intermediaries (e.g. community groups, charities, local organisations) can significantly increase engagement for some.
- **Segmentation and tailored messaging drive impact**
  Effective energy interventions tailor messaging to different customer motivations:
  - Emotional connection to the home (e.g. older customers)
  - Personal benefits such as bill savings for the general population
  - Environmental framing used selectively where it resonates
    One-size-fits-all approaches are less effective.
- **Granular, timely data enables action**
  Energy customers value access to usage data at multiple time intervals (near real-time, daily, weekly, monthly). It is about relevance to their lives.

- **User-friendly interfaces matter as much as data**
  In-home displays and apps have been effective in translating raw data into understandable, actionable insights. Visibility of usage is a key enabler of sustained behaviour change.

- **Customer trust and data control are essential**
  High-resolution data can raise privacy concerns. Successful energy solutions:
  - Clearly communicate that data belongs to the customer
  - Allow customers to control data sharing and granularity
  - Address security and hacking concerns through transparent messaging on data protection

- **Incentives can accelerate adoption**
  Incentives and rewards have been effective in driving uptake of smart meters and encouraging reduced usage for some, but less effective for others. Testing different incentives with different consumes is important. Incentives can have potential when combined with clear, trusted communication.

- **Targeting moments of change increases effectiveness**
  Targeting key life or account moments (e.g. moving home, tenancy changes, billing transitions) provides opportunities for engagement, when customers are more open to new information and behaviour change.

7. Is there a clear definition of the target audience? Eg homeowners vs tenants… or instances where the tenants have their water bills included in the rent?

WEL 1 is looking for solutions for both household and non-household customers in England and Wales, but your solution does not need to provide benefits to both. We welcome entries that benefit one group only or both household and non-household customers, and will seek to fund a diverse portfolio of solutions.