21 July 2025

Dear whom it may concern,

As you will have seen this morning, the Independent Water Commission has published its final report and recommendations for reform of the water sector. The Commission sets out a new direction for the water sector, which the government has made clear it supports.

While we have been working hard to address problems in the water sector in recent years, this report sets out important findings for how economic regulation is delivered and we will develop and take these forward with government. Today marks an opportunity to reset the sector so it delivers better outcomes for customers and the environment. Ofwat will now work with the government, other regulators and our stakeholders to form this new regulatory body in England and to contribute to discussions on the options for Wales set out in the report.

What this means for our work and the Water Efficiency Campaign

In advance of the creation of the new body, we will continue to work hard within our powers to protect customers and the environment, and to fulfil our responsibilities under the current regulatory framework.

The Independent Water Commission has reviewed the water sector in England and Wales and is not revisiting PR24 funding decisions including the Water Efficiency Fund (WEF), which supports the Water Efficiency Campaign (WEC). The Defra press release confirms that Ofwat will remain in place during the transition, and we expect to continue delivering our business-as-usual activities, including the WEC.

“During the transition to the new regulator, Ofwat will remain in place. The Government will work closely with the regulators and unions to ensure a smooth transition.”

Water efficiency remains a key focus highlighted throughout the Cunliffe Review. The challenges being addressed by the Water Efficiency Campaign are still very much present, and our commitment to tackling them remains unchanged. We hope you’re still interested in bidding to become, or be part of, the Delivery Body as we move forward with this important work.

If you have any questions, please contact myself or [felicity.beverley@ofwat.gov.uk](mailto:felicity.beverley@ofwat.gov.uk).

Yours sincerely

Mark Wiltsher

Senior Director, Communications and Engagement/ Senior Responsible Owner for WEC