

Roadmap to a Flourishing Market

Strategic Panel

Version 1.0 – Draft for consultation

July 2024

1. Executive Summary

Since April 2017, around 1.2 million business customers in England and Wales have been able to choose their retailer for their water and wastewater services. The aim of the market was, and remains, to help to deliver lower bills, improved services, help businesses use less water and see new propositions emerge.

The [2021-22 review of the Retail Exit Code](#) (REC) price protections highlighted that 91% of smaller Group 1 and Group 2 customers are still subject to the REC as they have not moved retailers since the market opened. This, along with lower awareness among these customers suggests the market may not yet be delivering for businesses of all sizes.

Following the REC review, the Strategic Panel reflected on the market landscape and proposed that a roadmap was required to identify what needs to change to make the market work better and deliver benefits for customers of all sizes. The roadmap also aims to provide Ofwat with sufficient confidence that customers will remain protected and could benefit from a move to more self-regulation and increased competition. The approach to developing the roadmap was endorsed by Ofwat and Defra.

This roadmap highlights the current state of the market and the need for improvement around awareness, engagement, and customer choice in order to deliver a competitive market, particularly for smaller customers. It draws on lessons learnt by other markets. One of these is that “flourishing” is not a specific state but a direction to continually improve outcomes for customers and market participants.

In defining the roadmap, the Panel recognise that customer needs and experiences must be a constant factor. Some smaller customers in Group 1 are unlikely to ever require services beyond billing and may choose to remain with their current retailer on a default tariff. Similarly, a lack of switching does not necessarily reflect inertia in the market.

The roadmap determines what barriers there are to the market flourishing and reflects the need to balance the benefits of a competitive market against the safeguards provided by regulation. It builds on developments since the market opened. Some customers (mainly large water users) are benefitting and we now have a better insight and understanding of the challenges we need to overcome to enable the market to deliver value to all customers to the extent anticipated.

With this in mind, the Panel has identified 31 market conditions which need to be met for the market to deliver greater customer benefits and begin to flourish. These conditions fall into three themes:

- **Customer engagement and choice:** Customers of all sizes are clear how the market operates, have confidence in exercising the choices that are available and know they are protected from malpractice.
- **Accurate and accessible data:** The customer experience and market operation are underpinned by accurate data that is accessible and that can be used to develop innovative solutions for customers.
- **Processes, capability and economics:** Increased investment in smart technology enables the delivery of enhanced services to customers and market participants unlocking the anticipated benefits of the market, including the delivery of water security nationally.

The market conditions have been used to set out the actions the Panel believes need to be taken to deliver them and for the market to begin to flourish. These actions are split by stakeholder, theme and when the action needs to be taken by. These are summarised in the diagram on the next page.

All of the actions have been assessed to deliver sufficient benefits compared to the complexity and cost of delivering them. The Panel notes that some actions will be delivered faster than others, and some may require others to be delivered beforehand. The Strategic Panel recognises that stakeholders may need time to factor in the budget to complete some of these actions into their business plans.

Delivery of the roadmap will be the prime focus for the Strategic Panel in the coming years. Once finalised it will largely replace the Strategic Panel's Priorities document with the Panel's principal workstreams and priorities being derived from the activities set out in the roadmap. In addition to working on the actions allocated to it, the Strategic Panel will undertake active engagement with key stakeholders, track delivery of the other identified actions and review progress against associated market health indicators.

However, we also acknowledge that the roadmap will need to iterate and adapt over time in line with the changing market landscape. The Panel will therefore report on progress against indicators including customer engagement and market awareness on a regular basis and issue revisions and updates to the roadmap as required.

The roadmap is aimed at delivering benefits to the diverse range of customers in the market. The Panel recognises that positive shifts in some of the market health indicators might be difficult to realise, but even small increases will support improved outcomes for customers and the aspiration of the market becoming more competitive and less regulated (where appropriate).

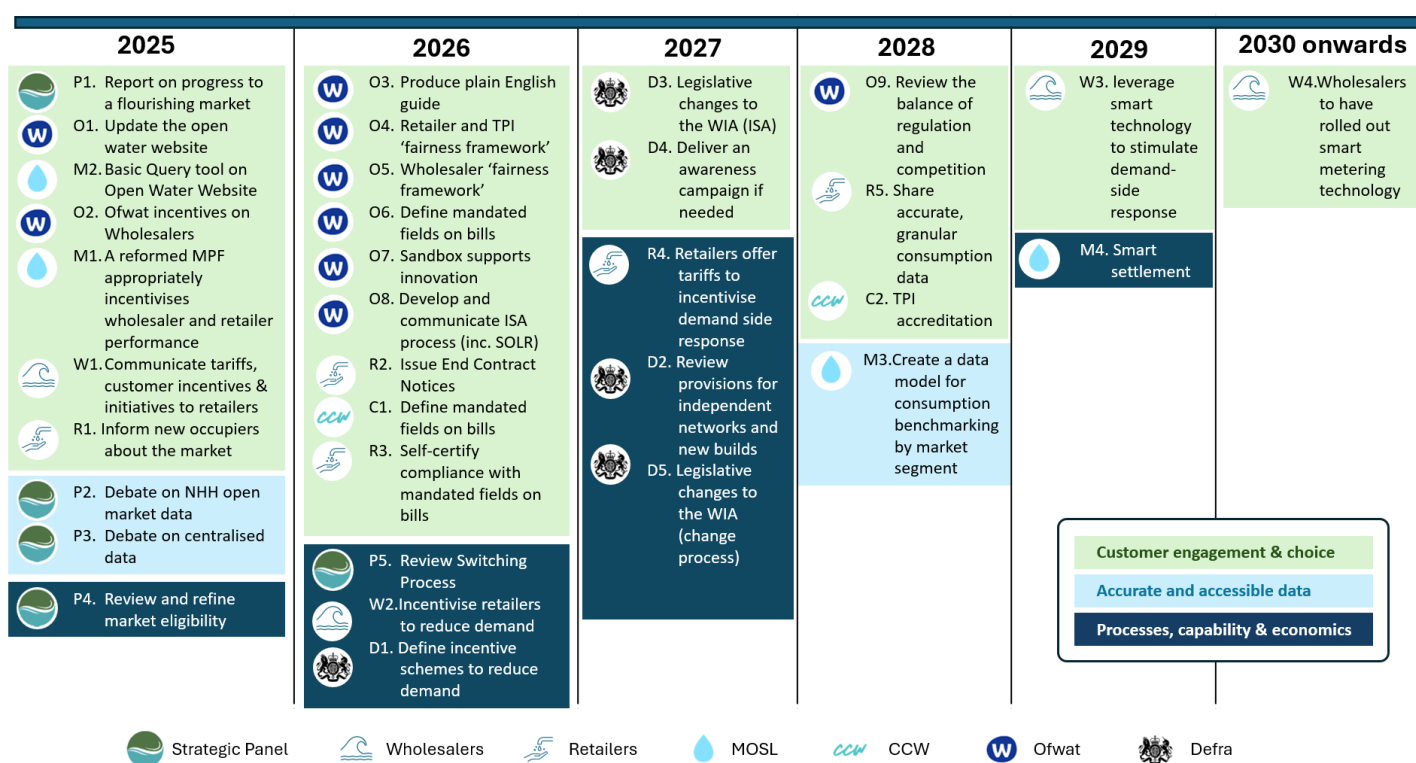
This document is a draft roadmap for consultation. The Panel encourages market participants and wider stakeholders to respond to the questions posed in Appendix B. Responses are requested by email to panel.secretariat@mosl.co.uk by 6 August 2024. The feedback received will be used to finalise the roadmap with the aim to publish this in September 2024.

