Strategic Panel Open Forum 2025 - Summary

19 September 2025 – De Vere Grand Connaught Rooms, London

On 19 September 2025, the Strategic Panel held its annual Open Forum in London. The forum was an opportunity for senior trading party representatives and stakeholders to hear directly from Panel members on the progress the Panel has made across the year and input to its future direction. The focus of this year's forum was progress made on the Panel's Roadmap to a Flourishing Market, next steps following on from the Independent Water Commission's recommendation report and research undertaken by the RWG and Baringa into creating incentives for non-household customers to reduce consumption .

The agenda and slide pack are available on the event page of the MOSL website.

This document outlines the key discussion points from the day, including questions asked following presentations and during workshop discussions.

If you have any questions on this summary note, or the event itself, please email Panel Secretariat: panel.secretariat@mosl.co.uk.

Roadmap to a Flourishing Market

In the first presentation Independent Panel Member Rick Hill gave an overview of the progress made on the Strategic Panel's Roadmap to a Flourishing Market since its launch in September 2024 that was published shortly before the Open Forum. See slides 3-30 for more information.

Following the presentation there was a brief opportunity for questions and discussion. A summary of the points raised is provided below.

- It was noted that the Roadmap remains a dynamic document, operating in a rapidly evolving policy environment. The introduction of a new bill presents a rare, potentially "once in 20 years" opportunity to embed missing priorities—such as Supplier of Last Resort provisions—into legislation in a way that aligns with market needs.
- The Panel would need to consider the Roadmap alongside emerging themes from the Cunliffe review, ensuring that engagement is aligned with wider sector reforms and that the business retail market is properly reflected within forthcoming work.
- It was noted that stakeholders generally support ongoing Roadmap activity and that there has been little pushback on the direction of travel, suggesting strong alignment and shared interest in moving actions forward.
- The Panel Secretariat would continue its role in acting across teams as the "glue" that binds Roadmap activities, helping to clarify queries and support stakeholders as actions move into more detailed stages of delivery.

Independent Water Commission Recommendations and Next Steps

Martin Woolhead (Defra) provided an overview of the key recommendations relating to the Business Retail Market made by the Independent Water Commission (see slide 33 for more detail). and offered an initial view on potential next steps. Martin noted areas that were already being progressed and noted that a delivery/implementation team had been created within Defra and that it was likely that a White Paper would be published later in the year with the intention of a new bill being rolled out in summer 2026.

Plenary Discussion

Following the presentation attendees engaged in a plenary discussion. A summary of the points raised is provided below.

- Participants noted that the sector already understands the core issues and should use this moment to build on previous work. It was noted that the Panel would need to work to ensure that Roadmap actions remain deliverable within the shifting regulatory landscape, and that the focus should stay on what constitutes a well-functioning market.
- Attendees questioned whether recommendations—particularly the potential for a post-implementation review—might disrupt or delay Roadmap actions. Concerns were raised about the difference between how such a review is understood within government versus the market. It was observed that while the Commission believed the BRM works overall, persistent challenges remain, especially for smaller customers, and government will need to prioritise outstanding issues.
- There was agreement that the market's future objectives need to be re-articulated, including what competition and innovation should look like in the next phase of reform. Participants emphasised that Roadmap development must consider the needs of all customer groups, not just those differentiated by consumption, and that longstanding issues faced by smaller customers must be resolved.
- Attendees described two dimensions of risk—timing and scope—highlighting that if government believes there are fundamental structural issues, decisive action will be required. It was noted that if a fundamental review of the market was undertaken then it would need to look at a far broader set of metrics beyond switching must be used to assess market health.
- Discussion highlighted differing views on the role and future of falling block tariffs:
  - Some felt customers do not necessarily consume more simply because marginal prices are lower, and recent bill increases of 40–80% show notable price sensitivity.
  - Others emphasised that falling block tariffs remain linked to cost-reflectivity and any reform must be customer-neutral and account for essential services such as hospitals.
  - Participants noted that current price volatility presents an opportunity to understand demand elasticity and learn from recent behaviour.
  - Concerns were also raised about non-potable charges, grey-water measurement, and the need for appropriate incentives if tariff structures change.
- Attendees stressed that tariff reform alone is insufficient; clearer incentives are needed to support sustainable behaviours, especially in light of past bill shocks. They also noted that constraints on water availability, not just cost-to-serve, are becoming increasingly central to the debate.

Open and Shared Data

Simon Powell (CIO, MOSL) provided an overview of work being undertaken to assess the business case for more open data in the BRM, noting that as an industry there is already a good degree of open and shared data. Simon noted that this work would need to explore the problems that moving to more open data would solve and how it would benefit customers as well as the governance and protections that would be required (see slide 35 for more detail).

Plenary Discussion

Following the presentation attendees engaged in a plenary discussion. A summary of the points raised is provided below.

