



Implementation Enablers Reg 31 Challenge

Application Guidance

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Challenge Details

Overview of the Programme

Ofwat, the Water Services Regulation Authority for England and Wales, has established a £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. Since its launch, the Fund has awarded over £190 million to 109 projects involving almost 300 partners, including water companies, universities, environmental charities, local governments, civil society organisations and other utilities. In July 2025, Ofwat published its third annual report, reflecting on the progress of the Fund to date and ambitions for the future. This report is available on the Fund's website.

The Water Innovation Implementation Programme will sit alongside Ofwat's ongoing Water Breakthrough and Water Discovery Challenges, and new competitions Water Efficiency Lab, Water Innovation Missions and Water Innovation Cross-Sector Challenge, as part of Ofwat's expanded £400 million innovation package for 2025–2030. Together, these routes will take innovations from discovery and demonstration through to implementation at scale — ensuring benefits are realised faster and more widely across England and Wales.

The Water Innovation Implementation Programme comprises two streams: Early Adopters & Fast Followers and Implementation Enablers. Approximately £40 million in funding is available across the two streams from 2025–2030 to accelerate deployment of proven innovations.

Objectives of the Implementation Enablers stream

The primary objective of the Implementation Enablers stream is to **drive systemic and lasting change by funding activities that address known barriers to implementation.**

The Implementation Enablers stream is designed to tackle broader, cross-cutting barriers that slow or block innovation adoption across the sector. It will include a series of sprints to identify, shape and deliver solutions to these critical barriers and will initially award up to £10 million to accelerate their delivery.

For more information on the Implementation Enablers stream overall, please refer to the [Implementation Enablers webpage](#).

First barrier: Regulation 31 testing capacity

The first barrier that the Water Innovation Implementation Programme will seek to address is the **lack of long-term resilient UK-based facilities capable of undertaking full Regulation 31 testing ([Regulation 31 of the Water Supply \(Water Quality\) Regulations 2016 \(as amended\)](#)).**

This is a critical bottleneck that can delay, increase the cost of, or prevent the implementation of new, technically validated innovations – and may discourage innovative suppliers from entering or scaling in the UK market.

Why building testing capacity matters

Regulation 31 (Reg 31) plays a vital role in safeguarding public health by ensuring substances and products used in contact with drinking water are safe and do not compromise drinking water quality and/or public health. It is a cornerstone of the UK's drinking water safety planning regime and a critical requirement for deploying new innovations across drinking water networks.

At present, there are no UK-based and Reg31 assessed facilities that provide full testing services. In the past, even when designated labs were in operation, there has been a capacity constraint which has resulted in sometimes long and unpredictable waiting times.

These pressures affect both innovators and water companies. Start-ups and established suppliers face delays and additional costs when bringing new products to market, while water companies may struggle to implement more sustainable, efficient, or customer-focused solutions at the pace required.

As the sector faces increasing pressure to reduce leakage, improve resilience and decarbonise operations, the ability to trial and scale novel solutions safely and quickly is more important than ever. There are facilities that offer valuable test environments for research, development, and demonstration, however, without full Reg 31 compliance testing, innovations cannot be deployed on real-world drinking water assets – creating an unnecessary gap between innovation development and implementation.

Solving this challenge is vital to enabling the sector to improve. The aim is not to replace any existing or planned provision, but to strengthen and expand the overall Reg 31 testing system, so that it remains rigorous, resilient, and responsive to the sector's future needs. This will require the sector to work together to uphold the high standards of Reg 31 while accelerating the pace of safe innovation.

Challenge statement

How can we design and establish a resilient, financially sustainable and sector-aligned UK Regulation 31 testing system that maintains the highest drinking water safety standards while providing sufficient capacity, fair pricing and long-term certainty for innovators and water companies?

Through this first Implementation Enablers Challenge, the Programme aims to support the development of financially sustainable Reg 31 testing capacity that:

- Meets all relevant Drinking Water Inspectorate (DWI) and regulatory requirements
- Provides long-term, resilient capacity for the sector
- Offers accessible, fair and attainable pricing for innovators of all sizes
- Makes the UK a more attractive and predictable market for water innovation

This Challenge is about complementing and reinforcing existing capabilities, and exploring how new operating, ownership and partnership models could sit alongside current provisions to collectively create a more resilient, accessible, and future-proofed Reg 31 testing landscape.

What are we looking for?