Delivery of this roadmap is dependent upon actions from a number of stakeholders and joint delivery in a number of areas. The Panel look forward to working closely with stakeholders as we develop the final roadmap to ensure it sets out a pathway to enable the market to flourish, with collective accountability for delivering it.

Overview of actions

Figure 1 below provides a high-level overview of the 34 actions set out in this roadmap that the Strategic Panel believe need to be taken to meet the market conditions identified for the market to begin to flourish. These actions are split by stakeholder, theme and when the action needs to be taken by. More detail behind each action and the market condition they help to meet can be found from page 17 of this document and in Appendices H and I.

Figure 1 – Overview of actions by stakeholder, theme and delivery date



The letter before each action corresponds to the party identified as responsible for delivering it (P=Strategic Panel, W=Wholesalers, R=Retailers, M=MOSL, C=CCW, O=Ofwat, D=Defra). The colours represent the three themes identified.

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2. Purpose

This roadmap has been developed by the Strategic Panel, with support from MOSL, Ofwat, CCW, trading party subject matter experts and other stakeholders. It sets out:

- what is meant by “a flourishing market”
- the market conditions identified for the market to begin to flourish
- a series of recommended actions on the Strategic Panel, Ofwat, MOSL, Defra, wholesalers, retailers, CCW to meet these conditions
- a timeline for each of the actions to be delivered based on the importance and level of complexity
- a framework to help deliver improved outcomes for customers of all sizes
- the inputs that have informed the outputs, including commissioned reports and engagement with stakeholders
- the indicators that will be used to assess progress towards meeting the conditions outlined for the market to begin to flourish

This high-level roadmap is supported by a number of appendices that set out the detailed thinking behind the components outlined in this document. Links can be found at the end of this document.

3. Background

The [Strategic Panel](#) is the most senior industry group in the business water market. Its role is to transpose the strategic direction for the market set by Ofwat and Defra into meaningful actions and programmes of work to improve customer outcomes.

Before the market opened to businesses of all sizes in England in 2017, wholesalers were responsible for all water customers in their geographical area. As a result of the market opening, there are 1.2 million businesses, charities and public sector organisations in England who can choose which retailer provides their water and wastewater services.

The aim of the market was, and remains, to help to deliver lower bills, lead to improved services, help businesses use less water and see new propositions emerge.

Following the 2021-22 review of Retail Exit Code (REC) price caps¹, the Strategic Panel identified that the market was not yet delivering the benefits envisaged at market opening for businesses of all sizes. The Strategic Panel proposed the definition of a Roadmap to a Flourishing Market and this view was endorsed by stakeholders including Defra and Ofwat.

Delivering this roadmap is a priority for the Strategic Panel and the market. The intention is to provide confidence and evidence to Ofwat and market stakeholders that the market will be able to flourish, and customers will remain protected and could benefit from a move to more self-regulation and increased competition.

3.1 Wider context

Water security

This country faces a significant, and growing, water scarcity challenge primarily due to population growth and a changing climate. Without action by 2050 England’s public water supply will face a

¹ <https://www.ofwat.gov.uk/consultation/consultation-business-retail-market-2021-22-review-of-the-retail-exit-code/>

shortfall of over 4,800 MI/d². While water has not yet attained the profile of energy in its need for conservation, and the focus to date has been on reducing network leakage and household per capita consumption, Defra has set a target to reduce business water consumption by 9% by 2038 and 15% by 2050.

Water efficiency savings, through competitive offerings by retailers, have not yet materialised to the levels envisaged at market opening. Market data based on the final settlement reconciliation run (RF)³ suggests that consumption is trending slightly upwards away from Defra's reduction target. However, with the new government target, Ofwat has set obligations to reduce business demand on wholesalers as part of PR24. It includes expectations around collaboration with retailers in terms of delivery.

Smart metering

The rollout of smart metering is expected to play a role in providing a greater volume of more accurate consumption data. This needs careful management but could unlock the path to more accurate customer bills, greater customer and third-party engagement and the more efficient use of water by customers.

In March 2024, the Strategic Panel published its [National Metering Strategy for the market](#) which aims to support wholesalers to roll out smart meters to businesses as efficiently as possible to meet the needs of customers and help achieve Defra's 9% reduction target for 2038. The Strategic Panel welcomed the increased scale and pace of wholesalers' updated smart metering plans and urged Ofwat to allow the necessary investment to deliver them.

Wastewater and the environment

The Strategic Panel is also very aware of the current public debates around wastewater being discharged into the environment. Just as with water efficiency, the market can potentially play an important role in encouraging businesses, public and third sector organisations to reduce their impacts on the wastewater system and the amount that spills to the environment when the capacity of that system becomes overloaded, for example by encouraging sustainable drainage solutions.

The Strategic Panel's work to date has focused on water efficiency in line with the Government and other strategic objectives for the market but we hope to return to these matters at a later date, as the investment programmes for the 2025-30 period become clear through Ofwat's PR24 process.

3.2 The state of the market

Market indicators

This roadmap has a key role to support the Strategic Panel in assessing the market's progress against key indicators including:

- Customer engagement
- Market awareness
- Customer priorities
- Customer satisfaction including complaints
- Water consumption - progress towards the 9% reduction target for 2038

² <https://www.gov.uk/government/publications/a-review-of-englands-draft-regional-and-water-resources-management-plans/a-summary-of-englands-draft-regional-and-water-resources-management-plans>

³ The most recent final reconciliation consumption data comes from the settlement period Dec 22

- R-MeX and BR-MeX scores
- Consumption based on actual reads
- Smart meter penetration
- Number of market entrants and exits
- Market share of retailers
- Retailer profitability
- Number of switches

A high-level overview of progress against some of the key indicators is provided in this section while a more detailed report can be found in Appendix J. An updated version of this report will be published every year alongside a dashboard containing the metrics based on Central Market Operating System (CMOS) data that refreshes monthly.

Customers in the market

In this roadmap, customers are referred to in terms of the consumption groups which are used to set the REC price caps – Groups 1, 2 and 3.

Just one percent of the 1.2 million customers in the market (12,000 customers) account for nearly 50% of consumption. The largest of these customers, who use over 50ML a year (0.2% of the market) are in Group 3. Typically, these are the most engaged customers, some of whom contributed to this roadmap via the Major Energy Users Council (MEUC) (see Appendix E). Group 2 customers who use 0.5-50ML a year make up 14% of the market.

The majority (86%) of customers in the market are in Group 1. These customers use 0-0.5ML of water per year which is the same amount or less than a typical household. Their engagement with the market is generally, but not always, low. This is reflected by 79% of group 1 customers being subject to REC protections. More information on the REC is provided in section 3.3.

Retail competition

Business customers in England are no longer restricted to buying their water retail services from the regional monopoly provider. Instead, business customers can shop around and negotiate better deals if they are not satisfied with the services from their current provider.

Retailers ‘own’ the direct relationship with business customers (e.g. customer service, meter reading and billing) and can offer customers help to improve their water efficiency as part of their competitive service offering. However, they are not obligated to do so.

Our roadmap has considered the number of retailers in the market and their share of the market. Since market opening, the number of active retailers (not including self-supply) has risen by two. The market has also seen the unplanned exits of two retailers.

The Herfindahl-Hirschman Index (HHI)⁴ for the market by supply point (SPID) indicates the overall market is only “moderately” concentrated⁵. However, within each wholesaler area, incumbent retailers still hold very high market shares. While switching provides some insight into the levels of competition within the market, it should not be used as a definitive measure.