- It would be important to learn from other sectors and utilities what effective open and shared data models should look like, noting the need to understand cross-sector good practice.
- Attendees highlighted the complexity created by multiple data sources and unclear data ownership, particularly where customer, wholesaler, retailer, and system-generated data intersect.
- It was noted that while meter readings ultimately belong to customers, data aggregation and the involvement of multiple organisations complicate questions of ownership, stewardship, and access rights.
- A concern was noted about scenarios in which an organisation hosting or compiling a database may inadvertently become a data holder, introducing additional legal and governance obligations.
- Participants commented that current thinking on open data feels overly theoretical and would benefit from clearer articulation of requirements, risks and constraints—especially across different layers of government and regulatory bodies—and that modelling scenarios could help shape expectations.
- A practical example was offered where a sector organisation sought water-use data to support sustainability ambitions but could only access partial information. Retailers may be able to share some data directly, but central bodies cannot release consumption data under current rules, highlighting a gap between need and permissible data flow.
- Some attendees suggested engaging retailers more proactively to explore what they can provide to support open data ambitions, particularly in relation to water efficiency opportunities and new applications.
- There was general consensus that releasing open data without a clear understanding of intended would be problematic, and that a more explicit definition of the desired outputs or outcomes is needed before expanding access. The work being undertaken by MOSL on behalf of the Panel was welcomed.

Incentives for Water Efficiency Research Report Findings

Nick Forrest and Christian Speedy (Baringa) outlined the findings of Baringa's research, funded by the Panela and commissioned by the RWG Water Efficiency Sub-Group, into the policy and economic levers capable of driving meaningful reductions in non-household water demand. The report emphasised the increasing pressure on national water resources and the need for effective mechanisms to support the 9% demand-reduction target by 2038. The research assessed a wide suite of interventions—ranging from demand-reduction targets and continuous-flow management to non-potable reuse, tariff reform, levies, capacity-based controls, investment-linked incentives, and recognition schemes—evaluating each against criteria such as demand impact, cost-effectiveness, simplicity and regulatory feasibility. Customer segmentation was a core theme, with the analysis demonstrating that different business types respond differently to incentives, requiring tailored approaches rather than a single universal tool.

Across the mechanisms explored, the research highlighted that no single lever is sufficient on its own; instead, a coordinated package is required—anchored by smart metering and data availability as foundational enablers. The slides set out indicative next steps for government, the regulator, industry and market participants, including targeted awareness campaigns, improved smart-meter roll-out, development of non-potable strategies, progression of tariff reform, incorporating levies into legislation, clarifying where capacity constraints may apply, and integrating water efficiency into wider sustainability and finance frameworks. Collectively, the findings provide a structured roadmap for scaling water-efficiency outcomes and ensuring that incentives are aligned with customer behaviour, operational realities, and long-term resilience needs (see slides 37-55 for more detail).

Plenary Discussion

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- Participants discussed the role of the Ofwat Water Efficiency Fun awareness campaign, however questions were raised about the extent to which this would explicitly support non-household customers, noting that with a third of national demand coming from businesses, the sector must ensure they are fully part of the solution. Attendees stressed the need for specialist capability in designing and delivering campaigns, with clear, targeted messaging that resonates with different business segments.
- It was observed that wholesalers could play a bigger role in raising awareness, including through communications channels they already control, although bills alone are insufficient as most customers do not read them; multiple communication routes are needed.
- Awareness was consistently identified as a core behavioural enabler, akin to the role smart metering plays in making consumption visible.
- It was noted that the RWG was expected to take forward work on continuous flow and the discussion emphasised that while smart metering was a key enabler, and the rollout should be a priority, it is not the only route to tackling continuous flow.
- Some attendees noted that levies without clear visibility of purpose risk being perceived simply as a tax, and that clear sequencing—such as awareness campaigns followed by a "hard" implementation date—could help drive innovation.

- Attendees highlighted the need to test multiple options, but not simultaneously, as overlapping experiments would obscure what actually works. Isolated trials were recommended to build robust empirical evidence. Taking a broad view of incentives, including behavioural, economic, and structural levers would be important.
- Attendees discussed the need for a clear definition of water efficiency, noting that high-volume users may have already maximized their water efficiency opportunity and that simplistic consumption metrics that do not recognise this could distort incentives.
- When funds are made available directly to customers, participants stressed the importance of ensuring the process is non-partisan and equitable.
- Participants reflected that many trials—such as behaviour-change pilots and continuous-flow work—are already underway, and there is value in collating and sharing findings, potentially via centrally led trials to ensure lawful information-sharing. A view was offered that while competition law must be respected, Ofwat had advised that sharing non-competitive learnings was possible, reducing perceived barriers to collaboration.
- It was noted that customers are generally unwilling to fund water efficiency improvements themselves, and wholesalers often hold the only available funding—supporting the potential case for a levy mechanism.
- It was noted that the Panel would now work with stakeholders to refine and sequence the next steps, including clarity on who needs to act and how to engage government effectively, particularly in light of opportunities arising from new legislation and the Cunliffe review.