We are inviting companies and consortia to suggest approaches for achieving this objective in a way that:

- Addresses the root causes of current capacity, cost and resilience challenges, rather than simply expanding existing arrangements
- Supports the long-term availability and continuity of Reg 31 laboratory testing for the UK water sector
- Provides fair, transparent and predictable access and pricing for a wide range of innovators, including SMEs and new market entrants
- Meets the requirements of Reg 31 as outlined in the Advice Sheets and Test Protocols and aligns with DWI and other regulatory requirements while supporting faster, more confident implementation of proven innovations
- Makes the UK water sector a more attractive landscape for innovators seeking to bring new solutions to market.

We are open to what this could look like. Approaches might, for example, explore:

- Collaborative or sector-aligned models that ensure fair and transparent pricing
- Networks of laboratories that provide resilience and flexibility across locations and organisations
- Facilities developed in partnership with water companies, universities, research institutes or other organisations, while fully maintaining independence and rigour in testing and accreditation.

These illustrations are not exhaustive and are not prescribed solutions. We welcome different, creative approaches that will help the UK water sector move towards a **fair, resilient, affordable and long-lasting Reg 31 testing landscape** that unlocks innovation for the benefit of customers, communities and the environment.

Please note that changes to Regulation 31 itself are out of scope of this call to industry.

Award process

The total award budget for this Challenge is up to £3 million across two stages, with each applicant being considered for:

- **Stage 1:** Successful Stage 1 applicants will each receive up to £50,000 to develop a detailed delivery plan including a feasibility assessment for the proposed solution.
- **Stage 2:** Delivery plans will go through assessment and sector review by an appointed Sector Implementation Committee, made up of representatives from water companies, supply chain, regulators and industry groups. Successful delivery plans will be eligible for awards of up to £1 million each to accelerate implementation.

Stage 1

Submission: To prepare your application you need to review and provide confirmation of the eligibility requirements and also provide a narrative to the sections identified in the [Application](#)

[Requirements](#) below. Applicants are required to submit their completed applications on company letter head via the innovationimplementation@isleutilities.com mailbox before the submission deadline to be considered for funding.

Review: Applications will be reviewed by Ofwat and its appointed delivery partners, alongside the DWI. Submissions will be assessed against eligibility and assessment criteria to select which applicants will be awarded funding. Successful applicants at Stage 1 will be provided £50,000 and 3 months to develop a detailed delivery plan to be submitted in Stage 2.

Stage 2

Successful applicants from Stage 1 will be required to submit a detailed delivery plan for consideration for further Stage 2 funding. The delivery plan requirements and evaluation criteria will be communicated to successful Stage 1 applicants, but the criteria are likely to include:

- A detailed description of the proposed solution (scope, capacity, services)
- Assessment of feasibility (technical/operational capability to deliver), viability (financial and strategic sustainability) and desirability (projected demand)
- Governance and operating model (ownership, partnerships, collaboration with utilities)
- Demand and revenue analysis (pipeline, pricing, utilisation assumptions)
- Detailed costing (CAPEX, OPEX, staffing, accreditation, maintenance)
- Phasing and delivery timeline to establish and bring the solution into operation
- Risk assessment and mitigation (technical, financial, regulatory and delivery risks)
- Evidence of alignment with Reg 31 requirements and plan for engagement.

Scope of eligible costs: Funding for successful Stage 2 applicants will be provided up to £1m to accelerate the delivery of proposed activities. Applicants must define how these costs will be used, but these could include the following:

- Capital expenditure (laboratory fit-out, equipment, infrastructure and installations)
- Operational costs directly related to initial establishment and commissioning
- Recruitment and training of staff required to achieve and maintain Reg 31 capability
- Accreditation and quality assurance processes
- Partnership and collaboration activities essential to the facility's long-term viability.

All submitted delivery plans will be reviewed by Ofwat and its appointed delivery partners, alongside the appointed Sector Implementation Committee. Ofwat will consider the Committee's recommendations and feedback before making a final funding decision.

The total available funding across all entries in Stage 1 and Stage 2 is £3 million, with the maximum award that can be requested per successful applicant in Stage 2 of £1 million.

Timelines

Applications open on: 2nd March 2026 (12pm GMT)

Applications close on: 1st May 2026 (5pm GMT)

Feedback provided: 29th May 2026 (5pm GMT)

Successful Stage 1 applicants will be given £50,000 and 3 months to develop the detailed delivery plans required for consideration at Stage 2.