⁴ The Herfindahl-Hirschman Index (HHI) is a common measure of market concentration and is used to determine market competitiveness.

⁵ Excluding self-suppliers the HHI score is 1736.

Customer perceptions and awareness

Awareness of the market has grown slowly since market opening from 43% in 2018 to 56% in 2022. There is better awareness among large businesses (70%) compared to small businesses (57%). The average engagement scores are trending slightly upwards.

Satisfaction for retail services has remained relatively stable at around 70% since 2018. The median level of complaints has fallen slightly in the last two years.

More information on the current state of the market can be found in Appendix J.

Wholesalers

Wholesalers are regional monopolies who own and maintain operational assets (e.g. meters/smart meters). Wholesalers are responsible for ensuring security of supply and helping reduce water lost through network leakage. They maintain direct interactions with business customers through events, incidents and asset replacements.

Ofwat has encouraged wholesalers to do more to support the market, including from a senior and board level.

Wholesaler support to enable efficient and effective market functioning is reported by retailers in the Retailer Measure of Experience (R-MeX). A view of the business customers will be incorporated into this under a new Business customer and Retailer Measure of Experience (BR-MeX) metric being introduced as part of PR24 from 2025.

The average R-MeX score for overall service has been relatively stable with a slight upward trend. R-MeX feedback has referenced that the many wholesaler tariffs can be challenging for retailers whose customer base covers multiple regions. Tariffs are not always aligned with the efficient use of water.

Market performance

Wholesaler and retailer performance against market and relevant operational metrics is recorded by the [Market Performance Framework \(MPF\)](#). MOSL is currently working with market participants to reform the MPF to create a simpler, more effective, more flexible MPF; one with fewer, more effective measures; that's simple to understand but powerful in its application, and which provides confidence in the market at a reasonable cost.

The assessment of the state of the market and the input provided through reports and customer feedback have informed twelve conclusions that the Strategic Panel has reached and are represented in this document at the end of each section. The first four are:

Conclusions

1. The market risks being concentrated in some wholesaler regions where a single retailer retains a very high market share
2. Group 1 customers should remain in the market and segmentation within this group will support better engagement
3. Competitive rivalry between retailers has been evident for higher consumption customers; lower consumption customers are less likely to switch suppliers
4. Retailers have not universally delivered on customer service / getting the basics right
5. Innovation and new business models have been slow to emerge

3.3 Market economics and the Retail Exit Code (REC)

91% of customers in this market are still subject to significant price protections - particularly in Group 1 - under the Retail Exit Code (REC). There is a concern amongst some market participants that these protections may have been set too tightly which could make it difficult for those customers to actively engage with the market and for their retailers to make a fair return.

The [Retail Exit Code \(REC\)](#) sets out price and non-price protections for customers on deemed tariffs who have not switched retailer or renegotiated their contract since the market opened. In December 2021 Ofwat announced that it would review the REC.

Figure 2 - Proportion of customers and consumption subject to REC price caps⁶

Customer group, by annual consumption	Groups One & Two: Default tariffs - subject to REC price caps		Group Three: Not switched or re-negotiated – not subject to REC price caps		Customers who have switched or re-negotiated – not subject to REC price caps		Total %	
	Customers %	Consumption (water and wastewater)	Customers %	Consumption (water and wastewater)	Customers %	Consumption (water and wastewater)	Customers %	Consumption (water and wastewater)
Group One (0 – 0.5MI)	79.0%	8.7%	-	-	6.8%	1.3%	85.8%	10.1%
Group Two (0.5 – 50MI)	12.3%	34.1%	-	-	1.6%	8.1%	14.0%	42.2%
Group Three (>50MI)	-	-	0.1%	28.5%	0.1%	19.2%	0.2%	47.7%
All	91.3%	42.8	0.1%	28.5%	8.5%	28.7%	100.0%	100.0%

In October 2022, the Strategic Panel published its [response](#) to Ofwat’s consultation on the review of the REC. The Panel supported Ofwat’s broad conclusion that the market is not working for smaller customers but expressed concern there had been insufficient exploration and analysis as to why. The Panel’s view was supported by analysis conducted by Economic Insight.⁷

Some retailers believed before the review their profit margins were too low and that the low cost of water was making it difficult for a reduction in demand to have any meaningful impact on a customer’s bill.

Defra and CCW highlighted there are multiple things in the market that need to be resolved and it's not within the regulator's gift to solve everything, nor is the solution to simply raise or lift price caps.

Following its consultation, Ofwat published its final [decision](#) document in December 2022. Ofwat believed it was not clear whether, or when, effective competition might develop for smaller customers, resulting in the need to continue to set price caps for these customers to ensure they are suitably protected.

While Ofwat broadly retained its approach to setting the caps, some changes were introduced including allowances for MOSL fees, water efficiency, meter reading and customer bad debt. These

⁶ <https://www.ofwat.gov.uk/wp-content/uploads/2021/12/Consultation-Documents-December-2021.pdf>

⁷ <https://mosl.co.uk/documents-publications/6064-economic-insight-assessment-of-ofwat-s-rec-review-consultation/file>

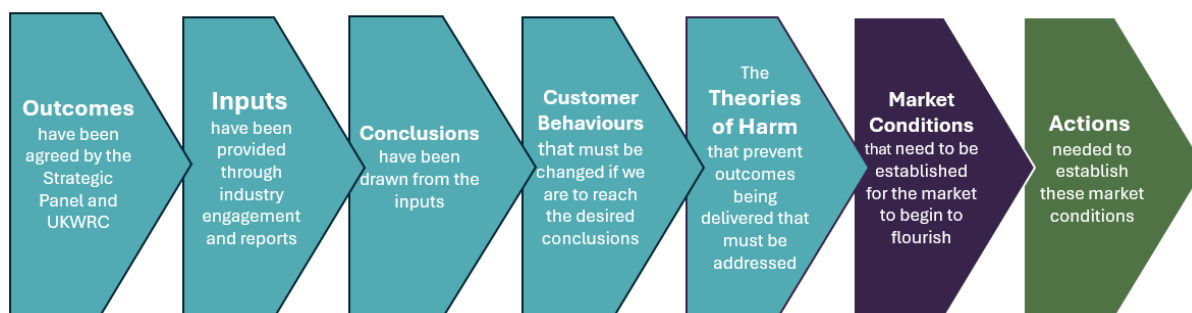
changes lead to an average 6.4% increase in bills for business customers, before inflation. This came into effect on 1 April 2023 and will remain until 2026-28.

Considering the Panel’s challenge to Ofwat that price protections may be preventing the market from becoming truly competitive and “self-regulating”, Ofwat endorsed this work to define a Roadmap to a Flourishing Market with more self-regulation and increased competition.

4 Components of the roadmap

There are seven components of the roadmap, which are outlined below. The first five components are the building blocks for the roadmap. They have informed the two key outputs 1) the market conditions – what needs to be in place for the market to begin to flourish – and 2) the actions that need to be taken to meet those conditions.

Figure 3 – the components of the roadmap



In the following sections we outline the different components.

4.1 Market outcomes

The desired outcomes for the market set out in the Panel’s [Strategic Priorities](#) have been considered alongside those of the UK Water Retailer Council (UKWRC). The Strategic Panel has concluded they are aligned and adapted them as follows for the purposes of this roadmap:

- **Customer-Service Outcomes** – effective competition (choice), enhanced customer service, cost efficiency
- **Good Environmental Outcomes** – greater water efficiency, increased levels of water security and reduced demand for wastewater services
- **Market Resilience** - efficient market operations, attractive to investors and new entrants

These outcomes have been key to guiding our thinking as we have determined the other components of the roadmap.

Conclusions

6. The Panel outcomes remain valid and consistent with UKWRC’s aims for a successful market.
7. Customers must understand that water is a precious resource, and they have a responsibility, shared with the market, to conserve it.

4.2 Input: Report into comparable markets

The Strategic Panel commissioned Europe Economics to produce a report to understand what might be expected in six comparable markets - energy, mobile, mortgages, card acquiring, solicitors and retail banking.

The findings suggested:

- While none of the markets considered themselves to be flourishing, they had experienced changes in regulation and competition that provided better outcomes for their customers
- “Flourishing” is therefore not so much a specific state but a direction to be followed through which the market can continually improve to deliver better outcomes for customers and market participants
- There must be a compromise between what can be delivered by a market, driven by market forces, and what must be driven by regulation/rules to ensure outcomes for customers and the environment
- As the market evolves, the government and the regulator will need to respond to opportunities for change so that the market is not constrained by legacy legislation.

The experiences of other markets highlighted opportunities for evolution in the business water retail market that are identified in the conclusions drawn from inputs which are called out throughout this document. The full report on comparable markets can be found in Appendix F.

Conclusions

8. “Flourishing” is not a specific state.
9. Regulation has a role in a competitive market.

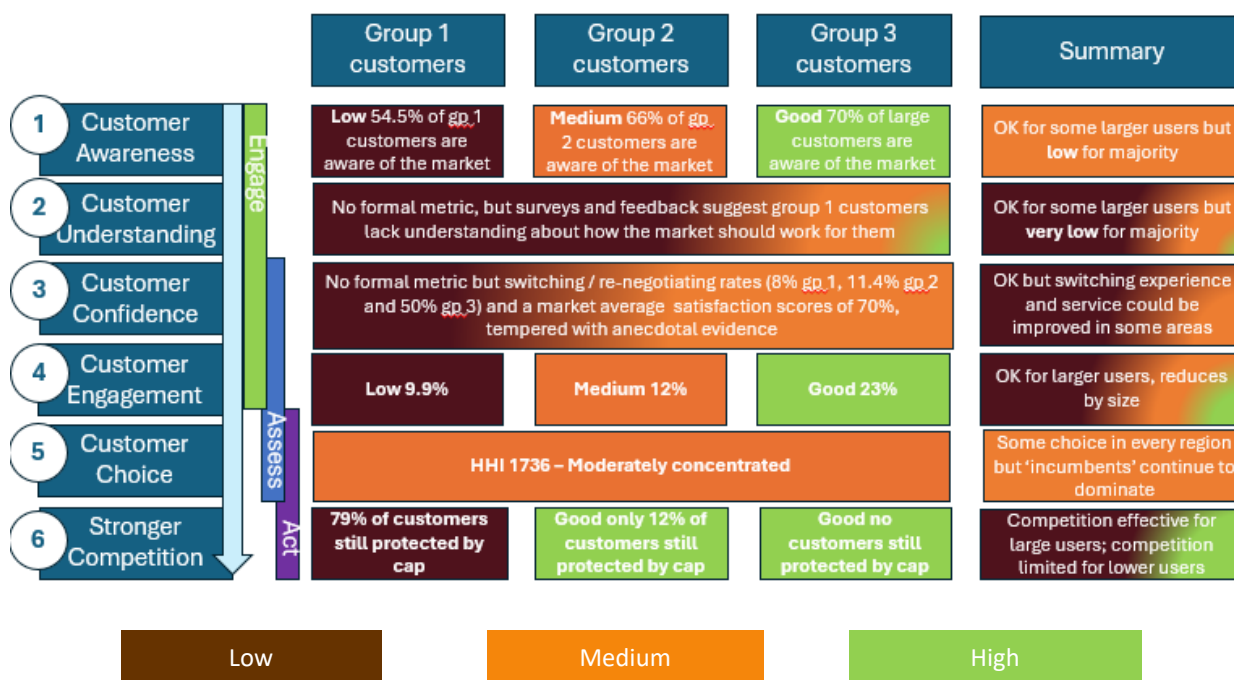
4.3 The customer journey

The Strategic Panel has used the UK Regulators Network (UKRN) framework to analyse and review customer decision making, selecting service providers, and engaging in a market across three phases of the customer journey: engage, assess, and act.

An assessment⁸ of the progress of each of the customer groups through the six behaviours expected of the three phases of engage, assess, and act within the household market is shown below in Figure 4.

⁸ This assessment included consideration of the market health indicators (see Appendix J) and the Panel/CCW-commissioned [Blue Marble Synthesis Report](#) (Appendix D)

Figure 4 – an assessment of the customer journey for the different customer groups



Within the established customer groupings, the conclusions are that:

- Engagement with group 2 and 3 customers is stronger than group 1 customers
- Data held on larger customers in groups 2 and 3 is of a higher standard than customer, premises, or asset data for group 1 customers
- These customers are also more likely to have their recorded consumption supported by smart technology enabling higher awareness, and informed choices around usage

The Strategic Panel recognises that Group 1 is not a homogenous group of customers and that there will always be a significant element of these customers whose comparatively limited consumption and service requirements may not necessitate any increased engagement with the market. These conclusions have fed into the wider conclusions drawn from inputs which are set out below. More detail on work undertaken into customer journeys can be found in the Blue Marble Synthesis Report commissioned by CCW in January 2023 (Appendix D).

Conclusions

10. Customer awareness and understanding of the market and the value of water, particularly among Group 1 customers, must improve
11. Group 1 customers should remain in the market and the roadmap will reflect this
12. Improvements in customer information and market segmentation may allow Group 1 to be further stratified to identify large, multisite customers which may not require the same level of regulatory protection via the REC as smaller and micro-business customers

4.3 Theories of Harm

The roadmap does not constitute a full market study but the panel has built upon the disciplines and approaches of such exercises including through the consideration of potential 'theories of harm'. These are effectively hypotheses through which the experiences of customers in the market may be worse than they otherwise could be if aspects of the market are not working well. The panel has identified eight such hypotheses:

1. **Market Power and Monopoly Behaviour.** A single trading party or a small group of trading parties can influence prices, service quality, or choice. This theory examines whether retailers can set prices independently and the rationale for default price regulation within the competitive market
2. **Lack of Effective Competition.** If competition among water retailers is insufficient, customers may face limited choices, higher prices, or reduced service quality. This theory focuses on barriers to entry, lack of new entrants, and the absence of competitive pressure. This also encompasses whether business customers are becoming dependent on the default tariff.
3. **Inconsistent provision of information to customers.** Customers may lack essential information about water tariffs, contract terms, or alternative suppliers. This theory explores situations where customers are unaware of better deals or fail to switch to more favourable options.
4. **Risk Allocation and Risk Aversion.** This theory examines how risk allocation related to market dynamics, customer behaviour, and regulatory changes affects retailers' decisions and customer outcomes. This also considers the actual or perceived impact on customers of unplanned exits by suppliers from the market.
5. **Operational inefficiency.** This theory considers whether operational inefficiencies lead to poor customer/environmental outcomes.
6. **Customer Engagement and Inertia.** Customers who are passive or lack awareness may remain with their default retailer even when better options exist. This theory addresses the impact of customer inertia on market dynamics. It also considers the impact of the default price cap on specific customer groups.
7. **Market Complexity and Cost.** Complex market structures, tariffs, and contractual terms can confuse customers. This theory explores how complexity affects customer decision-making and overall market efficiency.
8. **Wholesaler Monopoly Power.** Retailers' appetite for competition for customers may vary across regions. This theory explores the impact of wholesaler terms (e.g. payment terms, contracts, tariffs) on the retailers' appetite to manage customers in a region.