Stage 1: Application Requirements

Applicants must share their completed applications on company letter head via the innovationimplementation@isleutilities.com mailbox before the submission deadline. Each application must include the following information:

1. Eligibility

Does the proposed solution address the Reg31 laboratory testing availability barrier identified by the sector? *Only applications demonstrating solutions to this barrier will be considered.*

Yes/No

Are you a registered UK company or organisation? *Applications from individuals or non-UK entities will not qualify.*

Yes/No

Does the applicant or company owner have an unspent criminal conviction?

Yes/No

Do you agree to permit disclosure of select information?

Internal Assessment: The information provided in this EOI response will be shared with Ofwat, DWI and Programme Delivery partners (Isle Utilities & ARUP) to enable review and decision making for progression to Stage 2 of the application process. Submission names and the summary Overview of Approach may be shared with the Sector Implementation Committee to announce successful applicants to progress to Stage 2 of the application process.

Implementation Programme Communications: We may draw quantitative metrics from the submissions provided surrounding the level of engagement with the EOI process and the types of proposals received. These metrics will not be associated to any named organisation or submission submitted and no detail from the applications further than stated will be used for public communications and the detail provided.

Yes/No

2. Applicant Information

Applicant Company/Organisation:

Applicant Key Contact:

Applicant email:

Applicant Phone Number:

Supporting organisations to application:

If there are partners/supporting organisations involved in this proposal, please provide organisation names and contact details where appropriate.

3. Overview of Approach (Max 1500 words)

3.1 What is your proposed approach?

Please provide a narrative description of your proposed approach for tackling the Challenge Statement.

3.2 How will the proposed approach address the identified barrier?

Please outline how the proposed approach addresses the identified barrier of lack of long-term resilient UK-based facilities capable of undertaking full Regulation 31 testing.

4. Relevant Experience (Max 300 words)

4.1 What experience will you draw on to ensure your proposed approach successfully addresses the Challenge Statement?

Please include evidence of capability, experience and partnerships that support your application.

5. Indicative Operating Model (Max 500 words)

5.1 What is your proposed operating model and how does this differ to existing models?

Please provide information on the indicative operating model and target customers for the approach outlined in section 3.

5.2 How will you ensure any developed capability will remain sustainable over the long term?

You do not need to provide a full business plan at this stage, but you should outline the main features of your intended model.

6. Early Proposal Details (Max 700 words)

6.1 What next steps would you take to build confidence in your plan to achieve this objective if you were awarded Stage 1 funding?

Please describe the key activities you would undertake with Stage 1 funding (up to £50,000) to develop a detailed delivery plan for Stage 2.

6.2 If successful, how would Stage 2 funding be used to accelerate the implementation of your proposal to address the Challenge Statement?

Please provide a narrative to outline how Stage 2 funding (up to £1 million) would be used to accelerate the increase of laboratory capacity in line with the vision outlined in section 3.

Submission

Applicants are required to submit their applications in accordance with the [Application Requirements](#). Applications must be submitted on company letter head by email to innovationimplementation@isleutilities.com before the application deadline to be considered for award or subsequent funding stages.

If you have any questions regarding the application process or any other aspect of the Water Innovation Implementation Programme, please contact us by email: innovationimplementation@isleutilities.com.

Appendix

Regulation 31 laboratory requirement information

All information regarding requirements needing to be met for a Regulation 31 recognised test laboratory can be found on the DWI website under Drinking Water Products:

<https://www.dwi.gov.uk/drinking-water-products/>

This section of the DWI website covers the following:

1. The approved products list
2. Advice for applicants
3. Advice for water companies
4. Regulation 31 information letters and frequently asked questions
5. Laboratory information

Laboratory information:

<https://www.dwi.gov.uk/drinking-water-products/laboratory-information/>

This link takes you to the test protocols, the current list of approved labs and consultants as well as the test report AQC checklist.

The protocols are split into the following:

Test Protocol 0 – requirements for a designated laboratory

Test Protocol 1 – what the test reports should look like. This will link to the associated BSEs as well as any specific requirements for Regulation 31

Test Protocol 2 – general method for typical products

Test Protocol 3 – requirements specific to cementitious products

Test Protocol 4 – requirements specific to metallic products

Test Protocol 5 - requirements specific to water treatment membranes products

Test Protocol 6 - requirements specific to filter media and ion exchange based products

All the test protocols are currently subject to review and revision.