As identified in the retail banking market there can be interrelationships between the different theories of harm.

The theories of harms have been used to identify the market conditions that will need to be established to prevent them from occurring. The market conditions identified are outlined below along with the actions needed to deliver them.

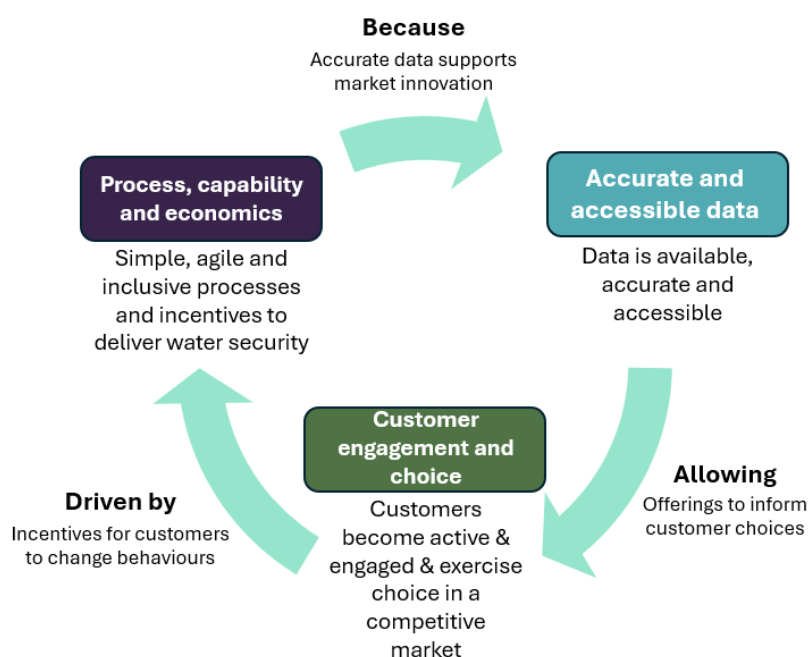
5 Market conditions

In this section we set out the 31 conditions that the Strategic Panel believes need to be addressed for the market to deliver greater benefits for customers and begin to flourish. These conditions do not present a checklist that must be completed; not least because significant progress towards achieving one condition might negate the need for the completion of another. They do, however, represent progress along a path to positive change within the market, with each completed condition adding further value to the market under one of the three themes identified:

- **Customer engagement and choice:** Customers of all sizes are clear how the market operates, have confidence in exercising the choices that are available and know they are protected from malpractice
- **Accurate and accessible data:** The customer experience and market operation are underpinned by accurate data that is accessible and that can be used to develop innovative solutions for customers
- **Processes, capability and economics:** The market invests in smart technology to deliver services to customers and market participants so that customers embrace the opportunities to deliver water security nationally

We have created a full map of each of the conditions and their interdependencies. This has enabled us to identify three of the key conditions in this roadmap (one in each theme). The diagram below gives an indication of how the three themes interact. The full mapping is available in Appendix H.

Figure 5 – an illustration of how the three themes interact



The tables below set out the full 31 conditions. The reference is provided to help identify the relevant additional details in Appendix H. In the following section we detail, in order to reach these desired conditions for the market to flourish, who needs to take action and by when. Some of these actions relate to projects that are already underway or planned. Further explanation is provided for each recommendation later in the roadmap and in the appendices.

Customer engagement and choice – 16 conditions

Market condition	Ref.
Customers and new entrants are aware of the market	IC1
Plain English guidance on market structure informs decisions to join the market	IC2
Smaller customers re-negotiate their contracts or switch suppliers to gain better value	IC3
Provider behaviours are guided by a fairness framework not just market forces	IC4
Potential new entrants have access to information on the state of the market	IC6
Obligations on Third Party Intermediaries to protect customers from mis-practice	IC8
Customers know they are protected from retailer/wholesaler failure	EMP1
Customers trust the switching process	EMP6
Customers understand the regulatory protections in the market	CO2
Customers can easily identify their retailer and wholesaler	IA2
Information must be provided on bills and in a way that customers understand	IA3
Customers can take an independent interest in their meter reads	IA4
Customers know when their contract ends and are free to switch or renegotiate	IA6
Third Party Intermediaries provide tools that inform customer decisions	IA8
A dedicated website provides customer guidance on the market	IA12
Wholesaler tariff structures are harmonised across regions	RC1

Accurate and accessible data - 8

Market condition	Ref.
Innovation in services is supported by accurate data	DA1
Data on customers is accurate	DA1.1
Accurate data supports market collaboration	DA4
There is clarity where correct customer data is held and who has access	DA5
Clear obligations support accurate data which can be reviewed and audited	DA6
Clear market eligibility rules are applied consistently across regions	MSD1
Customer data is available to all authorised stakeholders	MSD2
Trading party processes and behaviours support effective market functioning	EMP5

Processes, capability and economics – 7 conditions

Market condition	Ref.
Retailers can offer water efficiency solutions to any customer	DA2
Changes in consumption can be derived and compared from reliable data	DA3
The market framework supports water efficiency services by retailers	MSD5
Smart settlement and tariffs provide clear price signals to customers	MSD6
Sandboxing allows ringfenced innovation that could support wider change	MSD7
Customers are incentivised via retailers to reduce demand	IC7
Smart technology and settlement enable the roll out of smart tariffs	RC3

6. Overview of actions for the market to flourish

In this section we set out the 34 actions the Strategic Panel believes need to be taken to meet the market conditions identified for the market to begin to flourish. These are listed by stakeholder, an indication of when the action needs to be delivered by and a colour reference to the corresponding theme. Further explanation is provided for each recommendation and the market condition they would enable later in the roadmap and in the appendices. In addition to the actions listed below, the Panel also acknowledges existing programmes of work underway, the completion of which will be a part of the journey towards a flourishing market. These are listed in Appendix A.

We have, for the purposes of illustration, broadly considered indicative potential costs, benefits and complexity of these actions (see Appendix I). The Strategic Panel noted that some actions will be delivered at a faster pace than others, as represented by the assessment of their complexity, and that stakeholders may not be in a position to complete some actions until others have been delivered. The actions listed below have been deemed to provide sufficient benefits to be included in the roadmap. The Strategic Panel recognises that stakeholders may not yet have factored in the budget to complete some of these actions. Similarly, the detail around the completion of some actions may still need to be negotiated. The Strategic Panel is confident that the pace of delivery across a timeline of more than five years, with the backing of Ofwat and Defra, and support from CCW, should provide the necessary opportunities for stakeholders to deliver on these actions.

Customer engagement and choice

Accurate and accessible data

Processes, capability and economics

Actions for Strategic Panel

Topic	Description	Market Health Indicators (MHI)	Assisted By	When	Harms ⁹	Condition Reference
P1. Report on progress to a flourishing market	Produce a regular report on progress to a flourishing market to meet the condition that potential new entrants have access to the state of the market. This would enable informed decisions on whether to enter the market which could enable increased customer choice.	Progress against this will be assessed by the number of retailers in the market and the Herfindahl-Hershman Index (HHI). (dependent on condition IC3)	Ofwat and CCW	Delivery to be ongoing	2	IC6

⁹ **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

P2. Debate on non-household open market data	<p>Facilitate a debate on what open data means to the market, including who holds what responsibilities and who can access what. This will enable the conditions that rely on 'information accessibility'. This could enable third party intermediaries (TPIs) and authorised stakeholders (e.g. landlords and customers) to request data corrections and make informed choices on water saving or switching. This will start the work on data and will propel further actions based on outcome of debates. It will look to build on ongoing work by the Strategic Panel's Metering Committee as described in the National Metering Strategy.</p>	<p>We expect a rise in the Engagement indicator as a result of this action; the customer satisfaction indicator may initially drop if poor quality data is exposed to customers, but this should rise as improvements are implemented. Overall a clear understanding of the customer's role and function combined with consumption patterns will contribute to the overall 9% reduction target.</p>	Ofwat	Near term delivery (2025)	1, 2, 3, 4, 8	MSD2/ IA4
P3. Debate on centralised data	<p>Facilitate a debate on the holding of centralized customer data to meet the condition that there is clarity on where correct customer and consumption data is held and who has access to it. This will enable a common standard for benchmarking to exist so that the market can provide empirical evidence on water demand by customer segment, water resource zone, postcode or catchment area. It should also take account of the need for retailers to innovate and differentiate their services. With P2, this will start the work on data and will propel further actions based on outcome of debates.</p>	<p>The ability to compare a customer's consumption with similar customers is a basic requirement for any water efficiency measures. This action will contribute to reducing demand to the 9% target.</p>		Near term delivery (2025)	4, 7	DA5, DA6
P4. Review and refine market eligibility	<p>Define a common eligibility standard to enable the condition that clear market eligibility rules are applied consistently across all wholesaler regions. This will ensure the right customer sites are included in, and able to engage and derive benefits from, the market. This work will look to build on ongoing work by MOSL/CCW and is expected to include consideration of temporary building supplies.</p>	<p>Satisfaction should increase as customers are definitively in or out of the market and so national customers are treated consistently; may see the number of parties increase if investor confidence grows in the longer term with certainty of whether customers are part of the market.</p>	CCW	Near term delivery (2025)	3, 4, 7, 8	MSD1
P5. Review Switching Process	<p>Once confidence in the switching service has been encouraged by establishing protections for customers who have moved away from the deemed rate, the customer experience of the switching process should be reviewed, to identify further barriers of required protections for customers. This will help meet the condition that customers trust the switching process. This will encourage</p>	<p>Customer engagement should increase in the longer term with a potentially associated increase in switching activity.</p>		Short term delivery (2026)	6	EMP6

	smaller customers in Group 1 to re-negotiate their contracts or switch suppliers to gain better value.					
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Actions for Ofwat

Topic	Description	Market Health Indicators	Assisted By	When	Harms ¹⁰	Condition Reference
O1. Update the open water website	Update and regularly maintain the Open Water website to meet the condition that a dedicated website provides customers with clear guidance on the market. In addition, ensure the outputs of Market Improvement Fund Project CATRID are incorporated to meet the condition that customers can access the identity of their retailer and wholesaler in order to make informed choices around tariffs and/or supplier.	Awareness and engagement are expected to rise	CCW, MOSL	Near term delivery (2025)	Harm 6	IA12
O2. Ofwat incentives on Wholesalers	Ofwat incentivises and holds Wholesalers to account appropriately, to support efficient market functioning Wholesaler provision of services to customers and retailers is rated through a Business Customer/ Retailer measure of experience survey (BR-MeX). Incentives are provided to recognise and drive positive performance and encourage correction of poor performance.	Satisfaction should rise for consistent basic service across country; R-MeX and B-MeX should improve; there may be a positive impact on retailer decisions to join market - improving the HHI	MOSL	Near term delivery (2025)	Harm 8	EMP5
O3. Produce plain English guide	Produce a guide in plain English to the CPCoP that provides sufficient and clear information on the metrics, and obligations and the protections afforded to customers. This guide will inform decisions to join the market because complexity and ambiguity have been identified as a current barrier to new entrants. MOSL will support this guide by provide a plain English guide to the market codes	This action should drive awareness and confidence in potential entrants. The number of trading parties is expected to rise and the HHI should reflect a less concentrated market.	MOSL, CCW	Short Term delivery (2026)	6	IC2

¹⁰ **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

O4. Retailer and TPI 'fairness framework'	Establish via the Customer Protection Code of Practice (CPCoP) a 'fairness framework' to govern Retailer and TPI behaviour. This is aimed at reassuring customers that retailer and TPI behaviours are not just guided by competitive market forces. TPIs will be required to be transparent about their charges, commissions, partnerships and data sources to assure customers of their objectivity so that TPI comparison sites can be trusted by the customer.	Satisfaction should rise and awareness and engagement could rise	-	Short term delivery (2026)	1, 2, 6	IC4 / IC8
O5. Wholesaler 'fairness framework'	Define and deliver a wholesaler 'fairness framework' via the market codes and licence conditions. This is intended to reassure customers that wholesalers behave in the interests of customers and that is not impacted by the nature of being regional monopoly providers.	Satisfaction should rise for consistent basic service across country; R-MeX and B-MeX should improve; there may be a positive impact on retailer decisions to join market, improving the number of market entrants and the HHI should reflect a less concentrated market	CCW, MOSL	Short term delivery (2026)	6, 8	IC4
O6. Define mandated fields on bills	Update the Customer Protection Code of Practice (CPCoP) to define the mandated fields once agreed (see related action led by CCW).	The signaling of key information to the customer such as their contract end date, current tariff, charges are expected to drive an increase in awareness and engagement	CCW, retailers, wholesaler	Short term delivery (2026)	1, 2, 6	IA3
O7. Sandbox supports innovation	Ofwat to implement provisions in licences and market codes to support sandboxing that allows ringfenced trials of new approaches to better support innovation and subsequent wider change	This should encourage more innovative services for customers resulting in an increase in engagement scores and contributing to a reduction in demand as water efficient tariffs become more prevalent.	The Panel, MOSL	Short term delivery (2026)	1, 4, 7	MSD7
O8. Develop and communicate ISA process including SOLR	Publish a clear explanation of the market processes to safeguard customer supply and service if a retailer or wholesaler were to fail. The process will apply to all retailers and wholesalers giving customers confidence that their service and supply will be secure if they switch.	In a competitive market it is normal for retailers to fail and go out of business as other, more efficient or better players take their customer base. With clear contingency plans the risk of failure is mitigated and there could be an increase in customer engagement and switching	MOSL	Short term delivery (2026)	4, 5, 6	EMP1, CO2
O9. Review the balance of regulation and competition	Review the appropriate balance of regulation to protect customers and promote competition (supported by greater segmentation of Group 1). This could include regulatory requirements for retailers to protect customers who have switched and come off the deemed rate from being placed on disproportionately high standard variable	Increase of potential customers not covered by cap could encourage more trading parties to enter the market so that the HHI would reflect a less concentrated market. This may increase	-	Medium term delivery (2027 / 2028)	1, 4, 5, 6	IC3

	rates at the end of their contracts. This will ensure that a positive customer switching experience is not undermined by a negative and unexpected billing experience.	also increase the Engagement scores as customers explore options with their retailer.				
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Actions for MOSL

Topic	Description	Market Health Indicators	Assisted By	When	Harms ¹¹	Condition Reference
M1. A reformed MPF appropriately incentivises wholesaler and retailer performance	An effective market performance framework is in place which incentivises retailers and wholesalers to deliver positive customer outcomes and encourages them to take corrective measures to rectify poor performance	Satisfaction should rise for consistent basic service across the country; R-MeX and B-MeX should improve; there may be a positive impact on retailer decisions to join the market resulting in the HHI reflecting a less concentrated market.	MOSL	Near term delivery (2025)	1, 8, 2	EMP5
M2. Basic Query tool on Open Water Website	Customers should be able to identify their retailers on the Open Water Website	Awareness should rise; Customer engagement is expected to rise; Switching may rise	Ofwat, CCW	Near term delivery (2025)	3, 6	IA2
M3. Create a data model for consumption benchmarking by market segment	MOSL will establish the minimum standards to which customer consumption data is provided by retailers so that a single source of truth for segment and associated consumption exists against which consumption data can be compared. This will allow the market to provide empirical and unambiguous data on consumption for formal benchmarking and monitoring.	Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected	-	Medium term delivery (2028)	3, 6	DA3, DA4, DA5, DA1.1
M4. Develop a smart settlement process	MOSL to develop smart settlement so that the capabilities of smart meters allow the agreement of supply side tariffs which are harmonised across regions and unlock opportunities for load shifting, and support demand side solutions for smarter use of water. MOSL to support the	Customer satisfaction is expected to increase; Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected; may encourage more entrants.	Ofwat / CCW	Longer term delivery (2029)	5, 8	MSD6

¹¹ **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

	enhanced settlement process with a settlement sandbox in which wholesaler retailer pairings can explore the outcomes delivered by smart settlement.					
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Actions for Wholesalers

Topic	Description	Market Health Indicators	Assisted By	When	Harms ¹²	Condition Reference
W1. Communicate tariffs, customer incentives and initiatives to retailers	Retailers have sufficient information on wholesaler water efficiency solutions to target customers with appropriate messaging so that the customers receive communications around innovative solutions that are relevant to them.	Customer engagement is expected to rise. Smart technology and smart tariffs will contribute to reducing demand against the 9% target.	Retailers	Near term delivery (2025)	3, 6, 8	DA1, DA2
W2. Incentivise retailers to reduce demand	Wholesalers provide incentives to retailers to deliver (or encourage uptake of) services that reduce demand for water and alleviate the pressure on wastewater services. This may require new or reformed frameworks or tariffs and updates to charging rules and so may need the support of the regulator, the Panel and/or MOSL. By reducing demand for water and, by extension, costs in the treatment of wastewater, wholesalers can direct the savings towards incentives for customers and retailers	Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected; may encourage more entrants and HHI	Retailers, Ofwat, Panel and MOSL	Short term delivery (2026)	6, 7, 8	IC7
W3. Leverage smart technology to stimulate demand-side response	Wholesalers to exploit the rollout of smart metering technology as outlined in their WRMPs (RC3) to provide water security and innovative tariffs for all retailers across all regions and send clear, appropriate and timely pricing signals through the supply chain. This could also enable water efficiency solutions to be offered by any retailer to any customer regardless of region.	Customer engagement is expected to rise. Smart tariffs will contribute to reducing demand against the 9% target. This may encourage more entrants to the market	Retailers and MOSL	Longer term delivery (2029)	7, 8	MSD6, IC7, RC3

¹² **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

W4. Wholesalers to have rolled out smart metering technology	Co-ordinated rollout of smart technology according to WRMPs so that customer choice is not constrained in some regions resulting in more expensive water and wastewater services as an enabler to smart tariffs and smart settlement.	Customer engagement is expected to rise. Smart technology and smart tariffs will contribute to reducing demand against the 9% target.		Longer term delivery (2030 onwards)	7, 8	RC3, IC7, MSD6
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Actions for Retailers

Topic	Description	Market Health Indicators	Assisted By	When	Harms ¹³	Condition Reference
R1. Notify businesses of recently occupied vacant sites	Notifications to be sent by retailers – to replicate awareness push at market opening for companies that may have missed this at the time so that all customers who are eligible for the market are in it.	Awareness and engagement rates should go up		Near term delivery (2025)	3, 6	IC1
R2. Issue End Contract Notices	Retailer licences require retailers to inform customers as they approach the end of their contract, what their consumption has been, what tariffs they are on, what services they have received and how much they have paid for them so that they can exercise their option to compare prices and service and chose an alternative supplier and (if they are no longer on the deemed rate) are not at risk of remaining on high standard variable rates. Licence changes to be driven by Ofwat	Awareness and engagement rates should go up. Switching activity may increase. This action will contribute to reducing demand to the 9% target.	Ofwat	Short term delivery (2026)	1, 2, 3	IA6
R3. Self-certify compliance with mandated fields on bills	Retailers to Self-certify their compliance to providing the mandated fields on bills Customers should clearly understand their tariffs, consumption, contract end dates and obligations by their retailer so that they can base and choices of supplier on accurate existing information.	Awareness and engagement rates should go up. Switching activity may increase. This action will contribute to reducing demand to the 9% target.		Short term delivery (2026)	1, 2, 3	IA3

¹³ **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

R4. Retailers offer tariffs to incentivise demand side response nationally	Customers to manage their demand more efficiently through smart retailer tariffs which offer time or volume-based incentives to any of their sites (IC7), across all regions and are enabled through smart technology (RC3).	Awareness should go up; Customer engagement is expected to rise; Progress to 9% to improve.		Medium term delivery (2027)	6, 7, 8	IC7, MSD6
R5. Share accurate, granular consumption data	Granular consumption data can be paired with customer segmentation data and shared so that conclusions around the efficient use of water can be made by the retailer and other retailers and appropriate actions can be taken with the customer.	Awareness should go up; Customer engagement is expected to rise; Progress to 9% to improve. Satisfaction may improve.		Medium term delivery (2028)	1, 2, 3,	DA3

Actions for Defra

Topic	Description	Market Health Indicators	Assisted By	When	Harms ¹⁴	Condition Reference
D1. Define incentive schemes to reduce demand	Water saving credit schemes similar to those trialed in the STORT WRZ and as part of the Cambridge pilot should be established as scalable models that are compatible with all regions.	Customer engagement is expected to rise; reduction in consumption demand towards the 9% target is expected; may encourage more entrants and HHI	MOSL, the Panel	Short term delivery (2026)	7, 8	MSD5
D2. Review provisions for independent networks and new builds	Provide clarity on the role of, and opportunities for, NAVs, temporary building supplies and self-lay customers. This should seek to ensure developers have choices for the laying of pipe that includes not only the wholesaler but also self-lay providers and NAVs. Provisions should facilitate the entry of new customers and new parties into the market. There may be benefits in separating NAV functions so that NAVs are not required to enter the market as both retailer and wholesaler.	Customer satisfaction should increase where there is increased clarity and efficiency (and competition) increases for sites entering the market. We may see the number of NAVs and self-lay providers increase as investor confidence grows	Could be Defra supported by Ofwat	Medium term delivery (2027)	3, 4, 7, 8.	MSD1

¹⁴ **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

D3. Make changes to the Water Industry Act (WIA) for ISA	Make changes to the Water Industry Act (WIA) to strengthen the Supplier of Last Resort element of the Interim Supply allocation process	Customers should be confident that the system will allocate them a retailer if their own retailer exits the market	Ofwat	Medium term delivery (2027)	4, 7	EMP1
D4. Deliver an awareness campaign if needed	Evaluate the need for a centrally driven awareness campaign, focusing on group 1, if actions such as end contract notices, fairness commitments, new entrant notifications, plain English guides, and website relaunches have not raised market awareness.	Awareness should rise; engagement should increase; switching may rise	MOSL	Medium term delivery (2027)	6	IC1
D5. Make changes to the WIA (Change process)	Make changes to the WIA to reduce Ofwat obligations on some code changes in support of a more efficient change process.	A more agile market which can respond faster to changes (both planned and unplanned) should improve customer confidence and may see customer engagement go up. The increased confidence may generate an increase in switching.	MOSL	Medium term delivery (2027)	4, 7	EMP1

Actions for CCW

Topic	Description	Market Health Indicators	Assisted By	When	Harms ¹⁵	Condition Reference
C1. Define mandated fields on bills	Lead the work in collaboration with market participants to agree list of fields (e.g. best tariff notification, current tariff, cost, usage) to be mandated on bills.	Awareness should go up; Customer engagement is expected to rise; Switching may go up; Progress to 9% to improve.	Retailers, wholesalers, Ofwat	Short term delivery (2026)	1	IA3
C2. TPI accreditation	A “kitemark” style accreditation is endorsed by CCW that confirms that the TPI has signed up to the CPCOP. Customers can therefore be confident that their TPI is operating in their best interests.	Awareness should go up; Customer engagement is expected to rise; Switching may go up	Ofwat	Medium term delivery (2028)	2	IC8, IA8

¹⁵ **Theories of Harms:** (1) Market Power and Monopoly Behaviour; (2) Lack of Effective Competition; (3) Inconsistent provision of information to customers; (4) Risk Allocation and Risk Aversion; (5) Operational inefficiency; (6) Customer Engagement and Inertia; (7) Market Complexity and Cost; (8) Wholesaler Monopoly Power.

7. Next steps and delivery

This document is a draft roadmap for consultation. The Panel encourages market participants and wider stakeholders to respond to the questions posed. Delivery of this roadmap is dependent upon actions from a number of stakeholders and joint delivery in a number of areas. We look forward to working closely with you as we develop the final roadmap to ensure it sets out a pathway to enable the market to flourish, with collective accountability for delivering it.

Responses to the consultation questions outlined in Appendix B are requested by email to panel.secretariat@mosl.co.uk by 6 August 2024. The feedback received will be used to finalise the roadmap with the aim to publish this in September 2024.

Delivery of the roadmap will be the prime focus for the Strategic Panel in the coming years. Once finalised it will largely replace the Strategic Panel's Priorities document with the Panel's principal workstreams and priorities being derived from the activities set out in the roadmap. In addition to working on the actions allocated to it, the Strategic Panel will undertake active engagement with key stakeholders, track delivery of the other identified actions and review progress against associated market health indicators.

However, we also acknowledge that the roadmap will not remain fixed and that it will need to iterate and adapt over time in line with the changing market landscape. The Panel will therefore report on progress on a regular basis and will issue revisions and updates to the roadmap as required. Specifically, the Panel will assess progress against indicators including customer engagement and market awareness on a regular basis.

Appendices

Appendix A Dependencies can be found on page 28 of this document

Appendix B Consultation can be found on page 29 of this document

Appendix C Reference Documents can be found [here](#)

Appendix D Blue Marble Customer Synthesis Report can be found [here](#)

Appendix E Major Energy Users Council Input can be found [here](#)

Appendix F Europe Economics Report can be found [here](#)

Appendix G Theories of Harms Identified can be found [here](#)

Appendix H Market Conditions Identified can be found [here](#)

Appendix I Market Actions Benefit/Complexity Scoring can be found [here](#)

Appendix J Market Health Indicators can be found [here](#)

Appendix A - Dependencies

There are a number of things delivery of the roadmap will be dependent on including:

Market Performance Framework (MPF) Reform: the reform of the MPF being led by MOSL driving the key activities that deliver the best outcomes for customers, the achievement of at least minimum performance targets for those activities and transparency on how trading parties are performing those activities, and against their peers.

National Metering Strategy: Ofwat allowing the necessary investment to deliver ambitious smart metering rollouts for businesses to deliver the timely, accurate and granular consumption data that underpins one of the three themes of the roadmap.

Data Assurance Service: driving the centrally supported data assessment service to enable trading parties to improve and maintain the data held in CMOS. This is critical to the effective operation of the market and is key to operational efficiency, evidence-based improvement, and positive customer and environmental outcomes.

Bilateral hub: the standardised hub launched in 2021 for processes that need retailers and wholesalers to work together (bilaterally) continuing to drive time and cost savings through the use of a standardised approach that also helps deliver for customers in a timelier manner.

Market Improvement Fund (MIF): The Panel's fund continuing to deliver innovative projects that benefit the market and its customers. Outputs of these projects are included in this roadmap, for example the output of Project CATRID providing the means for the Open Water website to enable customer to identify their wholesaler and retailer.

RWG and Strategic Panel Water Efficiency Workstreams: The Strategic Panel's Water Efficiency sub group is working closely with the RWG working group to provide direction to the Government on what support the market requires to achieve the 9% demand reduction target. The RWG has already established traction with the Government through the Environment Agency's "[Summary of England's revised draft regional and water resources management plans](#)", which recognises that key actions to help to ensure effective delivery on business demand reductions have been set out by the Retailer Wholesaler Group's [Water Efficiency Roadmap](#). Relationships at this level can be exploited to achieve conditions identified within the Flourishing Market Roadmap. Alignment with these workstreams in the area of changing customer attitudes and ensuring that appropriate incentives support the drive for water efficiency will be required.

RWG Tariff Simplification sub-group and Strategic Panel Tariff Workstreams: Harmonisation of tariffs, which is a key focus for the RWG, is also a condition of a flourishing market¹⁶. The output from these groups will support the Flourishing Market Roadmap.

¹⁶ C.f. Conditions RC1, O7 and M4

Appendix B - Consultation and questions

The Strategic Panel is seeking views and evidence from all interested stakeholders. Please submit responses by email to panel.secretariat@mosl.co.uk

The closing date for this consultation is 6 August 2024. If you wish to discuss any aspect of this consultation, please email panel.secretariat@mosl.co.uk.

The Strategic Panel will be holding a roundtable on 23 July 2-4pm to present the roadmap and an opportunity for verbal feedback and discussion on the roadmap. Any verbal feedback during the roundtable will be considered alongside written feedback so you will not need to feed back the same information twice.

When responding to the consultation, it would be helpful if you could indicate any comments that you consider to be major issues (as opposed to being 'for information'). Please explain how you would like to see the issue(s) addressed. This will help prioritise changes, if necessary, to the roadmap.

The Strategic Panel intends to publish responses to this consultation on our website. Please point out if there is any information that is commercially sensitive you do not want to be published.

After the consultation closes, the input received will be analysed by the Strategic Panel with a view to publishing the final roadmap in September 2024.

When responding to the consultation, please:

- Refer to the relevant appendices
- Use reference codes where possible
- Indicate any issues you consider particularly important or material (as opposed to commenting 'for information')
- Indicate whether you wish your response, or any particular answers, to be kept confidential

Consultation questions

Q1: Overall, to what extent do you support the approach to the draft roadmap? (please indicate):

Very supportive	<input type="checkbox"/>
Supportive	<input type="checkbox"/>
Currently neutral	<input type="checkbox"/>
Unsupportive*	<input type="checkbox"/>
Very unsupportive*	<input type="checkbox"/>

Q1a: Please explain your answer.

Market conditions

Based on the 31 market conditions outlined in section 5 of this document:

Q2 Do you believe the conditions will drive the desired customer behaviours and therefore outcomes? Please explain why

Q3 Are there any conditions you think should **not** be included? If so, please use the reference code(s)

Q4 Are there any conditions that should be **added or changed**? If so, please use the reference code(s)

Actions

Based on the 34 actions outlined in section 6 of this document:

Q5 Do you believe the actions outlined will deliver the conditions?

Q6 Are there any actions you think should **not** be included? If so, please use the reference code(s)

Q7 Are there any conditions that should be **added or changed**? If so, please use the reference code(s)

Q8
Is there any other feedback you would like to provide on the draft roadmap?